



MINUTES

AUDIT, RISK & IMPROVEMENT COMMITTEE

held on

Wednesday, 10 December at 12.00pm

at the

**Shire of Morawa Council Chambers,
26 Winfield Street, Morawa**



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

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DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71 Local Government (Administration) Regulation 34C

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Administration) Regulation 34C</i>			
Name of person declaring the interest			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____

Date: _____

Important Note: Should you declare a **Financial** or **Proximity** Interest, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered. For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”

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Item 1 Opening of Meeting

The Presiding Member to declare the meeting open at 12pm.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The Presiding Member acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji Elders past, present and future, in working together for the future of Morawa.

Item 3 Recording of Attendance**3.1 Attendance****E- Attendance**

Mr Nils Hay (Independent Member and Presiding Member)
President Councillor Karen Chappel

In- Person Attendance

Deputy President Councillor Ken Stokes
Councillor Diana North

Staff

Chief Executive Officer	Marty Symmons
Executive Manager Corporate and Community Services	Brad Douglas

3.2 Apologies

Councillor Grant Chadwick

3.3 Approved Leave of Absence

Nil

3.4 Disclosure of Interests

Nil

Item 4 Applications for Leave of Absence

Nil

Item 5 Response to Previous Questions

Nil

Item 6 Questions from Members without Notice

Nil

Item 7 Announcements by Presiding Member without Discussion

Nil

Item 8	Declarations of All Members to have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting
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The Committee Members to declare that they had given due consideration to all matters contained in the agenda.

- Mr Nils Hay (Independent Member and Presiding Member)
- President Councillor Karen Chappel
- Deputy President Councillor Ken Stokes
- Councillor Diana North

Item 9	Confirmation of Minutes of Previous Meeting
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The Minutes of the 23 July 2025 Audit & Risk Management Committee Meeting were provided under separate cover via the Shire of Morawa's secure portal on 09th October 2025.

OFFICER'S RECOMMENDATION/COMMITTEE RESOLUTION

251201

Moved: Cr Coaker

Seconded: Cr Chappel

That the Audit & Risk Management Committee Meeting Minutes held on Wednesday 23, July 2025 is confirmed to be a true and correct record.

CARRIED BY SIMPLE MAJORITY 4/0

Disclaimer

Members of the public are cautioned against taking any action on Council decisions, on items in this agenda in which they may have an interest, until formal notification in writing from the Shire has been received. Decisions made at this meeting can be revoked pursuant to the Local Government Act 1995.

Item 10 Reports of Officers**10.1 2022-2023 Regulation 17 Actions Update**

Author: Executive Manager Corporate and Community Services

Authorising Officer: Chief Executive Officer

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFF OFFICER'S RECOMMENDATION/COMMITTEE RESOLUTION**251202****Moved: Cr Chappel****Seconded: Cr Stokes**

That the Audit & Risk Management Committee:

- 1. Notes the Reg 17 review update for July 2025 and accepts the actions taken so far.**

CARRIED BY SIMPLE MAJORITY 4/0

PURPOSE

For the Audit, Risk & Improvements Committee to be updated on the status of the action items relating to the 2023 Regulation 17 Assessment. As well as the current progress of the 2025 audit.

DETAILBackground

The Audit & Risk Management Committee (Committee) is responsible for the oversight of actions related to the *Local Government (Audit) Regulations 1996*. Regulation 17 states that the CEO is to review certain systems and procedures relating to risk management, internal control, and legislative compliance at least once in every three financial years.

The last Regulation 17 review was conducted in 2022/2023 by Civic Legal as an experienced Local Government specialised legal firm. It was proposed to undertake the next Regulation 17 review in conjunction with the Financial Management Review. Regulation 17 reviews are not pass or fail and centre around embedding continuous improvement within the organisation.

A number of suggested actions were highlighted as part of the review's findings. Council has previously endorsed the CEO's allocated timeframes against each action with the goal of delivering all actions by the time of the next review.

Update

A full update was provided and accepted at the July ARIC meeting 2025 – *Attachment 1*. Procedure and plan development delays are an unfortunate outcome of workforce shortages and resource

constraints, but all critical items have been reviewed and the current stage of development is a further enhancement or documentation of existing practices.

The Reg 17 and Financial Systems Management Review (FMSR) are both to be audited as stated in the act not less than once in every three financial years. As such, the scheduled audits for these processes were commenced on the 1st December 2025 with auditors on site from the week of the 8th December 2025. It is expected previous findings that have may not have been remediated, will be reported on as part of this audit. It is expected that the audit findings be available to council in the new year.

LEVEL OF SIGNIFICANCE

Medium – achieving the agreed upon action items within delivery timeframe will ensure continued improvement and compliance enhancements.

CONSULTATION

Senior Management Team

LEGISLATION AND POLICY CONSIDERATIONS

Local Government Act 1995

Local Government (Audit) Regulations 1996

Strategic Community Plan 2022 to 2032

N/A

FINANCIAL AND RESOURCES IMPLICATIONS

The delivery of some action items will involve consultant support or significant current workload reallocation.

RISK MANAGEMENT CONSIDERATIONS

The Regulation 17 Audit is essentially a risk mitigation/identification measure focussed on providing the Committee with information relating to potential systems or procedure risk areas. The current outcomes are behind schedule which increases the risk of not all items being completed by 2026, this is a risk but the Shire does not have the resources to achieve the current approved timeframes.

CONCLUSION

Work continues towards achieving organisation wide compliance, with a status update of the Regulation 17 Review action items as presented above.

ATTACHMENTS

Attachment 1 – 10.1a Shire of Morawa Reg 17 Action Items – July 2025 Update

10.2 Annual Report and Annual Financial Statements and Audit Report

Author: Executive Manager Corporate and Community Services

Authorising Officer: Chief Executive Officer

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION/COMMITTEE RESOLUTION

251203 Moved: Cr Chappel Seconded: Cr North

That the Audit & Risk Management Committee:

- 1. Adopt the Annual Report for the 2024-2025 financial year inclusive of the Annual Financial Report and Auditor Opinion.**
- 2. Direct the Chief Executive Officer to convene a general meeting of electors for Monday, 24th February 2025 at 5:30pm to coincide with the Ordinary Council Meeting on that date.**

CARRIED BY ABSOLUTE MAJORITY 4/0

PURPOSE

The purpose of this report is to present to the Audit, Risk and Improvement Management Committee (the Committee) the 2024-2025 Annual Report, Audit Report and Audited Financial Statements with the recommendation for Council adoption and to set the meeting time and date of the annual electors' meeting.

DETAIL

Council has an obligation under the Local Government Act 1995 to prepare an Annual Report which includes audited financial statements. The 2024-2025 audit has been completed by the Office of the Auditor General contractor Armada. The audit findings and financial statements are presented in the 2024-2025 Annual Report - *Attachment 1*.

As required by the Local Government Act 1995 the Local Government is required to present the report to an Annual Electors Meeting within 56 days of accepting the Annual Report by Council, giving at least 14 days' public notice. The Shire will advertise the meeting and the availability of the 2024-2025 Annual Report on the Shire Website, noticeboards and other local communication channels.

In order to reduce the meeting burden upon Councillors it is proposed that the date for the February council meeting coincide with the electors meeting.

The Annual Report and Audited Financial Statements includes:

- Shire President's Report
- Chief Executive Officer's Report
- Statutory Reports
- Freedom of Information Statement
- Audited Financial Statements
- Audit Report

The reports outline other activities undertaken during 2024-2025 together with the financial position of the Shire of Morawa as at 30 June 2025.

The Audit exit meeting was held on 27 November 2025 with Cr Karen Chappel, CEO Marty Symmons, EMCCS Brad Douglas, Suraj Karki from the OAG, Marcia Johnson & Ebin Johnson from Armada. The final reports are now presented to the Committee to review and receive the financial statements as audited.

LEVEL OF SIGNIFICANCE

High – The sequence and timing of acceptance and meetings are prescribed by legislation.

CONSULTATION

Audit and Risk Management Committee
Chief Executive Officer
Executive Manager Corporate and Community Services

LEGISLATION AND POLICY CONSIDERATIONS

The Local Government Act 1995 – Sections 5.53, 5.56 & 5.54
The Local Government (Financial Management) Regulations 1996

Strategic Community Plan 2022 - 2032

Be future focused in all we do:
1. Ensure the Shire and its assets are well resourced and sustainable.

FINANCIAL AND RESOURCES IMPLICATIONS

Nil

RISK MANAGEMENT CONSIDERATIONS

If Council choose not to accept the Annual Report at this meeting, then the risk of non-compliance may arise if a suitable special meeting date cannot be found prior to 31 December 2025.

CONCLUSION

That the Audit and Risk Management Committee recommend Council adopt the recommendation as presented and authorise the CEO to undertaking the necessary notice periods as required under the *Local Government Act 1995* and associated regulations.

ATTACHMENTS

Attachment 1 – 10.2a Shire of Morawa Annual Report 2024-25 including Annual Financial Statements and Auditor Opinion.

Item 11 Motions of Which Previous Notice Has Been Given

Nil

Item 12 New Business of an Urgent Nature

Nil

Item 13 Closure**13.1 Date of Next Meeting**

The next Audit & Risk Management Committee will be held on Wednesday 11 March 2026 commencing at 6.00pm.

13.2 Closure

There being no further business, the Presiding Member declared the meeting closed at 12.12pm.

Presiding Member