MORAWA
BREAKING NEW GROUND

AGENDA

AUDIT, RISK & IMPROVEMENT COMMITTEE

to be held on

Monday, 13 July 2026 at 6.00pm

as Virtual Meeting (e- Meeting).

WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

'This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.'

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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

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			
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 6pm.

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

Committee Members
Mr Nils Hay (Independent Member and Presiding Member)
President Councillor Karen Chappel
Deputy President Councillor Ken Stokes
Councillor Grant Chadwick
Councillor Diana North

Staff

Chief Executive Officer	Marty Symmons
Executive Manager Corporate and Community Services	Kristy Van Kuyl

Member of Public

3.2 Apologies

3.3 Approved Leave of Absence

3.4 Disclosure of Interests

Item 4 Applications for Leave of Absence

Item 5 Response to Previous Questions

Item 6 Questions from Members without Notice

Item 7 Announcements by Presiding Member without Discussion

Item 8 Declarations of All Members to have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting

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 Grant Chadwick
Councillor Diana North

Item 9 Confirmation of Minutes of Previous Meeting

The Minutes of the 19 March 2026 Audit Risk and Improvement Committee Meeting were provided under separate cover via Email to all Committee Members on 25 March 2026.

OFFICER'S RECOMMENDATION

That the Audit Risk and Improvement Committee Meeting Minutes held on Thursday, 19 March 2026 are confirmed to be a true and correct record.

SIMPLE MAJORITY VOTE REQUIRED

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 Interim Audit

Author: Chief Executive Officer

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

That the Audit Risk and Improvement Committee recommends that Council:

1. **Receive the Interim Audit Attachment;**
2. **Accept the findings identified;**
3. **Endorse the Management Responses and proposed implementation timeframes; and**
4. **Request the items be added to the standing Management Action Plan (MAP) progress report, to be presented at Committee meetings until all identified actions are finalised.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to present the findings identified during the Interim Audit for the year ending 30 June 2026 and provide the Audit Risk and Improvement Committee with management's responses and proposed implementation timeframes, outlining how these items will be incorporated into the standing Management Action Plan for ongoing monitoring by the Committee.

DETAIL

The Interim Audit Attachment outlines three findings raised by the Office of the Auditor General:

1. Supplier masterfile changes – Moderate risk, first raised 2024
2. Procurement and purchases – Moderate risk, first raised 2025
3. Shire-owned land rateability – Minor risk, first raised 2026

Management has provided detailed responses to each finding, acknowledging the issues and committing to corrective actions within defined timeframes. These actions include strengthening audit trail review processes, reinforcing procurement documentation requirements through staff training, and completing a full review of Shire-owned land rateability classifications.

The Committee's endorsement of the management responses will allow the findings to be formally incorporated into the Shire's Management Action Plan, ensuring structured oversight, progress tracking, and reporting at future Committee meetings until all actions are completed.

LEVEL OF SIGNIFICANCE

Low: While the issues identified do not impact the audit opinion, they require timely action to ensure continued compliance with legislative requirements, strengthen internal controls, and maintain public confidence in the Shire's financial management practices.

CONSULTATION

Office of the Auditor General
Internal Officers
ARIC

LEGISLATION AND POLICY CONSIDERATIONS

Strategic Community Plan 2022 to 2032
Local Government Act 1995
Local Government (Financial Management) Regulations 1996
Local Government (Audit) Regulations 1996

FINANCIAL AND RESOURCES IMPLICATIONS

The financial impact of the audit findings is assessed as low, with the Interim Audit noting that rateability errors were immaterial to the financial statements.

RISK MANAGEMENT CONSIDERATIONS

Endorsing the management responses and incorporating the items into the Management Action Plan provides a structured mitigation pathway, ensuring oversight, timely implementation, and reduced residual risk.

CONCLUSION

The Interim Audit provides valuable insight into the Shire's financial management and compliance environment. While the findings do not impact the audit opinion, they identify areas requiring improvement to strengthen internal controls, ensure legislative compliance, and support good governance.

Endorsement of the management responses and inclusion of the items in the Management Action Plan will ensure ongoing monitoring and accountability until all actions are completed.

ATTACHMENTS

Confidential Attachment 1 – 10.1 Interim Audit Attachment - 30 June 2026

10.2 Management Action Plan Progress Report

Author: Chief Executive Officer

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

That the Audit Risk and Improvement Committee recommends that Council:

1. **Receive the updated Management Action Plan (MAP) progress report; and**
2. **Note the progress made on audit and review findings as outlined in the attached MAP.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to provide the Audit Risk and Improvement Committee with an update on the Shire's Management Action Plan, summarising progress made against all outstanding audit and review findings from the Interim Audit 2026, Regulation 17 Review 2025, and the Financial Management Systems Review 2025.

The MAP is presented for Council to receive and note, ensuring continued oversight of governance, compliance, and internal control improvements.

DETAIL

The Management Action Plan consolidates all findings raised through external audits and reviews, including:

- Interim Audit 2026
- Regulation 17 Review 2025
- Financial Management Systems Review 2025

The attached MAP provides a detailed status update for each item, including management responses, responsible officers, due dates, and comments on progress.
Key movements since the last update include:

- Several items progressing following commencement of policy development, procedural updates, and staff training.

- Completion of selected actions, including procurement documentation improvements and adoption of the Audit Committee Charter.

- Continued work on high-priority governance items such as risk management, policy review, and financial control enhancements.

The MAP remains a standing item for ARIC, with updates provided until all actions are finalised.

LEVEL OF SIGNIFICANCE

Low: The report relates to internal governance and compliance improvements and does not require community engagement. Council's receipt and noting of the MAP update supports transparent oversight of audit findings and continuous improvement processes.

CONSULTATION

Internal Officers
ARIC

LEGISLATION AND POLICY CONSIDERATIONS

Strategic Community Plan 2022 to 2032
Local Government Act 1995
Local Government (Financial Management) Regulations 1996
Local Government (Audit) Regulations 1996

FINANCIAL AND RESOURCES IMPLICATIONS

There are no direct financial implications associated with receiving and noting the MAP update.
Resource impacts relate to staff time required to complete outstanding actions, including policy development, procedural updates, recordkeeping improvements, and compliance monitoring.
These activities are being managed within existing operational capacity.

RISK MANAGEMENT CONSIDERATIONS

Receiving and noting the MAP update ensures continued oversight and supports risk mitigation.

CONCLUSION

The Management Action Plan provides a consolidated and transparent record of all audit and review findings and the Shire's progress in addressing them.

The attached update demonstrates ongoing improvement across governance, compliance, and financial management functions.

It is recommended that Council receive the MAP update and note the progress made.

ATTACHMENTS

Confidential Attachment 1 – 10.2a MAP 06.2026

Confidential Attachment 2 – 10.2b Interim Audit Attachment - 30 June 2026

Confidential Attachment 3 – 10.2c 2025 Regulation 17 Report – Finalised

Confidential Attachment 4 – 10.2d 2025 FMSR Report – Finalised

10.3 Work Health and Safety and Risk Management

Author: Chief Executive Officer

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

That the Audit Risk and Improvement Committee recommends that Council:

1. **Notes the recurring Work Health and Safety (WHS) and Risk Management item as part of the Committee's standard agenda to ensure ongoing oversight of the Work Health and Safety Act 2020; and**

2. **Receives the WHS update for the period March to June 2026.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of establishing this recurring reporting framework is to ensure the Audit, Risk and Improvement Committee maintains a robust and transparent oversight of the Shire's health and safety obligations, particularly in response to the Work Health and Safety Act 2020 and the WHS Regulations 2022.

By integrating these updates into the standard agenda, the Committee can move from a broad awareness of safety to a detailed verification of whether critical controls are actually in place and operating with sufficient evidence. This systematic approach is designed to strengthen the link between the Shire's Risk Management Framework and its daily operational activities, ensuring that safety-critical controls are consistently applied across the organisation.

DETAIL

Administrative improvements were identified during the 2026 Regulation 17 Audit. To strengthen the integration between the Shire's Risk Management Framework and internal audit activities, the Shire's Risk Management System is undergoing significant transformation. This includes an updated team structure and a focused uplift of the Risk Management Framework to ensure continuous improvement.

The Committee is advised that work is continuing on the development of the Shire's internal performance and safety reporting frameworks. While these reports were originally scheduled to commence this quarter, the underlying templates, data capture processes, and verification steps are still being finalised.

Current Activities

1. WHS Meetings
   Recurring meetings are being maintained. Meetings were held Jan 21st, April 8th, and is next scheduled for July 21st, 2026

2. Aerodrome Training
   Scheduled Aerodrome Reporting Officer & Radio Operator Certification training was completed at the Aerodrome, March 2026.

3. Incident Reporting
   One (1) WHS incidents and was reported during the most recent quarter, with the matter being addressed through standard investigation protocols.

4. Return to Work (RTW)
   One active RTW process is currently underway following a 2024 vegetation management incident. This matter is nearing conclusion, subject to final advice from LGIS.

5. Industrial Relations
   One active Industrial Relations item remains pending close-out, subject to legal advice.

LEVEL OF SIGNIFICANCE

Medium: Improved reporting practices ensure the transparency of continued improvement and compliance enhancements regarding statutory health and safety obligations.

CONSULTATION

Chief Executive Officer
Executive Manager Works & Services
LGIS

LEGISLATION AND POLICY CONSIDERATIONS

The Local Government Act 1995
Work Health and Safety Act 2020

FINANCIAL AND RESOURCES IMPLICATIONS

Resources for these activities are managed within existing operational budget constraints.

RISK MANAGEMENT CONSIDERATIONS

A standing WHS Report mitigates this risk by ensuring safety-critical controls are subject to regular Committee oversight..

CONCLUSION

The update for the March to June 2026 period demonstrates continued operational activity across

WHS functions, including incident management, return-to-work processes, aerodrome training, and industrial relations matters.

Receiving this report ensures the Committee maintains clear oversight of current WHS activity while supporting the transition toward a more structured and comprehensive reporting framework.

ATTACHMENTS

Attachment 1 – 10.3a CORP01 Risk Management Policy
Attachment 2 – 10.3b WHS Committee Terms of Reference

Item 11 Motions of Which Previous Notice Has Been Given

Item 12 New Business of an Urgent Nature

Item 13 Closure

13.1 Date of Next Meeting

The next Audit, Risk & Improvement Committee, will be held on Monday 14 December 2026 commencing at 6.00pm.

13.2 Closure

There being no further business, the Presiding Member to declare the meeting closed.