



Shire of
Koorda

Drive in, stay awhile

AGENDA

Audit, Risk & Improvement Committee Meeting

To be held in Shire of Koorda Council Chambers

10 Haig Street, Koorda WA 6475

Wednesday 24 June 2026

Commencing 4.00pm

Wednesday 24 June 2026

NOTICE OF MEETING

Dear Audit, Risk & Improvement Committee Members,

The next Audit & Risk Committee Meeting of the Shire of Koorda will be held on Wednesday 24 June 2026 in the Shire of Koorda Council Chambers, 10 Haig Street, Koorda, commencing at 4.00pm.

Zac Donovan
Chief Executive Officer
17 June 2026

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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

A handwritten signature in black ink, appearing to read 'Zac Donovan', with a horizontal line extending to the right.

Zac Donovan
Chief Executive Officer

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Shire of Koorda
Audit, Risk & Improvement Committee Meeting
4.00pm, Wednesday 24 June 2026



1. Declaration of Opening

The Presiding person welcomes those in attendance and declares the meeting open at X.XXpm.

2. Record of Attendance, Apologies and Leave of Absence

Committee Members:

Mr Ron Back	Presiding Member
Cr JM Stratford	Member
Cr NJ Chandler	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:

Ms Tanya Browning	Director, Moore Australia (MS Teams)
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Apologies:

Approved Leave of Absence:

3. Public Question Time

4. Disclosure of Interest

5. Confirmation of Minutes from Previous Meetings

5.1. Audit, Risk & Improvement Committee Meeting held on 18 March 2026

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

Voting Requirements Simple Majority Absolute Majority

Officer Recommendation


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

6. Presentations

Ms Tanya Browning, Director, Moore Australia to present on Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls.

7. Officer's Reports

7.1. Quarterly Reporting of Integrated Strategic Plan and Workforce Plan

Governance and Compliance		
Date	12 June 2026	
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 – June 2026	

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.

Community consultation has been completed to update the Strategic Community Plan, as a major review is due in 2026. It is anticipated that the plan will be drafted for consideration along with the 2026/2027 draft budget cycle.

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

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

That the Audit, Risk & Improvement Committee recommends:

That Council:

1. **Adopts the quarterly reporting documents to June 2026 as attached to this item; and**
2. **Endorses the publication of the Integrated Strategic Plan and Workforce Plan components for community information.**

7.2 Action on Review of Financial Management, Risk Management, Legislative Compliance and Internal Controls

Governance and Compliance		
Date	12 March 2026	
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 (Audit) Regulations 1996 Regulation 17</i> <i>Local Government Regulations Amendment Regulations (No. 4) 2025</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	2026.06 Update - AR17 & FMR Report	

Background:

The Shire of Koorda ARIC meeting of 18 March 2026 was presented the Report to the CEO from consultancy Moore Australia for consideration. The report detailed the initial findings of the review of the Shire’s systems and procedures for financial management, legislative compliance and risk management, as per the *Local Government (Audit) Regulations 1996 Regulation 17*

Under amendments to the *Local Government (Audit) Regulations 1996 Regulation 17*, as part of reforms to the Local Government Act 1995, the review includes the previous financial management review (under Financial Management Regulation 5) so the financial management system reviews are now undertaken as part of the broader Regulation 17 review.

The March ARIC meeting requested the CEO to redress any omissions or errors in the report with Moore Australia so to prepare an action plan for the committee to consider at this meeting (17 June 2026), and to identify any additional resources required to complete the plan within the review period.

The following item intends to update the ARIC on the Moore Report to the CEO and the implementation plan to redress issues raised including recognition of those items completed.

Comment:

In developing the plan to redress the matters raised, there were several points questioned by the AIRC chair, committee and staff which first required clarification. These matters are tabled I the following, outlining the issue raised and the clarification provided:

SECTION	COMPONENT	ISSUE RAISED	CLARIFICATION
4.2.3	Elected Member Entitlements	Changes to Local Government Act 1995 to limit insurance entailments may not be reflected in shire policy.	Confirmation that LGIS update on cover with insurance renewals will provide basis to review policy.
4.2.4	Donations and Requests to Waiver fees	Budget does not address considerations for waiving fees and charges for community groups.	Recognition that all delegations are reported to Council. Statutory budget needs to disclose information in notes.

5.2.1	Risk Management Procedures	Observed differing levels of awareness of risk management procedures, particularly with depot and maintenance staff.	Anticipated to be redressed with Tier 2 Work Health and Safety review in development and scheduled to be completed October 2026.
5.2.4/5	Segregation of Duties and Internal Controls	Concern that individuals were able to be involved in multiple steps of various processes.	Primarily related to IT controls which do not allow for segregation of duties but mitigated by detective controls.
5.2.7	Access to Shire Facilities	Requested clarification as to facilities for which access controls are problematic.	Concerns were over; - unrestricted access to the landfill site by residents and others - library door to office is not restricted - cash drawer is not locked
5.2.17	Trust Fund	Legislation requires separate trust bank account to be maintained.	Shire does not use trust account and needs to require bank not to close account.
5.2.31	Independent Member Committee Meeting Attendance Fees	SAT determination, post Shire of Koorda AIRC chair appointment, required Council resolves fee paid represents value for money.	To be redressed with note to budget fees and charges to be adopted by Council.
6.4.1	Official Complaints Register and Record of Information about Conduct	Legislative changes require complaints register to be maintained of shire website.	As Shire did not have complaints to record, queried if register required. Even if no complaints still required to have register on website.

In all there are 73 areas identified for redress by the Shire of which 26 have been ranked as a high priority. The distribution of the components categorised as high risk were distributed as follows:

- Operational and Financial Procedures 14 actions to be prioritised out of 33 identified
- Strategic and Operational Plans 5 to be prioritised from 6 identified
- Council and AIRC had 1 priority of 4 identified
- Strategic and Operational Registers 2 priorities of the 8 identified
- Policies had 2 priority actions of the 12 identified
- Complaint Handling had 1 priority of 2 identified
- Audit Practices had 1 priority risk of 3 identified
- Human Resource Management had only 3 medium risks, and
- Insurance had 2 medium risks identified.

In redressing the developing an action plan to redress the 73 matters raised in the review, priority is afforded to the 26 areas of highest risk, but not without recognising opportunities to remove medium identified risks as part of normal business operations and reporting.

To this end, since the Report to the CEO was provided by Moore Australia (prior to the March AIRC meeting), action has been taken on almost 60% of the 73 matters raised with 22 completed, 10 almost complete and 10 more having commenced.

The summary of actions completed and initiated is attached for consideration by the AIRC. It is intended to for the CEO and Deputy CEO to work through the remaining 65 points to complete prior to the next scheduled review in 2030 with priority given to those with higher risk to the organisation.

It is anticipated that this timeframe can be completed without additional resources being allocated to the task and create an additional financial burden for the shire budget and ratepayers.

Consultation:

Lana Foote, Deputy Chief Executive Officer

Darren West, Works Supervisor

Tanya Browning, Director, Moore Australia (WA)

Statutory Implications:

Local Government (Audit) Regulations 1996 Regulation 17

Local Government Regulations Amendment Regulations (No. 4) 2025

Policy Implications:

G - Legislative Compliance V1.0

G - Risk management V1.0

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

4.1 Open and Transparent Leadership

Risk Implications:

Risk Profiling Theme	Failure to fulfil statutory regulations or compliance requirements
Risk Category	Compliance
Risk Description	Some temporary non-compliance
Consequence Rating	Minor (2)
Likelihood Rating	Unlikely (2)
Risk Matrix Rating	Low (4)
Key Controls (in place)	Local Government Act and regulations
Action (Treatment)	Progression of risk management activities as identified
Risk Rating (after treatment)	Effective

Financial Implications:

The review was included in the 2025/2026 budget. It isn't anticipated that any recommended improvements at this stage still incur any additional costs to allocations within the operating budget.

Voting Requirements: Simple Majority Absolute Majority


Officer Recommendation

That, the Audit, Risk and Improvement Committee recommends:

That Council:

- 1. Endorses the Progress Report as presented to redress the matters identified to do with the appropriateness and effectiveness of systems and procedures of the Shire.**
- 2. Requests the CEO to report back on progress of actions achieved at each quarterly AIRC meeting.**

7.3. Review of Shire of Koorda Business Continuity and Disaster Recovery Plan

Governance and Compliance		
Date	12 June 2026	
Location	Not Applicable	
Responsible Officer	Zac Donovan, Chief Executive Officer	
Author	Lana Foote, Deputy Chief Executive Officer	
Legislation	<i>Local Government Act 1995; Local Government (Audit) Regulations 1996, AS/NZS ISO 31000:2018</i>	
Disclosure of Interest	Nil	
Purpose of Report	<input checked="" type="checkbox"/> Executive Decision <input type="checkbox"/> Legislative Requirement <input type="checkbox"/> Information	
Attachments	Koorda Business Continuity and Disaster Recovery Plan V2.0 2026	

Background:

The Business Continuity and Disaster Recovery Plan (BC&DRP) was originally adopted in 2024 and is now due for review, as part of the Shire’s commitment to ensuring plans remain current, effective, and aligned with organisational and legislative requirements.

This review represents a scheduled update after two (2) years since adoption, and incorporates lessons learned, improved practices, and alignment with updated policies and risk management approaches.

Comment:

The Shire of Koorda Business Continuity and Disaster Recovery Plan (BC&DRP) aims to ensure the continuity of business operations with minimal disruption in the event of an incident or disaster. Without such a plan, the Shire may face significant challenges managing an incident effectively, particularly in circumstances where timely, coordinated decision-making is critical.

As highlighted within the attached DRAFT V2.0 BC&DRP, this updated version of the BC&DRP introduces several key improvements to strengthen the Shire’s preparedness, response, and recovery capability, including:

- Implementation of a Business Impact Analysis (BIA) to formally identify critical business functions and define recovery priorities, including Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO),
- Enhanced IT Systems and Cyber Incident Response framework, aligned with the Shire’s Cyber Security and Data Breach Response Policy, including integration of the Data Breach Response Team and structured response process,
- Expanded scenario-specific checklists, particularly for loss of IT and cyber incidents, to improve operational response clarity during incidents,
- Inclusion of remote work capability considerations to support continuity of operations during disruptions,
- Strengthened supplier continuity planning, identifying key dependencies and backup arrangements,
- Formalised testing and exercising program, including tabletop exercises, simulation exercises, and IT disaster recovery testing, and
- Improved review and continuous improvement framework, including post-incident debriefs and ongoing plan updates.

Through these enhancements, the Plan provides a more structured, practical, and comprehensive approach to business continuity and disaster recovery planning. The updated BC&DRP better equips the Shire to minimise the impact of disruptive events, maintain critical services, and support the community during and following an incident.

It is recommended that Council adopt the updated Business Continuity and Disaster Recovery Plan Version 2.0.

Consultation:

Zac Donovan, Chief Executive Officer

Darren West, Works Supervisor

Administration Staff

Statutory Implications:

Regulation 17 of the Local Government (Audit) Regulations 1996 requires the CEO to review the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance.

The BC&DRP is an informing plan to these systems and procedures.

Policy Implications:

Policy "G - Risk Management"

Policy "G - Cyber Security and Data Breach Response"

Risk Management Framework

Strategic Implications:

Shire of Koorda Integrated Strategic Plan 2024

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

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

4.1 - Open and Transparent Leadership.

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

Risk Implications:

The BC&DRP provides a structured approach to business continuity and disaster recovery. Through the provision of preventative measures and recovery procedures, the impact of any potential disaster may be significantly reduced.

Financial Implications:

There were no financial implications for this process as the BC&DRP has been developed in-house. The actions included in the BC&DRP will have financial implications to Council, however these are unknown and will depend on the scenario in which the BC&DRP is to be put into effect.

Voting Requirements: Simple Majority Absolute Majority

Officer Recommendation

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

That Council receives and adopts the reviewed Business Continuity and Disaster Recovery Plan V2.0 2026, as presented and attached to this item.

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

9. Date of Next Meeting

4.00pm Wednesday 16 September 2026.

10. Closure

The Chairperson thanked everyone for their attendance and closed the meeting at x.xxpm.

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)

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
18/03/2026	RES: 030326	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