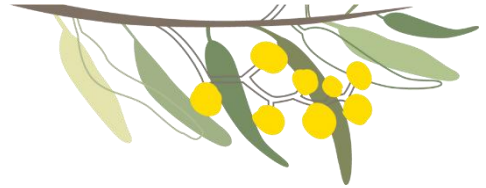




SHIRE OF WOODANILLING



Audit, Risk and Improvement Committee Meeting Agenda 21 July 2026

Dear Elected Member

The next Audit, Risk and Improvement Committee Meeting of the Shire of Woodanilling will be held on Tuesday, 21 July 2026 in the Council Chambers, 3316 Robinson Road, Woodanilling commencing at 1.30pm.

Mike FitzGerald
TEMPORARY CHIEF EXECUTIVE OFFICER

DISCLAIMER

This agenda has yet to be dealt with by the Audit, Risk and Improvement Committee. The recommendations shown at the foot of each item have yet to be considered by the Audit, Risk and Improvement Committee and are not to be interpreted as being the position of the Audit, Risk and Improvement Committee. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Audit, Risk and Improvement Committee.

In certain circumstances members of the public are not entitled to inspect material, which in the opinion of the Chief Executive Officer is confidential, and relates to a meeting or a part of a meeting that is likely to be closed to members of the public.

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Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee meeting does so that person's or legal entity's own risk.

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AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING AGENDA

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Chairperson, Cr Thomson will declare the meeting open at 1.30pm.

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Present:

Mr Greg Ball	Presiding Member
Cr HR Thomson	Shire President
Cr S Vermeulen	Deputy Shire President
Cr I Garstone	
Cr R Marshall	
Cr K Stephens	
Cr M Trimming	
Mike FitzGerald	Temporary Chief Executive Officer
Ciara Whitmore	Customer Service Officer

Apologies:

Observers:

3. APOLOGIES

4. APPLICATIONS FOR LEAVE OF ABSENCE

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6. PUBLIC QUESTION TIME

7. DECLARATIONS OF COUNCILLORS OR OFFICERS INTEREST

8. CONFIRMATION OF PREVIOUS MINUTES

8.1. AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING 21 APRIL 2026

COUNCIL DECISION

That the Minutes of the Audit, Risk and Improvement Committee meeting held 21 April 2026 be confirmed as a true and correct record of proceedings without amendment.

9. AUDIT, RISK AND IMPROVEMENT COMMITTEE REPORTS

9.1 COMPLIANCE AUDIT RETURN 2025

File Reference	ADM0018
Date of Report	14 July 2026
Responsible Officer	Mike Fitzgerald – Temporary Chief Executive Officer
Author of Report	Judy Stewart – Executive Manager Corporate Services
Disclosure of any Interest	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i>
Voting Requirement	Simple Majority
Attachments	Attachment 9.1 – Compliance Audit Return 2025

BRIEF SUMMARY

The purpose of this report is for the Audit, Risk and Improvement Committee (ARIC) to consider the Local Government Compliance Audit Return (CAR) for the period 1 January 2025 to 31 December 2025 and accordingly make a recommendation to Council for submission of the CAR to the Local Government Inspectorate.

BACKGROUND

A CAR ensures local governments review their compliance with key legislative requirements under the *Local Government Act 1995* and associated regulations and aims to promote accountability, transparency, and good governance across the local government sector.

Completion (by the local government administration) of the CAR is mandatory for each local government in Western Australia and represents an annual (calendar year) self-assessment, as required under regulation 14 of the Local Government (Audit) Regulations 1996, for review and recommendation by Council's Audit, Risk and Improvement Committee (ARIC) and subsequent consideration by Council.

COMMENT

In previous years a local government's CAR has been due for submission to the Department of Local Government, Sport and Cultural Industries (DLGSC) by 31 March of the year following the audit period. The current CAR (2025) submission represents an exception to the 31 March deadline due to the introduction of the Local Government Inspectorate (LGI) and a number of changes to statutory requirements for which the compliance audit is needed. Due to the change in reporting requirements, including from DLGSC to the LGI and the formation of a new portal for submission of the CAR following Council adoption, the deadline for submission of the 2025 CAR has been extended to 30 September 2026. The new CAR format categorises questions by instruments of legislation (rather than by operational areas as has previously occurred):

- *Local Government Act 1995*
- Local Government (Administration) Regulations 1996
- Local Government (Audit) Regulations 1996
- Local Government (Constitution) Regulations 1998
- Local Government (Elections) Regulations 1997
- Local Government (Financial Management) Regulations 1996
- Local Government (Functions and General) Regulations 1996

Responses are provided for each of the above instruments of legislation (as detailed in attachment 9.1).

The ARIC is referred to the completed annual Compliance Audit Return for the audit period 1 January 2025 to 31 December 2025. Subject to and following Council's subsequent formal acceptance, the CAR will be lodged as soon as possible and by 30 September 2026.

STATUTORY/LEGAL IMPLICATIONS

The Council is obliged to complete and submit the CAR in accordance with the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996* (as amended by the *Local Government Regulations Amendment Regulations [No.4] 2025*):

14. Compliance audits

- (1) *A local government must carry out an audit (a compliance audit) of the local government's compliance with the statutory requirements prescribed by regulation 13 for the period beginning on 1 January and ending on 31 December in each year.*
- (2) *After a local government has carried out a compliance audit, the CEO must —*
 - (a) *prepare a compliance audit return in a form approved by the Inspector; and*
 - (b) *give a copy of the compliance audit return to the local government's audit, risk and improvement committee.*
- (3) *The audit, risk and improvement committee must —*
 - (a) *review the compliance audit return; and*
 - (b) *report to the council the results of that review.*
- (4) *When reporting to the council, the audit, risk and improvement committee must make any recommendations that the committee considers appropriate in relation to the compliance audit return.*
- (5) *The council must consider the compliance audit return and the results of the audit, risk and improvement committee's review (including any recommendations) at a meeting of the council.*
- (6) *The council must —*
 - (a) *determine if any matters raised by the audit, risk and improvement committee require action to be taken by the local government; and*
 - (b) *either —*
 - (i) *adopt the compliance audit return; or*
 - (ii) *adopt the compliance audit return subject to amendments proposed by the council.*

15. Signed compliance audit return and other information must be given to Inspector

- (1) *After a compliance audit return has been adopted by the council under regulation 14(6)(b), the local government must give the following information to the Inspector —*
 - (a) *a copy of the compliance audit return (or amended compliance audit return, if applicable), signed by the mayor or president and by the CEO;*
 - (b) *any recommendations made under regulation 14(4) after the audit, risk and improvement committee has reviewed the compliance audit return;*
 - (c) *a copy of the relevant section of the minutes of the meeting at which the compliance audit return was adopted by the council;*
 - (d) *any additional information explaining or qualifying the compliance audit.*
- (2) *The information must be given to the Inspector no later than 31 March next following the period to which the return relates.*
- (3) *The Inspector may extend the 31 March deadline.*

16. Functions of audit, risk and improvement committee

An audit, risk and improvement committee has the following functions —

- (a) *to receive and review reports on, and recommend to the council actions to be taken in relation to —*

- (i) audits under Part 7 of the Act; and
- (ii) compliance audits; and
- (iii) reviews under regulation 17;

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

PILLAR 3 Civic Leadership

Key Area of Focus

Good Governance: Upholding ethical standards, clear policies, and sound financial management

Goal 8: Accountable and compliant governance

8.1 Maintain compliance with the *Local Government Act 1995* and associated regulations

CONSULTATION/COMMUNICATION

Anika Serer – (previous) Chief Executive Officer

RISK MANAGEMENT

Should Council not complete and adopt a Compliance Audit Return, Council will be in breach of its statutory obligation. Accordingly, the risk would be 'High' as reflected below.

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)

Shire of Woodanilling Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
Low	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Operational Manager
Moderate	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Operational Manager
High	Urgent Attention Required	Risk acceptable with effective controls, managed by executive management/CEO and subject to monthly monitoring	Executive Manager/CEO
Extreme	Unacceptable in most circumstances	Risk only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous documented monitoring	CEO/Council

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommends to Council that:

- the Compliance Audit Return 2025 (CAR), as per Attachment 9.1, and any other relevant information if applicable, be adopted; and
- Council authorises the President and Temporary Chief Executive Officer to certify the CAR and cause it to be submitted to the Local Government Inspectorate by 30 September 2026 accompanied by the relevant section of Council minutes wherein the CAR has been adopted and any other relevant information if applicable.

10. CLOSURE OF MEETING

There being no further business to discuss the Chairperson, Cr Thomson, will declare the meeting closed at _____ pm.