



AGENDA

Audit, Risk and Improvement Committee
16 December 2025





NOTICE OF MEETING

Dear Committee Members and Members of the Public,

In accordance with the provisions of Section 5.5 of the Local Government Act, you are hereby notified that the Audit, Risk and Improvement Committee has been convened for:

Date: Tuesday 16 December 2025

At: Shire Council Chambers
1 Longhurst Street, Narembeen

Commencing: 4.00pm

Rebecca McCall
Chief Executive Officer

10 December 2025

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1. Official Opening and Welcome

2. Record of Attendance / Apologies / Leave of Absence

Chair Ms R De Luis Deputy Independent Chairperson

Councillors:

Cr HA Cusack	President
Cr HJ Bald	Deputy President
Cr CD Bray	
Cr MJ Currie	
Cr AM Hardham	
Cr LR Smoker	
Cr SW Stirrat	

Staff:

Ms R McCall	Chief Executive Officer
Mr B Forbes	Executive Manager Corporate Services
Mr K Markham	Executive Manager Infrastructure Services
Ms K Conopo	Executive Governance Officer

Members of Public:

Apologies:

Ms R Cole	Independent Chairperson
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3. Disclosure of Interest

4. Public Question Time

5. Confirmation of Previous Meeting

5.1 Audit and Risk Committee Meeting 19 August 2025 Attachment 5.1A

Voting Requirements

☒ Simple Majority ☐ Absolute Majority

Officers Recommendation – Item 5.1

That the minutes of the Shire of Narembreen Audit and Risk Committee Meeting held on Tuesday 19 August 2025, as presented, be confirmed as a true and correct record of proceedings.

6. Officer Reports

6.1 Risk Dashboard – Quarterly Report – November 2025

Date:	2 December 2025
Location:	Not Applicable
Responsible Officer:	Rebecca McCall, Chief Executive Officer
Author:	Rebecca McCall, Chief Executive Officer
File Reference	RISK MANAGEMENT/PLANNING/Risk Management Framework
Previous Meeting Reference	Nil
Disclosure of Interest:	Nil
Attachments:	6.1A Risk Dashboard Quarterly Report – November 2025

Purpose of Report

☒ Executive Decision

☐ Legislative Requirement

Summary

This item presents the Risk Dashboard – quarterly monitoring report for November 2025 to the Audit, Risk and Improvement Committee for consideration and receipt.

Background

The Risk Management Framework for the Shire of Narembeen sets out the approach to the identification, assessment, management, reporting and monitoring of risks. The objective is to ensure that all areas of the Shire adopt the outlined procedures to ensure:

- strong corporate governance;
- compliance with relevant legislation, regulations and internal policies;
- integrated Planning and Reporting requirements are met; and
- uncertainty and its effects on objectives are understood.

The Shire has adopted a ‘Three Lines of Defence’ model for the management of risk. This model ensures roles, responsibilities, and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the council, management, and community will have assurance that risks are managed effectively to support the delivery of the strategic, corporate, and operational plans.

The Shire qualified its risk appetite through the development of the Shire’s Risk Assessment and Acceptance Criteria.

There is a requirement to assess and manage the risk profiles on an ongoing basis to monitor risks and treatments.

Comment

The quarterly review of risk profiles assessed emerging risks, control effectiveness and key indicator performance. Assigned actions are reflective of current risks and control environment.

The following key controls have been included to identified risk themes:

- Failure of IT &/or Communication Systems and Infrastructure
 - New Control – VOIP System
- Ineffective Employment Practices
 - New Control – Communication and Engagement Framework (Internal)

There is no risk themes are listed on the Risk Register as the overall control rating was 'inadequate'.

Consultation

Executive Manager Corporate Services

Statutory Implications

The *Local Government Act 1995* and Regulation 17 of the *Local Government (Audit) Regulations* is applicable.

Policy Implications

Risk Management Framework

Strategic Implications

Strategic Community Plan

Strategic Priority: 4. Civic Leadership
Objective: Well governed and efficiently managed Local Government
Strategy: 4.2 Compliant and resourced Local Government

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Risk Implications

Risk Profiling Theme	Failure to Fulfill Statutory, Regulatory or Compliance Requirements
Risk Category	Compliance
Consequence Description	No noticeable regulatory or statutory impact
Consequence Rating	Insignificant (1)
Likelihood Rating	Rare (1)
Risk Matrix Rating	Low (1)
Key Controls in Place	Risk Management Framework
Action / Treatment	Nil
Risk Rating After Treatment	Adequate

Financial Implications

There are no financial implications to Council in relation to this item as the Risk Dashboard identifies and evaluates risk.

Voting Requirements

- ☒ Simple Majority ☐ Absolute Majority

Officers Recommendation – Item 6.1

That Audit and Risk Committee receives the Risk Dashboard Quarterly Report – November 2025 as presented in Attachment 6.1A.

6.2 Annual Report for the year ended 30 June 2025

Date:	2 December 2025	
Location:	Not applicable	
Responsible Officer:	Ben Forbes, Executive Manager Corporate Services	
Author:	Ben Forbes, Executive Manager Corporate Services	
File Reference	FINANCIAL MANAGEMENT\AUDIT\2024\Interim	
Previous Meeting Reference	Nil	
Disclosure of Interest:	Nil	
Attachments:	6.2A	Shire of Narembreen - 2025 Annual Report

Purpose of Report

☐ Executive Decision ☒ Legislative Requirement

Summary

For the Audit, Risk and Improvement Committee to review and receive the 2025 Annual Report and accompanying documentation from the Shire's independent auditor, the Office of the Auditor General (OAG), as well as to determine the date of the annual Elector's Meeting.

Background

A Local Government is to prepare an annual report each financial year containing such information as prescribed by the *Local Government Act 1995 Section 5.53(2)* and the *Local Government (Administration) Regulations 1996, Regulation 19* in addition to the contained financial statements being in accordance with all the Australian Accounting Standards. This report, in addition to all associated accounting practices and records, is subject to audit each year.

The audit of the financial statements is split into two components due to the quantity of work. Prior to 30 June an 'interim audit' is conducted to review profit and loss accounts and directly associated balance sheet accounts. After 30 June the 'annual audit' is conducted to review balance sheet accounts, associated methodologies and controls and general compliance with laws, regulations and accounting standards.

Comment

The OAG has issued an unqualified audit opinion for the annual financial statements for the year ended 30 June 2025, meaning there were no detected or suspected material misstatement in the financial statements or areas of material non-compliance in the Shire's procedures and controls.

Further, the audit provided no management letter, meaning that the financial statements and from all records and materials audited there were no detected instances of immaterial mismanagement or misstatement requiring rectification. Summarily, this means that no faults of any kind were found from the audit process that were not immediately addressed.

Consultation

Chief Executive Officer

Statutory Implications

Local Government Act 1995.

Part 5, Section 5.53

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
 - a) a report from the mayor or president; and
 - b) a report from the CEO; and
 - e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
 - f) the financial report for the financial year; and
 - g) such information as may be prescribed in relation to the payments made to employees; and
 - h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
 - ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
 - hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - i. the number of complaints recorded in the register of complaints; and
 - ii. how the recorded complaints were dealt with; and
 - iii. any other details that the regulations may require; and
 - iv. and such other information as may be prescribed.

7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to —
 - (a) assist the auditor of the local government to conduct an audit and carry out the auditor's other duties under this Act in respect of the local government; and
 - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.
- (3) A local government must —
 - (aa) examine an audit report received by the local government; and
 - (a) determine if any matters raised by the audit report, require action to be taken by the local government; and
 - (b) ensure that appropriate action is taken in respect of those Matters
- (4) A local government must —
 - (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and
 - (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.

- (5) Within 14 days after a local government gives a report to the Minister under subsection (4)(b), the CEO must publish a copy of the report on the local government's official website.

Local Government (Financial Management) Regulations 1996, Part 4 Financial Reports

Regulations 36 to 49 prescribe the contents and disclosures required in the financial statements and accompanying notes.

Regulation 51 prescribes that the Local Government's CEO provide a copy of the audited financial report to the CEO of the Department of Local Government Sport and Cultural Industries within 30 days of the receipt of the audit report.

Local Government (Audit) Regulations 1996, Regulation 10

- (1) An auditor's report is to be forwarded to the persons specified in section 7.9(1) within 30 days of completing the audit.
- (2) The report is to give the auditor's opinion on —
- the financial position of the local government; and
 - the results of the operations of the local government.
- (3) The report must include a report on the conduct of the audit.
- (4) Where it is considered by the auditor to be appropriate to do so, the auditor is to prepare a management report to accompany the auditor's report and to forward a copy of the management report to the persons specified in section 7.9(1) with the auditor's report.

Local Government (Administration) Regulations 1996, Regulation 19

19B. Information to be included in annual report

(2) For the purposes of section 5.53(2)(g) and (i), the annual report for a financial year beginning on or after 1 July 2020 must contain the following —

- the number of employees of the local government entitled to an annual salary of \$130,000 or more;
- the number of employees of the local government entitled to an annual salary that falls within each band of \$10 000 over \$130,000;
- any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year;
- any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year;
- the remuneration paid or provided to the CEO during the financial year;
- the number of Council and committee meetings attended by each Council member during the financial year;
- if available, the gender, linguistic background and country of birth of council members;
- if available, the number of council members who are aged —
 - between 18 years and 24 years; and
 - between 25 years and 34 years; and
 - between 35 years and 44 years; and
 - between 45 years and 54 years; and
 - between 55 years and 64 years; and
 - over the age of 64 years;
- if available, the number of council members who identify as Aboriginal or Torres Strait Islander;

- (j) details of any modification made to a local government's strategic community plan during the financial year;
- (k) details of any significant modification made to a local government's corporate business plan during the financial year.

Policy Implications

Risk Management Policy

Strategic Implications

Strategic Community Plan

Strategic Priority: 4. Civic Leadership
 Objective: Well governed and efficiently managed Local Government
 Strategy: 4.2 Compliant and resourced Local Government

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Risk Implications

Risk Profiling Theme	Failure to Fulfill Statutory, Regulatory or Compliance Requirements
Risk Category	Compliance
Consequence Description	No noticeable regulatory or statutory impact
Consequence Rating	Minor (2)
Likelihood Rating	Likely (4)
Risk Matrix Rating	Moderate (8)
Key Controls in Place	Governance Calendar, Risk Management Policy
Action / Treatment	Nil
Risk Rating After Treatment	Adequate

Financial Implications

Nil

Voting Requirements

☒ Simple Majority ☐ Absolute Majority

Officers Recommendation – 6.2

That the Audit, Risk and Improvement Committee recommend that Council:

1. Receive and endorse the Independent Auditor's Report for the year ended 30 June 2025
2. Receive and endorse the 2025 Annual Report
3. Schedule the Shire of Narembreen Annual Elector's Meeting for 5:00pm on Tuesday 10 February 2026 in Council Chambers.

7. Other Business

8. Closure of Meeting

Details of the next meeting will be advised.

There being no further business, the chair declared the meeting closed at ____pm