



SHIRE OF MORAWA

**AUDIT RISK & IMPROVEMENT
COMMITTEE MEETING**

ATTACHMENTS

Monday, 13 July 2026



**WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY**

Agenda Attachments

Shire of Morawa

Audit Risk & Improvement Committee Meeting

13 July 2026

List of Attachments

Item 10 - Reports from Officers

- 10.3 Work Health and Safety and Risk Management**
Attachment 1 – 10.3a CORP01 Risk Management Policy
Attachment 2 – 10.3b WHS Committee Terms of Reference.
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Audit, Risk & Improvement Committee Meeting

13 July 2026

Attachments

Attachment 1 – 10.3a CORP01 Risk Management Policy.

Attachment 2 – 10.3b WHS Committee Terms of Reference.

Item 10.3 Work Health and Safety and Risk Management

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2. CORPORATE (CORP)

CORP01 Risk Management Policy

Aim	To define the fundamental principles that will establish and maintain a robust, integrated, and effective risk management system across all strategic and operational functions of the Shire. This policy mandates the Shire's commitment to risk management. The goal is not to eliminate all risks, but rather to manage risks involved in Council's functions and services and to maximise opportunities whilst minimising potential negative exposures.
Application	Whole of Organisation
Statutory Environment	Regulation 17 of the Local Government (Audit) Regulations 1996 ISO - AS/NZS - 31000:2018 – Risk Management
Approval Date	16 March 2023
Last Review	OCM 19 November 2020
Next Review	2026
Review Period	Every 3 years

Objectives

The Shire of Morawa is committed to organisation wide risk management principles, systems, and processes that ensure consistent, efficient, and effective assessment of risk in all planning, decision making and operational processes.

The objective of this document is to provide a framework which:

- Provides consistent terminology to aid, promote, and improve understanding of risk management at Council.
- Improves planning processes by enabling the key focus to remain on core business and helping to ensure continuity of service delivery.
- Reduces the likelihood of negative 'surprises' and assists with preparing for challenging and undesirable events and outcomes.
- Contributes to improved prioritisation and resource allocation by targeting resources to the highest-level risks, and risks which if treated provide the organisation with best value; and,
- Improves accountability, responsibility, transparency, and governance in relation to both decision-making and outcomes

Policy

Definitions

The following definitions apply to this document:

Risk: Is the effect of uncertainty on objectives. Something that may happen in a given situation.

Risk Management: the structured approach of aligning strategy, processes, people, technology, and knowledge with the purpose of evaluating and managing risk (uncertainty).

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Operational Risks:	Something that could happen in a situation and prevent the Shire from delivering a particular service or completing projects or events.
Strategic Risks:	Something that could happen in a situation that may prevent the Shire from reaching its goals or continuing to service the community.
Consequence(s):	The outcome or impact of an event (risk occurrence), and in particular, the most probable worst-case scenario.
Control:	Measure that is modifying risk.
Likelihood:	Chance of something happening.
Mitigating actions:	Additional Controls - processes, policies, devices, practices, or actions that act to further modify/minimise risk.
Acceptable risk:	A risk where current controls minimise risk sufficiently so that the Shire deems that further mitigating actions are not required.
Residual risk:	Risk remaining after risk treatment and/or risk mitigation

Risk Principles

Council's Risk Management Framework is an organisation wide commitment to a consistent approach to managing risks. Council acknowledges that risk management is a fundamental element of good business practice. The management of risk is not the responsibility of a particular area but a shared responsibility across the organisation.

Council wishes to foster and promote a 'risk aware' but not 'risk averse' culture throughout the organisation. Given the size, resources, and scope of operations of the Shire, Council accepts that risk management practices will operate at a basic maturity level targeting the most prominent and likely risks with noticeable consequences.

In achieving Council's policy objective, the Chief Executive Officer must ensure that the following key Risk Principles are observed, understood, and embraced to deliver a continuous organisation wide system of risk management.

1. **Statutory Compliance** – Compliance with Regulation 17 of the Local Government (Audit) Regulations 1996.
2. **Working towards Industry Best Practice** - Alignment with the principles and practises as detailed in the Risk Management Standard - AS/NZS ISO 31000:2018 Risk Management - Guidelines.
3. **Strategic Integration** – Integrating risk management across the Shire's strategic documents including the Corporate Business Plan, Strategic Community Plan, Project and Event Planning, and other Strategic documents as relevant.
4. **Decision Making** - Identification, analysis, and response to risk must be addressed across all strategic and operational decision-making functions at Council and Executive Level – specifically incorporating risk analysis into Council reports.
5. **Understanding** - Executive Policies and procedures that clearly articulate employee obligations and business rules when reporting and registering risk. Training provided to employees and Councillors/committee members in risk management.
6. **Organisation Culture** – Develop a culture of risk identification and analysis in any given situation.
7. **Tools and Processes** - Tools and processes that are fit for purpose and accessible to all staff to ensure risk is identified, analysed, evaluated, recorded, and mitigated appropriately.

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Risk Management Framework Overview

The purpose of the Risk Management Framework is to assist individuals in considering risks and opportunities in a consistent manner. The Shire's Risk Management Framework works through a simple five (5) step process that aligns with best practice principles.

1. Risk Identification – the Council wants to identify and manage as many high-level risks as possible, to achieve this goal the whole organisation must actively work to identify risks across the Shire's broad range of activities.
 - a. Strategic Risk workshops will be conducted at least annually involving the Audit Committee, and the Executive Leadership Team
 - b. The Chief Executive Officer is responsible for developing appropriate Executive Policies and procedures to manage the identification of operational risks
2. Risk Analysis – to appropriately manage risks they must be ranked and prioritised. To measure a risk, the Shire will compare risk consequence against risk likelihood. The below matrix will be used to analyse risk:

Consequence Likelihood	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Low	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Low	Low	Moderate

3. Risk Evaluation – based on the Risk Analysis the Shire must determine the appropriate response to the Risk based on the Shire's risk appetite.

The Shire of Morawa has a medium risk appetite, generally accepting low level risks with minimal controls but requiring risks deemed High or Extreme to be monitored, evaluated, and mitigated with highly effective controls at the Executive and Audit Committee level.

4. Risk Mitigation – whilst some risks may be inherently low risk and acceptable to the organisation, most risks, even those classified as low impact, can be treated, or controlled. Risk mitigation occurs through the implementation of controls. Risk mitigation may involve the use of multiple controls from varied categories. Once Risk Mitigation controls have been selected the risk should be re-analysed to ensure controls are sufficient to deem the risk acceptable.
5. Monitor – Risks and their controls should be regularly monitored at intervals set depending on the risk, likelihood, control effectiveness, and other factors to ensure controls and ratings remain relevant, and the organisation remains cognisant of the risks.

Consequence Categories

For consistency, the Shire will apply standardised consequence categories across all risk registers.

1. **Health and Safety** – consequences that may impact the health and safety of employees, community members, or other stakeholders.

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2. **Financial** – budgetary deviations or impacts on the Shire’s long term financial planning objectives
3. **Service Interruption** – the inability to deliver a service or to deliver a service to the standard expected by the Shire’s customers
4. **Compliance** – the Shire operates in a heavily regulated environment and risk occurrences may impact on the Shire’s ability to remain compliant under a particular legislative or regulatory environment
5. **Reputational** – Whilst the Shire is not a private enterprise that benefits from reputational goodwill, an eroded reputation impacts on community and sector trust in the Shire’s operations. This can have long-term damaging effects.
6. **Property and Environment** – impacts on property or environmental features belonging to the Shire, district at large, or broader areas.

All consequences must be rated using the below scale:

1. Insignificant
2. Minor
3. Moderate
4. Major
5. Catastrophic

Given the organisational wide impact of Strategic Risks they will generally be Major or Catastrophic in consequence if left without any mitigating actions. The Chief Executive Officer is responsible for establishing consequence criteria under the above categories for rating risks under operational risk registers.

Likelihood Categories

All risks will be assessed against the below likelihood criteria.

Likelihood Level	Description
Almost Certain	The event is expected to occur in most circumstances, at regular intervals or with a probability of occurring greater than 90%
Likely	The event will probably occur, potentially once a year or with a probability of 60%-90%
Possible	The event may occur, likely to occur at least once in every 4-year period, or with a probability of 30%-60%
Unlikely	The event may occur but is not expected likely, may happen a few times a decade, or with a probability of 5-30%
Rare	The event may only occur in highly infrequent or unexpected circumstances, less than once in a 20-year period, or a less than 5% chance of occurring
Negligible	Whilst not incorporated in risk assessment, this likelihood will allow the Shire to review risks that have very little chance that they will ever occur and would be unprecedented if they did. This demonstrates awareness of the risk in case the likelihood changes in future.

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Responsibility and Authority

The acceptance of risk ownership is required by each staff member at every level within the organisation.

Council empowers the Audit Committee to act as the Shire's oversight agent in relation to the management and assessment of Risk.

The Audit Committee is responsible for developing, managing, monitoring, and reporting on the Shire's Strategic Risk Register. The Strategic Risk Register detailing Strategic Risks and mitigating actions must be reported to Council on an annual basis including analysis of a risk occurrence and consequences.

The Chief Executive Officer is responsible for ensuring the Shire's risk management practices are appropriate and effective.

The Chief Executive Officer is responsible for developing, managing, monitoring, and reporting on the Shire's Operational Risk Register. The Operational Risk Register may be informed by other registers and methods as determined by the Chief Executive Officer. High and Extreme risks on the operational risk register must be reported to the Audit Committee, if the administration plans to accept the risk.

PURPOSE:

This document defines the structure, function, limits of authority and responsibilities of the Shire of Morawa WHS (Work Health and Safety) Committee.

Title of Committee

The Committee shall be known as the Shire of Morawa WHS Committee.

SCOPE:

Role of the Work Health and Safety Committee

- Review hazard, injury, damage and near miss, environmental incident reports, and/or high-risk incidents, identify and discuss any potential trends and corrective actions.
- Communication and consultation between Management and Health and Safety representatives.
- Review outstanding corrective actions for incident reports and workplace inspections.
- To assess and review WHS benchmarks, strategies, and key performance indicators (KPIs).

Objectives of the Work Health and Safety Committee

- Planning – To ensure that planning occurs systematically and includes clear and measurable Targets and Objectives.
- Policies & Procedures – To develop, implement, monitor and review policies, and procedures to ensure a robust policy framework meets legislative requirements and is integrated throughout all levels of the organisation.
- Training – To identify workforce training needs and arrange or deliver training requirements on a regular and ongoing basis. Training should have clear objectives, measurable outcomes and be evaluated.
- Communication and Consultation – To ensure that adequate consultation exists throughout the organisation to ensure all necessary information is communicated to the workforce.
- Documentation and Reporting - To ensure adequate documentation exists and is available to all employees. To provide systems, processes, and assistance to ensure all incidents are reported and recorded.
- Hazard Management – To ensure that all hazards are identified, assessed, controlled, monitored, and reviewed in accordance with the hierarchy of controls.
- Risk Management – To ensure that all risks are identified, assessed, controlled, monitored, and reviewed in accordance with the Australian Standards for Risk Management.
- Emergency Management – To ensure that all possible organisational emergencies are identified and appropriate systems, procedures introduced to manage an emergency efficiently and effectively.
- Measurement and Evaluation – To ensure that systems and procedure are regularly reviewed, and Key Performance Indicators (KPI's) are in place to assess, measure and evaluate performance.
- Management Systems – To ensure that management systems are effective, regularly maintained, monitored, and reviewed.

Safety Committee Structure and Format

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The Committee shall consist of:

- Chairperson
- Manager of Works & Services
- LGIS Representative
- Workplace Health and Safety Officer
- Parks and Gardens Team Leader
- Works Services Team Leader
- Other invited attendees as appointed / required

Immunity of Health and Safety Representatives

A Health and Safety Representative is not personally liable for anything done or permitted to be done in good faith in exercising a power or performing a function under the *Work Health and Safety Act 2020* (WHS Act).

Powers and functions of health and safety representatives

A Health and Safety Representative is elected to perform the following functions:

- To represent the workers in the work group in matters relating to work health and safety
- To monitor the measures taken by the Person Conducting a Business or Undertaking (PCBU) in compliance with the *Work Health and Safety Act 2020*
- To investigate complaints from members of the work group relating to work health and safety
- To inquire into anything that appears to be a risk to the health or safety of workers in the work group
- Inspect the workplace with reasonable notice to the PCBU or without notice in the event of an incident or any serious risk to the health or safety of a person
- Accompany an inspector during a visit to the workplace or the work group and with the consent of a worker, be present at an interview concerning work health and safety matters with an inspector or the PCBU.
- Receive information concerning the work health and safety of workers in the work group
- Whenever necessary, request the assistance of any person.

Frequency of Meetings

The meetings will be held each month or unless you are notified by WHS Officer for rescheduling.

Any Committee member may request that the Chairperson call an extraordinary meeting to resolve an issue requiring urgent attention.

If any meeting is cancelled or rescheduled the details and reasons must be noted in the minutes of the next meeting, "Frequency of meetings to be determined".

Quorum

Minimum number of persons required to be present at a meeting before any transactions can take place. This is a minimum of three (3) Safety and Health Representatives and two (2) Managers or their nominated representative for the Safety Committee meeting to take place. The Committee cannot vote or form a consensus without a quorum.

Proxies

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Section 67 of the *Work Health and Safety Act 2020* provides for the election of a Deputy Health and Safety representative for each workgroup. The Deputy Health and Safety Representative is elected in the same manner as the Health and Safety Representative. The proxy will have authority to vote on their behalf at that particular meeting.

Order of Meetings

Discussion at the WHS Committee meetings shall be controlled through an agenda. Any individual wishing a specific item to be included in the agenda should advise the Workplace Health and Safety Officer/Human Resource Officer prior to the meeting date, otherwise the item may be discussed under “new business”.

Recording of Minutes

Accurate and concise minutes shall be recorded at each meeting and all agreed actions shall include the responsible person’s name and an action by date.

The minutes shall be distributed to each Group member prior to the next meeting, and then will be accepted as a true and accurate record at the meeting. If there are no discrepancies it is to be noted that “the minutes are accepted as a true and accurate record”.

Decision Making

The Committee shall, wherever possible, reach any decision by majority. Reasons for dissent shall be recorded in the minutes.

RESPONSIBILITIES:

➤ **Chairperson**

- Approve meeting time and venue
- Direct and guide discussion at meetings
- Ensure all agenda items are discussed, and end with definite outcomes
- Review and sign minutes
- Ensure all members have an opportunity to contribute
- Shall nominate a person to Chair meetings in their absence

➤ **WHS Officer**

- Draft agenda for approval
- Coordinate the meeting
- Record meeting minutes
- Ensure minutes are distributed
- Table any correspondence
- Report on status recommendations and ongoing action items
- Distribution of technical reports
- Shall nominate person to act as Secretary in their absence

➤ **Committee Members**

- Attend meetings
- Prepare and present reports as requested by the Committee
- Develop strategies to improve safety and health
- Complete and submit inspection checklists at least every three months.

Evaluation of Committee’s Effectiveness

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The Committee shall undertake regular reviews to evaluate its effectiveness, and as a guide the following should be determined:

- Are the Safety Committee's aims and objectives being met?
- Should the aims and objectives be amended?
- Is the Safety Committee's effectiveness improving or deteriorating?
- Are Safety Committee members regularly attending meetings?
- Review the Terms of Reference

FUNCTIONS OF THE COMMITTEE

- *To facilitate cooperation between the PCBU and workers in instigating, developing, and carrying out measures designed to ensure the workers' health and safety at work.*
- To assist in the developing standards, rules and procedures relating to health and safety that are to be followed or complied with at the workplace

DUTIES OF A PCBU

- The PCBU must allow each member of the group to spend the time that is necessary to attend meetings and perform functions.
- The PCBU must allow members to have access to information relating to hazards and the health and safety of the workers at the workplace.
- The PCBU must not allow members to have access to any personal or medication information concerning a worker without the other workers consent unless the information does not identify the worker.
- Without delay, consider recommendations made by the group and if in agreement, implement recommendations.

TRAINING:

The PCBU must allow the Health and Safety Representative to attend an Accredited Health and Safety Representative course (5 days) as soon as practical within 3 months of election. This includes payment of fees and other reasonable costs associated with the Health and Safety Representative attending training.

List of Health and Safety representatives

The PCBU must ensure that a list of each health and safety representative and deputy health and safety representative is prepared and kept up to date.

REFERENCE DOCUMENTS:

- Work Health and Safety Act 2020
- Work Health and Safety Regulations 2022