



MINUTES

Audit Committee Meeting

26 November 2025

Shire of Victoria Plains
Council Chambers, Calingiri

AND

via E-Meeting Protocol

Commencing – 10:02 AM



DISCLAIMER:

The recommendations contained in this document are officers' recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the minutes of the Council meeting at which these recommendations were considered. Resolutions are not considered final until the minutes of the meeting are confirmed or advised in writing by the CEO or authorised person.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

Recording of Meeting

Members of the public are advised that meetings of Council are audio recorded to assist with ensuring an accurate record of the meeting is provided for the formal minutes of the meeting. In terms of the Privacy Act 1998 this may involve the recording of personal information provided at the meeting. The provision of any information that is recorded is voluntary, however if any person does not wish to be recorded they should not address or request to address the meeting. By remaining in this meeting, you consent to the recording of the meeting.

You are not permitted to record this meeting with any recording device, unless you have the express authorisation of the Council of the Shire of Victoria Plains.

E – Disclaimer

It is the Presiding Member's responsibility to preserve order in the meeting and this can be more difficult in an eMeeting. Therefore, each Council Member must consistently and respectfully follow the Local Government's Meeting Procedures Local Law, any additional eMeeting guidance provided by the Local Government and support the Presiding Member in their conduct of the eMeeting.

The pace of an eMeeting should be slow and orderly. The following practices will help avoid confusion and support effective eMeetings:

Speak clearly and slowly, as connections may be distorted or delayed;

Always state your name to indicate to the Presiding Member that you wish to speak. Restate your name if the Presiding Member has not heard you at first;

In debate, only speak after the Presiding Member has acknowledged you. Then state your name, so that others know who is speaking;

Follow the Presiding Member's directions and rulings;

If you are unclear about what is happening in an eMeeting, immediately state your name to draw the Presiding Member's attention and enable you to then seek clarification from the Presiding Member;

Avoid looking for opportunities to call Points of Order; instead, politely and respectfully gain the Presiding Member's attention and explain any deviation from your Meeting Procedures, the Local Government Act or any other relevant matter.

Commonly used abbreviations	
AAS / AASB	Australian Accounting Standard / Australian Accounting Standards Board
BF Act	Bush Fire Act 1954
BFB	Bush fire brigade
CEO	Chief Executive Officer
CDO	Community Development Officer
DBCA	Dept of Biodiversity, Conservation and Attractions
DFES	Dept of Fire and Emergency Services
DPLH	Dept of Planning, Lands and Heritage
DWER	Dept of Water and Environmental Regulation
EHO	Environmental Health Officer
EFT	Electronic Funds Transfer
FAM	Finance and Administration Manager
JSCDL	Parliamentary Joint Standing Committee on Delegated Legislation
LEMA	Local Emergency Management Arrangements
LEMC	Local Emergency Management Committee
LG Act	Local Government Act 1995
LGGC	WA Local Government Grant Commission
LPP	Local Planning Policy
LPS	Local Planning Scheme
MOU	Memorandum of Understanding
MRWA	Main Roads WA
NNTT	National Native Title Tribunal
OAG	Office of Auditor General
OCM	Ordinary Council Meeting
PTA	Public Transport Authority
RRG	Regional Roads Group
RTR	Roads to Recovery
SAT	State Administrative Tribunal
SEMC	State Emergency Management Committee
SGC	Superannuation Guarantee Contribution
SJAA	St John Ambulance Association
SWALSC	South West Aboriginal Land and Sea Council
WAEC	WA Electoral Commission
WALGA	WA Local Government Association
WSM	Works and Services Manager
WSFN	Wheatbelt Secondary Freight Network
EPA	Environmental Protection Authority
DPIRD	Department of Primary Industries and Regional Development
HCWA	Heritage Council of Western Australia
WAPC	Western Australian Planning Commission
WDC	Wheatbelt Development Commission

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MINUTES

Audit Committee Meeting of the Victoria Plains Shire Council
Held in the Shire of Victoria Plains, Council Chambers, Calingiri, AND, via E-
Meeting Protocol
on 26 November 2025 commencing at 10:02 AM

1 DECLARATION OF OPENING

1.1 Opening

The Meeting was declared open by the Presiding Member at 10.02AM

1.2 Announcements by Chairperson

The Chairperson reminded Elected Members that the meeting was being recorded for the purposes of Minute Taking and uploading of the recording to the Shire Website for public viewing and the meeting will be run in accordance with the Shire's Meeting Procedures Law 2018

2 REMOTE ATTENDANCE BY ELECTED MEMBERS

THAT:

Under regulation 14C (2)(b) of the Admin Regulations, the Shire President can approve Elected Member attendance by electronic means;

In doing so, under r.14C (5) the Shire President must have regard as to whether the location that the Elected Member intends to attend the meeting, and the equipment intended to be used to attend the meeting, are suitable;

Electronic means includes, as per r.14CA(2) by telephone or video conference;

Suitable equipment would include an electronic device that can hold a Teams meeting, and perhaps, the use of headphones;

In accordance with r.14CA (5) the Elected Member must declare that they are able to maintain confidentiality during the meeting. Under r.14CA(7), the declaration by the Elected Member is recorded in the minutes of the meeting;

Summarily, according to Departmental guidance, a suitable location is one that is quiet and private e.g. a private room in your house. If there are other people at the location at the time of the meeting, an Elected Member may be required to close a door and wear headphones.

Approval to Attend and Declaration of Confidentiality
--

N/A

3 RECORD OF ATTENDANCE

Members present	Mr D Lovelock - Independent Presiding Member Cr P Bantock – Shire President & Committee Member Cr N Smith – Committee Member Cr L Williams - – Committee Member
Staff attending	Chief Executive Officer – Mr S Fletcher Deputy Chief Executive Officer – Mr C Ashe Finance Co-Ordinator– Ms G Deocampo Council Support Officer – Ms J Klobas Office of the Auditor General - Ms G Ngo Office of the Auditor General - Ms D Chin Office of the Auditor General – Mr I Dias Office of the Auditor General – Mr M Ling
Apologies	N/A
Approved leave of absence	N/A
Visitors	Nil
Members of the public	Nil

4 DISCLOSURE OF INTEREST

Refer – Local Government Act, Regulations, Code of Conduct, and Declaration Forms in Councillor folders.

Type Item Person / Details

Nil

5 PUBLIC QUESTION TIME

Refer – Local Government Act, Regulations, Local Law and Submission Form & Guidelines circulated.

5.1 Public Questions with Notice

Nil

5.2 Public Question Without Notice

Nil

6 CONFIRMATION OF MINUTES**Officer Recommendation / Committee Resolution [ACM 2511-31]****Moved: Cr P Bantock****Seconded: Cr D Lovelock**

That the of the Audit Committee Meeting held 30 July 2025 as circulated, be **CONFIRMED** as a true and **MINUTES** correct record.

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

CONFIRMED PUBLIC AUDIT MINUTES

7 REPORTS REQUIRING DECISION

7.1 Updates on the Functions of the Audit Committee

Nil

CONFIRMED PUBLIC AUDIT MINUTES

7.2 External Audits

7.2.1 AUDITED ANNUAL FINANCIAL REPORT 2024-25 AND AUDIT EXIT MEETING

File Reference	
Report Date	14 November 2025
Applicant/Proponent	Audit, Risk and Improvement Committee
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Colin Ashe – Deputy Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	1. Annual Financial Statements 24-25

PURPOSE

This exit meeting is to brief the Audit, Risk and Improvement Committee (ARIC) on the findings of the audit for 2024-25 financial statements and any matters listed in the management letter.

BACKGROUND

The Audit Committee has previously received the Audit Strategy Memorandum which included:

- Audit Approach.
- Significant aspects of this years audit.
- Audit Strategy Memorandum and key requirements.

During the months of Oct and Nov 25 William Buck Chartered Accountants conducted the audit of councils financial statements including acquittals of both Roads to Recovery (R2R) and Local Roads and Community Infrastructure Program (LRCIP). This has occurred both remotely and through a site visit.

William Buck are now in a position to undertake the exit meeting, briefing the ARIC on the outcome of the audit.

COMMENT

The audit for both R2R and Local Roads and LRCIP were completed and sent to the applicable Federal Government Agencies within the deadline of 31 Oct 25 without any qualifications or adverse findings.

It should be noted however the LRCI program Phase 4 was required to be completed by 30 June 25 and as this was not the case for a number of projects, the annual report for this phase was not accepted.

Subsequently a variation to the approved schedule, along with a supporting letter articulating exceptional circumstances was required to be submitted of which the program delegate has indicated an extension to 31 Dec 25. The annual report for this phase should be accepted thereafter.

Final changes to the Annual Financial Statements (AFS) 24-25 as requested by William Buck have been undertaken and at the time of writing, the final version is with OAG for its review.

Importantly, the actual deficit of (\$969,909) has all but been confirmed and is being used as the opening balance for monthly financial statements 25-26.

Attachment 1 provides the last version of the AFS 24-25 as supplied to William Buck and OAG.

AUDIT REPORT

The audit report at the time of writing has not been provided but indications are a clean audit opinion will be issued for the Annual Financial Statements 24-25.

AUDIT MANAGEMENT LETTER

At the time of writing the management letter has not been provided although a draft of the findings indicated:

1. *Unallocated Receipt Reserve*

This is a similar issue to that of prior year.

2. *Useful life of infrastructure*

From our review of the Shire’s Infrastructure depreciation, we noted that

- *The useful life for IR00006 Roads - Drainage (Pipe) (0.9% or 111.11 years) does not comply with the Shire's fixed assets policy (17-90 years).*
- *The useful life for 3 infrastructure assets as recorded on CouncilFirst (accounting system) were incorrect. This was because during the system transition from Synergy to CouncilFirst, the incorrect useful life was input for the above-mentioned assets.*

The assets of concern are:

Roads - Sealed Pavement

Roads - Sealed Surface

Roads - Unsealed Paved

The findings can be summarised as:

Index of findings	Potential impact on audit opinion	Rating			Prior year finding
		Significant	Moderate	Minor	
1. Unallocated Receipt Reserve	No		✓		✓
2. Useful life of infrastructure	No			✓	✓

No further comment is required on item 1.

Item 2 – whilst listed as a prior year finding is correct, it is under different circumstances for 24-25.

Primarily the error was due to the transition of financial systems from Synergysoft to CouncilFirst. It was indicated by the vendor that data would be imported from SynergySoft but that proved not to be the case and had to be undertaken manually. With a manual import it is prone to human error given the volume of data.

Indicatively the rating is minor and with a revaluation due in 2026/27 this will realign any minor depreciated values. A full response will be provided by management once comment is officially requested.

CONSULTATION

Mr Sean Fletcher, Chief Executive Officer.
 Ms Glenn Deocampo, Coordinator Financial Services.
 Mrs Zoe Clayton, Chief Financial Officer.

STATUTORY CONTEXT

Local Government Act 1995 Part 7.
 Local Government (Audit) Regulations 1996.

CORPORATE CONTEXT

Audit Committee Terms of Reference

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP	
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance
	We have sound financial management policies and attract external funding to help achieve our goals
	Councilors attend training and feel supported in their role
	Council is supported by a skilled team

Strategic Priority 4.3 will be facilitated through the audit process of which this exit meeting will provide a true and fair view of councils finances and areas as applicable.

Delegation

Nil

Policy Implications

Section 3 – Financial Management

Other Corporate Document

Nil

7.3 Internal Audits

7.3.1 INTERNAL AUDITS – REGULATION 17 INTERNAL CONTROLS REVIEW

File Reference	
Report Date	14 November 2025
Applicant/Proponent	Audit, Risk and Improvement Committee
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Colin Ashe – Deputy Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	1. Internal Controls Review Report - Oct 25

PURPOSE

To provide the Audit, Risk and Improvement Committee on the outcomes of the Internal Controls Review related to Financial Management Systems in accordance with the Local Government (Audit) Regulations 1996.

BACKGROUND

Regulation 17 of the Local Government (Audit) Regulations 1996, requires the CEO to review the appropriateness and effectiveness of a local governments systems and procedures in relation to

- (a) Risk management
- (b) Internal Control
- (c) Legislative Compliance

Not less than once in every 3 financial years.

Point (a) is regularly undertaken quarterly and point (c) yearly through the Compliance Audit Return (CAR) along with procedures through the Attain software.

The last internal control review was undertaken by an external contractor, Dry/Kirkness in Dec 22 and presented to the Audit Committee for endorsement in Mar 23.

The Internal Controls Review was conducted during Oct 25 and in compliance of Regulation 17, not less than once in every 3 financial years.

COMMENT

The methodology included:

1. Defining scope and objectives to identify gaps in internal controls, compliance, detect and prevent errors and fraud and recommend improvements.
2. Plan the review.
3. Gather documentation which included policies and procedures, transaction records, payroll and employee authorisations, reconciliations and journals.
4. Review and Test Controls which included segregation of duties, procurement and payments, cash handling, financial reporting.

5. Identify Gaps and Risks
6. Recommend improvements.
7. Prepare a Report.

The internal controls review targeted nine (9) key areas appropriateness and effectiveness of the shires systems and procedures being:

1. Petty Cash
2. Financial System Access Rights
3. General Journal Controls
4. Purchase Order Approvals
5. Employee Drivers Licence
6. Grants Register Controls
7. Portable Assets Register
8. Overheads Allocation
9. Cash Receipting

And this involved undertaking 48 tests within the targeted areas.

Findings:

Overall the finding outcomes were better than satisfactory with the following summary provided for high-risk findings only:

Area	Items	Rating	Comments on Improvement
Financial Management Controls	48	Low – 32 Medium – 13 High - 3	<p>Drivers Licence - Currently no process or system in place to track the currency of valid drivers licence for staff.</p> <p>Risk that personnel are operating vehicles and machinery unlicensed.</p> <p>Review of current licence and process in place by Jan 26.</p> <p>Expired or missing licence triggers – The new process will be undertaken annually and address this follow up.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

This compares with the previous report conducted in 2022 which conducted 22 tests and had findings of:

Low – 4

Medium – 8

High – 10

The full Internal Controls Review 2025 report can be found in attachment 1 which includes the recommendations for improvement as applicable and timeframes for implementation.

CONSULTATION

Applicable Finance Personnel

Mr Sean Fletcher, Chief Executive Officer.

STATUTORY CONTEXT

Regulation 17 of the Local Government (Audit) Regulations 1996:

(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to:

- (a) risk management; and
- (b) internal control; and
- (c) legislative compliance.

(2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.

(3) The CEO is to report to the audit committee the results of that review.

CORPORATE CONTEXT

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP	
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance
	We have sound financial management policies and attract external funding to help achieve our goals
	Councillors attend training and feel supported in their role
	Council is supported by a skilled team

Strategic Priority 4.3 of internal audits and findings is essential to ensure compliance, reduce risk and highlight areas for improvement.

Delegation

Nil

Policy Implications

Section 3 – Financial Management which during this internal controls review may result in changes and updates as required.

Other Corporate Document

Nil

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance/ Controls	Mitigation and Outcome
Compliance	Major (4) Non-compliance results in termination of services or imposed penalties to Shire/Officers	Possible (3) The event should occur at some time	High (12)	Senior Management Team / CEO Risk acceptable with excellent controls, managed by senior management / executive and subject to monthly monitoring	Ensuring any recommendations from the audit are implemented will ensure that the residual risk is low.

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

Officer Recommendation / Committee Recommendation [ACM 2511-35]

Moved: Cr P Bantock

Seconded: Cr E Williams

That the Audit Committee:

- NOTES** the findings of the Internal Controls Review Oct 2025.
- In accordance with Regulation 17(3) of the *Local Government (Audit) Regulations 1996* **RECOMMENDS** to council to **ENDORSE** the Internal Controls Review Oct 2025 report to address the findings and timeframes for completion.

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

7.4 Financial Reporting

7.4.1 BUDGET REVIEW AS AT 31 OCTOBER 2025

File Reference	
Report Date	18 November 2025
Applicant/Proponent	Audit, Risk and Improvement Committee
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Colin Ashe – Deputy Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	1. 25-26 Budget Review No.1

PURPOSE

To conduct the first budget review for 2025-26 based on Oct 25 financial statements for the Audit, Risk and Improvement Committee (ARIC) endorsement.

BACKGROUND

Council approved the 2025-26 budget that forecast a deficit of (\$290,513) at 30 Jun 26 and this was based on an estimated actual closing balance deficit of (\$925,728) from 24-25.

During monthly financial reporting in 25-26 it has been noted there would likely be a variance to the actual closing surplus from 24/25 post the Audited Financial Statements (AFS) 24-25 and this proved to be the case actual closing deficit 24-25 being (\$962,909), an additional negative impact of (\$37,181) to the bottom line.

The first budget review has now been completed utilising Oct 25 data for the ARIC to review.

COMMENT

BUDGETED OPENING SURPLUS VS ACTUAL SURPLUS:

Because the estimated actual closing balance deficit 24-25 of (\$925,728) is less than the audited actual closing balance deficit of (\$962,909), it means (\$37,181) needs to be added the 25-26 budget deficit forecast of (\$290,513) as per the following table:

Account Description	Annual Budget	Quarterly Budget	YTD Actual	Revised Forecast	Variance
Budget Surplus / (Deficit) 25-26					(290,513)
AFS 24-25 Actual Closing Surplus / (Deficit) Adjustment					(37,181)
<i>Increase in the Deficit</i>					(327,694)

This represents a 3.8% variance to the forecast and actual deficit 24-25, caused primarily by employee entitlements which is not entirely factored in when compiling the in year budget due to timing.

No. 1 Budget Review 25-26:

Whilst it is relatively early in the financial cycle, it is prudent to undertake a budget review in order to ensure accurate reporting and realign some budget line items staff have been aware of since budget adoption.

Attachment 1 provides the full budget review adjustment and can be summarised:

- (\$37,181) final adjustment to the actual deficit opening balance for 25-26.
- (\$55,121) legacy ex-gratia rates from prior years due to incorrect information being provided by Landgate on the actual parcels of land subject to ex gratia rates (Benedictine Community – Monochorum).
- (\$47,348) of additional operating expenditure for additional employee hours, intersection project land stamp duty and replacement of Gillingarra water pump not budgeted for.
- \$58,680 in capital savings.
- (\$28,868) likely reduction in capital revenue due to new funding rules from Lotterywest.
- Realignment of the ESL and ESA project which has no impact on the budget bottom line.

Overall, a conservative approach has been undertaken to this first review given its timing with the initial results indicating a (\$363,773) revised forecast budget deficit as at 30 June 2026. Management will continue to closely monitor the financial outcomes to endeavour to find savings and offsets to bring this forecast back to a surplus.

CONSULTATION

Mr Sean Fletcher, Chief Executive Officer
Ms Glenn Deocampo, Coordinator Financial Services
Mrs Zoe Clayton, Chief Financial Officer

STATUTORY CONTEXT

Local Government Act 1995 and associated regulations in particular;

Local Government (Financial Management) Regulations 1996; regulation 33A requires a budget review to be undertaken between 01 Jan and 31 Mar of its financial performance from 01 Jul to 31 Dec.

Whilst this review is not the formal requirement as above because of the timeframes, there is no restriction on early and more frequent reviews.

CORPORATE CONTEXT

Audit, Risk and Improvement Committee Terms of Reference.

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES		WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP		
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance	
	We have sound financial management policies and attract external funding to help achieve our goals	
	Council is supported by a skilled team	

Strategic Priority 4.3 - Management considers budget reviews in addition to statutory requirements as good governance allowing early intervention to identify any significant issues.

Delegation

Nil

Policy Implications

Section 3 – Financial Management

Other Corporate Document

Nil

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance/ Controls	Mitigation and Outcome
Compliance	Moderate (3) Short term non-compliance but with significant regulatory requirements imposed	Unlikely (2) The event could occur at some time	Moderate (6)	Operational Manager Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Ensuring frequent budget reviews in excess of statutory requirements will ensure that the residual risk is low.

FINANCIAL IMPLICATIONS

Nil

Amendments to the budget will provide better forecasting and therefore management of councils finances.

VOTING REQUIREMENTS

Simple Majority

Officer Recommendation / Committee Recommendation [ACM 2511-36]

Moved: Cr P Bantock

Seconded: Cr S Smith

That the Audit Committee **RECOMMENDS** that council **APPROVES** the budget review No.1 and **ENDORSES** the budget amendments and set out in attachment 1.

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

CONFIRMED PUBLIC AUDIT MINUTES

7.5 Risk Management Issues (quarterly updating and reporting on key risks)

7.5.1 RISK DASHBOARD AND PROFILES SUMMARY AUGUST 2025 - OCTOBER 2025

File Reference	
Report Date	27 October 2025
Applicant/Proponent	Sean Fletcher, Chief Executive Officer
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Sean Fletcher – Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	Nil

PURPOSE

For the Audit, Risk and Improvement Committee to accept the update regarding the Shire’s Risk Profiles and Dashboard for August 2025 – October 2025.

BACKGROUND

Council adopted Policy 1.10 Enterprise Risk Management on the advice of the then Audit Committee on 24 April 2019.

As part of this process, the Risk Management Framework (Risk Procedures) and the Risk Profiles and Dashboard were adopted and subsequently reviewed in 2022.

The Risk Profiles capture the Shire’s 15 operational risks. These risks are monitored at the Executive/Management level. These are:

- Asset Sustainability
- Business and Community Disruption
- Compliance Obligations
- Document Management
- Employment Practices
- Community Engagement
- Environment Management
- Errors, Omissions and Delays
- External Theft and Fraud
- Management of Facilities, Venues and Events
- IT, Communication Systems and Infrastructure
- Misconduct
- Project / Change Management
- Purchasing and Supply
- WHS

Today’s report considers the improvements since July 2025, which includes a series of actions to improve the Residual Risk even further.

COMMENT

The 2022 Review established at that time, the Risk Profiles were captured as follows in Diagram 1:

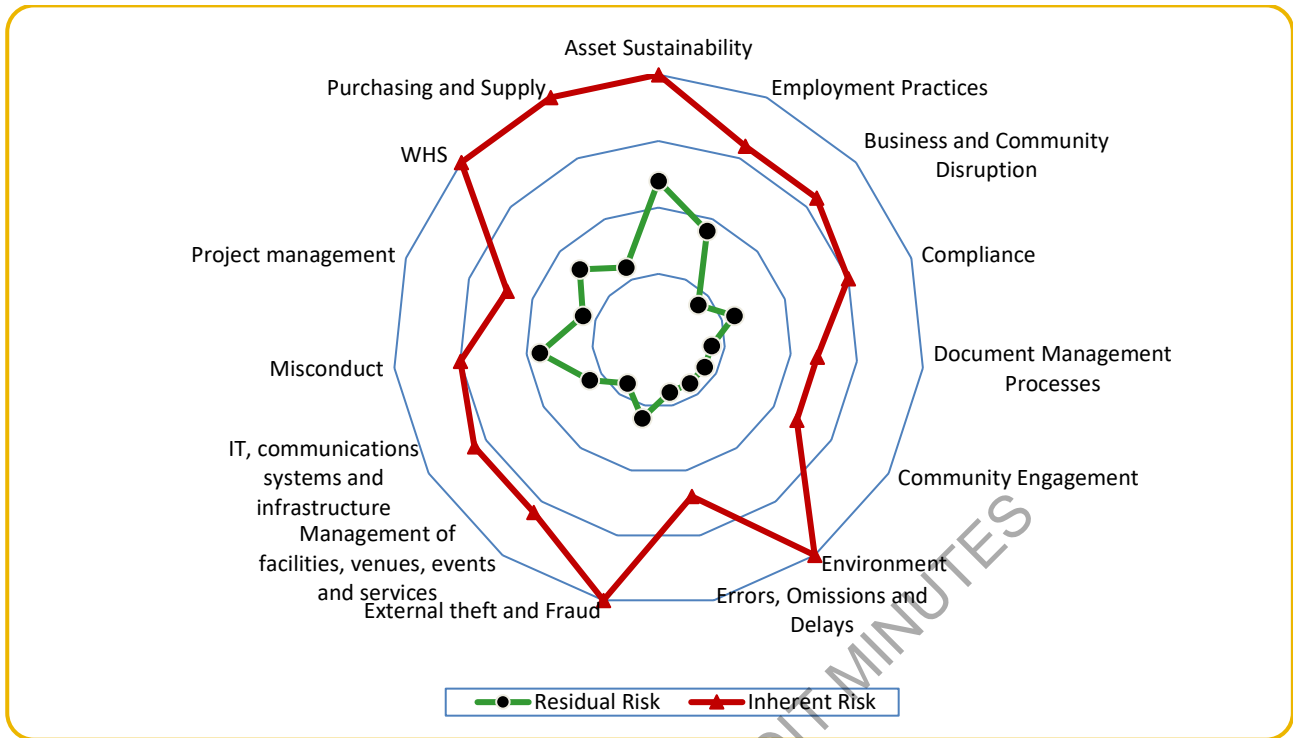


Diagram 1 - Dashboard – Web Diagram of Risk Profiles March 2023

Diagram 1 shows that at the commencement of the three year risk improvement period:

- 1 out of 15 Profiles - Asset Sustainability required urgent attention;
- 6 out of 15 Profiles, the Risk is Accepted;
- 8 out of 15 Profiles the Risk is at the Monitor level.

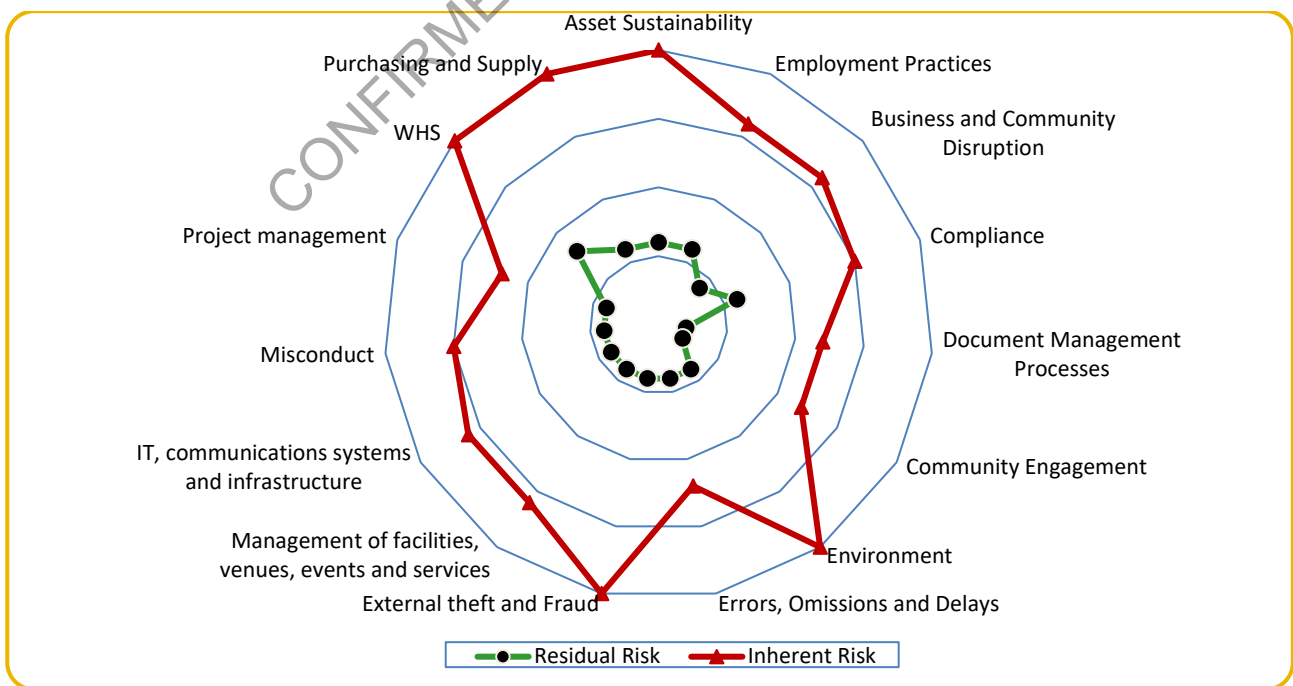


Diagram 2 - Dashboard – Web Diagram of Risk Profiles July 2025

The improvements as at July 2025 encompassed the following:

- 9 out of 15 Profiles, the Risk is Accepted (low risk);
- 6 out of 15 Profiles remain at the Monitor Level.

It can be seen from the above, during the last two and a half years, the Shire has improved its operational risk management positively. Those with a risk acceptance of Accept have effective or adequate controls in place. Those at the Monitor level have adequate controls in place but require further improvements.

Profile Breakdown – Risks Requiring Further Action

Table One sets out the status of the risk profiles regarding the risk acceptance that need further action:

Profile	Risk Acceptance Update – Monitor/Urgent Action
Asset Sustainability	<ul style="list-style-type: none"> • The Development of the Documented Disposal Process has been completed • This will see the Residual Risk remain at Moderate with the Risk Evaluation continuing at Monitor
Business and Community Disruption	<ul style="list-style-type: none"> • Although the Risk Evaluation is Accept, the IT Disaster Recovery Plan will need to be included in the overall Disaster Recovery Plan • This will occur in the first half of 2026
Employment Practices	<ul style="list-style-type: none"> • Although the Attraction and Retention Document for staff was completed, it requires a further review • The program for the Continuing Professional Development for staff is in place through the performance review process and advertising of the training program quarterly • This will see Moderate with the Risk Evaluation remain at Monitor
Errors, Omissions, Delays	<ul style="list-style-type: none"> • CEO needs to develop the Automated Key Work Plan (IPR) using Microsoft Planner, which is part of the Shire’s Office 365 Suite • Overall Control Effectiveness remains at Effective. Residual Risk is Low but the Risk Evaluation is Monitor
IT & Comms	<ul style="list-style-type: none"> • The review of the IT Security Framework (controls) has been completed by the Shire’s ICT Service Provider • Once the IT Disaster Recovery Plan is encapsulated within the overall Disaster Recovery Plan (See Business and Community Disruption) , the Risk Evaluation will change from Monitor to Accept
Purchasing and Supply	<ul style="list-style-type: none"> • The Contractor Management Procedures are Adequate. This was improved substantially with the implementation of Council First. A draft procedure regarding overall criteria has been developed • There is no change to Residual Risk and the Risk Evaluation remains at Monitor
WHS	<ul style="list-style-type: none"> • Tier 1 Action Plan encapsulates SWMS Improvements. The Hazard Plan has now been approved by the CEO, which allows for the SWMS to be developed • Contractor Management Procedures have been developed and signed off by the CEO and implemented • The Review of the Volunteer Induction Program has seen the on-line induction portal implemented (DAMSTRA A). • Overall Effectiveness remains at Adequate. The Residual Risk remains Moderate. The Risk Evaluation remains at Monitor

Table One – Risk Profiles that are **Monitor or **Low Action****

As a result of the latest review of the risk profiles based on Table One, the progress of the focus until 30 June 2026 is shown in Diagram 3:

Focus 1 May 2025 to 30 June 2026

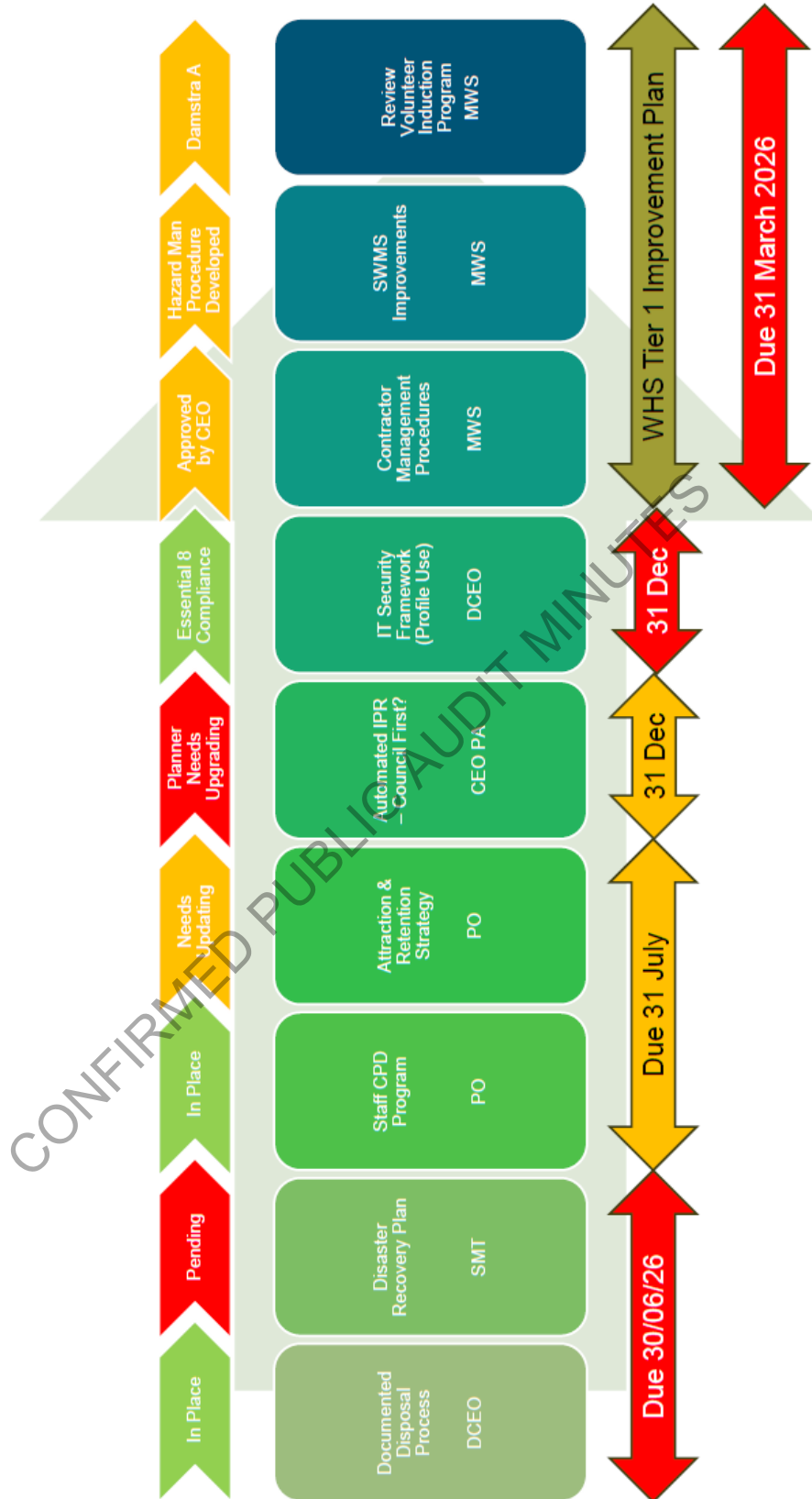


Diagram 3 -Risk Improvement Focus 1 November 2024 – 30 September 2025

CONSULTATION

Senior Management Team

STATUTORY CONTEXT

Local Government (Audit) Regulations 1996

Reg 17 – CEO to review certain systems and procedures.

(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to:

- (a) risk management

CORPORATE CONTEXT

Strategic Business Plan/Corporate Business Plan

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP	
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance
	We have sound financial management policies and attract external funding to help achieve our goals
	Councilors attend training and feel supported in their role
	Council is supported by a skilled team

The Risk Dashboard and Profiles are subject to the compliance process and auditing.

Delegation

Nil

Policy Implications

1.10 Enterprise Risk Management.

11. Monitor & Review

11.1 The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

Other Corporate Document

Nil

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance/ Controls	Mitigation and Outcome
	Non-compliance results in termination of service or imposed penalties. Single major litigation	The event should occur at some time(20% chance) At least once in 3 years		Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

Officer Recommendation / Committee Resolution [ACM 2511-37]

Moved: Cr N Smith

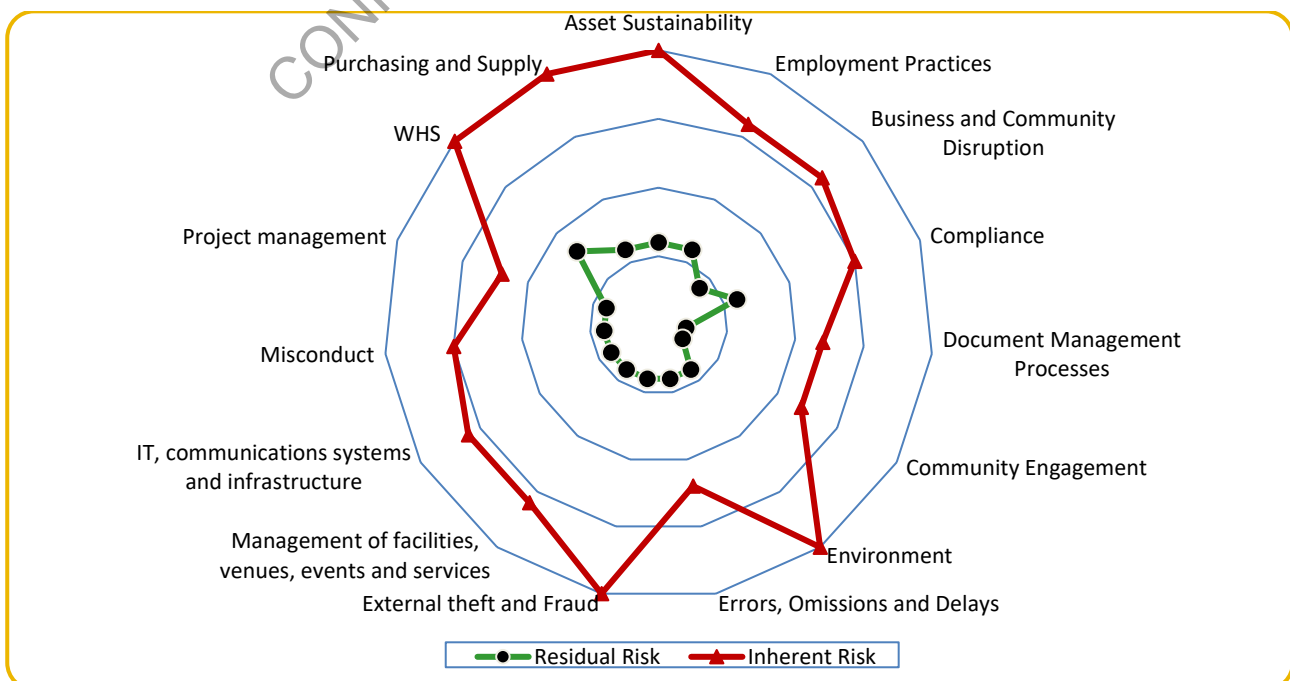
Seconded: Cr P Bantock

That the Audit Committee **ACCEPTS** the report on the update to the Shire’s Risk Profiles and Dashboard for August 2025 – October 2025:

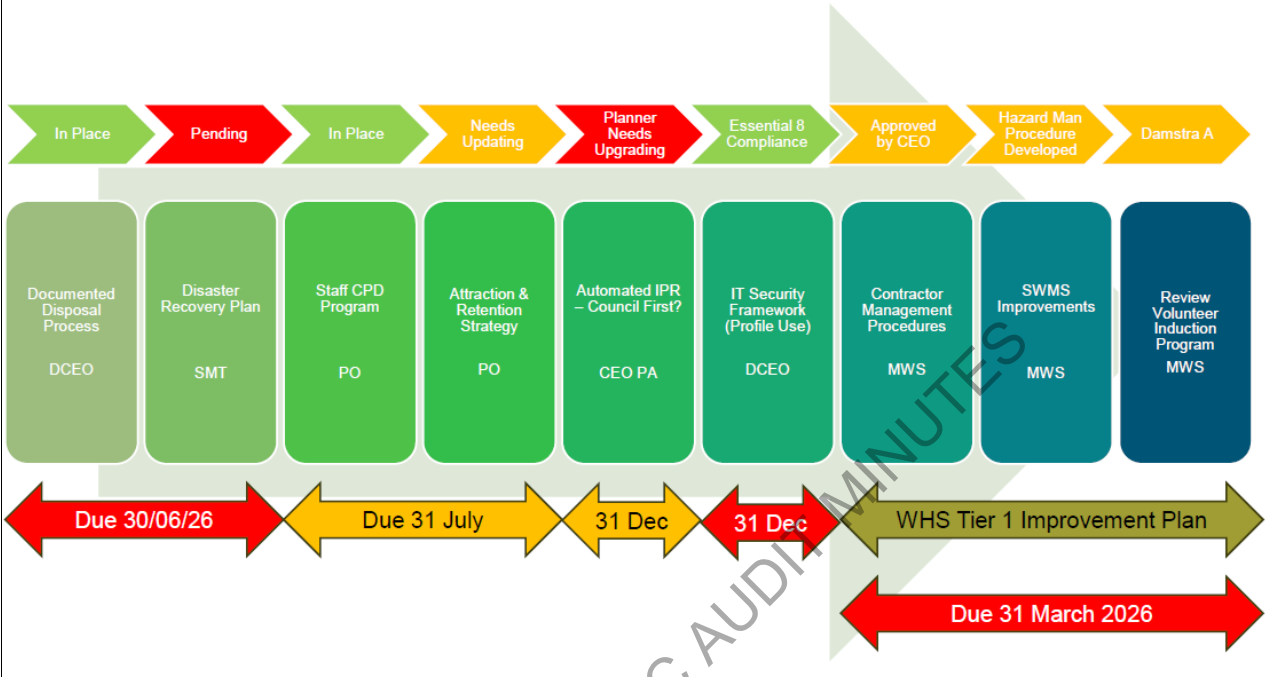
CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil



Focus 1 May 2025 to 30 June 2026



CONFIRMED PUBLIC AUDIT MINUTES

7.5.2 RISK REGISTER - SEPTEMBER QUARTER 2025

File Reference	
Report Date	27 October 2025
Applicant/Proponent	Sean Fletcher, Chief Executive Officer
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Sean Fletcher – Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	<ol style="list-style-type: none"> 1. Risk Register September Quarter 2025 2. Risk Register Foundation Principles

PURPOSE

For the Audit Committee to accept the September/October 2025 Quarterly Update for the Shire's Risk Register.

BACKGROUND

The Shire maintains a risk register regarding the key risks (exposure) to the organisation. This is in addition to the Risk Profiles regarding the operational risks to the organisation.

The risk register (Attachment 1) presented at today's meeting has been revised by the CEO to make it more user friendly and easier for reporting purposes.

To help understand and guide the new risk register, the author developed a Risk Management Foundations document (Attachment 2). This document sets out the statutory obligations on local government regarding risks, best practice within the industry, the major risk categories and the new risk register (table) as at October 2025. It also provides a template on the report to be used when making a submission to the Audit, Risk and Improvement Committee.

COMMENT

Effective risk management is foundational to responsible and sustainable local governance. For the Shire of Victoria Plains (the Shire), a rural local government in Western Australia's Wheatbelt region, this importance is heightened by its unique social, environmental, operational, and financial risk profile. As at October 2025, the Shire has evolved its risk management framework to address both standard local government exposures and the particular vulnerabilities of a remote, low-density local government area. The risk register submitted to the previous Audit Committee on 30 July 2025 reflects this ongoing maturation and adaptation, following best-practice guidance, legislative mandates, and lessons drawn from sector-wide research and the Shire's own audit outcomes.

The present report is a comprehensive analysis of the structure and content of the Shire's revised risk register. It situates the register within the legislative, sectoral, and operational environment of Western Australian Local Government (LG), drawing on a wide array of guidance documents, standards, and recent regulatory reforms. It examines each major risk category-governance, financial, operational, environmental, and community-focused risks-tailored for Victoria Plains. The report also aligns with the key requirements outlined in the WA Risk Register Tool, Local Government

Act amendments, the 2025 JLT Public Sector Risk Report insights, the Shire’s previous registers and audit minutes, and current best practice in risk mitigation for local government.

A structured, detailed new risk register is provided as an integral output, conforming with both local and sector-wide expectations for transparent, dynamic risk management.

Risk Register Report

The following is an overview of the key risks, new or escalating risks and overall risk exposure to the Shire:

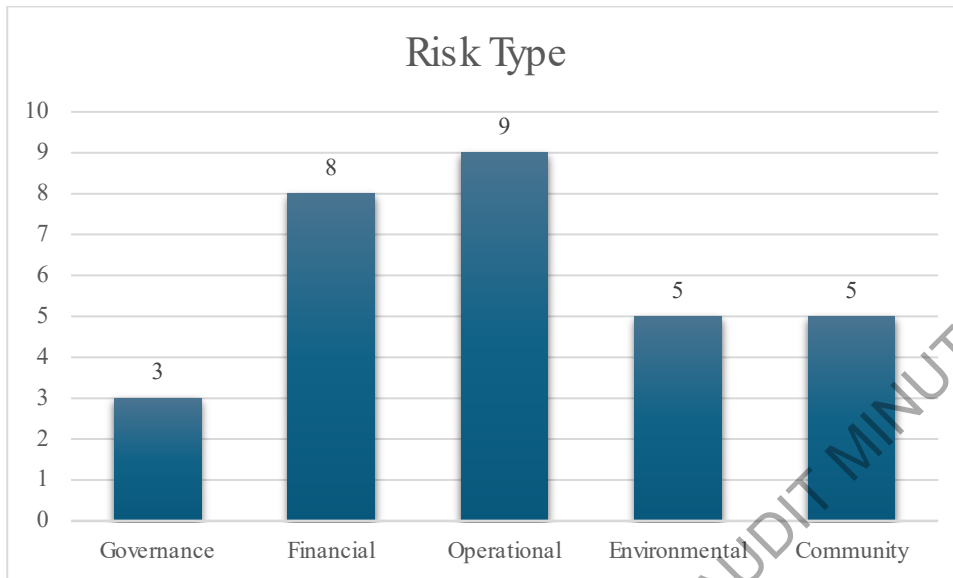


Chart 1 – Risk Type Summary by Category – September Quarter

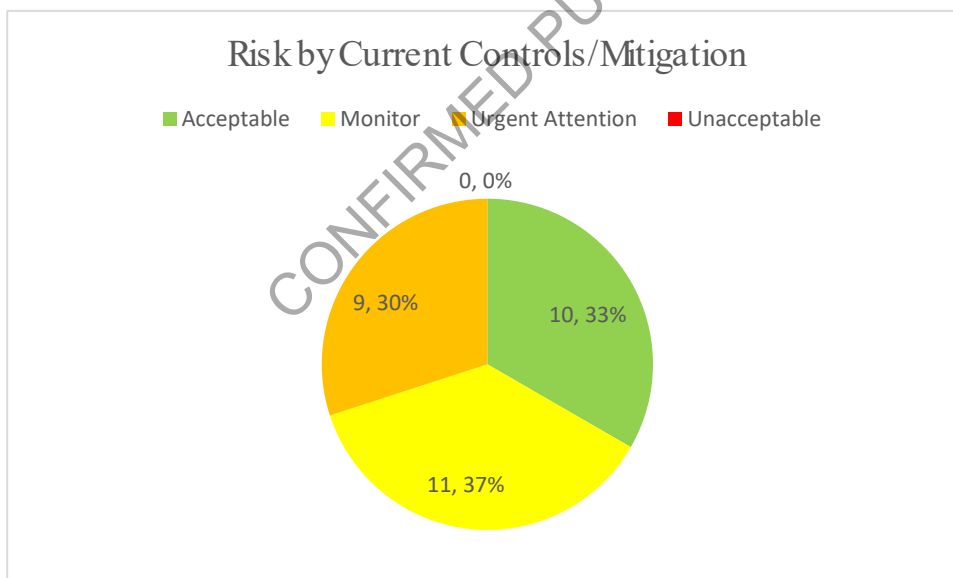


Chart 2 – Risk Register Summary – September Quarter

Chart 2 shows that of the Shire’s 30 organisational or key risks, 33% are at an acceptable level of risk mitigation or control, 37% are at the monitor level and 30% require urgent action. The current mitigation for six of these risks is shown in Table 1. One of these (O7) is also encapsulated within the Shire’s Risk Profiles as seen in the item regarding the Risk Profiles and Dashboard.

Risk ID	Description	Likelihood	Impact	Status	Owner	Mitigation Progress
G2	Ineffective complaints handling or conduct committee failures	Unlikely	Moderate	Open	CEO	<ul style="list-style-type: none"> New Chair to be appointed Inspector appointed
F1	Financial sustainability- insufficient revenue to maintain services	Likely	Moderate	Open	CEO/Council	CEO/President are part of ALGA/WALGA Advocacy re Local Government Funding Models
F4	Deficit funding risks- over-expenditure without matching grants	Possible	High	Open	DCEO	<ul style="list-style-type: none"> Deficit 25/26 is \$327,334 Budget savings are reviewed monthly
F6	Asset impairment or underfunded renewal backlog	Possible	High	Open	MWS/DCEO	<ul style="list-style-type: none"> Loan for two graders March 2026 Current models \$200,000 off
F8	Management of energy transition projects (solar, wind, ESA expansion)	Possible	Moderate	Open	CEO/Council	<ul style="list-style-type: none"> CEO/ President meeting with PoweringWA & Western Power 3/11/26
O7	Work health and safety incident- employee, volunteer, or contractor	Possible	Moderate	Open	CEO/WHS Officer	<p>Tier 1 Action Plan:</p> <p>Hazard Management and Consultation & Communication procedures were endorsed at the last WHS Committee meeting. CEO has approved.</p> <p>Contractor Management</p>

						Plan has been endorsed by CEO for presentation at the December WHS meeting
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Table 1: Current Risk Mitigation Actions

CONSULTATION

The Senior Management Team 28 October 2025.

STATUTORY CONTEXT

Local Government (Audit) Regulations 1996

Reg 17 – CEO to review certain systems and procedures.

(1) The CEO is to review the appropriateness and effectiveness of a local government’s systems and procedures in relation to:

- (a) risk management

CORPORATE CONTEXT

Strategic Business Plan/Corporate Business Plan

STRATEGIC PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP	
4.3 Proactive and well governed Shire	External audits and reviews confirm compliance
	We have sound financial management policies and attract external funding to help achieve our goals
	Councilors attend training and feel supported in their role
	Council is supported by a skilled team

The Risk Register is subject to the compliance process and auditing.

Delegation

Nil

Policy Implications

1.10 Enterprise Risk Management.

11. Monitor & Review

11.1 The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

Other Corporate Document

Nil

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance/ Controls	Mitigation and Outcome
	Non-compliance results in termination of service or imposed penalties. Single major litigation	The event should occur at some time(20% chance) At least once in 3 years		Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

Officer Recommendation / Committee Resolution [ACM 2511-38]

Moved: Cr N Smith

Seconded: Cr P Bantock

That the Audit Committee **ACCEPTS** the Risk Register report for the September/October Quarter 2025

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

7.6 Controls, Systems and Procedures (policy considerations, procedural considerations)

Nil

7.7 Matters of Compliance

Nil

CONFIRMED PUBLIC AUDIT MINUTES

7.8 Integrated Planning and Reporting

7.8.1 SEPTEMBER QUARTERLY REVIEW OF THE CORPORATE BUSINESS PLAN 2025 - 2026

File Reference	
Report Date	27 October 2025
Applicant/Proponent	Mr Sean Fletcher, CEO
Officer Disclosure of Interest	Nil
Previous Meeting Reference	Nil
Prepared by	Sean Fletcher – Chief Executive Officer
Senior Officer	Sean Fletcher – Chief Executive Officer
Authorised by	Sean Fletcher – Chief Executive Officer
Attachments	1. Key Work Plan September Quarter 2025 2026

PURPOSE

To update the Audit, Risk and Improvement Committee (ARIC) on the outcomes of the quarterly review of the corporate business plan (Key Work Plan) for 2025/26.

BACKGROUND

Council along with senior staff, conducted the annual review of the Corporate Business Plan on 21 July 2025.



Diagram 1 – Overview of Key Achievements for 2024/25

Shire’s Direction 2025/26

The proposed actions for 25/26 were also confirmed. It should be noted that 25/26 represents the last year of the current CBP. A new CBP will be developed when the Major Review of the development of the new Council Plan is undertaken in the first half of 2026.



Diagram 2 – The Four Key Impacts 2025/26 Onwards

The Shire is heavily invested in the four key impacts or projects in Diagram 4. The Shire is the group leader regarding the Wheatbelt Regional Housing Initiative, which has seen a group of ten local governments receive \$32.8M in funding from the Commonwealth Government under the Housing Support Program. Victoria Plains allocation under this grant is \$4.5M.

The Shire has been working with Green Wind Renewables regarding the proposed Grevillea and Wandoo windfarms. It is important to note that these projects are subject to State policy and if, requested by Greenwind, the State Significant Pathway process.

The Shire is also a key player regarding advocating for fair and equitable treatment for its communities under the Energy Transition regarding large scale renewable projects. This has involved not only participating in the development of a local government guide to advocate for community benefits from large scale renewable projects but also lobbying for the development of mandated State planning policy to do the same.

The Shire supports the expansion of the European Space Agency site at New Norcia. To this extent, the Shire has advocated for funding to develop Stage One of tourism facilities at the ESA ground station i.e. \$350,000 to develop parking facilities and a viewing pod. The Shire will also assist with Stage 2 funding to help develop an effective entry into the ground station. Stage 3 of the visitor experience will involve the development of an education and visitor centre.

The Shire is also working though issues that the proposed Carvel Copper Mine will have regarding the wider district. This includes the advent of the water source from the Gillingarra Bore Field and responding to the State government’s assessment of this project. Mining matters and activities are managed by the State, not the Shire.

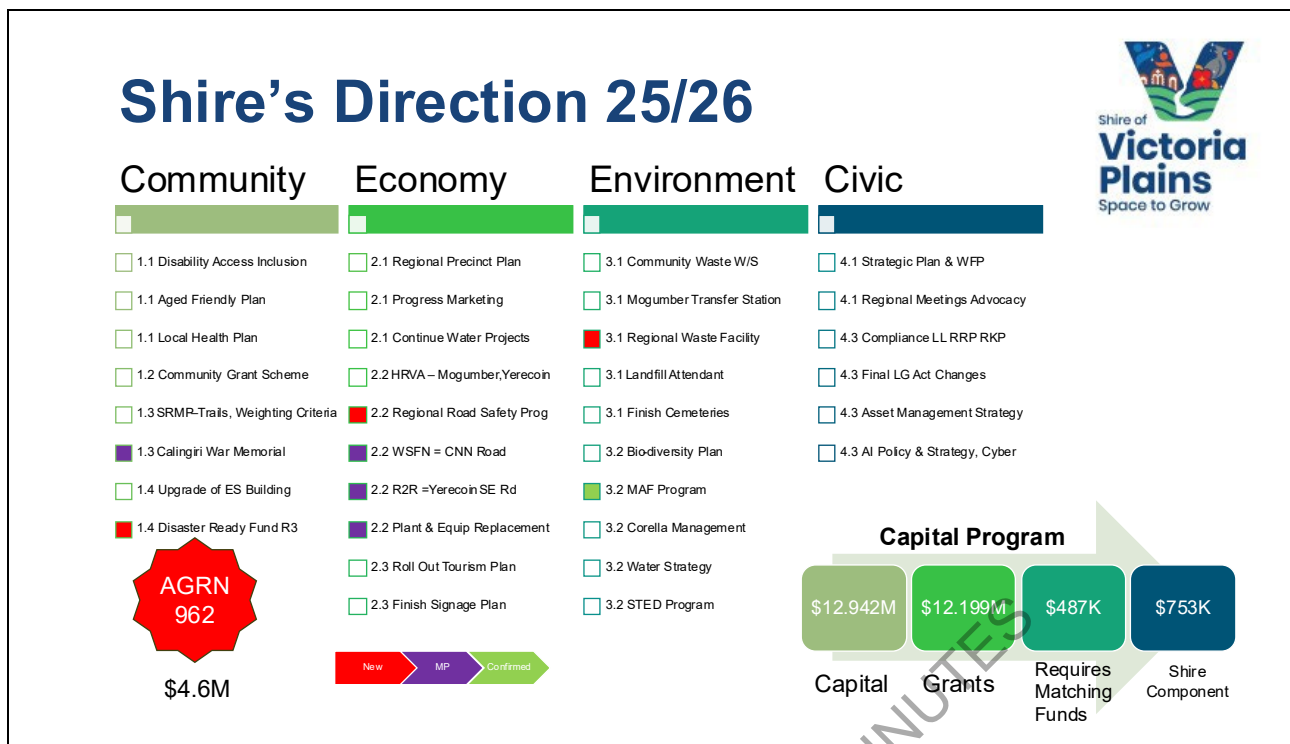


Diagram 3 – Overview of Key Actions 2025/26

The Key Work Action Plan (Attachment 1) that underpins the CBP (or Implementation Plan), is tracking the 35 actions and 14 major projects for 2025/2026 (Diagrams 2 and 3). Each key action has an activity applied to it for the quarter, except if it is a completed action. Some activities are ongoing and will span the whole financial year.

The update regarding the September Quarterly Review of the Key Work Plan is presented to AIRC for today's meeting.

COMMENT

As explained at the Councillor Elect briefing (attended by all of Council) on 20 October 2025, the Shire has got to a firm start for 25/26 regarding the key actions and key projects to be achieved. This is reflected in Diagram 4:

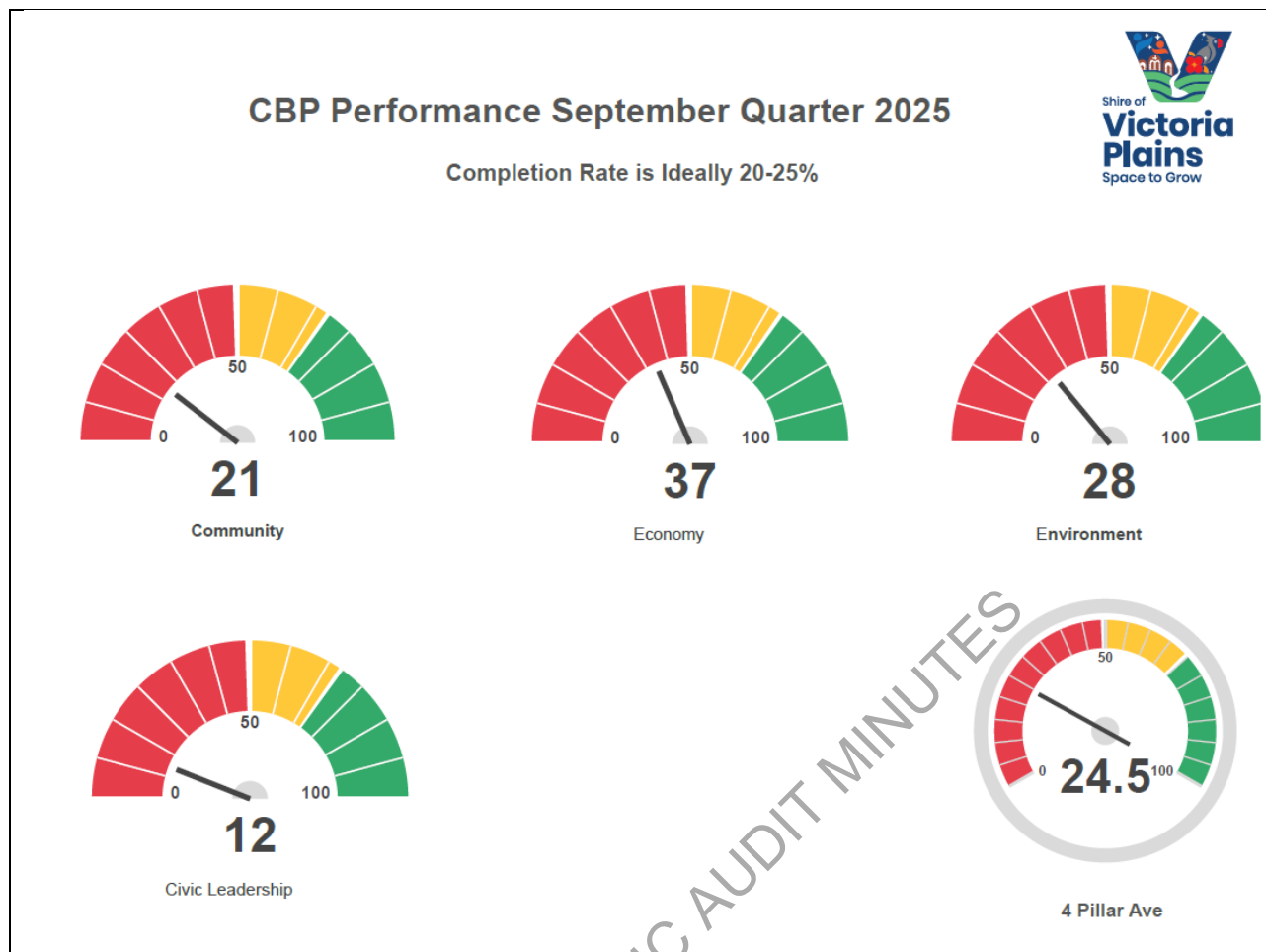


Diagram 4 – September Quarter Dashboard

Community Pillar

It can be seen in Attachment 1, that the Local Health Plan, Community Grants Scheme and the application for Disaster Ready Fund 3 (Commonwealth) are tracking as they should.

Work regarding the Age Friendly Plan surveys and the Victoria Plains War Memorial commenced ahead of schedule.

Economy Pillar

The Economy Pillar is performing well ahead of schedule. This is due to all actions and key projects having commenced and are tracking as they should.

The Signage Plan (LRCI 3) and the Inauguration of NNO3 are complete. The Shire has received \$350,000 from the State Government to develop Stage 1 of the tourism precinct at the ESA New Norcia Ground Station. This is for the visitor parking area, viewing platform and viewing module. The Shire will have in place a peppercorn lease for the area in question.

The parking bay in Yerecoin is complete, which has put Parking Bays Action ahead of schedule. The parking bay for Mogumber Yarawindah Rd is next.

The Deputy CEO assume the role of project manager for the Edmond Street Development and the President and CEO attended meetings with the Assistant Minister for Climate Change and Energy and with other councillors, will meet PoweringWA and Western Power representatives on 3 November 2025 to discuss the new SWIS plan.

Environment Pillar

The works to the Bolgart (connection to the water scheme) and Calingiri (new gazebo) Cemeteries is now complete.

Further improvements to the Mogumber Landfill, the STED at Calingiri (as part of the Edmond Street development) and the Bush Fire Mitigation works are underway.

The President and CEO met with the Waste Authority Chair during Local Government Week regarding the possibility of developing a regional waste facility and the CEO had a follow-up meeting on 20 October 2025 to set up a workshop late February 2026.

Civic Leadership Pillar

Although this pillar is sitting at 12%, this is because half of the actions/major projects will not commence until January 2026.

Thos actions that are tracking as they should are the Shire’s attendance at regional meetings, updates regarding the changes to the Local Government Act and roll out of the Asset Management Strategy.

The December Quarter

The key activities for the December Quarter are summarised in Diagram 5:

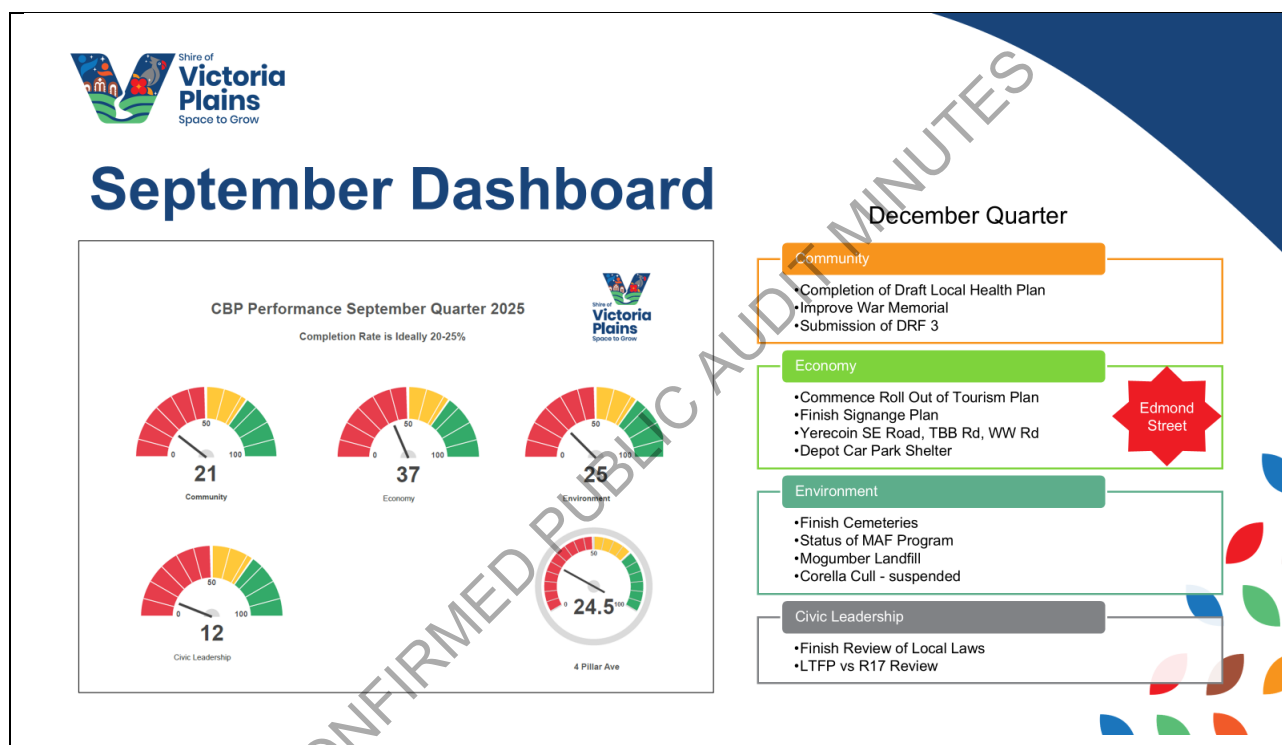


Diagram 5 – Key Actions Planned for the December Quarter

CONSULTATION

Councillor Elect Briefing Session 20 October 2025

Senior Management Team Meeting 28 October 2025

STATUTORY CONTEXT

Local Government (Administration) Regulations 1996

19DA. Corporate business plans, requirements for (Act s. 5.56)

(4) A local government is to review the current corporate business plan for its district every year.

Integrated Planning and Reporting – Framework and Guidelines

Apart from the Annual Report providing progress towards the achievement of the four-yearly Shire priorities as established through the Corporate Business Plan (Intermediate Standard), the

Departmental IPR Guidelines require that as a minimum, a quarterly review is conducted on the status of the CBP for each year.

CORPORATE CONTEXT

Strategic Community Plan/Corporate Business Plan

STRATEGIC PRIORITIES	WE KNOW WE ARE SUCCEEDING WHEN
4. CIVIC LEADERSHIP	
4.1 Forward planning and implementation of plans to achieve community priorities	Performance against targets are regularly reported to the community
	We attend meetings of key local and regional organisations to jointly plan for our community
	Demonstrated progress towards achievement of the Corporate Business Plan

Delegation

Nil

Policy Implications

Other Corporate Document

Nil

Risk Analysis

Consequence	Consequence Rating:	Likelihood Rating:	Risk Rating	Risk Acceptance	Mitigation and Outcome
Reputation and Compliance Not adhering to the Corporate Business Plan and hence the Strategic Community Plan	Major (4) Substantiated, public embarrassment, widespread high impact on community trust, high media profile, third party actions	Unlikely (2) The event could occur at some time - -10 years	Moderate (8)	Operational Manager Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring Adequate: The Shire continues to ensure that the CBP Quarterly Review is available publicly through a report to Council each quarter.	CEO to ensure all staff undertake and follow CBP. Elected Members have undertaken further training in IPR requirements. The above will, ensure that the appropriate manager can assess the risk and correct it accordingly through quarterly reporting. This will ensure that the risk is low

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

Officer Recommendation / Committee Resolution [ACM 2511-39]

Moved: Cr P Bantock

Seconded: Cr N Smith

That the Audit Committee **ACCEPTS** the update Shire's Corporate Business Plan (Attachment 1) for the 2025/2026 September Quarter.

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

CONFIRMED PUBLIC AUDIT MINUTES

7.9 Training and Development (Elected Member Training, Committee Member Training and Staff training)

Nil

7.10 Status Report

Nil

Councillor Motion / Committee Resolution [ACM 2511-40]**Moved: Cr P Bantock****Seconded: Cr E Williams**

That Council **MOVE** into confidential session at 11.10 AM, to consider matters of Shire internal security arrangements

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

Councillor Motion / Committee Resolution [ACM 2511-41]**Moved: Cr E Williams****Seconded: Cr P Bantock**

That Council **MOVE** out of confidential session at 11.19 AM.

CARRIED BY UNANIMOUS DECISION OF COMMITTEE

Voted For: Mr D Lovelock, Cr P Bantock, Cr N Smith and Cr E Williams

Voted Against: Nil

8 CLOSURE OF MEETING

There being no further business, the Presiding Member declared the meeting closed at 11.22AM

These minutes were confirmed at the Audit Committee Meeting held on

Signed

Date

(Presiding member at the meeting which confirmed the minutes)

Council Minutes are unconfirmed until they have been adopted at the following meeting of Council.

Councillor Motion / Council Resolution [OCM 2511-14]

Moved: Cr E Williams

Seconded: Cr R Johnson

That the meeting under s5.23(2) of the Local Government Act 1995 is **REOPENED** to the public at 2.50PM.

CARRIED BY THE UNANIMOUS DECISION OF COUNCIL

Voted For: Cr P Bantock, Cr R Johnson, Cr N Smith and Cr E Williams

Voted Against: Nil

13 CLOSURE OF MEETING

There being no further business, the Presiding Member declared the meeting closed at 2.51PM

These minutes were confirmed at the Ordinary Council Meeting held on 17 December 2025

Signed


(Presiding member at the meeting which confirmed the minutes)

Date

17 December 2025

Council Minutes are unconfirmed until they have been adopted at the following meeting of Council.

UNCONFIRMED PUBLIC MINUTES