



Shire of
Koorda

Drive in, stay awhile

MINUTES

Audit, Risk & Improvement Committee Meeting

Held in Shire of Koorda Council Chambers

10 Haig Street, Koorda WA 6475

Wednesday 17 December 2025

Commencing 5.00pm

UNCONFIRMED

NOTICE OF MEETING

Dear Audit, Risk & Improvement Committee Members,

The next Audit, Risk & Improvement Committee Meeting of the Shire of Koorda will be held on Wednesday 17 December 2025 in the Shire of Koorda Council Chambers, 10 Haig Street, Koorda, commencing at 5.00pm.

Zac Donovan
Chief Executive Officer
12 December 2025

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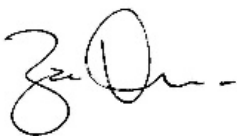
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The Shire of Koorda warns that anyone who has any application lodged with the Shire of Koorda must obtain and should only rely on **written confirmation** of the outcome of the application, and any conditions attaching to the decision made by the Shire of Koorda in respect of the application.

To be read aloud if any member of the public is present.

Signed



Zac Donovan
Chief Executive Officer

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Shire of Koorda
Audit, Risk & Improvement Committee Meeting
5.00pm, Wednesday 17 December 2025



1. Declaration of Opening

The Presiding person welcomes those in attendance and declares the meeting open at 5.00pm.

2. Record of Attendance, Apologies and Leave of Absence

Committee Members:

Mr Ron Back	Presiding Member
Cr JM Stratford	Member
Cr BH Moore	Member
Cr GL Boyne	Deputy Member

Staff:

Mr Z Donovan	Chief Executive Officer
Ms L Foote	Deputy Chief Executive Officer

Visitors:

Cr BJ Harrap	Councillor
Cr GW Greaves	Councillor

Apologies:

Cr NJ Chandler	Member
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Approved Leave of Absence:

3. Public Question Time

Nil.

4. Disclosure of Interest

Nil.

5. Confirmation of Minutes from Previous Meetings

5.1. Audit & Risk Committee Meeting held on 17 September 2025

[Click here to view the previous minutes](#)

Voting Requirements Simple Majority Absolute Majority

Officer Recommendation

Moved Cr JM Stratford

Seconded Cr GL Boyne

That, in accordance with Sections 5.22(2) and 3.18 of the *Local Government Act 1995*, the Minutes of the Audit & Risk Committee Meeting held 17 September 2025, as presented, be confirmed as a true and correct record of proceedings.

CARRIED 4/0


For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

6. Presentations

Nil.

7. Officer's Reports

7.1. Consideration of 2025 Audit, Risk & Improvement Committee Terms of Reference V3.0

Governance and Compliance		
Date	10 September 2025	
Location	Not Applicable	
Responsible Officer	Lana Foote, Deputy Chief Executive Officer	
Author	Lana Foote, Deputy Chief Executive Officer	
Legislation	<i>Local Government Act 1995;</i> <i>Local Government (Administration) Regulations 1996</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input checked="" type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	2025 Audit, Risk & Improvement Committee ToR V3.0	

Background:

This report proposes amendments to the adopted Terms of Reference (ToR) and the name of the Audit and Risk Committee. These changes are necessary to ensure compliance with recent amendments to the *Local Government Act 1995* (Sections 7.1A and 7.1B), Clause 69 of Schedule 9.3, Division 7, and the *Local Government Amendment Regulations 2024*.

The legislative changes require the establishment of an Audit, Risk and Improvement Committee (ARIC), as previously resolved by Council (RES: 200925). Key requirements include the appointment of an independent Presiding Member and Deputy Presiding Member. Independent members were appointed in accordance with RES: 200925 and reaffirmed under RES: 191025 following the 2025 Local Government Ordinary Election.

These reforms aim to strengthen governance, transparency, and accountability within local government. They align with sector-wide improvements designed to enhance oversight of risk management, internal controls, financial reporting, and organisational performance.

Comment:

The Koorda Audit, Risk and Improvement Committee's Terms of Reference (Version 3.0) have been updated to reflect these legislative changes and are presented for consideration and adoption by the Committee, prior to recommending endorsement at the December 2025 Ordinary Council Meeting.

Additionally, the inclusion of an internal audit function is proposed to address risks identified in the review of financial management, risk management, legislative compliance, and internal controls (refer to Section 8.5.1 – Internal Audit in the attachment to Item 7.3). If endorsed, a draft internal audit schedule will be prepared and presented at the next ARIC meeting.

Consultation:

Zac Donovan, Chief Executive Officer

Ron Back, Independent Presiding Member, Shire of Koorda ARIC.

Statutory Implications:

Local Government Act 1995:

Sections 5.8, 7.1A and 7.1B, and Clause 69 of Schedule 9.3, Division 7, which mandate ARIC establishment and independent leadership.

Local Government Amendment Regulations 2024:

Provides specific guidance and requirements for ARIC operations.

Section 7.1A: "A local government is to establish an Audit, Risk and Improvement Committee to assist in carrying out its functions under this Act, with a focus on monitoring risk, financial management, and continuous improvement."

Section 7.1B: "The Presiding Member and Deputy Presiding Member of the Audit, Risk and Improvement Committee must be independent individuals who are not councillors or employees of the local government."

Policy Implications:

Amendments to the ToR will align with Council's policies, statutory requirements and best practices.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

Risk Implications:

While it is not a legislative requirement for a Committee to have a TOR, it is common practice and ensures committee members are aware of their role and responsibilities and mitigates the risk of committees acting outside their responsibility.

Financial Implications:

Nil

Voting Requirements: Simple Majority Absolute Majority

Procedural Motion

Moved Mr Ron Back


Seconded Cr BH Moore

That item 7.1 Consideration of 2025 Audit, Risk & Improvement Committee Terms of Reference V3.0 lay on the table until the March 2026 meeting to allow for new Regulations to be published and made available.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

7.2. Quarterly Reporting of Integrated Strategic Plan and Workforce Plan

Governance and Compliance		 Shire of Koorda <small>Drive in, stay awhile</small>
Date	11 December 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	<i>Local Government Act 1995;</i> <i>Local Government (Administration) Regulations 1996</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input checked="" type="checkbox"/> Information	
Attachments	Quarterly Scorecard – December 2025	

Background:

Section 5.56(1) of the Local Government Act 1995 requires all local governments to have a plan for the future of the district and under the Local Government (Administration) Regulations 1996, all local governments in Western Australia are required to have adopted two key documents: a Strategic Community Plan (SCP) and a Corporate Business Plan (CBP). Together these documents drive the development of each local government's Annual Budget.

The Integrated Planning and Reporting Framework and Guidelines (2016) issued by the DLGSC that guides the SCP and CBP process require that regular monitoring and reporting of these plans are undertaken. This quarterly update forms part of this key reporting process.

Council adopted the Integrated Strategic Plan 2022-2032 (which incorporates both the SCP & CBP) at its meeting held 20 April 2022. In 2024 a desktop review of the plan was undertaken and the updated plan was adopted at the June 2024 OCM as per resolution 120624.

Comment:

To assist Council to meet its IPR requirements under the Local Government Act 1995, the Local Government (Administration) Regulations 1996, Shire staff have prepared the quarterly report, as attached to this item, for the Committee to consider and, if appropriate, recommend to Council that the quarterly scorecard be adopted and the Integrated Strategic Plan and Workforce Plan components be endorsed for publication.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Jannah Stratford, President, Shire of Koorda

Statutory Implications:

Local Government Act 1995 and relevant subsidiary legislation.

Policy Implications:

Nil

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements.

4.3 – Forward planning and delivery of services and facilities that achieve strategic priorities.

4.3.2 – Report to Council progress of Council Actions using a quarterly score card and report results to community.

Risk Implications:

The Risk Theme Profile identified as part of this report is Failure to Fulfil Compliance Requirements. The consequence could be Compliance if the requirements of both the Local Government Act 1995 and the Local Government (Administration) Regulations 1996 are not met in terms of the Shire having a plan for the future of the district. Another consequence could be Reputational if the public perceives that the Shire does not have the business planning tools in place to manage ratepayer money in transparent and accountable manner. The measure of Consequence is Minor, and the likelihood is Unlikely, giving an overall risk rating of Low. Both risks will be mitigated through adherence to the Integrated Planning and Reporting framework.

Financial Implications:

Nil

Voting Requirements: Simple Majority Absolute Majority

Officer Recommendation

Moved Cr JM Stratford

Seconded Cr GL Boyne

That the Audit, Risk & Improvement Committee recommends:


That Council:

- 1. Adopts the quarterly reporting documents to December 2025 as attached to this item; and**
- 2. Endorses the publication of the Integrated Strategic Plan and Workforce Plan components for community information.**

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

7.3. Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls

Governance and Compliance		
Date	10 December 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	<i>Local Government (Audit) Regulations 1996 – Reg 16 and 17</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	FRM Action Plan – December 2025	

Background:

The Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance.

At the May 2023 Audit Committee Meeting, the Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls was presented for consideration with the below committee recommendation being resolved at the May 2023 Council Meeting.

Committee Recommendation RESOLUTION 050523

Moved CR GW Greaves

Seconded CR BG Cooper

That Council:

1. Receives Moore's Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls report, dated April 2023 (Attachment A);
2. Directs the CEO to provide a report, on a quarterly basis, to the Audit Committee to enable the Committee to monitor the Shire's progress in addressing the recommendations, pursuant to Regulation 16 (d) of the Local Government (Audit) Regulations 1996; and
3. Directs the CEO at the first quarterly review to provide proposed actions, including expected completion dates, to the recommendations identified in the report.

CARRIED BY ABSOLUTE MAJORITY 6/0

Comment:

This report has been presented to the Audit & Risk committee as the committee has a role in supporting Council in fulfilling its governance and oversight responsibilities and provide the audit committee with the opportunity to raise any issues that the document has identified or ask any other questions, they may have in relation to our risk management and compliance activities.

An initial report was tabled at the June 2023 Audit Committee Meeting and the attached Action Plan is an update on actions that have been taken within the past quarter to align with the quarterly reporting on the Integrated Strategic Plan.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Administration Staff

Statutory Implications:

Regulation 16 of the Local Government (Audit) Regulations 1996 prescribes the functions of an Audit Committee which includes;

“16 (c) to review a report given to it by the CEO under regulation 17(3) and is to –

- (i) Report to the council the results of that review; and*
- (ii) Give a copy of the CEO’s report to the council.”*

“16 (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under –

- (i) Regulations 17 (1); and*
- (ii) The Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).”*

Regulation 17 of the Local Government (Audit) Regulations 1996 reads as follows;

“(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to –

- a) risk management; and*
- b) internal control; and*
- c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.”

Regulation 5 (2) (c) of the Local Government (Financial Management) Regulations 1996 states that -

“the CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.”

Policy Implications:

The review recommended some potential improvement opportunities to some of the Council’s policy. These will be considered separately by the Policy Review Committee and Council at the completion of the review process. Comments made in the FM Review relating to specific Policies and Procedures will be taken on-board as part of the review process.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements

Risk Implications:

The CEO would be contravening the *Local Government (Audit) Regulations 1996* if this review was not undertaken at least once every 3 financial years. The CEO is to report to the Audit & Risk Committee the results of this review.

The Financial Management, Risk Management, Legislative Compliance and Internal Controls Review covers a robust area of risk assessment and compliance with auditing in compliance with the Local Government Act 1995 and associated Regulations. The objective of this review is to identify risks to the organisation where non-compliant activities may have taken place enabling processes and procedures to be developed or reviewed and amended, if required.

Financial Implications:

Nil.

Voting Requirements: Simple Majority Absolute Majority

Officer Recommendation

Moved Cr JM Stratford

Seconded Cr GL Boyne


That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit, Risk & Improvement Committee recommends;

That Council as per the quarterly report document to December 2025 as attached to this item, notes and endorses the actions taken to the identified improvements highlighted in the Financial Management, Risk Management, Legislative Compliance and Internal Controls review.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

7.4. Shire of Koorda Risk Profile Report

Governance and Compliance		
Date	10 September 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Zac Donovan, Chief Executive Officer	
Legislation	<i>Local Government (Audit) Regulations 1996 – Reg 16 and 17</i> <i>Local Government Act 1995</i> AS/NZS ISO 31000:2018	
Disclosure of Interest	Nil	
Purpose of Report	<input checked="" type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	Shire of Koorda Risk Profile Action Plan - December 2025	

Background:

The Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance.

In addition to the Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls undertaken by Moore in February 2023, as per the above item, Staff undertook an additional review, facilitated by LGIS, to understand the Operational Risks within the organisation.

The Risk Profile workshop, undertaken in October 2023, worked through 15 risk themes to identify what is the risk of this occurring at the Shire, both with and without controls, and what controls are, or should be in place.

Under the Risk Management Framework, the Shire utilises risk profiles to capture its operational and strategic risks. The profiles assessed are:

- Asset Sustainability
- Business and Community Disruption
- Community Engagement
- Compliance Obligations
- Document Management
- Employment Practices
- Environment Management
- Errors, Omissions and Delays
- External Theft and Fraud
- IT, Communication Systems and Infrastructure
- Management of Facilities, Venues and Events
- Misconduct
- Project / Change Management
- Purchasing and Supply
- WHS

For each category, the profile contains the following:

- Objective.
- Risk Event.
- Potential Causes.
- Key Controls / Control Type.
- Control Adequacy.
- Control owner.
- Risk Rating.
- Actions and Responsibility.

Comment:

This report has been presented to the Audit & Risk Committee as the committee has a role in supporting Council in fulfilling its governance and oversight responsibilities and provide the audit committee with the opportunity to raise any issues that the document has identified or ask any other questions, they may have in relation to our risk management and compliance activities.

The initial Risk Profile Report was tabled at the December 2023 Audit & Risk Committee Meeting. Similar to the FRM Action Plan, the Risk Profile will be tabled at the quarterly Audit & Risk Committee workshops as a tracking tool to determine progress made against the key themes and improvements towards any identified areas of improvement.

Consultation:

Lana Foote, Deputy Chief Executive Officer
Darren West, Works Supervisor
Kristyn Harrap, Governance Officer
Chris Gilmour, Regional Risk Coordinator, LGIS
Ben Galvin, Divisional Manager - Risk Services, LGIS

Statutory Implications:

Local Government Act 1995
AS/NZS ISO 31000:2018

Regulation 16 of the Local Government (Audit) Regulations 1996 prescribes the functions of an Audit Committee which includes;

“16 (c) to review a report given to it by the CEO under regulation 17(3) and is to –

- (i) Report to the council the results of that review; and*
- (ii) Give a copy of the CEO’s report to the council.”*

“16 (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under –

- (i) Regulations 17 (1); and*
- (ii) The Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).”*

Regulation 17 of the Local Government (Audit) Regulations 1996 reads as follows;

“(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to —

- a) risk management; and*
- b) internal control; and*
- c) legislative compliance.*

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.”

Policy Implications:

Shire of Koorda Risk Management Strategy 2023
Policy “G - Risk Management” states;

Risk Assessment and Acceptance Criteria

The Shire quantified its broad risk appetite through the development and endorsement of the Shire’s Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Framework and as a component of this policy.

All organisational risks are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisations appetite and are to be noted within the individual risk assessment.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 – Open and transparent leadership.

4.1.1 – Ensure efficient use of resources and the governance and operational compliance and reporting meets legislative and regulatory requirements.

Risk Implications:

The Shire of Koorda has adopted a 'Three Lines of Defence' model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, Council, management and the community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate and operational plans.

The Risk Profile covers a robust area of risk assessment. The objective of this review is to identify potential and actual risks to the organisation, determine the chances of these risks occurring within the organisation and identify key controls that are and should be in place to help reduce or mitigate the perceived risks.

Financial Implications:

Resource requirements are in accordance with existing budgetary allocation.

Voting Requirements: Simple Majority Absolute Majority

Officer Recommendation

Moved Cr GL Boyne

Seconded Cr JM Stratford


That, in accordance with Regulations 16 and 17 of the *Local Government (Audit) Regulations 1996*, the Audit, Risk & Improvement Committee recommends;

That Council, as per the quarterly report document to December 2025 as attached to this item, notes and endorses the actions taken to the identified improvements highlighted in the Risk Profile.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

7.5. 2024/2025 Annual Report and Annual Electors Meeting

Governance and Compliance		
Date	29 October 2025	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Lana Foote, Deputy Chief Executive Officer	
Legislation	<i>Local Government Act 1995 Section 6.10 & 7.9(1)</i> <i>Local Government Financial Management Regulation 1996 Part 2</i> <i>Local Government (Audit) Regulations 1996 – Reg 10</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input checked="" type="checkbox"/> Executive Decision <input checked="" type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	2024/2025 Annual Report, Financial Statements & Independent Auditors Report	

Background:

This item presents the 2024/2025 Annual Report and Audited Financial Report for consideration and, if satisfactory, for adoption.

The Annual Financial Statements for the year ended 30 June 2025 have been audited by Armada Auditing, under the Office of the Auditor General (OAG).

The 2024/2025 Annual Report, Audited Financial Report and OAG’s Opinion Letter are included as an attachment to this item.

Comment:

In accordance with Section 7.9 of the *Local Government Act 1995*, an Auditor is required to examine the accounts and annual financial report submitted by a local government for audit. The Auditor is also required, by 31 December following the financial year to which the accounts and report relate, to prepare a report thereon and forward a copy of that report to:

1. The Mayor or President;
2. The CEO of the local government; and
3. The Minister.

The Opinion Letter included in pages 49-51 of the attachment provides an overview of the audit process and outcomes. During the interim and final audit process, there were no matters of minor or major significance to raise.

The finalised Financial Report and Audit Opinion were received on 16 October 2025 following the Audit Exit Meeting held at 4.00pm on 15 October 2025.

Local governments are required to conduct an Annual Electors Meeting not more than 56 days after adopting the Annual Report. A requirement of setting the date is that 14 days Local Public Notice is required for advertising the meeting. To meet reporting requirements the Annual Electors Meeting should be held between Thursday 1 January – Wednesday 11 February 2026.

Consultation:

Zac Donovan, Chief Executive Officer

Marcia Johnson, Director - Audit Services, Armada Auditing

Stephanie Kaharudin, Assistant Director, Office of the Auditor General for WA

Council Members

Local Public Notice is required to be provided on the availability of the Annual Report and the Annual Electors Meeting.

Statutory Implications:

Sections 5.27, 5.29, 5.53 and 5.54 of the Local Government Act 1995 are applicable and state:

“5.27. Electors’ general meetings

- (1) *A general meeting of the electors of a district is to be held once every financial year.*
- (2) *A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.*
- (3) *The matters to be discussed at general electors’ meetings are to be those prescribed.*

5.29. Convening electors’ meetings

- (1) *The CEO is to convene an electors’ meeting by giving —*
 - (a) *at least 14 days’ local public notice; and*
 - (b) *each council member at least 14 days’ notice, of the date, time, place and purpose of the meeting.*
- (2) *The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time the notice is first given and is to continue in the prescribed way until the meeting has been held.*

5.53. Annual reports

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain —*
 - (a) *a report from the mayor or president; and*
 - (b) *a report from the CEO; and*
 - [(c), (d) deleted]*
 - (e) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
 - (f) *the financial report for the financial year; and*
 - (g) *such information as may be prescribed in relation to the payments made to employees; and*
 - (h) *the auditor’s report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and*
 - (ha) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
 - (hb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
 - (i) *the number of complaints recorded in the register of complaints; and*
 - (ii) *how the recorded complaints were dealt with; and*
 - (iii) *any other details that the regulations may require; and*
 - (i) *such other information as may be prescribed.*

5.54. Acceptance of annual reports

- (1) *Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.*

** Absolute majority required.*

- (2) *If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.*

Regulation 3A of the Local Government (Administration) Regulations 1996 stipulates the requirements for providing Local Public Notices and states:

“3A. Requirements for local public notice (Act s. 1.7)

- (1) *For the purposes of section 1.7(a), notice of a matter must be published on the local government's official website for —*
- (a) *the period specified in or under the Act in relation to the notice; or*
 - (b) *if no period is specified in relation to the notice — a period of not less than 7 days.*
- (2) *For the purposes of section 1.7(b), each of the following ways of giving notice of a matter is prescribed —*
- (a) *publication in a newspaper circulating generally in the State;*
 - (b) *publication in a newspaper circulating generally in the district;*
 - (c) *publication in 1 or more newsletters circulating generally in the district;*
 - (d) *publication on the official website of the Department or another State agency, as appropriate having regard to the nature of the matter and the persons likely to be affected by it, for —*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice — a period of not less than 7 days;*
 - (e) *circulation by the local government by email, text message or similar electronic means, as appropriate having regard to the nature of the matter and the persons likely to be affected by it;*
 - (f) *exhibition on a notice board at the local government offices and each local government library in the district for —*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice — a period of not less than 7 days;*
 - (g) *posting on a social media account administered by the local government for —*
 - (i) *the period specified in or under the Act in relation to the notice; or*
 - (ii) *if no period is specified in relation to the notice — a period of not less than 7 days.*

The Local Government (Audit) Regulations 1996 provides the legislative framework for the conduct of audits in local government, and the role of the Audit & Risk Committee in considering the results of those audits.

Policy Implications:

Policy “[G – Council Meeting System](#)” outlines the policy and process for the Annual General Meeting of Electors.

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 - Open and Transparent Leadership.

4.1.1 - Ensure efficient use of resources and that governance and operational compliance and reporting meets legislative and regulatory requirements.

Risk Implications:

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	No noticeable regulatory or statutory impact
Consequence Rating	Insignificant (1)
Likelihood Rating	Possible (3)
Risk Matrix Rating	Low (3)
Key Controls (in place)	Annual Audit Process. Financial Management & Reg 17 Review.
Action (Treatment)	Management implementing recommendations in line with management letter.
Risk Rating (after treatment)	Adequate

Financial Implications:

Nil.

Voting Requirements:

Simple Majority Absolute Majority

Officer Recommendation

Moved Cr GL Boyne

Seconded Cr BH Moore

The Audit, Risk & Improvement Committee recommends;

That, by Absolute Majority, in accordance with Sections 5.27, 5.29, 5.53 and 5.54 of the *Local Government Act 1995*, the Council:

1. Adopts the 2024/2025 Annual Report, Annual Financial Statements and Independent Auditors Report, as presented and attached to this item; and

2. Conducts the Annual Electors Meeting on Monday 2 February 2026 at the Shire of Koorda Council Chambers, 10 Haig Street Koorda, commencing at 6.00pm.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

8. Urgent Business Approved by the Person Presiding or by Decision

Nil.

9. Date of Next Meeting

4.00pm Wednesday 18 March 2026.

10. Closure

5.17pm – SUSPEND STANDING ORDERS

Moved Cr BH Moore

Seconded Cr JM Stratford

That standing orders be suspended at 5.17pm to discuss the information tabled at future Audit, Risk and Improvement Committee Meetings.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

Discussions held on introducing an audit log (to track external audit listings, progress and required timeframes).

The CEO and Independent ARIC Chairperson to investigate the reporting structure for the Financial Management, Risk Management, Legislative Compliance and Internal Controls and Risk Profile.

5.27pm – RESUMPTION OF STANDING ORDERS

Moved Cr BH Moore

Seconded Cr GL Boyne

That standing orders be resumed as per the attendance register.

CARRIED 4/0

For: Mr Ron Back, Cr JM Stratford, Cr BH Moore, Cr GL Boyne

Before closing, the Chairperson thanked Council for the opportunity to be on the Shire of Koorda Audit, Risk and Improvement Committee. Congratulations to the Council and Staff for the amount of work undertaken in producing the Annual Report and Quarterly Reports.

The Chairperson, wished everyone a safe and Merry Christmas, thanked everyone for their attendance and closed the meeting at 5.28pm.

Signed: _____

Presiding Person at the meeting at which the minutes were confirmed.

Date: 18 March 2026



Department of Local Government,
Industry Regulation and Safety

Implementation Guide: Audit, Risk and Improvement Committees

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Purpose and context

This Implementation Guide provides a roadmap for local governments to establish and operate Audit, Risk and Improvement Committees (ARICs) in compliance with the amended legislation and associated regulations.

The introduction of ARICs marks a significant reform, replacing existing audit committees with a new framework designed to enhance risk management and drive continuous improvement across local government operations.

Legislative framework

- *Local Government Act 1995* (the Act).
- *Local Government Amendment Act 2024* (the 2024 Amendment Act).
- *Local Government (Audit) Regulations 1996* (the Audit Regulations).
- *Local Government (Administration) Regulations 1996* (the Administration Regulations).
- *Local Government Regulations Amendment Regulations (No. 4) 2025* (the ARIC Amendment Regulations).

Commencement requirements

ARICs must be established within 6 months of the commencement of section 87 of the 2024 Amendment Act, which introduces Part 7, Division 1A of the Act.

As the new provisions take effect on 1 January 2026, all local governments are required to have an ARIC in place by 30 June 2026.

Existing audit committees that already meet the legislative requirements will automatically transition to an ARIC under regulation 19 and 20 of the Audit Regulations (see regulation 15 of the ARIC Amendment Regulations).

Transitional arrangements

Overview

The transitional provisions are designed to ensure a smooth shift from existing audit committee structures and compliance audit processes to the new framework introduced by the ARIC Amendment Regulations. These arrangements apply from amendment day (1 January 2026).

Establishment of deemed ARICs

If a local government's existing audit committee already meets the new membership requirements (as set out in section 7.1A(2)(a) and (b) of the Act, amended by the 2024 Amendment Act), and the following apply:

- No members were appointed under section 5.10(1)(b) of the Act – that is, no appointments were made by virtue of the entitlement provisions for the Mayor or President (section 5.10(4)).
- The presiding member, the deputy of the presiding member, and any deputy presiding member (if one is appointed) are not council members of any local government.

Then, on 1 January 2026, the existing audit committee is deemed to become the ARIC without further action.

Any delegations to the former audit committee automatically continue as delegations to the deemed ARIC.

Local governments still retain the option to form a new ARIC within 6 months of 1 January 2026 if they choose to replace the deemed ARIC.

Practical implications

Local governments should review their existing audit committee structure and membership. If the current audit committee membership satisfies the criteria outlined above, no immediate changes are required.

While current delegations will continue to apply, local governments are encouraged to review whether these delegations remain appropriate and ensure that relevant policies or terms of reference for ARICs are updated.

Each local government may choose to retain its deemed ARIC or establish a new one. However, any audit committee that does not meet the required criteria will cease to exist after 1 January 2026 and must be formally constituted as an ARIC by 30 June 2026.

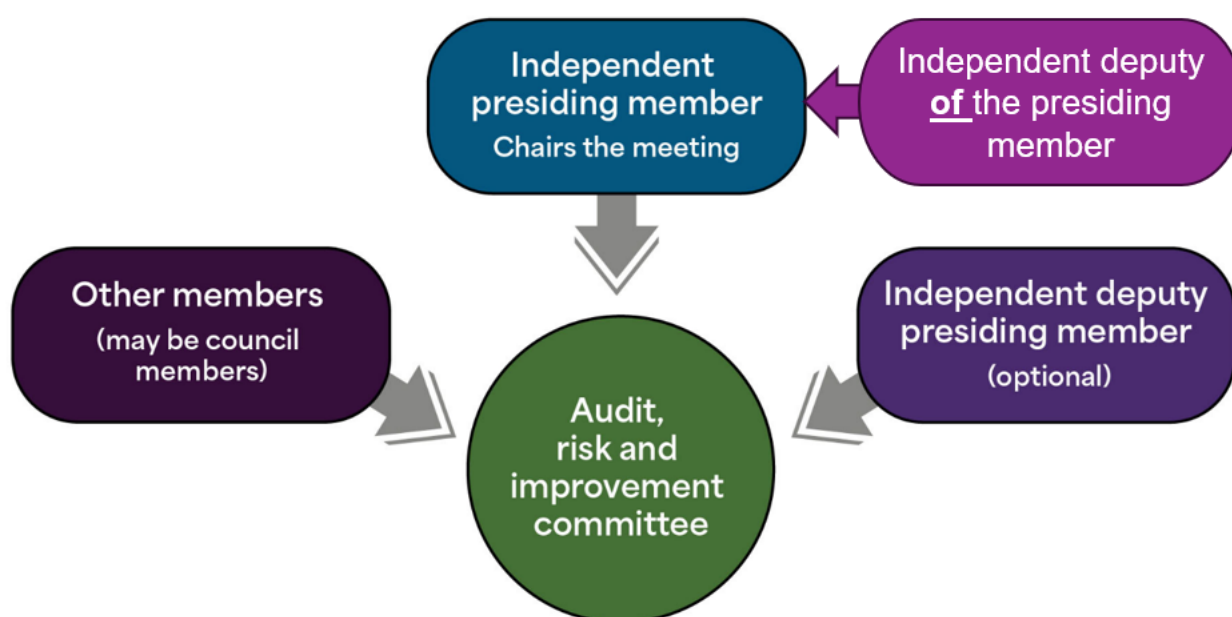
ARIC functions

The functions of ARICs are to:

- receive and review reports related to local government compliance audits required under the Act and regulations;
- make recommendations to council on actions to be taken in relation to those reports;
- receive and review reports on the effectiveness of the local government's systems and procedures in relation to financial management, legislative compliance and risk management;
- make recommendations to council on improvements to those systems and procedures;
- receive and review reports on any actions the local government is required to take under the Act, or has decided to take in relation to a compliance audit report or report into the effectiveness of the local government's systems and procedures; and
- perform any function conferred on the ARIC under the Regulations or another written law.

Membership of ARICs

Under section 7.1A of the Act, each ARIC must have a minimum of three members. These include an independent presiding member, an independent deputy of the presiding member, and at least one other member as per the diagram below:



Council members are permitted to sit on an ARIC for their own local government or for another local government. However, they cannot hold the positions of presiding member, deputy of the presiding member, or deputy presiding member. This ensures that leadership roles within the ARIC remain independent.

Employees of a local government are not allowed to serve on that same local government's ARIC. Employees may, however, be appointed as a member of an ARIC for a different local government, provided they meet all other eligibility requirements.

When appointing deputies, it is important to note that the same individual cannot serve as both the independent deputy presiding member and the deputy of the presiding member.

Local governments that would like assistance in identifying an independent person to serve as presiding member or deputy of the presiding member may contact LGIRS at goodgovernance@lgirs.wa.gov.au.

Shared ARICs

Local governments have the option to establish a shared audit, risk and improvement committee (shared ARIC) under section 7.1CB(6) and (7) of the Act.

It may be beneficial for a local government to establish a shared ARIC in circumstances where:

- a local government is in a regional or remote area and may face challenges with attracting suitably qualified and experienced independent members;
- a local government is in close geographical proximity to another local government;

- a local government faces similar issues in their district with another local government;
- a shared ARIC provides increased access to independent members by enabling meetings to be scheduled on the same day;
- a local government may have more success with recruitment of independent members by pooling resources with another local government.

The requirements for shared ARICs are detailed in regulations 4 and 5 of the Audit Regulations, as amended by regulation 8 of the ARIC Amendment Regulations.

When forming a shared ARIC, participating local governments must enter into a formal agreement. This agreement should clearly set out how decisions will be made and include procedures for the removal of members. It must also address how powers and duties under relevant provisions of the legislation will be exercised collectively.

Employees of any participating local government are not permitted to serve as members of the shared ARIC. Furthermore, the presiding member, deputy for the presiding member, and deputy presiding members are to be independent and therefore cannot be council members of any participating local government. These appointments require an absolute majority decision from each local government involved.

Local governments may also share an independent member with another local government without establishing a shared committee.

All members of the shared ARIC are bound by a Code of Conduct. For council members, their own local government's adopted Code of Conduct applies. For non-council members, the shared ARIC agreement must specify which Code of Conduct will apply (adopted under section 5.104 by one of the participating local governments).

Electronic attendance

Under regulation 14C of the Administration Regulations, electronic attendance at ARIC meetings is permitted but capped at no more than 50 per cent of meetings within any 12-month period.

Payment for independent members

Independent members are entitled to sitting fees as determined by the Salaries and Allowances Tribunal and in accordance with section 5.100 of the Act. The current maximum is set at \$1,215 per meeting.¹

In addition to sitting fees, independent members may claim reimbursement for actual travel expenses incurred in attending ARIC meetings.

Compliance audit workflow

The below outlines the process for conducting, reviewing and submitting annual compliance audits in accordance with the Audit Regulations.

1. Annual audit

¹ Local Government Chief Executive Officers and Elected Council Members Determination No. 1 of 2025, page 19, https://www.wa.gov.au/system/files/2025-12/local_govt_variation_no.01_of_2025.pdf

The CEO ensures a compliance audit of the local government's statutory compliance for the period 1 January to 31 December each year.

2. Prepare and submit return

The CEO prepares a compliance audit return in the Inspector-approved form and provides it to the ARIC.

3. ARIC review and report

The ARIC reviews the compliance audit return and reports the results and any recommendations to Council.

4. Council consideration and adoption

Council considers the return and ARIC's review (including any recommendations), determines any required actions, and adopts the return (with or without amendments).

5. Submission to Inspector

After adoption, the local government must submit to the Inspector by 31 March following the audit year (or 30 September 2026 for 2025 returns):

- the compliance audit return (signed by the Mayor/President and CEO);
- ARIC recommendations;
- relevant council meeting minutes;
- and any explanatory or qualifying information.

Refer to regulations 14 and 15 of the Audit Regulations (see regulation 14 of the ARIC Amendment Regulations).

CEO review and Council obligations

Under regulation 17 of the Audit Regulations the CEO must review financial management, legislative compliance and risk systems at least once every four years and report results to the ARIC.

Under the Audit Regulations, the CEO is responsible for ensuring that the local government's governance systems remain effective and appropriate. Specifically, the CEO must periodically review the systems and procedures that support:

- financial management;
- legislative compliance; and
- risk management.

These reviews can be conducted at any time, but each area must be examined at least once in every four financial years. After completing a review, the CEO is required to report the results to the ARIC.

The ARIC plays a critical role in oversight and considers the CEO's review findings alongside other audit and compliance reports and provides recommendations to Council on any improvements or corrective actions that may be necessary (see regulation 16 of the Audit Regulations).

Council, in turn, must examine ARIC's reports and determine what actions are required to address identified issues.

APPENDIX I – Terms of Reference

Audit, Risk & Improvement Committee

Terms of Reference

1. Name

The name of the committee is the Shire of Koorda Audit, Risk & Improvement Committee.

2. Head of Power

The committee is established by Council under section 5.8 of the *Local Government Act 1995* (C15.09.15).

3. Definitions

TERM	DEFINITION
Act	The <i>Local Government Act 1995</i> .
Council	The body consisting of all council members sitting formally as the Council of Shire of Koorda (“the Shire”).
Chief Executive Officer	The Chief Executive Officer (CEO) of the Shire of Koorda.
Committee	Shire of Koorda Audit and Risk Committee
Council Member	A person elected under the Act as a member of Council. Shire of Koorda council members includes the Shire President, Deputy Shire President and Councillors (as defined by the Act).
External Member	A person who is not a council member appointed to the committee with requisite skills, knowledge and experience that compliment the committees objectives.
Member	A person appointed to this committee.

4. Objectives

The primary objective of the committee is to accept responsibility for the annual external audit and liaise with the Shire’s auditor so that Council can be satisfied with the performance of the Shire in managing its financial affairs.

Reports from the committee will:

- Assist Council in discharging its legislative responsibilities of controlling the Shire’s affairs.
- Ensure openness in the Shire’s financial reporting.
- Liaise with the CEO to ensure the effective and efficient management of the Shire’s financial accounting systems, risk management framework and compliance with legislation.

The committee is to facilitate:

- The enhancement of the credibility and objectivity of external financial reporting.
- Effective management of financial and other risks and the protection of Council assets.
- Compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance.
- The provision of an effective means of communication between the external auditor and Council.
- The reduction of fraud, corruption and misconduct risk as a part of their oversight of financial reporting.

5. Powers

The committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

The committee meets with the auditor of the Shire at least once in every year to satisfy the requirement of section 7.12A(2) of the Act.

The committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The committee does not have any management functions and cannot involve itself in management processes or procedures without the approval of the CEO.

6. Functions of the Committee

In accordance with *Local Government (Audit) Regulations 1996*, the committee is to:

- a. Guide and assist the Shire in carrying out:
 - i. its functions under Part 6 of the Act; and
 - ii. its functions relating to other audits and other matters related to financial management.
- b. Guide and assist the Shire in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act.
- c. Review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to:
 - i. report to the council the results of that review; and
 - ii. give a copy of the CEO's report to Council.
- d. Consider the CEO's three yearly reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the committee, and report to Council the results of those reviews.
- e. Oversee the implementation of any action that the Shire:
 - i. is required to take by section 7.12A(3); and
 - ii. has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - iii. has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - iv. has accepted should be taken following receipt of a report of a review conducted under the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c).
- f. Perform any other function conferred on the committee by the regulations or another written law.

Additionally, the committee is to:

- a. Review the Shire's draft annual financial report, focusing on:
 - i. accounting policies and practices;
 - ii. changes to accounting policies and practices;
 - iii. the process used in making significant accounting estimates;
 - iv. significant adjustments to the financial report (if any) arising from the audit process;
 - v. compliance with accounting standards and other reporting requirements; and
 - vi. significant variances from prior years.
- b. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation, but before the annual financial report is signed.
- c. Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's terms of reference.
- d. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's terms of reference.

6.1. Compliance

The committee's functions in regards to compliance is to:

- a. Review the annual Compliance Audit Return and satisfy itself that the return is supported by appropriate processes and controls.
- b. Provide reasonable confidence about the accuracy of information contained in the Compliance Audit Return and make a recommendation on its adoption to Council.

6.2. Risk Management

The committee's functions in regards to risk management is to:

- a. Ensure the Shire's risk management framework addresses Council's exposure to both strategic and operational risks.
- b. Monitor the effectiveness of the risk management framework through regular reviews and reporting.
- c. Regularly review Council's strategic risk register to check that extreme and high level risk are managed in accordance with the "Risk Management Policy."
- d. Address any specific requests referred from Council in relation to issues of risk and risk management.
- e. At least once every year consider a report from the Shire's Executive Management Team in relation to the management of risk within the Shire, and satisfy itself that appropriate controls and processes are in operation, and are adequate for dealing with risks that impact the Shire.

7. Membership

The committee will consist of three elected members, with a fourth elected member acting as a deputy.

If authorised by the committee, council members attending as observers may participate in the meeting (but are not able to vote).

The CEO and employees are not members of the committee. The Deputy CEO is to provide administrative support to the committee.

Related Documents (Legislation/Local Law/Policy/Procedure/Delegation)

Local Government Act 1995, Section 5.36, 5.39C & 5.40

Review History

Date	Council Resolution	Description of review/amendment
18/12/2023	RES: 111223	Terms of Reference Adopted V2.0
23/10/2023	RES: 191023	Committee Re-established (inclusion of Risk)
15/09/2021	RES: 060921	Terms of Reference Adoption V1.0

Audit, Risk & Improvement Committee

Terms of Reference

1. Name

The name of the committee is the Shire of Koorda Audit, Risk & Improvement Committee (ARIC).

2. Head of Power

These Terms of Reference (ToR) are established under section 5.8 of the Local Government Act 1995 (the Act) and give effect to the Act's requirement to establish an Audit, Risk and Improvement Committee (ARIC) (Part 7, Division 1A), as inserted by the Local Government Amendment Act 2024 and supported by the Local Government Regulations Amendment Regulations (No. 4) 2025. The ToR must be read in conjunction with the Local Government (Audit) Regulations 1996 and the Local Government (Financial Management) Regulations 1996 as amended from 1 January 2026.

3. Definitions

TERM	DEFINITION
Act	<i>Local Government Act 1995.</i>
ARIC	Audit, Risk & Improvement Committee of the Shire of Koorda.
Audit Regulations	Local Government (Audit) Regulations 1996 (WA)
Council	The Council of the Shire of Koorda.
CEO	The Chief Executive Officer of the Shire of Koorda.
Financial Management Regulations	Local Government (Financial Management) Regulations 1996 (WA)

4. Purpose and Objectives

Provide independent advice and assurance to Council on financial reporting, risk management, governance and continuous improvement.

Oversee and make recommendations arising from reports under Part 7 of the Act, compliance audits, and CEO reviews of systems and procedures under regulation 17 of the Audit Regulations.

Monitor implementation of actions that the Shire is required to take under the Act or has committed to in response to audit and review findings, including actions reported under section 7.12A.

5. Powers

The ARIC is an advisory committee of Council. It has no executive or management functions and cannot direct Shire staff. Council may delegate to the ARIC only powers and duties permitted by section 7.1C of the Act. Decisions of the ARIC are made by simple majority (section 7.1CA).

6. Functions of the Committee

Receive and review reports on, and recommend to Council actions to be taken in relation to: (i) audits under Part 7 of the Act; (ii) compliance audits; and (iii) reviews under regulation 17 of the Audit Regulations.

Receive and review reports on the appropriateness and effectiveness of, and recommend to Council improvements to, systems and procedures in relation to: (i) financial management; (ii) legislative compliance; and (iii) risk management.

Receive and review reports on, and recommend to Council improvements to, the implementation of any actions the Shire: (i) is required to take under section 7.12A(3); (ii) has stated it has taken or intends to take under section 7.12A(4)(a); (iii) has otherwise decided to take in response to reports or recommendations referred to above; and (iv) has stated it has done or proposes to do in written advice under sections 8.6(1)(a) or 8.23(4)(a).

Perform any other function conferred on the ARIC by the Audit Regulations or another written law.

7. CEO reviews of systems and procedures (Audit Reg. 17)

Receive The CEO must review the appropriateness and effectiveness of systems and procedures in relation to financial management, legislative compliance and risk management, with each of these matters reviewed not less than once every four (4) financial years. The CEO must report the results of each review to the ARIC, which will consider the report and make recommendations to Council on any actions required.

8. Compliance Audit Return (CAR)

The ARIC will review the annual Compliance Audit Return prepared in accordance with the Audit Regulations, including the prescribed statutory requirements listed in regulation 13. The ARIC will recommend to Council any actions arising. In accordance with regulation 15, the signed Compliance Audit Return and other prescribed information must be provided to the Local Government Inspector.

9. External and internal audit oversight

External audit: The Office of the Auditor General is responsible for financial audits of local governments. The ARIC will meet with the external auditor as required, receive the auditor's reports, and recommend actions to Council, including monitoring implementation of agreed actions (section 7.12A).

Internal audit: The ARIC will review and recommend the internal audit plan, consider internal audit reports and monitor management's implementation of recommendations.

10. Risk management, business continuity and continuous improvement

The ARIC will oversee the Shire's enterprise risk management framework, business continuity and disaster recovery planning, and drive a culture of continuous improvement in governance, financial management and service delivery.

11. Membership and independence

Presiding Member: an independent person (cannot be a council member of any local government).

Deputy Presiding Member: an independent person (cannot be a council member of any local government).

Members: Council will appoint additional members (council members and/or independent persons) as it considers appropriate. No employee of the Shire may be a member and no member may be nominated by, or appointed to represent, an employee.

Deputies: Council may appoint deputies in accordance with section 5.11A of the Act (noting deputies to the Presiding or Deputy Presiding Member must also be independent and not council members).

12. Terms and remuneration

Terms of appointment will be determined by Council and are ordinarily aligned to the local government election cycle. Independent members may be remunerated in accordance with Council policy.

13. Meetings, quorums and voting

Meetings will be held at least quarterly, with additional meetings scheduled as required to discharge statutory obligations. A quorum is determined under section 5.19 of the Act. Decisions of the ARIC are made by simple majority (section 7.1CA). Unless otherwise provided by law,

meetings are conducted in accordance with the Act, regulations and the Shire's meeting procedures.

14. Shared ARICs

The Shire may enter into an agreement with one or more local governments to establish a shared ARIC in accordance with section 7.1CB of the Act and regulations 4 to 6 of the Audit Regulations, subject to Council approval.

15. Ethical standards and conflicts of interest

Members must comply with the Act (including Division 6 – Disclosure of Financial, Proximity and Impartiality Interests), the Shire's Code of Conduct, and maintain confidentiality of information. Independent members must declare any actual or perceived conflicts of interest.

Related Documents (Legislation/Local Law/Policy/Procedure/Delegation)

Local Government Act 1995 (as amended by the Local Government Amendment Act 2024).

Local Government (Audit) Regulations 1996 (current consolidation from 1 January 2026).

Local Government (Financial Management) Regulations 1996 (current consolidation from 1 January 2026).

Review History

Date	Council Resolution	Description of review/amendment
	RES:	V3.0 – ToR fully rewritten to include name change, implement 2026 ARIC reforms, including independence, expanded functions, shared ARICs, updated CAR and Reg. 17 processes.
18/12/2023	RES: 111223	Terms of Reference Adopted V2.0
23/10/2023	RES: 191023	Committee Re-established (inclusion of Risk)
15/09/2021	RES: 060921	Terms of Reference Adoption V1.0

Shire of Koorda - Integrated Strategic Plan 2024

Current Review Period : January - March 2026

COMMUNITY PRIORITIES & ACTIONS

COMMENTS

1.1: Local people feel safe, engaged, and enjoy a healthy and peaceful lifestyle.

1.1.1 - Schedule of quarterly President and CEO meetings with regional representatives from: WAPOL, WACHS and Department of Education representatives.

Ongoing and regular liaison with Koorda police OIC. Appointment to meet new Koorda Primary School principal.

New Police Officer attended November LEMC meeting.

New Police Officer scheduled to attend December Ordinal Council Meeting.

CEO met with police officer and CRC manager on 11 December regarding community issues.

Discussion with Koorda WAPOL OIC regarding emergency preparedness grant application.

CBFCO/WAPOL Meetings with WAPOL Koorda OIC. Planning for contacts/contingencies over Christmas/New Year period.

1.1.2 - Secure medical practitioner for Koorda for two days per week.

Complete.

1.1.3 - Complete agreement with CRC to define and implement a schedule of events and activities to enhance community lifestyle and engagement.

CRC running Volunteer event on 21 March 2026.

CRC has suite of community activities scheduled at Volunteer Park. Ongoing weekly CEO meetings with CRC to develop community activities and leverage Shire assets/events.

1.2: Local volunteer groups supported through initiatives that reduce volunteer fatigue and strengthen their resilience.

1.2.1 - Create a register of volunteers' skills and availability and hold an annual event (via CRC agreement) to recognise registered volunteers.

Community event to recognise and thanks Volunteers organised by CRC and held on 8 March at Volunteers Park. Deed of agreement signed with the CRC for the Community Development Officer Role. The CRC is to provide monthly updates to Council, which includes the creation of a volunteer skill register.

1.2.2 - Review and refine community grants program as required.

Koorda community grants program to be included in budget discussion at April OCM

Final round of Community Grants for 2025/2026 to be considered at December 2025 meetings. Applicants encouraged to provide regular feedback to ensure program is accessible.

1.2.3 - Develop grants communication strategy in concert with CRC to alert community groups to opportunities.

Subscribed to Grant Guru. Koorda CRC to advise local groups and organisations of any applicable grants.

1.3: Emergency services are supported with effective planning, risk mitigation, response, and recovery.

1.3.1 - Work with emergency service stakeholders to ensure the Shire and Volunteers meet DFES training and WHS standards.

LEMA provided to DFES and presented to March OCM for endorsement.

Bushfire Operational Guidelines adopted.

Local Emergency Management Arrangements (LEMA) endorsed at November LEMC meeting for final adoption at the December OCM and referral to DFES.

Shared CESM resource application unsuccessful. To remain in contact with DFES to advocate for local service.

1.3.2 - Conduct regular LEMC and BFAC meetings and exercises with outcomes reported to community.

LEMC & BFAC Meetings scheduled for 26 March 2026.

BFAC exercise to coincide with DFES availability of new appliance exercise.

Dates set for 2026 LEMC & BFAC Meetings.

Quarterly meetings scheduled for LEMC as required, and biannual BFAC meetings scheduled.

Following LEMA adoption, consideration around desktop exercise to test the LEMA.

1.3.3 - Establish closer links to regional emergency services and participate in regional exercises.

DEMC exercise scheduled for 13 May in Northam.

Correspondence from State Minister casts doubt on provision of shared CESM.

CEO working with regional office and local MLA to secure shared CESM.

CEO attended DFES two-day fire season preparation workshop in Bruce Rock and met with senior WAPOL and DFES representatives.

Attended Emergency Management Webinar on Storm and Flood Preparedness.

Great Eastern Country Zone signed an MOU in 2022 for resource sharing during bushfires.

2.1: Our local economy grows in a sustainable manner.

2.1.1 - Review planning framework and scheme to ensure contemporary and compliant and engage community and business input to confirm will meet needs and expectations of stakeholders.

Community survey for Strategic Community Plan offered to local business to contribute.

No response to correspondence to Planning Minister on tree-farming proposal. CEO formal request of Planning Minister - with support of local MLA - for state planning policy to include rehabilitation trust as defined in the shire tree farming policy. Shire's tree farming policy shared with NEWROC to assist other member Councils. Shire Tree Farming Policy has been adopted. LPS Amendment 2 (L19 Orchard St) and 3 (Grouped Rural Dwellings) advertised in Government Gazette.

2.1.2 - Develop continuity plans for power and telecommunications infrastructure and advocate requirements with other levels of government and regional stakeholders as required.

Agreement for DFES access to shire-owned communications tower endorsed by February OCM. Shire yet to receive returned signed hard copy from DFES. CEO met with Telstra state manager on 27 January via Teams. Inconsequential meeting with no commitments from provide or even able to provide critical information on network connectivity to shire. Propose correspondence direct to Telstra CEO.

Final stages of negotiations with DFES for communications tower access. Likely to be completed in New Year. CEO attended webinar on potential for new NBN low orbiting satellite trial to surpass need for Telstra ATU system during emergency loss of communications. Potential for NBN Raised with Telstra representative at NEWROC council meeting (27 May) prospect of Koorda staff being included in ATU training. Non committal response.

2.1.3 - Develop local supplier panel to support and streamline local purchasing by Shire.

Not commenced

2.1.4 - Create economic development strategy in consultation with community and business to identify unique proposition and operational barriers.

NEWROC progressing micro grid concept with update at NEWROC council meeting (27 May). NEWROC economic development strategy completed. Provide basis for local consultation.

2.1.5 - Complete community infrastructure projects including Business Buzz and Green Heart townscape projects, and the Recreation Precinct phases 2 and 3.

Minor works underway at Recreation Precinct to complete landscaping, paving and earthworks. Budget discussions for April OCM including lighting and next stages.

Bowling green relocation complete. Final minor works being completed ahead of handover. Grant acquittals being processed. At the November 2025 OCM Council endorsed; earth works to retain/landscape the West side of the building, landscaping works between the building and bowling green and around the existing playgroup area. Greenheart Project: Complete

2.1.6 - Develop Shire Housing Strategy to include expanded short-term and worker accommodation.

Shire still awaiting town housing plan report as part of NEWROC Housing Study. Request made to NEWROC executive officer to follow up both at NEWROC March Council meeting and again by shire

NEWROC Housing Strategy report complete with findings and reports included in December Councillor Information. NEWTravel Accommodation and Market Expansion Project: Final report due to be ready in December.

2.2: Tourism helps to diversify and grow our local economy.

2.2.1 - Undertake redevelopment of Drive-In facilities and develop and implement promotion strategy.

Architect options and costings for Koorda Sports Club to be available for April OCM budget discussions.

Architect engaged to provide drawings and costings for works required at the Drive In. To be considered during 2026/2027 budget workshops. CEO working with CRC to develop low cost repair options for Drive In. Drive In promotion: Ongoing. Closed for the 2025 season. 2026 season planning is underway.

2.2.2 - Investigate enhancing tourist experience with free Wi-Fi at Yalabee Units and Caravan Park.

TV dishes to be installed at Yalabee units in February as part of closure of rebroadcast service in June 2025. Ablution cover works at the Caravan Park have commenced.

2.2.3 - Investigate a unique event that leverages the Shire's assets to attract visitors and tourists.

To be commenced

3.1: Shire owned facilities are renewed and maintained in a strategic manner to meet community needs.	
3.1.1 - Review asset management program to include asset life planning and replacement with defined scheduled maintenance program.	To finalise SRP following community consultation for major Strategic Community Plan review and 2026/2027 draft budget discussions. The 2025-2035 Strategic Resourcing Plan (incorporating the long term financial plan and asset management plan) is currently being drafted for consideration at a future Council Meeting.
3.1.2 - Develop and implement online user maintenance request system.	Website development project initiated with accommodation booking to be delayed dependent on grant funding outcome. To commence website upgrades early 2026. Online system implemented. To continue improvements to streamline end user experience and increase efficiencies within Shire.
3.2: Safe, efficient, and well maintained road, and footpath infrastructure.	
3.2.1 - Review and enhance existing road construction and maintenance strategy to align with changing funding provision and opportunities.	Works committee meeting to be scheduled as part of budget development process. Continuation of Harvest Road RAV increase. Endorsement of RAV 7 status for the period 1 October 2025 to 31 January 2026. The following works policies have been adopted; "W - Access Road Construction and Road Reserve Closure," "W - Roads - Construction, Clearing and Grading" Tree removal planned for corner of Ninghan Rd and Railway St to redress damage to pavement and road.
3.2.2 - Road asset review to determine routes and develop works program required to support future industry requirements.	Continuation of Harvest Road RAV increase. Endorsement of RAV 7 status for the period 1 October 2025 to 31 January 2026. (Full list of roads available in July 2025 Minutes)
3.3: A high standard of sustainable waste services.	
3.3.1 - Construct waste transfer station to extend life of existing landfill and to prepare for regional solution.	Shire staff inspecting waste landfill daily. CCTV installed at entrance and inside Landfill site to ensure proper waste disposal and observe trends.
3.3.2 - Continue to work towards a Regional Waste solution with NEWROC.	NEWROC submitted grant application to support construction of transfers stations. Shire of Mt Marshall confirmed with NEWROC identified site. November NEWROC meeting resolved that Mount Marshall and Wyalkatchem CEOs continue to develop costings for regional solution.
3.4: Conservation of our natural environment for future generations.	
3.4.1 - Develop Shire strategy for renewable energy options to trial prior to implementation.	Western Power has provided formal correspondence to support Micro Grid proposal.
3.4.2 - Partner with Wheatbelt NRM and DWER for future grant and project opportunities.	Grant opportunities monitored. To be circulated if/when available to community or relevant applicants.
3.4.3 - Identify climate change initiative that Shire can implement and involve community in development and implementation.	Switch Your Thinking do-it-yourself "Energy Audit Kit" available to borrow from the Library for residents/business owners to undertake energy audits at their home/business.
4.1: Open and Transparent Leadership.	
4.1.1 - Ensure efficient use of resources and that governance and operational compliance and reporting meets legislative and regulatory requirements.	Field work undertaken in January 2026 for the review of the Financial Management, Risk Management, Legislative Compliance and Internal Controls. Report to be tabled at March 2026 ARIC. Following the finalisation of the 2024/2025 Financial Audit, there were no findings. The Annual Report is to be endorsed at the December 2025 Meeting, with an Annual Electors Meeting to be planned early in 2026.
4.1.2 - Ongoing refinement of organisational structure and capacity, and alignment of resources with strategic Community, Economic and Environmental priorities.	In addition to the community survey online, two community consultation sessions have been conducted and the survey has been offered to local business input. Community survey currently open for the 4-year major review of the Strategic Community Plan. Corporate Business Plan to be updated to align resources to the SCP initiatives. Workforce Plan 2025-2029 adopted at September 2025 OCM. Shire exploring engagement of Dowerin Work Camp employment program.

<p>4.1.3 - Develop communications strategy and scheduled tactics to engage and report outcomes to community and business stakeholders.</p>	<p>Community engagement sessions held for update to Strategic Community Plan. Monthly "Council Meeting Minutes Summary" advertised to inform community of recent Council resolutions. Renewed focus on use of Facebook with assigned staff resource.</p>
<p>4.1.4 - Initiate annual customer satisfaction and perceptions survey and report results to community.</p>	<p>The community survey conducted to underpin the Strategic Community Plan update has to date received 36 responses with the top six suggested areas of focus being: economic development, roads, spotting facilities, crime prevention, drive in and parks/playgrounds. Customer satisfaction being sought through Strategic Community Plan update survey. Following local survey - the Shire's Disability Access & Inclusion Plan (2025-2030) was reviewed, updated and adopted in November 2025.</p>
<p>4.2: Investment in the skills and capabilities of our elected members and staff.</p>	
<p>4.2.1 - Develop professional development programs for staff and elected members.</p>	<p>New elected members currently undertaking Council Member Essential Training. Elected Member Training: Great Eastern Country Zone holding in-person training for newly elected members in early 2026. Staff members encouraged to undertake regular training applicable to their roles.</p>
<p>4.2.2 - Align staff culture development program with practical skills development and strategic planning.</p>	<p>Staff encouraged to participate in Strategic Community Plan survey. Managers and Staff encouraged to keep an eye out for appropriate training.</p>
<p>4.2.3 - Set Elected Member SAT band allocation at 80 per cent for Band 4 Local Government.</p>	<p>Progress to 80% target to be included in April Budget discussions. 60% allocation included in 2025/2026 Budget with view to progressive achievement of 80% objective.</p>
<p>4.3: Forward planning and delivery of services and facilities that achieve strategic priorities.</p>	
<p>4.3.1 - Enhance service delivery through mutually beneficial partnerships with neighbouring Local Governments and Band 1 Local Governments.</p>	<p>Partnerships continue to be maintained with the City of Wanneroo for Health Services and Shire of Chittering for Building Services.</p>
<p>4.3.2 - Report to Council progress of Council Actions using a quarterly score card and report results to community.</p>	<p>Quarterly reporting undertaken and reported to Council and the Community.</p>

Shire of Koorda - Workforce Plan 2025

Current Review Period : January - March 2026

WORKFORCE OBJECTIVE & ACTIONS	COMMENTS
1: Attracting and selecting the right people.	
1.1 - Strengthen the Shire's employment brand, promoting lifestyle, housing, and community benefits that support recruitment to rural areas.	Consistent branding and messaging implemented within advertising for vacancies.
1.2 - Provide flexible work arrangements and promote the Shire as an inclusive and family-friendly workplace.	Flexible work arrangements in place.
1.3 - Develop a contemporary induction and orientation program that links employee roles to the Shire's strategic objectives and values.	Induction process in place. To continue to refine.
1.4 - Explore innovative attraction strategies (e.g. regional talent sharing, graduate programs, partnerships with local schools and TAFEs).	NEWROC project to develop shared service options.
2: Developing a flexible, innovative and capable workforce.	
2.1 - Provide structured professional development pathways aligned to both organisational needs and individual aspirations.	Professional development a focus in annual performance reviews. Staff also encouraged to advise managers of any job appropriate training they may like to undertake.
2.2 - Review and upgrade financial, administrative, and digital systems to improve efficiency, data quality, and service delivery.	Field work undertaken in January 2026 for the review of the Financial Management, Risk Management, Legislative Compliance and Internal Controls Report to be tabled at March 2026 ARIC. Review of financial management controls planned for early 2026. Internal audit plan to drafted for March Audit, Risk & Improvement Committee.
2.3 - Embed a strong workplace health, safety, and wellbeing culture that supports compliance with WHS and DFES training standards.	LGIS Tier 2 review scheduled for October
2.4 - Develop cross-skilling and digital capability programs to increase flexibility and service continuity.	Finance Officer resignation has necessitated reallocation of functions and some roles.
3: Retaining and engaging our valued workforce	
3.1 - Provide acting opportunities and career pathways that build capability and support succession planning.	Expansion of skill base for staff to learn aspects of colleagues jobs to be able to assist during periods of leave. Job task instructions created to ensure seamless handover in unexpected leave.
3.2 - Foster a culture of open communication and collaboration across all levels of the organisation.	Staff encouraged to participate in Strategic Community Plan survey. Monthly depot crew breakfast and quarterly admin team lunch to provide any important council updates. Monthly "Council Meeting Minutes Summary" to inform staff of recent Council resolutions.
3.3 - Review meeting structures to ensure they are purposeful, productive, and aligned with strategic outcomes.	Weekly admin team meetings when required.
3.4 - Encourage participation in whole-of-organisation and community activities that strengthen belonging and wellbeing.	NEWROC coordinated workplace behaviour training on 28 April. Annual Christmas Function well attended by Staff & Councillors.
3.5 - Review and simplify the performance management framework to focus on growth, recognition, and alignment with strategic objectives.	Simplified performance management framework in place. Reviewed annually prior to annual review to ensure appropriate.
3.6 - Recognise and celebrate workforce contributions in line with how the Shire recognises volunteers and community efforts.	Monthly depot crew breakfast. Quarterly admin team lunch.
4: Developing a strategic workforce for improved performance.	
4.1 - Develop clear role documentation (job task instructions, key contacts, and annual calendars) that align staff duties with ISP priorities.	Continued refinement to documentation. Microsoft planner utilised to plan annual and future compliance tasks. Job task instructions created frequently when new tasks arise within the admin team.
4.2 - Develop succession and workforce continuity plans for critical and specialist roles.	Expansion of skill base for staff to learn aspects of colleagues jobs to be able to assist during periods of leave. Job task instructions created to ensure seamless handover in unexpected leave.
4.3 - Maintain contemporary human resource policies and procedures that support compliance, transparency, and equity.	NEWROC have engaged a consultant to undertake reviews of operational policies across all shires to come up with a set of common policies. Draft employee policies to be reviewed and endorsed, to finalise early 2026.
4.4 - Align workforce planning with forward service and infrastructure planning, ensuring the Shire has the right skills for delivery.	Workforce plan 2025-2029 update considered forward service and infrastructure planning.
4.5 - Partner with neighbouring Shires and regional bodies to share training and workforce development opportunities.	NEWROC joint training sessions for staff and elected members scheduled for 28 and 29 April.



COMMERCIAL IN CONFIDENCE

Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls

Detailed Report to CEO - Draft

Shire of Koorda

March 2026



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1.0 Engagement Overview

1.1 Scope of Services

The Shire of Koorda (the Shire) engaged Moore Australia (WA) in November 2025 to provide consultancy and advisory services with a dual purpose, firstly to provide a report to assist the CEO to perform select reviews required by legislation. This engagement set out to assist the CEO to report to the Audit, Risk and Improvement Committee (ARIC) on the appropriateness and effectiveness of the Shire's risk management, internal controls and legislative compliance systems and procedures as required by the *Local Government (Audit) Regulations 1996* regulation 17. Secondly, to examine financial management systems to highlight the appropriateness and effectiveness of these systems and procedures to assist the CEO in undertaking a review as required by *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c).

Reforms to legislation applicable from 1 January 2026 through the *Local Government Regulations Amendment Regulations (No. 4) 2025*, removed regulation 5(2)(c) from the *Local Government (Financial Management) Regulations 1996* and updated regulation 17 of the *Local Government (Audit) Regulations 1996*, to require the CEO review the appropriateness and effectiveness of systems and procedures relating to financial management, legislative compliance and risk management. Considering the scope of our existing engagement with the Shire still addresses required compliance requirements of both the updated *Local Government (Audit) Regulations 1996* regulation 17 and the former regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, there was no change to the proposed approach and methodology as a result of the regulatory changes.

For efficiency, these services were undertaken simultaneously, and the results contained in this single report. Financial management systems and procedures are considered a subset of broader overall risk management, legislative compliance and internal controls. The matters examined in respect of financial management systems are detailed in Appendix A. Where opportunities for improvement were identified, they are reported within the relevant section of the risk management, legislative compliance and internal controls framework design, implementation and evaluation sections of this report.

The results of the examination of risk management, legislative compliance and internal controls are to be reviewed by the CEO and reported by the CEO to the Audit, Risk and Improvement Committee (ARIC). The ARIC is required to review the CEO's report and on-report to Council. The report from the ARIC to Council is required to have attached a copy of the CEO's initial report to the ARIC.

In the following pages, sections 2.0 to 6.0 provide information on the methodology, appropriate framework, framework design, implementation and evaluation for the CEO's information and action as determined appropriate.

1.2 Foreshadowed Legislation and Reform

Our site visit was undertaken in January 2026, at this time changes to legislation and regulations were being progressively implemented through current reforms, most recently *Local Government Regulations Amendment Regulations (No. 4) 2025*. This report and findings reflect compliance and matters identified against legislation current at the time of the review. Where possible, we have noted within our report areas where legislative changes may affect improvements noted, as well as reflected updated regulatory references where applicable.

1.0 Engagement Overview (continued)

1.3 Conflicts of Interest

We were previously engaged in 2024 by the Shire of Koorda to provide Integrated Planning and Reporting Services. Our work involved direct staff engagement and subsequent reporting, and we did not process any entries within the Shire's financial systems.

We do not view this as conflicting with this consulting and advisory engagement for the Shire of Koorda given select financial reports are public documents subject to scrutiny by the Office of the Auditor General and their contract auditors. We are not privy to any additional confidential information as part of this work which would or could impact our independence.

We obtained approval from the Shire to utilise information we have obtained as part of our engagement with the Shire of Koorda to state within our report we are examining reports or information we have assisted in compiling. We believe the transparent reporting of our involvement in the preparation of some information, our discussions with management on the matter and given the audit processes for local government, should be sufficient to mitigate any conflicts of interest.

2.0 Methodology

2.1 Review Methodology – Financial Management Review

The objective of this review is to assist the CEO of the Shire of Koorda in meeting their responsibilities under Regulation 5 of the *Local Government (Financial Management) Regulations 1996*. As of 1 January 2026, this requirement has been superseded by the *Local Government Regulations Amendment Regulations (No. 4) 2025*, which puts this requirement under the regulation 17 review.

In performing this consulting service, we examined documented policies / procedures, undertook walkthroughs of key systems and procedures and performed limited detailed testing procedures to identify weaknesses and identify opportunities for improvement in the financial management system and report to the CEO on the appropriateness and effectiveness of the control environment within the Shire.

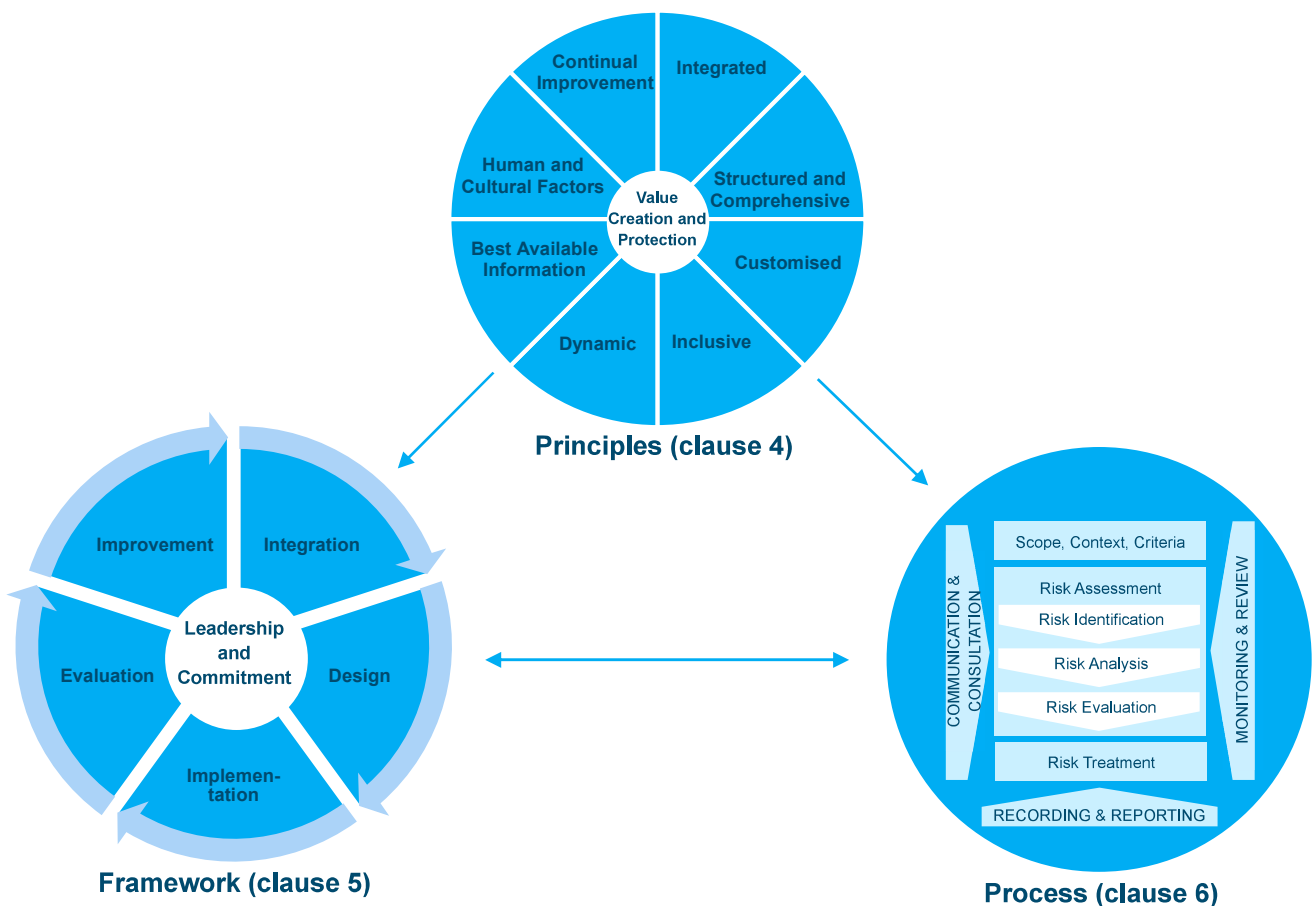
2.2 Review Methodology – Risk Management, Legislative Compliance and Internal Controls

The primary goal of this service is to assist the CEO in their assessment as to the appropriateness and effectiveness of the Shire systems and procedures in relation to risk management, legislative compliance and internal controls.

Internal controls are designed to treat risks and form part of the risk management process. Non-compliance with legislation is one of the risks that would usually be identified as a consequence of applying a risk management process.

The Australian Standard for Risk Management, ISO 31000:2018(E), identifies three components in the application of risk management, being Principles, Framework and Process, as set out in Diagram 1 below.

Diagram 1. Risk Management Principles, Framework and Process



Source: Australia/New Zealand Standard ISO 31000:2018

2.0. Methodology (continued)

0 Review Methodology – Risk Management, Legislative Compliance and Internal Controls (continued)

In undertaking this consulting engagement, we have applied the three ISO 31000:2018 framework components, as set out on the previous page, to the review topics (risk management, internal controls and legislative compliance). This involves a process incorporating the five risk management framework components, Integration, Design, Implementation, Evaluation and Improvement, into the review of systems and processes:

- Identify the extent of leadership and commitment to the principles;
- Assess the extent of integration of risk management within the Shire;
- Assess the design of the current framework through an understanding of the Shire and the context within which it operates (risk management, legislative compliance and internal controls) after considering the overall context in which the review occurs;
- Assess the implementation of the current framework;
- Assess the extent of evaluation of the current framework and its effectiveness in supporting the Shire's objectives;
- Assess the current framework and improvements to the suitability, adequacy and effectiveness of the framework;
- Examine the current process for the Shire's systematic application of policies, procedures and practices to the activities of communicating and consulting, establishing context, assessing, treating, monitoring, reviewing, recording and reporting risk, internal controls and legislative compliance; and
- Report to the CEO to assist their assessment on the appropriateness and effectiveness of current systems and procedures.

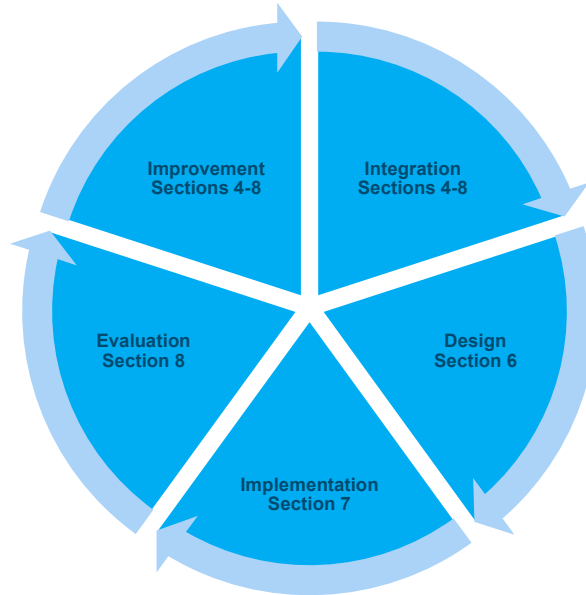
This evaluation is based on interviews with key staff, examination of requested documentation listed in the Appendices and reference to any external audit reports or reviews previously conducted.

3.0 Appropriate Framework

3.1 Risk Management, Internal Control and Legislative Compliance

The following framework was identified as being appropriate for risk management, internal control and legislative compliance for the Shire of Koorda, after consideration of the current internal and external influences, detailed in section 2.1.

Diagram 2. Risk Management, Internal Control and Legislative Compliance Framework



Source: Australia/New Zealand Standard ISO 31000:2018

A high-level analysis of risk management systems, internal controls and legislative compliance was undertaken which precluded detailed testing in all areas.

The results of our service, as detailed on the following pages, are set out with reference to the structure of the above framework. We assessed the following areas:

Design	Implementation	Evaluation
4.1 Strategic Plans	5.1 Strategic and Operational Plans	6.1 Council and Audit and Risk Committee
4.2 Council Policies	5.2 Operational and Financial Procedures	6.2 Strategic and Operational Registers
	5.3 Human Resource Management and Practices	6.3 Annual Compliance Audit Returns
	5.4 Insurance	6.4 Complaint Handling
		6.5 Audit Practices
		6.6 Reviews required by the CEO

Integration along with Leadership and Commitment were assessed within each of the elements of the framework.

4.0 Framework Design

4.1 Strategic Plans

The Shire has adopted a key strategic document, the Integrated Strategic Plan incorporating Strategic Community Plan 2024-2034 and the Corporate Business Plan 2024-2027. This plan identifies the Council's organisational objectives and key outcomes, as the Shire progress on its stated mission "to build a vibrant and sustainable community with shared social values, in which we can live and work in harmony with our environment".

The Integrated Strategic Plan recognises the community's aspirations and values through the following key focus areas:

- Our Community;
- Our Economy;
- Our Environment; and
- Our Organisation.

In seeking to achieve its objectives, the Shire of Koorda faces both inherent and business risks. Whilst striving to fulfil expectations, it is also expected to meet compliance with numerous legislative requirements. To manage these risks, the Shire has established various processes, systems and controls.

The Integrated Strategic Plan references strategic challenges which might affect the Shire, and the community's aspirations / vision, and the projects and programs which will be implemented through the plan.

This review examines the appropriateness and effectiveness of the organisation's risk management systems, internal controls and legislative compliance in the context of the Shire striving to achieve its stated objectives.

4.0 Framework Design (continued)

4.2 Council Policies

Whilst the operations of the Shire are the responsibility of the CEO, the Council is responsible for setting the framework for operations via adopted Council policies. These policies represent an overarching framework relevant to risk management, internal controls and legislative compliance and have been reviewed for appropriateness and effectiveness.

In general, Council policies are well formulated, however we observed some of Council policies do not always provide clear guidance regarding Council's position on certain matters. Staff representations during our review noted the policy manual is planned to undergo a review to update policy content and format. A list of policies reviewed is provided in Appendix B - Council Policies Examined. The table below details matters identified and associated suggested improvements.

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.1	Elected Member, Chief Executive Officer and Employee Attendance at Events Policy	A policy to enable council to actively consider the purpose of and benefits to the community from attendance at events by elected members and the chief executive officer.	<p>We noted the following within the policy:</p> <ul style="list-style-type: none"> The approvals process within the policy sets out for event invitations to the Shire President to be approved by the Deputy Shire President, and for invitations for the Deputy Shire President to be approved by the Shire President; The policy also sets out for any fees incurred for event attendance through the approval process to be met by the Shire; and Disputes relating to the attendance at events are to be resolved by the Shire President. <p>Under the <i>Local Government Act 1995</i> the Shire President or Deputy President has no administrative authority and as such no authority to approve events, authorise payments, or resolve disputes as defined within the policy.</p> <p>Improvement:</p> <p>Review and update the dispute resolution and approvals and authorisation processes within the policy to:</p> <ul style="list-style-type: none"> Require approvals to be considered either by a Council resolution, or by the CEO; and Dispute resolution processes to appropriately consider compliance and authorisation limitations set by legislation.
4.2.2	Continuing Professional Development	Elected Members Policy - Policy to ensure council members receive appropriate information and training to enable them to understand and undertake their responsibilities and obligations and comply with prescribed prof	<p>The policy review history indicates the policy was last reviewed in June 2023. Section 5.128 of the <i>Local Government Act 1995</i> requires the policy to be reviewed after each ordinary election.</p> <p>Improvement:</p> <p>Undertake a review of the policy as required after each ordinary election. Ensure the policy is adopted by an absolute majority to comply with section 5.128 of the <i>Local Government Act 1995</i>. Review systems and processes to ensure reviews are undertaken as required by legislation.</p>

4.0 Framework Design (continued)

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.3	Elected Member Entitlements	To provide a clear outline and guidance for the support and payment of all entitlements, including meeting/attendance fees, allowances, and conference and training expenses to elected members.	<p>The policy provides for the Shire to take out insurance policies for council members. Recent changes to the <i>Local Government Act 1995</i> effected 1 January 2026 include limitations on certain payments connected with legal matters, which may include insurance policy premiums (section 6.14A). The policy content in its current form may result in non compliance with legislation.</p> <hr/> <p>Improvement:</p> <p>Review the policy to amend policy references to ensure they comply with the <i>Local Government Act 1995</i> and subsidiary legislation.</p>
4.2.4	Donations and Requests to Waiver fees	To outline the process under which requests for donations and fee waivers are considered.	<p>The policy provides for the CEO to authorise (through delegation) discounts or waivers on venue hire fees. Fees should be set annually when Council adopts the schedule of fees and charges, along with discounts, concessions or waivers. The current 2025/26 annual budget does not appear to address policy considerations for waiving and/or discounting of venue hire fees.</p> <hr/> <p>Improvement:</p> <p>Review and update the policy to require all fees and charges to be applied at the rates adopted, and discounts, concessions and waivers are only applied as permitted by legislation.</p>
4.2.5	Purchasing Policy	Policy providing a best practice approach and procedures for purchasing.	<p>Purchase order approval limits for officers are included in the policy. This is not a function for Council authority, purchase order approval limits should be removed from the policy and a CEO operational procedure, or other authorisation instrument be developed.</p> <hr/> <p>A supplier order of priority is included within the policy to be applied when undertaking purchasing activities, which does not adequately consider risks, probity and good governance. These principles should apply when undertaking procurement activities, including consideration toward obtaining competitive quotations through testing the market based on individual circumstances for all purchases.</p> <hr/> <p>Purchasing requirements for procurement of goods or services in accordance with the exemptions under <i>Local Government (Functions and General) Regulations 1996</i> Regulation 11(2), are not consistent within the policy. The CEO is required to ensure controls exist for all purchases including those made using these exemptions. It is noted the practice of testing the market through sourcing multiple quotations when using the exemptions is often occurring, and the policy should be updated to reflect the expectation and requirement, regardless of whether the quotations are being sought from pre-qualified suppliers, WALGA Preferred Supply Contracts or other suppliers.</p>

4.0 Framework Design (continued)

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.5 (cont.)	Purchasing Policy	Policy providing a best practice approach and procedures for purchasing.	<p>While authorisation for a sole source of supply arrangement considered under the policy can be approved by the CEO, system requirements to evidence market testing are not considered sufficiently detailed in the policy.</p> <p>The policy provides some direction regarding contract variations and extensions, however provides limited guidance where associated price changes change the purchase value threshold. The policy should ensure appropriate controls exist to minimise opportunities to circumvent purchasing threshold requirements through application of variations and extensions.</p> <p>The policy references application of Regional Price Preferecing to all purchasing activities, however the policies supplied to us for review did not evidence a regional price preference having been adopted which may cause confusion and lead to potential non compliance where regional price preferences are applied.</p> <p>Improvements:</p> <p>Review and update the policy to ensure operational authorisations are removed and authorised with documented history and amendments noted.</p> <p>Remove the supplier order of priority.</p> <p>Amend purchasing requirements for procurement of goods or services to be consistent regardless of whether the purchase is made under the exemptions provided by the policy. Update purchasing requirements for procurement of goods or services to be consistent regardless of whether the purchase is made under the exemptions provided by the policy. It is noted the practice of testing the market through sourcing multiple quotations when using the exemptions is often occurring, and the policy should be updated to reflect the expectation and requirement.</p> <p>Amend policy to reference the risks and control environment where considering sole source of supply arrangements.</p> <p>Define purchasing requirements for the issuing of contract variations and extensions for contracts not awarded by public tender. Consideration should be given to circumstances where the contract value increase is over a policy threshold level, due to the variation or extension.</p> <p>Amend the policy to remove reference to Regional Price Preference. Ensure processes and systems are in place for the appropriate review and adoption of policies in line with legislation and policy requirements.</p>

4.0 Framework Design (continued)

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.6	Appointment of an Acting Chief Executive Officer	To provide for the proper appointment of an Acting CEO during limited periods of absence of the CEO in accordance with the requirements of the <i>Local Government Act 1995</i> .	<p>The policy requires the Shire President to approve leave applications for the CEO. Under the <i>Local Government Act 1995</i> the Shire President has limited administrative authority and as such no authority to approve the CEO's leave.</p> <hr/> <p>Improvement: Review and amend the policy to require the CEO to seek Council approval of leave. Where circumstances do not permit this to occur prior to the leave being taken, a report to Council should be prepared, clearly detailing leave taken by the CEO as soon as practically possibly after leave is taken.</p>
4.2.7	Fraud and Corruption Control	To articulate the commitment of the local government to a zero approach to fraud, corruption and misconduct.	<p>The policy refers to Fraud and Corruption Control Standards AS8001:2003. This standard was updated in June 2021 to consider guidance on the roles of governing bodies, requirements relating to information security and minimum requirements for effective fraud and corruption control systems.</p> <hr/> <p>Improvement: Review and update the policy to align to AS8001:2021. Supporting procedures and processes should also be updated in accordance with the latest standard.</p>
4.2.8	Risk Management Policy	Policy to set out the Shire's approach to articulate its commitment to risk management.	<p>While the policy refers to the current risk management standard ISO 31000:2018, the commitments articulated (or expected to be articulated) within the policy may not consistently align to the standard.</p> <hr/> <p>Improvement: Review and update the current policy to align to Risk Management Standard ISO 31000:2018. The risk management framework aimed to support the implementation of the policy and updates may also require update for consistency in application and integration of the policy.</p>
4.2.9	Policy Review	Routine review of Policies to help ensure they remain current.	<p>We noted the routine review of some policies by Council, however the policy history of a number of policies indicate they have not undergone scheduled reviews.</p> <hr/> <p>Improvement: Review and update all policies routinely to ensure policies are aligned to current legislation and council's strategic direction and position.</p>

4.0 Framework Design (continued)

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.10	Policy Publication	To provide access to current and consolidated policies of Council.	<p>Policies are published on the official local government website as required by legislation, however they are maintained individually rather than in a consolidated or indexed document. We noted policy numbers are not applied to individual policies, which may cause confusion where referencing or activating policy requirements.</p> <hr/> <p>Improvement:</p> <p>Improve the indexing of Council policies for better identification and access. Updates to indexing of policies may also assist with documenting review processes and associated administrative tasks.</p>
4.2.11	General Policy Actions	Operational reference - To set out parameters for the implementation of policies.	<p>We noted the content of several council policies which may be operational in nature, and where some policies incorporate procedures intended to guide staff. Council policies are not necessarily intended to provide direction on how different operational functions are to be executed as these are the responsibility of the CEO. Some examples where this may occur includes:</p> <ul style="list-style-type: none"> • Annual Christmas Function • Internet Email Usage and Access to IT Systems Policy • Harvest and Vehicle Movement Bans • Roadside/Verge Burning • Elected Member Social Media and Communications • Cash Handling • Corporate Purchasing Cards • Financial Hardship • Grants - Community Grants Program • Cyber Security and Data Breach and Data Breach Response • Information and Records Management • Employee Secondary Employment • Access Road Construction and Road Reserve Closure • Consumption of Alcohol on Shire Property • Plant and Equipment Replacement • Roads - Construction, Clearing and Grading • Rural Deep Drainage and Surface Water <hr/> <p>Improvement:</p> <p>Review and update policies to consider the appropriate separation of the roles of the council and the CEO. Any review and/or update of policies should articulate the strategic direction of council, particularly where legislation does not provide such direction.</p>

4.0 Framework Design (continued)

	Policy	Purpose / Goal	Matters Identified / Improvements
4.2.12	Policy Reference to Legislation and External information	To support the link between Council policy, legislation and other public information.	<p>We noted several policies contain detail relating to legislation, delegated authority and other external references, including:</p> <ul style="list-style-type: none"> • Chief Executive Officer Performance Review Policy • Harvest and Vehicle Movement Bans • Elected Member, Chief Executive Officer and Employee Attendance at Events Policy" • Continuing Professional Development - Elected Members • Elected Member Entitlements • Elected Member Social Media and Communications • Debt Recovery • Financial Hardship • Purchasing Policy • Conducting Electronic Meetings and Attendance by Electronic Means • Council Meeting System <p>This practice may result in conflict between the policy and legislation or guidance in the instance of a change in legislation, guidance or other external references (including delegations). To avoid conflict with external information (such as legislation and delegations) the policy should not restate the information being referenced, but rather should enhance these requirements if necessary, and where a policy decision exists.</p> <hr/> <p>Improvement:</p> <p>Update policies to remove specific and / or detailed references to legislation and other external references to assist with maintaining appropriate alignment and consistency in Council policies.</p>

5.0 Framework Implementation

5.1 Strategic and Operational Plans

The Council has several strategic and operational plans which form the basis of entity level controls and entity level risk assessments.

A list of plans inspected is provided in Appendix C - Plans Examined. The table below details areas for possible improvement in relation to the plans examined.

	Plan	Purpose / Goal	Matters Identified / Improvements
5.1.1	Code of Conduct for Council Members, Committee Members and Candidates	To provide guidance to Council members, committee members, contractors and employees of enforceable rules and requirements as prescribed in relevant legislation.	Regulatory changes effective from 1 January 2026 introduced updates to code of conduct requirements to provide for the Local Government Inspectors relating to handling complaints, as well as other minor updates. Section 5.104 of the <i>Local Government Act 1995</i> sets out local governments must update and adopt by absolute majority, within three months of changes to the <i>Local Government (Model Code of Conduct) Regulations 2021</i> coming into effect, an updated code of conduct incorporating regulatory changes. Improvement: Update the Code of Conduct for Council Members, Committee Members and Candidates to incorporate regulatory changes, ensuring it is adopted by an absolute majority to comply with legislative updates. Induction procedures should also be updated to ensure individuals subject to the Code of Conduct can acknowledge they understand the content, especially after changes have been adopted.
5.1.2	Risk Management Framework	To set out the Shire's approach to the identification, assessment, management, reporting and monitoring of risks in conjunction with the risk management policy.	The risk management framework contains some outdated references which do not align with current legislation and which may not align with the currently risk management standard. We also noted some inconsistencies with timing of reporting requirements, which may limit the intended frequency of risk management activities. Improvement: Update the risk management framework to support the implementation of policy updates, ensuring references and content align to the current risk management standard ISO31000:2018. Routine reviews should be undertaken to ensure the content remains current and relevant to the Shire, and is being routinely and consistently applied throughout the organisation.
5.1.3	Corporate Business Plan	A plan to guide the internal operations of the Shire in delivering services to the community.	The Corporate Business Plan has not been reviewed annually as required by <i>Local Government (Administration) Regulations 1996</i> 19DA (4). Improvements: To help ensure compliance and provide sound planning direction to the organisation, the Corporate Business Plan should be reviewed annually.

5.0 Framework Implementation (continued)

	Plan	Purpose / Goal	Matters Identified / Improvements
5.1.4	Strategic Resource Plan	Plan prepared to assist the Shire to understand and plan its long term strategic financial management and service delivery through its infrastructure assets such as roads, drainage, footpaths, public open space and buildings.	<p>The plan has not been updated since it was last prepared in 2019 and is currently being reviewed. Although there is no documented requirement for timing of reviews, it is a key tool (aligned to the Corporate Business Plan and annual budget) for ensuring long term financial health.</p> <hr/> <p>Improvement:</p> <p>Progress the review of the Strategic Resource Plan to monitor financial health, effective asset management and maintain effective alignment with Integrated Planning and Reporting documents.</p>
5.1.5	ICT Strategic Plan	Plan to guide the future development and delivery of ICT services.	<p>An ICT Strategic Plan was not available for our review.</p> <hr/> <p>Presently a single consultant is engaged to provide IT support services and advice regarding security etc. A high level of risk could be assumed by engaging a single entity to provide all IT services.</p> <hr/> <p>Improvements:</p> <p>Develop an ICT Strategic Plan identifying and documenting key ICT risks along with the treatments to reduce the risk to an acceptable level. Consider independent review of identified ICT risks.</p> <hr/> <p>Careful development of a strategy may assist in considering the risks of utilising a single IT provider and may assist in developing a scope to articulate service level agreements for a range of IT services to be potentially issued to different providers. Consider implementation of routine review and verification of skills, competencies, qualifications and experience for IT service providers.</p>
5.1.6	Business Continuity / Disaster Recovery Plan	Plan to facilitate organised decision-making in the event of a major incident impacting the Shire's ability to continue normal operations.	<p>A Business Continuity Plan was prepared in March 2024. The plan notes routine testing should occur to ensure the plan remains relevant and useful, and procedures supporting the plan note testing should occur annually to inform required updates to the plan. At the time of our review, the plan had not yet been tested to ensure its validity.</p> <hr/> <p>Improvement:</p> <p>Test the Business Continuity Plan to ensure its validity. The plan should facilitate organised decision making in the event of any major disruption impacting the Shire's ability to continue normal operations, with routine testing involving relevant and key personnel to ensure validity of the identified risks and treatments within the plan.</p>

5.0 Framework Implementation (continued)

5.2 Operational and Financial Procedures

In seeking to achieve its stated vision, the Shire delivers diverse and numerous services to the community. Meetings were undertaken with key staff in each of the areas of service responsibility, as well as examination of documented processes, to determine the practices applied to issues of risk management, internal controls and legislative compliance. A summary of the assessments undertaken to evaluate the controls is included in the appendices to this report.

We observed a number of practices and procedures in place, however their application was not always consistent. Considering the number of services provided and current staff resourcing, a risk based approach to the prioritisation of the review and development of new and existing procedures is recommended. The table below details areas of suggested improvement in relation to systems and procedures examined.

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.1	Risk Management Procedures	Procedures and practices to set out a uniform approach to the identification, assessment, management, reporting and monitoring of risks.	<p>Risk management activities currently undertaken are not consistently documented and are sometimes performed independently within individual departments. These activities may not align with the shire's Risk Management Policy and Framework, including periodic reporting to the Audit, Risk & Improvement Committee.</p> <p>Improvement: Update risk management procedures and communicate these throughout the organisation to assist with routine and consistent applications in accordance with Council policy. This should include the review updates to risk reports, as well as to monitor and evaluate risks, particularly where changes occur. Risk reports and updates should be routinely reported and reviewed by the Audit Risk and Improvement Committee as required by the Risk Management Policy and Framework.</p>
5.2.2	Operational Procedures, Checklists, Workflow Diagrams	To provide direction to staff in the delivery of day-to-day operational tasks, as well as guidance for expected processes, systems, and controls to be maintained.	<p>Procedures are not formalised for some key operational functions to ensure appropriate controls are applied in the operation of some Shire services, which may create opportunities for unilateral unauthorised changes to procedures which may result in breakdowns or circumvention of intended controls.</p> <p>Improvement: Routinely review existing operational procedures, and where required develop and implement additional procedures to provide operational guidance aligned with adopted Council policies and legislation. Procedures should provide for activities not necessarily covered by legislation to communicate expected standards to staff from management. Development of documented procedures may assist in clearly identifying controls and processes to be followed.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.3	Procedure Changes	Process to control and manage change to procedures.	<p>Process for implementing, amending or changing procedures are not formalised. This creates opportunities for unilateral unauthorised changes to procedures and a breakdown in key controls within internal and financial controls.</p> <p>Improvement: Establish process for the development, review, amendment and authorisation of procedures, checklists and other internal control documentation, to assist with managing changes to procedures.</p>
5.2.4	Segregation of Duties and Internal Controls	Controls to minimise opportunities for collusion or fraud to occur, reduce the risk of errors and improve oversight and compliance with adopted policies and procedures.	<p>We note segregation of duties occurs for a number of key roles, however through our testing we observed instances where resource or system constraints prevented these controls being consistently applied. Where a single individual or closely related parties is responsible for or involved in multiple stages of various processes, there is an increased risk and opportunity for error or misconduct.</p> <p>Improvement: Interventions should be available at various stages for a number of operational functions, including routine independent reviews of controls to ensure they are being observed and maintained as required. Where resourcing constraints exist, other considerations should be applied such as training and engaging officers within the organisation who may not normally be involved in these processes, to assist with checks and controls, or engaging independent parties to provide sufficient levels of oversight. These controls should also be reflected in adopted policies and authorised procedures.</p>
5.2.5	Evidencing Routine Reviews, Authorisations and Approvals	Systems and controls to allow for appropriate review of the completion of tasks and evidencing key points of control.	<p>We noted procedures and controls for recording and evidencing the routine review, approval and authorisation processes for a number of key operational functions are not formalised. Whilst these processes may occur in some instances, we observed the implementation is not uniform or consistent. This may result in weaknesses in their application and the control environment.</p> <p>Improvement: Review systems and processes to establish approved and consistent application of controls within operational activities and functions. Controls should be maintained to evidence and demonstrate the appropriate segregation of duties and independent review being undertaken.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.6	Document Control	Process to ensure routine review of key strategic and operational documents.	<p>It was noted through our review some key documents were marked as draft, unsigned or without document control or history information. Where history information was available, some documents also appeared to be overdue for review. This may result in instances where there is a breakdown in key controls.</p> <p>Improvement: Review and update systems and processes relating to key operational documents to ensure routine review for currency, and appropriate endorsement or approval occurs as required.</p>
5.2.7	Access to Shire Facilities	Ensure access to Shire is restricted only to personnel who are authorised.	<p>We noted limited physical access security measures to some Shire facilities. The risk associated with this is not documented, measured or recorded appropriately to verify whether treatment plans have reduced the perceived level of risk to the Shire.</p> <p>Improvement: Ensure adequate physical access security measures to prevent unauthorised individuals from accessing facilities are appropriately documented. Risks and their treatment plans should be recorded in a risk register to communicate the risk, aligned to the Shire's adopted risk management policy and framework.</p>
5.2.8	ICT Risk Evaluation	The evaluation of risk in the overall security policy, general ICT and applications.	<p>No formal evaluation process of the risks associated with the overall security procedures, general ICT and application controls is in place. We also noted formal risk treatment plans do not appear to be in place in relation to risks associated with changes to the IT systems.</p> <p>Improvement: Develop evaluation systems and registers to evaluate, monitor and resolve risks related to the Shire's ICT environment. Controls should appropriately manage changes to the ICT system to ensure continuous and uninterrupted functionality of the ICT environment.</p>
5.2.9	ICT Security	Procedures and practices to ensure the security of IT information, systems and data.	<p>We noted limited controls in relation to the access to IT systems including physical access to hardware. Some levels of permissions have been established to control network access to software and data, however this is largely undocumented.</p> <p>Improvement: Undertake a comprehensive independent IT security review, document current policies and practices, and implement findings of the review. This review should be undertaken by those with the appropriate expertise, skills, qualifications and credentials.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.10	ICT User Access	Regular review of ICT accounts to reduce the risk of unauthorised use.	<p>We noted recent improvements where user access reconciliations and monitoring of ICT accounts (including ERP accounts) is reviewed and monitored periodically by management. Progressing these actions through more formal recording of the reviews being performed is encouraged.</p> <hr/> <p>Improvement:</p> <p>Update systems and procedures to document and record the regular reviews undertaken of the ICT accounts and access level to ensure access is only available to current and authorised staff and users.</p>
5.2.11	Electronic Banking Transactions	Process to reduce opportunity for fraudulent activity with electronic banking.	<p>We noted access to the ABA file from the time of generation to the time of upload to the bank is not adequately restricted with minimal verification process undertaken to ensure the ABA file is unmodified when uploaded to the bank. This may present risk of fraudulent manipulation of the ABA file.</p> <hr/> <p>Improvement:</p> <p>Improve controls to minimise the risk of electronic banking details being fraudulently manipulated through secure storage of ABA banking files. Controls should exist to restrict access to these files and prevent any unauthorised changes being made. Detective controls may also be required to ensure the uploaded file agrees to the original generated file.</p>
5.2.12	Changes to Banking Details	Controls to validate banking change requests.	<p>There were weaknesses identified with the Shire's current process of changing employee and supplier banking details. Whilst we observed there are documented procedures in place for the establishment of new employee and supplier banking details as well as changes to existing suppliers, IT controls are not considered adequate. We are aware of many incidents of payment scams/ frauds within the local government industry in recent years. As a consequence of this activity, controls around the changes to supplier details within the payment system are essential.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.12 (cont.)	Changes to Banking Details	Controls to validate banking change requests.	<p>Improvement:</p> <p>The process to verify changes of supplier details should be documented and provided to officers responsible for preparation and entry of creditors invoices for approval for payment. This should be supported with training/direction to remind staff of the need to be ever vigilant, to exercise a level of scepticism for all requests presented and, most importantly, to raise a concern if there is any doubt about the authenticity of a request for change of EFT payment details. Formal procedures relating to changes to banking details for employees and creditors should be updated to ensure sufficient controls exist in both substantiating the change request and the changes performed within the Shire's ERP system. Review and update procedures to ensure appropriate segregation of duties and the following matters are appropriately considered, documented and controls are adequate to:</p> <ul style="list-style-type: none"> • Validate the change request and its origin; • Authority exists for the change request; and • Validate and control the changes once completed.
5.2.13	Security Controls for Cash Handling	Procedures and systems for the handling of cash at Shire facilities.	<p>Security controls for physical cash held at some Shire facilities are considered inadequate. Controls are not consistently documented to ensure appropriate review and authorisation processes occur in relation to the storage, management and handling of cash by staff.</p> <p>Improvement:</p> <p>Ensure access to any cash held is restricted only to authorised personnel through secure storage. Implement appropriate documented procedures and controls for cash maintained by staff including processing of cash donations received. Processes should also include reference to insured amounts relating to cash, to ensure adequate insurance levels are maintained relating to cash.</p>
5.2.14	General Journals	Controls to ensure journals are properly recorded, controlled, authorised and supported in accordance with approved procedures.	<p>While there appeared to be some informal controls in place at the time of our review for journals to only be processed by authorised officers, including independent review and approval by an authorised officer for posting of journals, there are limited documented internal control procedures or controls through the Shire's ERP for general journals.</p> <p>Improvement:</p> <p>Document internal controls to ensure journal requests initiated are reviewed and approved/ authorised prior to posting by an appropriate officer, the practice of independent review is consistently maintained, and evidence of review is routinely applied.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.15	Balance Sheet Reconciliations	Process for the control of balance sheet accounts.	<p>We noted the progressive implementation of improvements in relation to routine reconciliations for some balance sheet accounts. Historically, while these appeared to be routinely prepared (including some subsidiary ledger reconciliations), the absence of documented procedures to ensure adequate reconciliations are performed comparing data within Shire's ERP against independent data (e.g. Synergysoft rates valuation data and valuation rolls supplied by the VGO) may limit intended controls. Reconciliations are a key control and any untimely, non-reconciled accounts are considered a high risk to an organisation.</p> <hr/> <p>Improvement:</p> <p>Progression of updates of review system processes to ensure regular and timely review of balance sheet reconciliations and ensure controls provide for them to be routinely maintained is strongly encouraged to continue. Reconciliations should be continue to be reviewed for accuracy and completion by an independent, more senior officer.</p>
5.2.16	Stock Controls	Process to ensure stock is correctly allocated, as well as to reduce the potential for theft or misappropriation.	<p>Although periodic stocktakes appear to be performed at some Shire facilities, there does not appear to be a reconciliation process of physical stock to the general ledger, or independent review of the stocktake to validate the effectiveness of intended controls. Stock allocations at some facilities are entered and reviewed for reasonableness by management, but not reconciled to the total stock issued or independently reviewed for accuracy at periodic intervals. Whilst we noted improvements to physical controls have been recently implemented for some stock items, there are limited formal processes to monitor potential erroneous allocations or misuse of stock.</p> <hr/> <p>Improvement:</p> <p>A risk based approach should be undertaken to determine the frequency of required stocktakes and reconciliations for stock on hand. Reconciliation and monitoring of stock (such as monitoring of fuel used per vehicle) is an important control to help minimise shrinkage, security issues or potential misuse in a timely manner. Develop and implement procedures for the monitoring of stock on hand in an effort to improve opportunities to detect any issues or potential misuse with fuel allocations or other stock in a timely manner. Systems and procedures relating to stock controls at Shire facilities should include permission/authorisation requirements for stock write offs as well as independent review of data etc.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.17	Trust Fund	Examination of trust funds to determine proper accountability in the Shire's financial management system and compliance with regulatory requirements	<p>No bank account, keeps getting closed due to no funds.</p> <p>Evidence to support a separate bank account being maintained for the trust fund as required by legislation was not available for our review.</p> <hr/> <p>Improvements:</p> <p>Establish and maintain a separate account to account for money required to be held in the trust fund, as required by regulation 8 of the <i>Local Government (Financial Management) Regulations 1996</i>.</p>
5.2.18	Revenue Controls at Shire facilities	Procedures and systems for the collection of revenue and handling of cash at Shire facilities.	<p>We observed limited formalised processes to controls in relation to the raising of credit notes for sundry debtors. Where a single individual is responsible for or involved in multiple stages of various processes, there is an increased risk and opportunity for error or misconduct.</p> <hr/> <p>Weaknesses in revenue controls for the collection of fees and charges, sale of goods and provision of services at some Shire facilities were noted during our review. We noted some systems and processes are reliant on manual systems and records from facilities to reconcile transactions performed through the administration office.</p> <hr/> <p>Improvement:</p> <p>Appropriate segregation of duties relating to processes for sundry debtors credit notes should exist and controls documented. If circumstances prevent the full segregation of duties, then procedures and conditions should exist to demonstrate alternate controls in place to reduce associated risks.</p> <hr/> <p>A review of procedures and controls is required to determine practical procedures, documentation and controls for the receipt and reconciliation of revenue across all facilities. Procedures should ensure compliance with associated regulatory requirements under the <i>Local Government Act 1995</i> and associated regulations.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.19	Fees and Charges	Procedures to ensure fees and charges are raised in accordance with adopted schedule of rates and legislation.	<p>Through our limited testing and review of the schedule of fees and charges, we identified amendments to fees and charges after adoption of the 2025/26 annual budget. We were unable to evidence alignment with legislative requirements with an absolute majority decision of Council to amend the fees.</p> <hr/> <p>Improvement:</p> <p>Review systems and processes to ensure any amendments and/or proposed fees and charges to be imposed during a financial year after the budget has been adopted, are adopted by absolute majority as required by section 6.16 of the <i>Local Government Act 1995</i>. Imposition of new fees after budget adoption require advertising via local public notice in accordance with section 6.19 of the <i>Local Government Act 1995</i>, prior to the fees and charges being imposed.</p>
5.2.20	Rates	Rates are correctly imposed and rate system is properly maintained.	<p>Routine reviews of rate exempt properties as defined by section 6.26(2)(g) of the <i>Local Government Act 1995</i> appear to be undertaken informally during the annual rates run, however no formal controls exist to guide and evidence the review process.</p> <hr/> <p>Improvement:</p> <p>Develop and maintain systems and processes whereby routine reviews are undertaken of rate exempt properties within the Shire, confirming these properties are used exclusively for rate exempt purpose.</p>
5.2.21	Procurement	Procedures for the procurement of goods or services.	<p>Through limited testing of payments, we noted instances where:</p> <ul style="list-style-type: none"> • Purchase orders were not available for some of the invoices selected for testing • A purchase order did pre-date the invoice to which it applied • The required number of quotations were not always sought, or appropriate documentation maintained to support the absence of quotations being obtained as required • Evidence of approvals and authorisation for exemptions to purchasing requirements was not available for our review • We were unable to validate compliance for selected payments relating to the 'Material Supply & Royalties' policy. The policy stipulates payments are to be made in line with rates adopted through the annual budget, however this information was not available for testing.

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.21 (cont.)	Procurement	Procedures for the procurement of goods or services.	<p>Improvement:</p> <p>Ensure controls exist for all procurement activities and these controls are applied and communicated throughout the organisation. All procurement of goods or services should be undertaken in accordance with legislative requirements, purchasing policy and authorised CEO procedures. Where purchasing activities have not complied with the purchasing policy, such as where a purchase pre-dates a purchase order or the required number of quotes have not been sought, these instances should be documented, reviewed and authorised to demonstrate controls have been developed to comply and ensure the purchasing policy has been adhered to.</p>
5.2.22	Procurement Assessment	Procedures to provide probity for the assessment of procurement options received.	<p>Documented procedures to support procurement assessment, including the requirement for declarations of interest and confidentiality to be signed prior to assessments being undertaken for high value or high risk purchases were not available for our review.</p> <p>Improvements:</p> <p>To help ensure probity and fairness when assessing high value procurement, at least three persons should assess the procurement responses independently of each other. Documented processes should require a higher level of probity and due diligence, for higher value or higher risk purchases. Persons assessing any significant procurement should be required to declare any matters which may impact or be perceived to impact on their independence. Procedures for the declaration of interests prior to procurement assessments being undertaken should also be documented for high value purchases and tenders.</p>
5.2.23	Outstanding Purchase Orders	Process to ensure invoices are being processed in a timely manner and in accordance with the purchasing policy.	<p>We did not observe any formal procedures relating to the routine monitoring of and clearance of outstanding purchase orders. Regular review of outstanding purchase orders should be undertaken to assist with monitoring the value of and status of associated liabilities.</p> <p>Improvement:</p> <p>Regular review of outstanding purchase orders should be undertaken to assist with monitoring the value of and status of associated liabilities. Establish procedures to include routine review of the status of outstanding purchase orders. Ensure any controls developed are routinely and consistently applied.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.24	Purchasing Cards	Systems and processes to control use of Corporate Credit/ Purchasing Cards held.	<p>There are instances where agreements signed by purchasing card holders setting out cardholder responsibilities and legal obligations when using Shire purchasing cards were not available for our inspection or maintained on employee files.</p> <hr/> <p>We noted purchasing card reconciliations are not required to be completed by the card holder, and are instead processed by finance staff. This may delay the detection of unauthorised or erroneous transactions and limit intended controls relating to documenting responsibilities of cardholders.</p> <hr/> <p>Improvement:</p> <p>Ensure agreements are signed by all purchasing card holders to comply with adopted council policy, and in accordance with the Department's operational guideline for purchasing cards.</p> <hr/> <p>Update procedures to require cardholders to review and certify expenses incurred on their purchasing cards each month, prior to monthly direct debits occurring from the Shire's bank account. These should subsequently be reviewed by an independent, more senior member of staff.</p>
5.2.25	Contract Management	To provide clear documentation of key contract / agreement information entered into with third parties by the Shire.	<p>We noted a number functions are outsourced to external parties for a variety of professional services. Systems, procedures and contract provisions may not adequately address risks to ensure compliance is maintained by all contractors engaged. We observed some breakdowns in these controls with varying contractual requirements for some contractors providing services to the Shire. The absence of controls in relation to project and/or compliance management also imposes limitations to legislative compliance where the Shire engages third parties to assist with operations.</p> <hr/> <p>Improvement:</p> <p>Review and update systems and processes to provide for higher level controls and oversight of contracts entered into with third parties by the Shire. Agreements should be dually executed to ensure contract obligations are met by both parties using a risk based approach.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.26	Overhead and Administration Allocations	To allocate indirect costs in a practical and efficient manner.	<p>A documented process to determine the allocation of indirect costs for plant or public works overheads was not available for our review. From staff representations and examination of accounts, current allocation rates appear to be based on historical estimates and a calculation method to support the allocation is currently under review.</p> <hr/> <p>Improvements:</p> <p>Undertake a review of activity based costings to support calculation of overhead allocations. Routine review and monitoring of indirect costs should continue to be maintained for accuracy and compliance in financial reporting of works programs, and to ensure administration costs are not being indirectly capitalised as property, plant and equipment.</p>
5.2.27	Record Keeping Practices	To demonstrate compliance of record keeping systems and practices with legislative requirements.	<p>We noted through our inquiries with staff, electronic records are sometimes stored in various locations such as shared drives, rather than the Shire's electronic document and records management system (EDRMS). This may increase risks associated with compliance with required record keeping controls. Where compliance in this regard is low, information may become compromised where deletions, loss and compromised security or confidentiality of records may occur.</p> <hr/> <p>Upon inspection of record storage areas for hard copy records held by the Shire, measures to consider risks such as vermin control and fire suppression were not evident. Archived records are not maintained in a safe and secure location where access is limited only to authorised officers.</p> <hr/> <p>Based on our enquiries with staff, regular refresher training for the use of the records system requires update to support and direct staff to the appropriate procedures to save records in accordance with the Shire's record keeping plans and policies. This may increase risks associated with compliance with required record keeping controls. It was noted improvements to this process are being implemented through HR processes, this is encouraged to progress.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.27 (cont.)	Record Keeping Practices	To demonstrate compliance of record keeping systems and practices with legislative requirements.	<p>Improvement:</p> <p>Review systems and processes to monitor the practice of record keeping within the organisation and identify any misuse and correct appropriately. Ensure any improvements noted within the Record Keeping Plan and implementation of the plan is actioned and monitored, including self evaluated improvements, ongoing training and any actions noted by the State Records Office.</p> <hr/> <p>Review systems and processes through a risk based approach when undertaking review of the Record Keeping Plan. This should include planned implementation of any improvements noted within the plan, self evaluated improvements and any actions noted by the State Records Office.</p> <hr/> <p>Develop regular training to be undertaken by all staff with financial record keeping responsibilities to ensure a consistent and appropriate usage across the organisation.</p>
5.2.28	Report on Council Member Training	Report detailing training completed by council members each financial year as required by <i>Local Government Act 1995</i> .	<p>The Shire's report on training completed by council members is presented as a consolidated report for each council member. A report for council member training for each financial year as required by legislation was not available for our review. This report is required to be completed and published on the official local government website by 31 July each year.</p> <hr/> <p>Improvement:</p> <p>Review systems and procedures to ensure reports on training are completed annually as required by section 5.127 of the <i>Local Government Act 1995</i>.</p>
5.2.29	Public Notice	To ensure compliance with legislative provisions for advertising of statutory public notices.	<p>Evidence to support compliance of public notices (including statewide and local public notices) being published as required by legislation was not available for all samples selected for testing. While some methods of advertising for public notices include local government notice boards etc, systems should be in place to support and evidence compliance with legislation.</p> <hr/> <p>Improvement:</p> <p>Ensure all notices relating to local public notice and statewide public notice are published to comply with sections 1.7 & 1.8 of the <i>Local Government Act 1995</i>. Develop systems to evidence compliance with advertising requirements for recording and monitoring compliance.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.30	Information Required to be Published on Official Local Government Website	Ensure information is published for public information as required by legislation.	<p>At the time of our review, we noted the following information (in addition to other matters noted throughout this report) has not been published on the Shire's official website as required by legislation:</p> <ul style="list-style-type: none"> • The position of each employee who lodged a primary or annual return for a financial year beginning on or after 1 July 2020; and • The type, amount or value of any fees, expenses or allowances paid to each council member during financial year since 1 July 2022 (no later than 14 July). <p>Improvement: Ensure information is published on the Shire's official website as required by Section 5.96A of the <i>Local Government Act 1995</i> and any other relevant section of <i>the Act</i>.</p>
5.2.31	Independent Member Committee Meeting Attendance Fees	Fees paid and expenses reimbursed to committee members	<p>The Salaries and Allowances Tribunal (SAT) issued a determination variation on 19 December 2025 for meeting attendance fees for Independent Audit, Risk and Improvement Committee (ARIC) members, including that local governments must resolve when setting the fee per meeting it represents value for money. Remuneration for independent ARIC was considered at the ordinary meeting held in September 2025, prior to the determination variation being issued by the SAT.</p> <p>Improvement: Consider any actions required to address compliance requirements relating the determination variation issued by the SAT on 19 December 2025 relating to Independent Audit, Risk and Improvement Committee (ARIC) members (such as value for money and superannuation considerations) and present to council for adoption to comply with legislation.</p>
5.2.32	Grants Management	Controls for the effective management of grants, compliance with conditions imposed by funding bodies and compliance with AASB standards.	<p>We noted limited formal procedures exist to support processes and controls in respect to:</p> <ul style="list-style-type: none"> • Application of grants; • Acquittal of grants; • Compliance with grant conditions; and • Grant governance and administration arrangements. <p>Where grants are not effectively managed, there is a risk funds may be returned due to poor performance or missed opportunities in the future. In circumstances where controls are not effective for grant application processes, unbudgeted and unauthorised financial commitments may be undertaken on behalf of the Shire.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.2.32 (cont.)	Grants Management	Controls for the effective management of grants, compliance with conditions imposed by funding bodies and compliance with AASB standards.	<p>Improvement:</p> <p>Document and implement procedures to consider the need for grant programs, whether relevant factors and risks are thoroughly analysed and assessed and appropriate options for delivery are considered prior to applying for grants to ensure grant objectives are clearly defined. Systems should include controls for the monitoring of grants with funding conditions, acquittal processes and recording of liabilities in line with the AASB standards. Incomplete consideration of these factors may result in non-compliance with accounting standards and effective delivery of the Shire's grant programs. Maintain a register of grants to evidence the routine review of status, compliance and performance of grants being managed by the Shire.</p>
5.2.33	Annual Report	Ensure the annual report contains all information required by legislation, is accepted by Council and published to the local government website as required.	<p>The 2024/25 annual report was adopted on 17 December 2025, however evidence of public notice of availability of the annual report after adoption was not available for our inspection.</p> <p>The 2024/25 annual report has omitted some information required by legislation, namely:</p> <ul style="list-style-type: none"> • Information on payments to Council Members; and • The <i>State Records Act 2000</i> also requires the annual report to provide information relating to: <ul style="list-style-type: none"> • The organisation conducts a record keeping training program; • The efficiency and effectiveness of the record keeping training program is reviewed from time to time; and • The organisation induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan. <p>We also noted references within the report to superseded legislation where reporting about complaints, which will require updating to comply with recent statutory changes to section 5.53 of the <i>Local Government Act 1995</i> relating to records of information about conduct.</p> <p>Improvement:</p> <p>Ensure future annual reports are accepted by Council as required by section 5.54 of the <i>Local Government Act 1995</i>.</p> <p>Review systems and procedures to ensure future annual reports are presented to Council for adoption containing all information required by legislation.</p>

5.0 Framework Implementation (continued)

5.3 Human Resource Management and Practices

A number of components constitute the Shire's human resource management practices and form an essential element of risk management, internal control and legislative compliance. Each of these elements were examined, and potential improvements noted in the table below.

	Component	Purpose / Goal	Matters Identified / Improvements
5.3.1	Payroll Processing, Exception Reporting, Authorisation and Employee Masterfile Setup	Systems and controls to allow for appropriate review of fortnightly payroll and approval of changes to employee details.	<p>Through our limited testing, we noted breakdowns in systems and controls relating to payroll processing, authorisation and the setup/changes of employee details. We noted the following matters in particular:</p> <ul style="list-style-type: none"> The officers responsible for processing and reviewing payroll are tasked with review and capture of employee entitlements, allowances, deductions, etc. Reliance is placed on these officers to remember individual details and identify any errors when reviewing payroll reports for authorisation for payment; Procedures for processing termination pays are heavily reliant on ERP system generated calculations, with minimal independent information applied to support the accuracy of the calculation. <p>Improvement:</p> <p>Update, review and implement procedures and controls for the accurate processing, and authorisation, of payroll each fortnight. Details for each employee should be reviewed against individual employment contracts to capture allowances, deductions, entitlements etc, into a master list, with appropriate review and authorisation for changes. All required reports should be presented for appropriate review and authorisation each fortnight to minimise the risk of fraud, errors and omissions not being detected.</p>

5.0 Framework Implementation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
5.3.2	Staff Training	To ensure staff have access to ongoing and appropriate training.	<p>Planned and required staff training needs for employees are not currently identified and recorded in a central training matrix.</p> <hr/> <p>Improvement: Develop and maintain a staff training matrix to identify staff training needs relevant to their role, ensuring it is co-ordinated across the organisation and monitors currency of required licences and qualifications. Systems and processes should provide for timely scheduling and updating of various training / licence requirements identified within the matrix. This may also assist with identifying the necessary resourcing requirements for budget and integrated planning purposes.</p>
5.3.3	Induction Processes	To provide council members, employees, contractors and volunteers with adequate information, instruction and training relating to Shire Policy, procedures and requirements.	<p>Inductions are generally applied throughout the organisation, however are only conducted with staff and do not currently include contractors and volunteers.</p> <hr/> <p>Improvement: Ensure all new employees, council members, contractors and volunteers of Council are appropriately inducted, with evidence of inductions retained on within the record keeping system.</p>

5.0 Framework Implementation (continued)

5.4 Insurance

At present, the Deputy Chief Executive Officer annually reviews the completeness of insurance, which is presented to the Chief Executive Officer for final review. Discussions are also held with the insurers annually and adjustments to policies and insurance levels made as considered appropriate. The insurance values of buildings, plant and equipment are based on the three to five yearly valuations of building assets undertaken by registered valuers.

	Component	Purpose / Goal	Matters Identified / Improvements
5.4.1	Contractor Insurance	Insurance cover maintained by contractors for damaged caused when undertaking works for the Shire.	Contractors' insurances are not always assessed prior to award of contracts in all cases. Reliance is placed on contract managers (depending on value of contract) to ensure copies of insurances are provided and maintained for currency. We noted updates to systems to record this information has commenced. Improvement: To help ensure all contractors have the relevant licences and have adequate insurance cover for the works they undertake for the Shire, procedures should be developed, and records maintained to ensure copies of contractor's insurances are obtained and held on file prior to award of contracts and they remain current.
5.4.2	Insurance Claims	Systems and processes to provide high level monitoring of risks and to ensure controls are maintained prior to lodging insurance claims.	We noted in the course of our review, there is no formal requirement to report on the status/action of insurance claims made against and by the Shire. A recording system to assist with the status and tracking of pending claims may assist with monitoring and evaluation by the executive leadership team. Improvement: Review systems and processes relating to insurance claims to formalise and maintain an insurance claims register to provide for high level monitoring and management insurance claims.

6.0 Framework Evaluation

Developing and implementing systems and procedures for risk management, legislative compliance and internal controls within a local government can be a time consuming and expensive exercise with the potential to divert resources away from direct services. Considering the level of investment necessary to establish these systems, actions to monitor their effectiveness are an essential practice.

Over time, the relevancy of established controls may change, their purpose may be forgotten, or technology may offer a more efficient or effective way to achieve the initial goal. For these reasons, formal review procedures are required to ensure the resources applied to maintaining these systems, practices and controls are done so in the most efficient way.

Evidence of the monitoring of risk management, internal controls and legislative compliance is sourced from Minutes of Meetings, Registers of Disclosures and reports reviewed.

6.1 Council and Audit and Risk Committee

Regular monthly financial reports and lists of payments, made in the intervening period between each meeting, have been presented to the Council for review, as required by legislation. This provides the basis for high level oversight of the expenditure transactions of the organisation.

	Component	Purpose / Goal	Matters Identified / Improvements
6.1.1	Council and Audit Risk and Improvement Committee	Monitoring and consideration of risks when making strategic decisions.	<p>Identified risks are included within agenda items for council and committee member consideration, however the format was not always consistent. We noted some updates and improvement to reporting has been occurring, this is encouraged to continue in support of the current adopted risk management policy and framework.</p> <hr/> <p>Improvements:</p> <p>Identified risks relating to a Council (or committee) decisions should continue to be communicated within agenda items, to enable council and committee members to be fully informed of the identified risks when making decisions. Risks should be appropriately measured and assessed through alignment with adopted risk management policy and accompanying risk management procedures.</p>

6.0 Framework Evaluation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
6.1.2	Council and Committee Minutes	Official record of proceedings and decisions.	<p>In our limited testing and review of minutes of Council meetings, we noted the following:</p> <ul style="list-style-type: none"> Public minutes published on the website which did not detail Council decisions made behind closed doors. Regulation 11 (d) of the <i>Local Government (Administration) Regulations 1996</i> requires details of each decision made at Council and committee meetings to be recorded in the minutes; The minutes did not state a reason for the change where the decision varied from the officer's written recommendation. Instances where details of confidential items considered where a part of the meeting was closed, were included in the minutes published on the website. The <i>Local Government (Administration) Regulations 1996</i> excludes this information from having to be published in the public minutes; and Attachments and each document relating to the meeting were not consistently included in the minutes as required by <i>the Local Government Act 1995</i> and regulations. <hr/> <p>Improvements:</p> <p>Review procedures for recording of official minutes to ensure all detail, decisions and proceedings required to be recorded by legislation are captured. Ensure all attachments supporting the minutes are included in the official minutes, and the minutes are published on the official local government website as required by legislation.</p>
6.1.3	Monthly List of Payments	Monthly list of payments, prepared in accordance with legislative requirements.	<p>The list of payments discloses details additional to those required by legislation. Public provision of this level of detail may increase the risk of IT related fraud and may result in disclosure of confidential commercial information.</p> <hr/> <p>Improvements:</p> <p>The list of payments made by the CEO under delegated authority should be presented to Council with only the minimum information required by legislation.</p>

6.0 Framework Evaluation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
6.1.4	Monthly Financial Report	Monthly financial report, including statements of financial activity, prepared in accordance with legislative requirements.	<p>Through our limited testing, we noted instances where prescribed requirements relating to monthly financial reports had not been included. The movement of surplus on the Statement of Financial Activity (SFA) did not agree to the closing surplus noted in the disclosure of net current assets.</p> <hr/> <p>Through our limited testing of the Statement of Financial Activity (SFA), we noted instances where the movement of surplus on the Statement of Financial Activity (SFA) did not agree to the closing surplus noted in the disclosure of net current assets for all samples examined. We also noted the monthly statements of financial activity prepared since 30 September 2024 and presented for consideration by Council have not always been included in the minutes published on the Shire's website but rather included with other attachments to the minutes.</p> <hr/> <p>Improvements:</p> <p>Ensure the monthly financial report is completed accurately, contains all items and is prepared in the format required by legislation.</p> <hr/> <p>Ensure the monthly financial report is completed accurately, contains all items and is included in the minutes published on the website, as required by legislation.</p>

6.0 Framework Evaluation (continued)

6.2 Strategic and Operational Registers

A number of registers are maintained by the Shire. The table below details areas for possible improvement in relation to these registers.

	Register	Purpose / Goal	Matters Identified / Improvements
6.2.1	Tender Register	Statutory register of tenders called.	<p>At the time of our review, the tender register published on the official local government website did not contain the information required by regulation 17 of the <i>Local Government (Functions and General) Regulations 1996</i>. We noted this was updated following our site visit to comply with legislation.</p> <p>Improvement:</p> <p>Maintain systems and procedures to ensure the tender register remains compliant and published on the official local government website as required by legislation.</p>
6.2.2	Delegation Register	Statutory register of delegations of authority.	<p>Our testing noted monthly reporting requirements as stipulated within a number of delegations had not been consistently maintained.</p> <p>We noted a delegation referring to a council policy which does not appear to have been adopted by Council. Without a compliant policy, exercise of the delegation may lead to legislative non compliance.</p> <p>A review/amendment history is not currently recorded within the delegations register.</p> <p>Improvements:</p> <p>Review systems and processes relating to the recording of exercise of delegations. Ensure staff with delegations are aware of requirements and responsibilities of each delegation, and maintain individual accountability for compliance.</p> <p>Ensure systems and procedures are in place for policy and delegation linkages are adopted and maintained to comply with legislation. Remedy any current non compliant delegations through delegation and/or policy review.</p> <p>Following review of Delegations by Council, update the latest 'history' date on each delegation to provide an accurate record of when the delegation was reviewed, amended and adopted for clarity and easy reference.</p>

6.0 Framework Evaluation (continued)

	Register	Purpose / Goal	Matters Identified / Improvements
6.2.3	Contracts / Leases / Agreements Register	To provide clear documentation of key contract / agreement information entered into with third parties by the Shire.	<p>While contracts appear to be generally managed through the record keeping system, a formal contract register has not yet been established to provide consistent information detailing the status of contracts held by the Shire, or regular review of contracts by the Shire.</p> <hr/> <p>Improvements:</p> <p>Maintain a register to record details of all contracts (current and expired) and their status in a form to assist with ensuring contracts are monitored and actioned as required and reflecting the value of the contracts.</p>
6.2.4	Development Applications and Building Permits Register	Provide a record of the receipt and status of applications received.	<p>A register to record and track applications for building permits and development applications was not available for our review. Reliance for compliance with statutory processing timeframes of applications received remains with an external contractor with limited oversight, monitoring or reporting being undertaken.</p> <hr/> <p>Improvements:</p> <p>Create and maintain a register to record the details and status of applications for building permits and development, to assist with ensuring applications are processed within mandated timeframes.</p>

6.0 Framework Evaluation (continued)

	Register	Purpose / Goal	Matters Identified / Improvements
6.2.5	Investment Register	Register of investments held to evidence the nature and location of all investments and all transactions in relation to investments.	<p>An investment register was not available for our inspection detailing the nature and location of all investments and all related transactions.</p> <p>Improvement: Recording the nature and location of all investments and related transactions is required by Regulation 19 (2) of the <i>Local Government (Financial Management) Regulations 1996</i>. Tracing of funds on maturity of investments is essential and record of where funds are transferred and who authorised the transfer should be maintained within the register. Maintaining printed copies of the investment register, reviewed and authorised by a senior manager, independent of the control of the investments, may assist to prevent subsequent amendment to the register.</p>
6.2.6	Register of Hazardous Materials	Provide a record of properties under the Shire's control containing hazardous materials.	<p>A register of hazardous materials was not available for our inspection, to reflect properties under the control of the Shire which may contain hazardous materials such as asbestos, and if associated risks have been adequately treated.</p> <p>Improvement: Develop and maintain a register to record details of hazardous materials, such as asbestos, for properties under the control of the Shire.</p>
6.2.7	Regulatory and Health Inspection Register	Register of regulatory inspections undertaken.	<p>Services relating to health inspections are outsourced to a third party. A register of health inspections undertaken was not available for our review.</p> <p>Improvement: Maintain a register to record details a central record of health inspections undertaken, registered premises within the district, and to ensure inspections are undertaken within required timeframes.</p>

6.0 Framework Evaluation (continued)

	Register	Purpose / Goal	Matters Identified / Improvements
6.2.8	Swimming Pool Inspection Register	Register of inspections undertaken.	<p>The register of private swimming pools within the district supplied for our review was last updated in July 2024 and does not include sufficient detail to monitor the status or schedule of timing of required inspections and it is unclear when inspections were last performed.</p> <hr/> <p>Improvement:</p> <p>Update the register to accurately present the current status of private swimming pool inspections. Routine monitoring and review of the register may assist to ensure inspections are undertaken within required timeframes.</p>

6.0 Framework Evaluation (continued)

6.3 Annual Compliance Audit Returns (CAR)

Returns have been completed on a self-assessment basis and approved by the Audit Committee (now Audit, Risk and Improvement Committee) and Council each year. The CAR was completed in house by staff for the 2022, 2023 and 2024 return periods. Non compliances noted in the returns were reported to the Audit Committee and to Council, and adopted as required by legislation. The 2025 CAR is not yet available to be completed following statutory changes resulting from local government reforms, with transitional provisions of the *Local Government (Audit) Regulations 1996* noting a due date for the 2025 CAR by 30 September 2026 (or as extended by the Local Government Inspector).

6.4 Complaint Handling

Complaints, other than those recorded under section 5.96C (formerly section 5.121) of *the Act*, are received by administration staff and allocated to the relevant manager to address in line with adopted policy and supporting procedures. Responsibility for the routine follow up of complaints to ensure they have been adequately addressed remain with the manager who has been allocated the complaint.

	Component	Purpose / Goal	Matters Identified / Improvements
6.4.1	Official Complaints Register and Record of Information about Conduct	A record of information about conduct required to be maintained in accordance with Section 5.96C of the <i>Local Government Act 1995</i> .	<p>Prior to legislation changes from 1 January 2026, a complaints register was required to be maintained in accordance with Section 5.121 of <i>the Local Government Act 1995</i>. With the introduction of statutory powers of the Local Government Inspector, a Record of information about conduct will be required to be maintained on the official local government website to comply with section 5.96C of the <i>Local Government Act 1995</i>.</p> <p>Improvement: Prepare required information to maintain a 'Record of information about conduct' to comply with statutory updates, ensuring any transitional provisions to legislation is appropriately captured.</p>
6.4.2	Community Complaints Procedures	Procedures for the recording handling and resolution of community complaints.	<p>Currently, customer complaints are entered into the records management system and forwarded to an executive member of staff for management and action. Whilst it is acknowledged the volume of complaints received is generally low, updates to this process such as establishing a community complaints register to provide more routine monitoring to follow up and improve the management of complaints. This may also assist with compliance with council policy and to ensure complaints are adequately addressed and in a timely manner.</p> <p>Improvement: To help ensure all complaints are adequately monitored, reported and resolved, a register of customer complaints received should be maintained and procedures should ensure staff are aware of their obligations in accordance with adopted policies.</p>

6.0 Framework Evaluation (continued)

	Component	Purpose / Goal	Matters Identified / Improvements
6.4.3	Public Interest Disclosure Procedures	Procedures for the dealing with public interest disclosures.	<p>From our review, there was no evidence of information available for public or staff awareness of the process to enquire about, or make a public interest disclosure.</p> <hr/> <p>Improvement: To comply with the <i>Public Interest Disclosure Act 2003</i> (PID Act), prepare and publish internal procedures about public interest disclosures.</p> <hr/>

6.0 Framework Evaluation (continued)

6.5 Audit Practices

The 2022/23, 2023/24 and 2024/25 reporting periods were audited by the Office of the Auditor General (OAG) using third party auditors.

The table below details areas for possible improvement in relation to audit practices.

	Component	Purpose / Goal	Matters Identified / Improvements
6.5.1	Workplace Health and Safety (WHS) Audit	Review of WHS practices to ensure they are consistently performed and applied.	Evidence of a recent WHS audit was not available for our review. We noted from staff representation the Shire will have a Safety Audit in October 2026. Improvement: Undertake a WHS audit, ensuring subsequent actions and matters identified through the audit are adequately addressed.
6.5.2	Internal Audit	Internal audit monitors the level of compliance with internal procedures and process along with assessing the appropriateness of these procedures.	Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken. Improvement: We suggest as the level of documented procedures increase, an expanded internal audit function to confirm adherence to documented policies and procedures may be required as recommended by the OAG in their report to Parliament on the Audit Results Report - Local Government 2023-24 Financial Audit Results.

6.6 Reviews required to be undertaken by the CEO

The CEO is required to undertake reviews of systems and procedures of the local government. We noted not all recommendations from the prior review have been fully implemented. These recommendations have been included within this report.

7.0 Other Matters

Disclaimer

Since the service provided in terms of this engagement comprise an advisory engagement and is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management in undertaking the consulting engagement. Accordingly, we do not express an audit opinion or a review conclusion to convey assurance for the service/s performed within our report.

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Appendix A - Financial Management Systems Review

The following assessments were undertaken to evaluate the appropriateness and effectiveness of financial management system controls. Where we were unable to examine systems and procedures, comment has been provided throughout our report.

System	Description of Assessment
Bank reconciliation and petty cash management	Examination of procedures and review of maintenance and management practices undertaken by staff.
Trust funds	Examination of trust funds to determine proper accountability in the Shire's financial management system and compliance with regulatory requirements.
Receipts and receivables	Examination of end of day banking procedures to determine if they were adequate in ensuring cash collection is being recorded and allocated properly to the general ledger. The receivables system including raising of invoices was also reviewed with limited testing in respect to allocation/posting.
Rates	<p>The Shire's rating procedures were examined to determine if they were adequate in ensuring rates were being imposed or raised correctly. This also included inspection of the rate record, rate notices, instalment notices, valuation reconciliations and general ledger. We randomly selected and tested rate notices which included:</p> <ul style="list-style-type: none"> • sighting the notices; • re-performing the calculations; • ascertaining whether the valuations applied agree to Landgate's valuation roll/report and rate levies imposed are as per adopted budget; • ensuring the rate system is properly updated; and • checking proper posting to the general ledger.
Purchases, payments and payables (including purchase orders)	Random selection of payment transactions to determine whether purchases were authorised/budgeted and payments were supported, certified/authorised and correctly allocated. The Shire's purchases, payments and payables system was also examined to determine if adequate controls were in place in ensuring liabilities are properly recorded and payments are properly controlled.
Payroll	<p>A sample of employees were randomly selected from pay runs during the reporting period and detailed testing of each employee's pay was performed to help ensure:</p> <ul style="list-style-type: none"> • the employee existed; • the correct rate of pay was used; • non-statutory deduction authorities are on hand; • time sheets were properly completed and authorised; • hours worked were properly authorised; and • allocations were reasonable and correctly posted. <p>The Shire's payroll system was also reviewed to determine if adequate controls were in place to help ensure wages and salaries are properly processed and payments are properly controlled.</p>

7.0 Appendix A - Financial Management Review Services (continued)

System	Description of Assessment
Purchasing card procedures	<p>A review of the Shire's purchasing card procedures was performed to determine if adequate controls were in place. We randomly selected and tested credit card transactions to determine whether they are legitimate and usual in the context of the Shire's operations. This included:</p> <ul style="list-style-type: none"> • sighting tax invoices; • ascertaining whether the transaction is for bona fide Shire business; and • determining whether transactions are in line with the Shire's policy.
Fixed assets (including depreciation, acquisition, and disposal of property)	<p>The fixed assets system including controls over acquisition and disposal of assets, updating of the fixed assets register, depreciation of fixed assets and reconciliation of the fixed assets register to the general ledger was examined. A sample of asset additions and disposals were judgmentally selected, and testing performed to ensure:</p> <ul style="list-style-type: none"> • the tax invoices existed; • correct posting to the general ledger; • fixed assets register was promptly updated; and • classification of assets was correct. <p>In addition, a sample of assets were judgmentally selected and testing performed to ensure the depreciation rates used are in line with the Shire's policy.</p>
Cost and administration allocation	<p>The Shire's cost and administration allocation system was examined to determine if indirect costs have been properly reallocated to various jobs/programs. This included review of the allocation basis and rates used to ensure they are appropriate and regularly reviewed.</p>
Financial reports controls	<p>The format of the annual report, annual financial report and monthly financial reports were reviewed for compliance with legislative requirements.</p>
Budget and budget review	<p>The 2025/26 budget document and documents surrounding budget adoption were reviewed to ensure compliance with regulatory requirements. The 2024/25 budget review was examined for statutory compliance.</p>
Borrowings	<p>Reconciliation of borrowings to the WATC loan schedules were examined (where applicable).</p>
Inventory	<p>Inventory reconciliations and stock take procedures were examined.</p>

Appendix B - Council Policies Examined

The Council Policies examined as part of the review were as follows:

Administration

A - Annual Council Christmas Function

A - Bereavement Policy (including flying of Koorda Flag at half mast)

A - Change Management

A - Chief Executive Officer Performance Review Policy

A - Elected Members, CEO and Employee Attendance at Events Policy

A - Freeman of the Shire of Koorda - Guidelines for Appointments

A - Internet, Email Usage and Access to IT Systems Policy

A - Use of Shire of Koorda Logo

Bushfire

B - Harvest and Vehicle Movement Bans

B - Roadside-Verge Burning

B - Use of Shire Equipment and Resources for Firefighting Purposes

Elected Members

EM - Continuing Professional Development – Elected Members

EM - Elected Member Entitlements

EM - Elected Member Service Recognition

EM - Elected Member Social Media and Communications

Finance

F - Cash Handling

F - Corporate Purchasing Cards

F - Debt Recovery

F - Donations and Requests to Waiver fees

F - Financial Hardship

F - Financial Reserves and Provision for Accrued Leave

F - Grants - Community Grants Program

F - Investments

F - Purchasing Policy

Governance & Compliance

G - Appointment of an Acting Chief Executive Officer

G - Child Protection Code of Conduct

G - Child Protection Policy

G - Child Protection Procedures

G - Code of Conduct Behavioural Complaints Management

G - Complaints Management

7.0 Appendix B - Council Policies Examined (continued)

Governance & Compliance (continued)

G - Conducting Electronic Meetings and Attendance by Electronic Means

G - Council Meeting Systems

G - Cyber Security & Data Breach Response

G - Development, Review and Amendment of Policies

G - Fraud and Corruption Control

G - Information and Records Management

G - Internal Control

G - Legislative Compliance

G - Privacy Policy

G - Risk Management

G - Shire of Koorda Dress Code for Australian Citizenship Ceremonies

G - Use of the Shire of Koorda Common Seal-Executing of Legal Documents

Property, Planning & Land

P - Fencing Contributions - Shire Owned Properties

Works & Assets

W - Access Road Construction and Road Reserve Closure

W - Asset Management

W - Consumption of Alcohol on Shire Property

W - Material Supply and Royalties

W - Plant and Equipment Replacement

W - Recreational Vehicles and Overflow Camping Grounds

W - Roads - Construction, Clearing and Grading

W - Rural Deep Drainage and Surface Water

W - Street Lighting

W - Townsite Tree Planting and Maintenance

W - Vandalism Rewards

W - Wildflower Harvesting and Animal/Fauna Removal

Local Planning Policies

LPP - Tree Farms and Plantation Projects

Operational

O - Employee Secondary Employment

Appendix C - Plans Examined

The Plans examined as part of the review were as follows:

Plan	Status
Shire of Koorda - Integrated Strategic Plan 2024	Adopted 20 April 2022
Strategic Resource Plan 2020 - 2035	Adopted 29 June 2020
Workforce Plan	2025 - 2029
Code of Conduct for Council Members, Committee Members and Candidates	Adopted 17 March 2021
Code of Conduct for Employees	Adopted 03 July 2023
Local Emergency Management Arrangements (LEMA)	2020
Business Continuity & Disaster Recovery Plan	March 2024
Record Keeping Plan	Approved by SRO 5 August 2022
Annual Budget	2025-26
Annual Report	2024-25

Appendix D - Strategic and Operational Registers Examined

The registers examined as part of the review were as follows:

Registers
Tender Register
Delegations Register
Financial Interest Register
Gift Register (required by legislation)
Gift Register (required by Employee Code of Conduct)
Complaints Register
Risk Register
Contracts & Leases Register
Portable & Attractive Items Register
Swimming Pool Inspection Register
Official Complaints Register

Appendix E - Operational Guidelines

Risk Management

The internal control and risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:

Reviewing whether the local government has an effective risk management system and material operating risks to the local government are appropriately considered;

Reviewing whether the local government has a current and effective Business Continuity Plan (including disaster recovery) which is tested from time to time;

Assessing the internal processes for determining and managing material operating risks in accordance with the local government's identified tolerance for risk, particularly in the following areas:

- *potential non compliance with legislation, regulations and standards and local government's policies*
- *important accounting judgements or estimates prove to be wrong*
- *litigation and claims*
- *misconduct, fraud and theft*
- *significant business risks, recognising responsibility for general or specific risk areas, for example, environmental risk, occupational health and safety, and how they are managed by the local government*

Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure identified risks are monitored and new risks are identified, mitigated and reported;

Assessing the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self insurance;

Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors;

Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;

Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;

Should the need arise, meeting periodically with key management, internal and external auditors, and compliance staff, to understand and discuss any changes in the local government's control environment; and

Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud and misconduct risks.

Legislative Compliance

'The compliance programs of a local government are a strong indication of attitude towards meeting legislative requirements. Audit committee practices in regard to monitoring compliance programs typically include:

- a) Monitoring compliance with legislation and regulations*
- b) Reviewing the annual Compliance Audit Return and reporting to Council the results of that review*

7.0 Appendix E - Operational Guidelines (continued)

Legislative Compliance (continued)

- c) *Staying informed about how management is monitoring the effectiveness of its compliance and making recommendations for change as necessary*
- d) *Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints*
- e) *Obtaining assurance that adverse trends are identified and review management's Plans to deal with these*
- f) *Reviewing management disclosures in financial reports of the effect of significant compliance issues*
- g) *Reviewing whether the internal and / or external auditors have regard to compliance and ethics risks in the development of their Audit Plan and in the conduct of audit projects, and report compliance and ethics issues to the audit committee*
- h) *Considering the internal auditor's role in assessing compliance and ethics risks in their Plan;*
- i) *Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements*
- j) *Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest*

Internal Controls

'Internal control is a key component of a sound governance framework, in addition to leadership, long term planning, compliance, resource allocation, accountability and transparency. Strategies to maintain sound internal controls are based on risk analysis of the internal operations of a local government.

An effective and transparent internal control environment is built on the following key areas:

- a) *integrity and ethics;*
- b) *policies and delegated authority;*
- c) *levels of responsibilities and authorities;*
- d) *audit practices;*
- e) *information system access and security;*
- f) *management operating style; and*
- g) *human resource management and practices.*

Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation and achieve effective and efficient operations and may vary depending on the size and nature of the local government.

7.0 Appendix E - Operational Guidelines (continued)

Internal Controls (continued)

Aspects of an effective control framework will include:

- a) *delegation of authority;*
- b) *documented policies and procedures;*
- c) *trained and qualified employees;*
- d) *system controls;*
- e) *effective Policy and process review;*
- f) *regular internal audits*
- g) *documentation of risk identification and assessment; and*
- h) *regular liaison with auditor and legal advisors.*

The following are examples of controls that are typically reviewed:

- a) *separation of roles and functions, processing and authorisation;*
- b) *control of approval of documents, letters and financial records;*
- c) *comparison of internal data with other or external sources of information;*
- d) *limit of direct physical access to assets and records;*
- e) *control of computer applications and information system standards;*
- f) *limit access to make changes in data files and systems;*
- g) *regular maintenance and review of financial control accounts and trial balances;*
- h) *comparison and analysis of financial results with budgeted amounts;*
- i) *the arithmetical accuracy and content of records;*
- j) *report, review and approval of financial payments and reconciliations; and*
- k) *comparison of the result of physical cash and inventory counts with accounting records.*

Appendix F - Improvements Identified

Risk Areas	Prioritised Action Required
Design – Policies	4.2.2 Continuing Professional Development
	4.2.3 Elected Member Entitlements
Implementation – Strategic and Operational Plans	5.1.1 Code of Conduct for Council Members, Committee Members and Candidates
	5.1.3 Corporate Business Plan
	5.1.4 Strategic Resource Plan
	5.1.5 ICT Strategic Plan
	5.1.6 Business Continuity / Disaster Recovery Plan
Implementation – Operational and Financial Procedures	5.2.3 Procedure Changes
	5.2.7 Access to Shire Facilities
	5.2.8 ICT Risk Evaluation
	5.2.9 ICT Security
	5.2.10 ICT User Access
	5.2.11 Electronic Banking Transactions
	5.2.13 Security Controls for Cash Handling
	5.2.16 Stock Controls
	5.2.18 Revenue Controls at Shire Facilities
	5.2.19 Fees and Charges
	5.2.21 Procurement
	5.2.22 Procurement Assessment
	5.2.25 Contract Management
5.2.31 Independent Member Committee Meeting Attendance Fees	
Evaluation - Council and Audit and Risk Committee	6.1.4 Monthly Financial Report
Evaluation – Strategic and Operational Registers	6.2.2 Delegation Register
	6.2.3 Contracts / Leases / Agreements Register
Evaluation - Complaint Handling	6.4.3 Public Interest Disclosure Procedures
Evaluation – Audit Practices	6.5.1 Workplace Health and Safety (WHS) Audit

7.0 Appendix F - Improvements Identified (continued)

Risk Area	Planned Action Required
Design – Policies	<p>4.2.1 Elected Member, Chief Executive Officer and Employee Attendance at Events Policy</p> <hr/> <p>4.2.4 Donations and Requests to Waiver fees</p> <hr/> <p>4.2.5 Purchasing Policy</p> <hr/> <p>4.2.6 Appointment of an Acting Chief Executive Officer</p> <hr/> <p>4.2.7 Fraud and Corruption Control</p> <hr/> <p>4.2.8 Risk Management Policy</p> <hr/> <p>4.2.9 Policy Review</p> <hr/> <p>4.2.10 Policy Publication</p> <hr/> <p>4.2.11 General Policy Actions</p> <hr/> <p>4.2.12 Policy Reference to Legislation and External information</p>
Implementation – Strategic and Operational Plans	<p>5.1.2 Risk Management Framework</p>
Implementation – Operational and Financial Procedures	<p>5.2.1 Risk Management Procedures</p> <hr/> <p>5.2.2 Operational Procedures, Checklists, Workflow Diagrams</p> <hr/> <p>5.2.4 Segregation of Duties and Internal Controls</p> <hr/> <p>5.2.5 Evidencing Routine Reviews, Authorisations and Approvals</p> <hr/> <p>5.2.6 Document Control</p> <hr/> <p>5.2.12 Changes to Banking Details</p> <hr/> <p>5.2.14 General Journals</p> <hr/> <p>5.2.15 Balance Sheet Reconciliations</p> <hr/> <p>5.2.17 Trust Fund</p> <hr/> <p>5.2.20 Rates</p> <hr/> <p>5.2.23 Outstanding Purchase Orders</p> <hr/> <p>5.2.24 Purchasing Cards</p> <hr/> <p>5.2.26 Overhead and Administration Allocations</p> <hr/> <p>5.2.27 Record Keeping Practices</p> <hr/> <p>5.2.28 Report on Council Member Training</p> <hr/> <p>5.2.29 Public Notice</p> <hr/> <p>5.2.30 Information Required to be Published on Official Local Government Website</p> <hr/> <p>5.2.32 Grants Management</p>

7.0 Appendix F - Improvements Identified (continued)

Risk Area	Planned Action Required
	5.2.33 Annual Report
Implementation – Human Resource Management and Practices	5.3.1 Payroll Processing, Exception Reporting, Authorisation and Employee Masterfile Setup
	5.3.2 Staff Training
	5.3.3 Induction Processes
Implementation – Insurance	5.4.1 Contractor Insurance
	5.4.2 Insurance Claims
Evaluation – Council and Audit and Risk Committee	6.1.1 Council and Audit Risk and Improvement Committee
	6.1.2 Council and Committee Minutes
	6.1.3 Monthly List of Payments
Evaluation – Strategic and Operational Registers	6.2.1 Tender Register
	6.2.4 Development Applications and Building Permits Register
	6.2.5 Investment Register
	6.2.6 Register of Hazardous Materials
	6.2.7 Regulatory and Health Inspection Register
	6.2.8 Swimming Pool Inspection Register
Evaluation – Complaint Handling	6.4.1 Official Complaints Register and Record of Information about Conduct
	6.4.2 Community Complaints Procedures
Evaluation – CEO Reviews	6.5.2 Internal Audit

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