



# ATTACHMENTS

Audit, Risk and Improvement Committee  
21 April 2026

## Contents – Attachments

Attachment 5.1A – Minutes – Audit and Risk Committee Meeting 16 December 2025 .....	3
Attachment 6.1A – LRCIP 3 Audit Documentation .....	16
Attachment 6.1B – LRCIP 4 Audit Documentation .....	23
Attachment 6.1C – R2R Audit Documentation .....	30
Attachment 6.2A – Terms of Reference Review.....	38
Attachment 7.1A – 2025 Compliance Audit Return (Internal) .....	47
Attachment 7.2A – Decision Making Framework.....	60
Attachment 7.3A – LGI Presentation .....	66

**ATTACHMENT 5.1A**  
**Minutes – Audit and Risk Committee Meeting**  
**16 December 2025**



# MINUTES

**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

### DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Narembeen for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Narembeen disclaims any liability for any loss whatsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's and or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for license, any statement or limitation or approval made by a member or officer of the Shire of Narembeen during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Narembeen. The Shire of Narembeen warns that anyone who has an application lodged with the Shire of Narembeen must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application and any conditions attaching to the decision made by the Shire of Narembeen in respect of the application.

## Contents

<b>1. Official Opening and Welcome .....</b>	<b>4</b>
<b>2. Record of Attendance / Apologies / Leave of Absence.....</b>	<b>4</b>
<b>3. Disclosure of Interest .....</b>	<b>4</b>
<b>4. Public Question Time .....</b>	<b>4</b>
<b>5. Confirmation of Previous Meeting.....</b>	<b>4</b>
5.1 Audit and Risk Committee Meeting 19 August 2025 .....	4
<b>6. Officer Reports.....</b>	<b>5</b>
6.1 Risk Dashboard – Quarterly Report – November 2025 .....	5
6.2 Annual Report for the year ended 30 June 2025.....	8
<b>7. Other Business .....</b>	<b>12</b>
<b>8. Closure of Meeting.....</b>	<b>12</b>

## 1. Official Opening and Welcome

The Presiding Person welcomed everyone one declared the meeting open at 4.00pm

## 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

## 3. Disclosure of Interest

Nil

## 4. Public Question Time

Nil

## 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 Narembeen Audit and Risk Committee Meeting held on Tuesday 19 August 2025, as presented, be confirmed as a true and correct record of proceedings.

**MIN 8100/25**

**MOTION** - Moved Cr. Currie

Seconded Cr. Cusack

**CARRIED 8 / 0**

*For: Ms de Luis, Cr Cusack, Cr Bald, Cr Bray, Cr Currie, Cr Hardham, Cr Smoker, Cr Stirrat.  
Against: Nil*

## 6. Officer Reports

### 6.1 Risk Dashboard – Quarterly Report – November 2025

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

#### 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 manager 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

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

**MIN 8101/25**

**MOTION** - Moved Cr. Stirrat

Seconded Cr. Bald

**CARRIED 8 / 0**

*For: Ms de Luis, Cr Cusack, Cr Bald, Cr Bray, Cr Currie, Cr Hardham, Cr Smoker, Cr Stirrat.  
Against: Nil*

## 6.2 Annual Report for the Year Ended 30 June 2025

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

### 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 —
- a. the financial position of the local government; and
  - b. 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 —
- (a) the number of employees of the local government entitled to an annual salary of \$130,000 or more;
  - (b) the number of employees of the local government entitled to an annual salary that falls within each band of \$10 000 over \$130,000;
  - (c) any remuneration and allowances paid by the local government under Schedule 5.1 clause 9 during the financial year;
  - (d) 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;
  - (e) the remuneration paid or provided to the CEO during the financial year;
  - (f) the number of Council and committee meetings attended by each Council member during the financial year;
  - (g) if available, the gender, linguistic background and country of birth of council members;
  - (h) if available, the number of council members who are aged —
    - (i) between 18 years and 24 years; and
    - (ii) between 25 years and 34 years; and
    - (iii) between 35 years and 44 years; and
    - (iv) between 45 years and 54 years; and
    - (v) between 55 years and 64 years; and
    - (vi) over the age of 64 years;
  - (i) 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**

<b>Risk Profiling Theme</b>	Failure to Fulfill Statutory, Regulatory or Compliance Requirements
<b>Risk Category</b>	Compliance
<b>Consequence Description</b>	No noticeable regulatory or statutory impact
<b>Consequence Rating</b>	Minor (2)
<b>Likelihood Rating</b>	Likely (4)
<b>Risk Matrix Rating</b>	Moderate (8)
<b>Key Controls in Place</b>	Governance Calendar, Risk Management Policy
<b>Action / Treatment</b>	Nil
<b>Risk Rating After Treatment</b>	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 Narembeen Annual Elector's Meeting for 5:00pm on Tuesday 10 February 2026 in Council Chambers.

**MIN 8102/25**

**MOTION** - Moved Cr. Cusack

Seconded Cr. Hardham

**CARRIED 8 / 0**

*For: Ms de Luis, Cr Cusack, Cr Bald, Cr Bray, Cr Currie, Cr Hardham, Cr Smoker, Cr Stirrat.  
Against: Nil*

*The CEO congratulated the Executive Manager Corporate Services and his team on achieving an unqualified audit result with no findings.*

## 7. Other Business

Nil

## 8. Closure of Meeting

Details of the next meeting will be advised.

There being no further business, the chair declared the meeting closed at 4.09pm

**ATTACHMENT 6.1A**  
**LRCIP 3 Audit Documentation**



LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Chief Executive Officer's Financial Statement

Financial Year: **2024 - 2025**

Phase: **Three (3)**

Eligible Funding Recipient Name: **Shire of Narembeen**

**2020-2021 Financial Year:**

LRCI Funding Received 2020-2021	LRCI Funding Expended 2020-2021
\$0	\$0

**2021-2022 Financial Year:**

LRCI Funding Received 2021-2022	LRCI Funding Expended 2021-2022
\$546,842	\$12,945

**2022-2023 Financial Year:**

LRCI Funding Received 2022-2023	LRCI Funding Expended 2022-2023
\$18,995	\$484,522

**2023-2024 Financial Year:**

LRCI Funding Received 2023-2024	LRCI Funding Expended 2023-2024
\$418,479	\$578,537

**2024-2025 Financial Year:**

LRCI Funding Received 2024-2025	LRCI Funding Expended 2024-2025
\$109,368	\$0

**Total:**

Nominal Funding Allocation:	LRCI Funding Expended across all F/Ys
\$1,093,684	\$1,093,684





Australian Government

Department of Infrastructure, Transport,  
Regional Development, Communications, Sport and the Arts

LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Declaration

Financial Year: **2024 - 2025**

Phase: **Three (3)**

Eligible Funding Recipient Name: **Shire of Narembeen**

I declare that:

- I have read, understood and agree to abide by the Program Guidelines on the Department's website at [LRCI Resources](#) as in force at the time of submission;
- The information I have submitted in this form is, to the best of my knowledge, true, accurate and complete. I also understand that giving false or misleading information is a serious offence under the *Criminal Code 1995* (Cth);
- The financial statement is a true statement of the receipts and expenditure of Local Roads and Community Infrastructure Program payments received;
- The approved projects will be physically complete by 30 June 2025 unless otherwise agreed by the Department; and
- I understand that the Local Roads and Community Infrastructure Program is an Australian Government program and that the Department will use the information provided in accordance with:
  - Australian Government Public Data Policy Statement;
  - Commonwealth Grants Rules and Guidelines;
  - Applicable Australian laws; and
  - May make information publicly available within the course of the LRCI Program (for example in media releases or promotional materials).

All boxes must be checked:

- I am authorised to complete this form and to sign and submit this declaration.
- I am submitting an Annual Report Table in the correct **excel** format.
- I am submitting a Chief Financial Officer's Financial Statement, that is in the correct **PDF** format and signed by an authorised officer within the organisation.
- I have included photographic evidence for all projects under construction and completed on the correct template in **PDF** format.
- I have engaged an Appropriate Auditor as defined by the *National Land Transport Act 2014* and their audit opinion is attached.

Name: Rebecca McCall

Position: Chief Executive Officer

Signature:

Date: 15/12/2025

Note: This form must be signed by the Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer or an equivalent Executive Officer.



LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Auditors Report

Financial Year: **2024 - 2025**

Phase: **Three (3)**


Eligible Funding Recipient Name: **Shire of Narembeen**

In my opinion:

1. the **Chief Executive Officer's Financial Statement** for the Local Roads and Community Infrastructure Program is based on and in agreement with proper accounts and records;
2. the financial statements in the **Annual Report Table** are based on and in agreement with proper accounts and records;
3. the financial statements in the **CEO Financial Statement** and the **Annual Report Table** are in alignment i.e. financials match across both documents;
4. the financial statements in the Local Roads and Community Infrastructure Program completed **Final Report Table** is based on and in agreement with proper accounts and records (if applicable);
5. the amount reported as expended during the year was used solely for expenditure on approved Local Roads and Community Infrastructure Projects.

I am an "appropriate auditor" as defined in the Local Roads and Community Infrastructure Program – Annual Report Glossary and as per section 4 of the *National Land Transport Act 2014*<sup>1</sup>.

**Auditor Name:** Marius van der Merwe

**Auditor Signature:**  Date: 11/12/2025

**Auditor's Company:** Pitcher Partners

<sup>1</sup> An Appropriate Auditor is defined by the *National Land Transport Act 2014*. Appropriate Auditor means:

- a) in relation to a person or body whose accounts are required by law to be audited by the Auditor General of a State - the Auditor General of the State; or
- b) in relation to a person or body whose accounts are required by law to be audited by the Auditor General of the Commonwealth - the Auditor General of the Commonwealth; or
- c) in relation to any other person or body - a person (other than a director, officer or employee of the person or body) who is:
  - (i) registered as a company auditor or a public accountant under a law in force in a State; or
  - (ii) a member of the Institute of Chartered Accountants in Australia or of the Australian Society of Accountants.

**SHIRE OF NAREMBEEN**

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHIRE OF NAREMBEEN**

**2024-25 Annual Report for the Local Roads and Community Infrastructure Program**

*Opinion*

We have audited the accompanying special purpose Annual Report for the Local Roads and Community Infrastructure Program Phase 3 (the "Annual Report") prepared for the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the "Department") for the Local Roads and Community Infrastructure Program Phase 3, for the year ended 30 June 2025, which comprises the Chief Executive Officer's Financial Statements for Phase 3 and the Annual Report Table financial information limited to the Total Approved Local Roads and Community Infrastructure Funding Contribution and Local Roads and Community Infrastructure Funding Actual Expenditure for Phase 3.

In our opinion, the accompanying Annual Report presents fairly in all material respects, the receipts and expenditure of the Shire of Narembreen for the Local Roads and Community Infrastructure Program Phase 3 for the year ended 30 June 2025 in accordance with section 19 of the Local Roads and Community Infrastructure Grant Agreement (the "Funding Agreement").

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Shire of Narembreen in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the "Code") that are relevant to our audit of the Financial Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Emphasis of Matter – Basis of Accounting*

The Annual Report has been prepared in accordance with section A and B of the Funding Agreement to assist the Shire of Narembreen to comply with the reporting requirements of the Funding Agreement with of the Department of Infrastructure, Transport, Regional Development and Communications (the "Grantor"). As a result, the Annual Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

*Responsibilities of the Chief Executive Officer and Council for the Annual Report*

The Chief Executive Officer (the "CEO") is responsible for the preparation and fair presentation of the Annual Report; this includes determining that the basis of accounting is an acceptable basis for the preparation of the Annual Report in accordance with the requirements of the Funding Agreement with the Grantor, and for such internal control as the CEO determines is necessary to enable the preparation of an Annual Report that is free from material misstatement, whether due to fraud or error.

**SHIRE OF NAREMBEEN**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE SHIRE OF NAREMBEEN**

*Auditor's Responsibilities for the Audit of the Annual Report*

Our objectives are to obtain reasonable assurance about whether the amounts in the Annual Report as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Annual Report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire of Narembreen's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Evaluate the overall presentation, structure and content of the Annual Report, including the disclosures, and whether the Annual Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control relevant to the Funding Agreement with the Grantor that we identify during our audit.

*Pitcher Partners BA&A PTY LTD*

PITCHER PARTNERS BA&A PTY LTD



MARIUS VAN DER MERWE  
Executive Director  
Perth, 3 December 2025

**ATTACHMENT 6.1B**  
**LRCIP 4 Audit Documentation**



LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Chief Executive Officer's Financial Statement

Financial Year: **2024 - 2025**

Phase: **Four (4)**

Eligible Funding Recipient Name: **Shire of Narembeen**

**2020-2021 Financial Year:**

LRCI Funding Received 2020-2021	LRCI Funding Expended 2020-2021
\$0	\$0

**2021-2022 Financial Year:**

LRCI Funding Received 2021-2022	LRCI Funding Expended 2021-2022
\$0	\$0

**2022-2023 Financial Year:**

LRCI Funding Received 2022-2023	LRCI Funding Expended 2022-2023
\$0	\$0

**2023-2024 Financial Year:**

LRCI Funding Received 2023-2024	LRCI Funding Expended 2023-2024
\$517,364	\$53,760

**2024-2025 Financial Year:**

LRCI Funding Received 2024-2025	LRCI Funding Expended 2024-2025
\$258,681	\$808,512

**Total:**

Nominal Funding Allocation:	LRCI Funding Expended across all F/Ys
\$862,272	\$862,272

Acknowledgement of underspend (if applicable):

- Council acknowledges an underspend of \$**Click or tap here to enter text.** and confirms this amount is not being claimed; and
- Council acknowledges that the final payment will be reduced accordingly.
- I confirm that above is a true statement of the receipts and expenditure of the Local Roads and Community Infrastructure Program funding.
- I acknowledge that should this information be incorrect, that the Annual Report documents will need to be updated and a re-audit will be required

Name: Rebecca McCall

Position: Chief Executive Officer

Signature:                     *R McCall*                    

Date: 15/12/2025

Note: This form must be signed by the Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer or an equivalent Executive Officer.

## Glossary:

Financial Year LRCI Funding Received	These amounts should reflect the LRCI funding amounts paid to council in each financial year. This is the amount received from the Department for the Phase during the financial year.
Financial Year LRCI Funding Expended	These amounts should reflect the LRCI funds spent on eligible projects in each financial year. This should match the amounts recorded in the <b>Annual Report Table</b> .
Nominal Funding Allocation	This is the nominal grant funding allocated to the Eligible Funding Recipient for each Phase. The Nominal Funding Allocation can be found under <b>Section D of the approved Grant Agreement</b> or in the eligible funding recipient’s <b>Approved Work Schedule</b> .
LRCI Funding Expended across all F/Ys	This is the actual program funds expended by the Eligible Funding Recipient on all approved projects in the Phase Approved Work Schedule. This should only include LRCI funding.



Australian Government

Department of Infrastructure, Transport,  
Regional Development, Communications, Sport and the Arts

LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Declaration

Financial Year: **2024 - 2025**

Phase: **Four (4)**

Eligible Funding Recipient Name: **Shire of Narembeen**

I declare that:

- I have read, understood and agree to abide by the Program Guidelines on the Department's website at [LRCI Resources](#) as in force at the time of submission;
- The information I have submitted in this form is, to the best of my knowledge, true, accurate and complete. I also understand that giving false or misleading information is a serious offence under the *Criminal Code 1995* (Cth);
- The financial statement is a true statement of the receipts and expenditure of Local Roads and Community Infrastructure Program payments received;
- The approved projects will be physically complete by 30 June 2025 unless otherwise agreed by the Department; and
- I understand that the Local Roads and Community Infrastructure Program is an Australian Government program and that the Department will use the information provided in accordance with:
  - Australian Government Public Data Policy Statement;
  - Commonwealth Grants Rules and Guidelines;
  - Applicable Australian laws; and
  - May make information publicly available within the course of the LRCI Program (for example in media releases or promotional materials).

All boxes must be checked:

- I am authorised to complete this form and to sign and submit this declaration.
- I am submitting an Annual Report Table in the correct **excel** format.
- I am submitting a Chief Financial Officer's Financial Statement, that is in the correct **PDF** format and signed by an authorised officer within the organisation.
- I have included photographic evidence for all projects under construction and completed on the correct template in **PDF** format.
- I have engaged an Appropriate Auditor as defined by the *National Land Transport Act 2014* and their audit opinion is attached.

Name: Rebecca McCall

Position: Chief Executive Officer

Signature: 

Date: 15/12/2025

Note: This form must be signed by the Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer or an equivalent Executive Officer.



LOCAL ROADS AND COMMUNITY INFRASTRUCTURE (LRCI) PROGRAM

# Annual Report Auditors Report

Financial Year: **2024 - 2025**

Phase: **Four (4)**

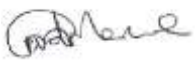
Eligible Funding Recipient Name: **Shire of Narembeen**

In my opinion:

1. the **Chief Executive Officer's Financial Statement** for the Local Roads and Community Infrastructure Program is based on and in agreement with proper accounts and records;
2. the financial statements in the **Annual Report Table** are based on and in agreement with proper accounts and records;
3. the financial statements in the **CEO Financial Statement** and the **Annual Report Table** are in alignment i.e. financials match across both documents;
4. the financial statements in the Local Roads and Community Infrastructure Program completed **Final Report Table** is based on and in agreement with proper accounts and records (if applicable);
5. the amount reported as expended during the year was used solely for expenditure on approved Local Roads and Community Infrastructure Projects.

I am an "appropriate auditor" as defined in the Local Roads and Community Infrastructure Program – Annual Report Glossary and as per section 4 of the *National Land Transport Act 2014*<sup>1</sup>.

**Auditor Name:** Marius van der Merwe

**Auditor Signature:**  Date: 11/12/2025

**Auditor's Company:** Pitcher Partners

<sup>1</sup> An Appropriate Auditor is defined by the *National Land Transport Act 2014*. Appropriate Auditor means:

- a) in relation to a person or body whose accounts are required by law to be audited by the Auditor General of a State - the Auditor General of the State; or
- b) in relation to a person or body whose accounts are required by law to be audited by the Auditor General of the Commonwealth - the Auditor General of the Commonwealth; or
- c) in relation to any other person or body - a person (other than a director, officer or employee of the person or body) who is:
  - (i) registered as a company auditor or a public accountant under a law in force in a State; or
  - (ii) a member of the Institute of Chartered Accountants in Australia or of the Australian Society of Accountants.

**SHIRE OF NAREMBEEN**

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHIRE OF NAREMBEEN**

**For 2024-25 Annual Report for the Local Roads and Community Infrastructure Program**

*Opinion*

We have audited the accompanying special purpose Annual Report for the Local Roads and Community Infrastructure Program Phase 4 (the "Annual Report") prepared for the Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the "Department") for the Local Roads and Community Infrastructure Program Phase 4, for the year ended 30 June 2025, which comprises the Chief Executive Officer's Financial Statements for Phase 4 and the Annual Report Table financial information limited to the Total Approved Local Roads and Community Infrastructure Funding Contribution and Local Roads and Community Infrastructure Funding Actual Expenditure for Phase 4.

In our opinion, the accompanying Annual Report presents fairly in all material respects, the receipts and expenditure of the Shire of Narembeem for the Local Roads and Community Infrastructure Program Phase 4 for the year ended 30 June 2025 in accordance with section 19 of the Local Roads and Community Infrastructure Grant Agreement (the "Funding Agreement").

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Shire of Narembeem in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the "Code") that are relevant to our audit of the Financial Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Emphasis of Matter – Basis of Accounting*

The Annual Report has been prepared in accordance with section A and B of the Funding Agreement to assist the Shire of Narembeem to comply with the reporting requirements of the Funding Agreement with of the Department of Infrastructure, Transport, Regional Development and Communications (the "Grantor"). As a result, the Annual Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

*Responsibilities of the Chief Executive Officer and Council for the Annual Report*

The Chief Executive Officer (the "CEO") is responsible for the preparation and fair presentation of the Annual Report; this includes determining that the basis of accounting is an acceptable basis for the preparation of the Annual Report in accordance with the requirements of the Funding Agreement with the Grantor, and for such internal control as the CEO determines is necessary to enable the preparation of an Annual Report that is free from material misstatement, whether due to fraud or error.

**SHIRE OF NAREMBEEN**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE SHIRE OF NAREMBEEN**

*Auditor's Responsibilities for the Audit of the Annual Report*

Our objectives are to obtain reasonable assurance about whether the amounts in the Annual Report as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Annual Report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire of Narembreen's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Evaluate the overall presentation, structure and content of the Annual Report, including the disclosures, and whether the Annual Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control relevant to the Funding Agreement with the Grantor that we identify during our audit.

*Pitcher Partners BA&A PTY LTD*

PITCHER PARTNERS BA&A PTY LTD



MARIUS VAN DER MERWE  
Executive Director  
Perth, 3 December 2025

# **ATTACHMENT 6.1C**

## **R2R Audit Documentation**



**NATIONAL LAND TRANSPORT ACT 2014, PART 8**


**PART 1 - CHIEF EXECUTIVE OFFICER’S FINANCIAL STATEMENT AND AUDITOR’S REPORT**

Chief Executive Officer’s financial statement  
 (as required under Part 8 of the *National Land Transport Act 2014*)

The following financial statement is a true statement of the receipts and expenditure of the Roads to Recovery payments received by the Shire of Narembeen under Part 8 of the *National Land Transport Act 2014* in the financial year 2024-2025.

[1]	[2]	[3]	[4]	[5]
Amount brought forward from previous financial year \$	Amount received in financial year \$	Amount available for expenditure in the financial year \$	Amount expended in financial year \$	Amount carried forward to next financial year \$
		[1]+[2]		[3]-[4]
\$0	\$250,000	\$250,000	\$517,347	\$267,347

The amount of own source expenditure for the Shire of Narembeen in 2024-2025 was: \$852,249.18

 (signature of Chief Executive Officer/General Manager)

12/01/2026

Rebecca McCall (name of Chief Executive Officer/General Manager)



Auditor's report

(as required under Part 8 of the *National Land Transport Act 2014*)

In my opinion, the financial statement above:

- (i) is based on the Shire of Narembeen's proper accounts and records; and
- (ii) is in agreement with the Shire of Narembeen's accounts and records;
- (iii) properly accounts for actual expenditure on Roads to Recovery projects that are for the construction and/or maintenance of roads; and
- (iv) properly accounts for own source expenditure on the construction and/or maintenance of roads.

I am an "appropriate auditor" as defined in section 4 of the *National Land Transport Act 2014*.

  
 ..... (signature of auditor)

11 / 12 / 2025  
 .....

Marius van der Merwe ..... (name of auditor)

Pitcher Partners ..... (name of auditor's company)

Note: Under s.4 of the Act, "appropriate auditor" means:

- (a) in relation to a funding recipient whose accounts are required by law to be audited by the Auditor-General of a State — the Auditor-General of the State; or
- (b) in relation to a person or body whose accounts are required by law to be audited by the Auditor-General of the Commonwealth — the Auditor-General of the Commonwealth; or
- (c) in relation to any other funding recipient — a person (other than an officer or employee of the person or body) who is:
  - (i) registered as a company auditor or a public accountant under a law in force in a State; or
  - (ii) a member of the Institute of Chartered Accountants in Australia or of the Australian Society of Accountants.



## PART 2 - STATEMENT OF ACCOUNTABILITY BY CHIEF EXECUTIVE OFFICER

(as required under Part 8 of the *National Land Transport Act 2014*)

I, Rebecca McCall, Chief Executive Officer of  
Shire of Narembeen, hereby confirm, in accordance with the  
Conditions determined under section 90 of the *National Land Transport Act 2014*, that:

- (a) All reported amounts expended by the Shire of Narembeen during the financial year 2024-2025 have been in respect of Roads to Recovery projects that are for the construction and/or maintenance of roads;
- (b) Shire of Narembeen has fulfilled the work scheduling, payments and expenditure of payments, and public information conditions in the Conditions;
- (c) during the financial year, the Shire of Narembeen has otherwise fulfilled all of the Conditions; and if any exemption has been granted and, if a replacement condition was issued in respect of the 2024-2025 financial year, that the replacement condition has been met.

Rebecca McCall

(signature of Chief Executive Officer/General Manager)

12/01/2026



**PART 3 – STATEMENT ON EXPENDITURE MAINTENANCE BY CHIEF EXECUTIVE OFFICER**

(as required under Part 8 of the *National Land Transport Act 2014*)

I, Rebecca McCall, Chief Executive Officer of  
Shire of Narembeen, hereby confirm, in accordance with the  
Conditions determined under section 90 of the *National Land Transport Act 2014*, that:

- 1(a) own source expenditure on the construction and/or maintenance of roads by Shire of Narembeen in the financial year to which this report refers was \$852,249
- 1(b) the reference amount for Shire of Narembeen is \$84,366

The following information need only be provided if the expenditure shown in 1(a) is less than the reference amount as shown in 1(b) above:

- 2(a) expenditure on the construction and/or maintenance of roads by Shire of Narembeen using its own sources funds for the financial year prior to the year to which this report refers was \$xxxxx.
- 2(b) the average of expenditure on the construction and/or maintenance of roads by Shire of Narembeen using its own source funds for the year to which this report refers and the previous financial year was \$xxxxx.

The following information need only be provided if the expenditure shown in 2(b) is less than the reference amount as shown in 1(b) above:

- 3(a) expenditure on the construction and/or maintenance of roads by the Shire of Narembeen using its own sources funds in the financial year two years before the financial year to which this report refers was \$xxxxx.
- 3(b) the average of expenditure on the construction and/or maintenance of roads by the Shire of Narembeen using its own source funds for the year to which this report refers and the previous two financial years was \$xxxxx.

(signature of Chief Executive Officer/General Manager)

12/01/2026



**PART 4**

**STATEMENT OF OUTCOMES BY CHIEF EXECUTIVE OFFICER**

(as required under Part 8 of the *National Land Transport Act 2014*)

Shire of Narembeen has achieved the following outcomes under the Roads to Recovery projects completed in the 2024-2025 financial year:

Gravel resheeting projects have improved the quality of our rural roads and improved the level of safety for heavy vehicles. Reconstruction works have improved visibility and safety on particularly poor section of an arterial road in the district.

**Key outcomes**

<b>Outcome</b>	<b>Estimated % of Roads to Recovery Expenditure (all projects)</b>
1. Road Safety	80
2. Regional economic development	0
3. Achievement of asset maintenance strategy	10
4. Improved access for heavy vehicles	5
5. Promotion of tourism	0
6. Improvements of school bus routes	5
7. Access to remote communities	0
8. Access to intermodal facilities	0
9. Traffic management	0
10. Improved recreational opportunities	0
11. Amenity of nearby residents	0
12. Equity of access (remote areas)	0
13. Other	0
<b>TOTAL</b>	<b>100%</b>

  
 .....

(signature of Chief Executive Officer/General Manager)

12/01/2026  
 .....

**SHIRE OF NAREMBEEN**

**INDEPENDENT AUDITOR'S REPORT  
TO THE OFFICE OF THE AUDITOR GENERAL WESTERN AUSTRALIA**

**Report on the Special Purpose Financial Statement of the Receipts and Expenditure of the Shire of Narembeem, presented in Part 1 – Chief Executive Officer's Financial Statement, for the Roads to Recovery Program**

*Opinion*

We have audited the accompanying special purpose financial statement presented in Part 1 – Chief Executive Officer's Financial Statement for the Roads to Recovery Program, which comprises a Statement of Receipts and Expenditure (the "Financial Statement") of the Shire of Narembeem for the year ended 30 June 2025.

In our opinion, the accompanying Financial Statement presents fairly in all material respects, the receipts and expenditure of the Shire of Narembeem for the Roads to Recovery Program for the year ended 30 June 2025 in accordance with part 6 of the Roads to Recovery Funding Conditions 2019 (the "Funding Agreement").

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Shire of Narembeem in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the Financial Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Emphasis of Matter - Basis of Accounting*

The Financial Statement has been prepared in accordance with part 6 of the Funding Agreement to assist the Shire of Narembeem to comply with the reporting requirements of the Funding Agreement with the Department of Infrastructure, Transport, Regional Development and Communications (the "Grantor"). As a result, the Financial Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

*Responsibilities of the Chief Executive Officer and Council for the Financial Statement*

The Chief Executive Officer (the "CEO") is responsible for the preparation and fair presentation of the Financial Statement; this includes determining that the basis of accounting is an acceptable basis for the preparation of the Financial Statement in accordance with the requirements of the Funding Agreement with the Grantor, and for such internal control as the CEO determines is necessary to enable the preparation of an Financial Statement that is free from material misstatement, whether due to fraud or error.

**SHIRE OF NAREMBEEN**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE OFFICE OF THE AUDITOR GENERAL WESTERN AUSTRALIA**

*Auditor's Responsibilities for the Audit of the Financial Statement*

Our objectives are to obtain reasonable assurance about whether the amounts in the Financial Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Statement.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shire of Narembeen's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Evaluate the overall presentation, structure and content of the Financial Statement, including the disclosures, and whether the Financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control relevant to the Funding Agreement with the Grantor that we identify during our audit.

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



Marius van der Merwe  
Executive Director  
Perth, 3 December 2025

**ATTACHMENT 6.2A**  
**Terms of Reference (Review)**

**Audit, Risk and Improvement Committee**  
**Terms of Reference**  
**2026**

PREVIEW



**DOCUMENT MANAGEMENT**

Policy Version	<u>23</u>	
Policy Owner(s)	Chief Executive Officer	
Reviewer	Executive Governance Officer	
Review Frequency	3 years	
Creation Date	19 March 2024	OCM Ref 7745/24
Last Review Date	July 2025 <del>Feb-April</del> 2026	OCM Ref <u>8033/25</u> OCM Ref
Next Review Date	July 2028	
File Ref	GOVERNANCE\COUNCIL MEETINGS\Audit, Risk and Improvement _ Committee\Terms of Reference	

Formatted: Underline

REVIEW

## Purpose

Section 7.1A of the *Local Government Act 1995* (the Act) requires that all local governments establish an Audit, Risk and Improvement Committee ("the Committee"). The Committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, legislative compliance, ethical accountability, and internal and external audit functions.

This Terms of Reference ("TOR") sets out the objectives, authority, membership, role, responsibilities, and operation of the Committee.

## Objectives

The objectives of the Committee is to facilitate :

1. the enhancement of the credibility and objectivity of financial reporting;
2. the effective management of financial and other risks and the protection of Council assets;
3. compliance with laws and regulations as well as the use of best practice guidelines relative to audit, risk management, internal control, and legislative compliance;
4. the scope of work, objectivity, performance, and independence of the external and internal auditors;
5. the process and systems which protect against fraud and improper activities; and
6. the provision of an effective means of communication between the external auditor, internal auditor, the CEO and Council.

Formatted: Justified

## Role & Responsibilities

The Committee is a formally appointed committee of Council. The Committee has the responsibility to:

1. review the internal and external auditor's annual audit plans and the outcomes/results of all audits undertaken;
2. request the CEO to seek information or advice in relation to matters considered by the Committee;
3. formally meet with internal and external auditors as necessary;
4. make recommendations to the Council with regards to matters within its scope of responsibility.

Formatted: Justified

## Membership

Section 7.1A of the *Local Government Act 1995* states the members of the Committee are to be appointed\* by the local government and at least 3 of the members, and where the Committee consists of more than 3 members then the majority of those members, are to be Councillors. *\*Absolute Majority required*

The CEO is not to be a member of the Committee and may not nominate a person to be a member of the Committee, or have a person represent the CEO as a member of the Committee. Similarly, an employee is not to be a member of the Committee.

As a minimum, the Shire's Committee will consist of 4 members, being 3 Councillors and 1 external representative. The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected members.

All members will have full voting rights. In the event of a tie the Chairperson will have the casting vote.

The appointment of external members shall be based on the following criteria:

1. a suitably experienced person who can demonstrate knowledge in financial management, risk management, governance and audit (internal and external);
2. have an understanding of the duties and responsibilities of the position, ideally with respect to local government financial reporting and auditing requirements;
3. have strong communication skills;
4. have relevant skills and experience in providing independent audit advice; and
5. be a person with no operating responsibilities with the Shire nor provide paid services to the Shire either directly or indirectly.

Formatted: Justified

The appointment and re-appointment of external members shall be made by Council by way of invitation and be for a period of up to 4 years. External members will not be appointed for more than three consecutive terms.

External members will be required to confirm they will operate in accordance with the Shire's Code of Conduct and will be required to follow Council's policies pertaining to the Committee operations.

Council may, by resolution, terminate the appointment of any external member prior to the expiry of their term if:

Formatted: Justified

1. the Committee, by majority decision, determines the member is not making a positive contribution to the Committee; or
2. the member is found to be in breach of the Shire's Code of Conduct or a serious contravention of the *Local Government Act 1995*; or
3. a member's conduct, action or comments brings the Shire into disrepute.

In accordance with legislative requirements [\(7.1A\(3\)\)](#), the Presiding Member (Chairperson) of the Audit, Risk and Improvement Committee must be an independent person, meaning not a current Shire of Narembeen Councillor nor a Councillor of any other local government. The appointment [of the Presiding Member](#) shall be made by a majority vote of the Committee.

The Committee shall also appoint a Deputy Presiding Member by a majority vote [\(7.1A\(4\)\)](#). The Deputy Presiding Member must be independent [of the Shire in in](#) the same manner as the Presiding Member. The Deputy Presiding Member will assume the role of Chairperson when the Presiding Member is absent.

The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Shire.

Formatted: Justified

The [Committee's](#) independent (~~external~~) members shall be entitled to receive a sitting fee for attendance at Committee meetings; in accordance with [the Shire's adopted Schedule of Fees and Charges the set Councillor and Committee Member remuneration, as determined by Council annually](#). Reimbursement of reasonable expenses incurred while undertaking Committee duties may also be paid in accordance with the Local Government Act 1995.

The CEO, Executive Manager Corporate Services and/or their nominees are to attend meetings to provide advice and guidance to the Committee.

The Shire shall provide secretarial and administrative support to the Committee.

A quorum will be a majority of members.

New members will receive relevant information and briefings on their appointment to assist them meet their Committee responsibilities.

## Meetings

Formatted: Justified

The Committee will meet at least quarterly, with additional meetings convened as required at the discretion of the Chairperson or at the request of the CEO.

~~Elected members of the Shire may attend each Committee meeting.~~

Committee members are expected, where possible, to attend each meeting in person. Where attendance in person is not possible, in accordance with Regulation 14A of the *Local Government (Administration) Regulations 1996*, the Committee may, by resolution\*, allow a member to attend the meeting via telephone or other means of instantaneous communication.

\*Absolute Majority required

## Notice of Meeting and Agenda

Formatted: Justified

The CEO or their delegate will administratively coordinate the convening of meetings of the Committee and invite members of management, internal and external auditors or others to attend meetings as observers and to provide relevant information as necessary.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed shall be provided to each member of the Committee no later than 72 hours prior to the meeting. Associated meeting papers are to be provided at the same time.

## Minutes of Meetings

Formatted: Justified

The Office of the Chief Executive Officer will facilitate the administrative support for the meeting, including as a minute taker for the meeting.

Minutes will be taken at each meeting and be presented to the subsequent meeting for confirmation. Minutes will include the proceedings and resolutions of the meeting including the names of those in attendance.

Audit, Risk and Improvement Committee Terms of Reference

The Chairperson shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. Conflicts of Interest will be managed in accordance with the Shire's policies and the *Local Government Act 1995*.

Minutes of Committee meetings shall be circulated promptly to all members of the Committee.

Minutes of Committee meetings shall be presented to the next Ordinary Council Meeting, with any recommendations from the Committee to be considered by Council by way of a separate agenda item.

Other than confidential papers and attachments, agendas and minutes of the Committee will be made publicly available on the Shire's website in accordance with Section 5.96A of the *Local Government Act 1995*.

## Functions

Regulation 16 of the *Local Government (Audit) Regulations 1996* defines the functions of an Audit, Risk and Improvement Committee as:

- ~~(a) to guide and assist the local government in carrying out —
  - ~~(i) its functions under Part 6 of the Act; and~~
  - ~~(ii) its functions relating to other audits and other matters related to financial management;~~~~
- ~~(b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;~~
- ~~(c) to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
  - ~~(i) report to the council the results of that review; and~~
  - ~~(ii) give a copy of the CEO's report to the council;~~~~
- ~~(d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
  - ~~(i) regulation 17(1); and~~
  - ~~(ii) the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);~~~~
- ~~(e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;~~
- ~~(f) to oversee the implementation of any action that the local government —
  - ~~(i) is required to take by section 7.12A(3); and~~
  - ~~(ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and~~
  - ~~(iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and~~
  - ~~(iv) has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);~~~~
- ~~(g) to perform any other function conferred on the ~~audit committee~~ Audit, Risk and Improvement Committee by these regulations or another written law."~~

"An audit, risk and improvement committee has the following functions —

- (a) to receive and review reports on, and recommend to the council actions to be taken in relation to —
  - (i) audits under Part 7 of the Act; and
  - (ii) compliance audits; and
  - (iii) reviews under regulation 17;
- (b) ~~also~~ otherwise receive and review reports on the appropriateness and effectiveness of, and recommend to the council improvements to, the local government's systems and procedures to —
  - (i) financial management; and
  - (ii) legislative compliance; and
  - (iii) risk management;
- (c) to receive and review reports on, and recommend to the council improvements to, the implementation of

Formatted: Justified

Formatted: Numbered + Level: 2 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 1.48 cm + Indent at: 2.12 cm

Formatted: Numbered + Level: 2 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 1.48 cm + Indent at: 2.12 cm

and actions that the local government –

- (i) is required to take under section 7.12A(3); and
- (ii) has stated it has taken or intends to take in a report prepared under section 7.12(4)(a); and
- (iii) has otherwise decided to take in response to a report or recommendation referred to in paragraph (a) or (b); and
- (iv) has stated it has done or proposes to do in written advice prepared under section 8.6(1)(a) or 8.23(4)(a);

(d) any other function conferred on the audit, risk and improvement committee under these regulations or another written law.

Formatted: Numbered + Level: 2 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 1.48 cm + Indent at: 2.12 cm

Formatted: Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.21 cm + Indent at: 0.85 cm

Formatted: Font: Italic

The Audit, Risk and Improvement Committee has further obligations under Regulation 14 of the Local Government (Audit) Regulations 1996, as follows:

**14. Compliance audits**

- (1) A local government must carry out an audit (a **compliance audit**) of the local government's compliance with the statutory requirements prescribed by regulation 13 for the period beginning on 1 January and ending on 31 December in each year.
- (1A) Subregulation (1) is subject to regulation 15A.
- (2) After a local government has carried out a compliance audit, the CEO must —
  - (a) prepare a compliance audit return in a form approved by the Inspector; and
  - (b) give a copy of the compliance audit return to the local government's audit, risk and improvement committee.
- (3) The audit, risk and improvement committee must —
  - (a) review the compliance audit return; and
  - (b) report to the council the results of that review.
- (4) When reporting to the council, the audit, risk and improvement committee must make any recommendations that the committee considers appropriate in relation to the compliance audit return.

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.85 cm + Indent at: 0.85 cm

Formatted: Indent: Left: 0.85 cm, Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.21 cm + Indent at: 0.85 cm

Formatted: Indent: Left: 1.3 cm, Hanging: 0.63 cm, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.21 cm + Indent at: 0.85 cm

Formatted: Indent: Left: 1.3 cm, Hanging: 0.63 cm

Formatted: Indent: Left: 1.3 cm, Hanging: 0.63 cm, Numbered + Level: 2 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.21 cm + Indent at: 0.85 cm

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.85 cm + Indent at: 1.48 cm

Formatted: English (Australia)

Formatted: Justified, Indent: Left: 0 cm

Formatted: Justified

Formatted: Justified

Formatted: Justified

In addition to the above the Committee's other functions include:

**External Audits**

- 1. Provide guidance and assistance to Council as to the carrying out of the functions of the Shire Receive, review and provide feedback to Council in relation to all external audits and any corrective action proposed by -
- 2.1. Provide an opportunity for the Committee to meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed.
- 3.2. Meet with the external auditors annually to receive the audit report regarding the annual financial statements and make a recommendations to Council with respect to that meeting/report.
- 4.3. Examine the reports of the auditor after receiving a report from the CEO on the matters to:
  - a. Determine if any matters raised require action to be taken by the Shire; and
  - b. Ensure that appropriate action is taken in respect of those matters.
- 5.4. Consider and recommend adoption of the Annual Report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the Annual Report is signed.
- 6.5. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that is within the parameters of the Committee's TOR.

Note: The Office of the Auditor General will be responsible for conducting external audits.

**Internal Audits**

- 1. Provide guidance and assistance to Council as to the carrying out of the functions of the local government in relation to internal audits.
- 2. Review and recommend the annual internal audit plan for endorsement by the Council and all major changes to the plan. Monitor that the internal auditor's annual plan is linked with and covers the material

Audit, Risk and Improvement Committee Terms of Reference

business strategic risks and themes.

3. Monitor processes and practices to ensure that the independence of the internal audit function is maintained.
4. Annually review the performance of internal audits including the level of satisfaction with the internal audit function.
5. Review all internal audit reports and provide advice to Council on significant issues (i.e. high and extreme) identified in audit reports and the action to be taken on issues raised, including identification and dissemination of good practice.
6. Monitor management's implementation of internal audit recommendations.
7. Receive the findings of special internal audit assignments undertaken at the request of Council or CEO.
8. Review the annual Compliance Audit Return and report to Council the results of that review in accordance with Section 7.13(1)(i) of the *Local Government Act 1995*.
9. Consider the CEO's Biennial Reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the Committee, and report to Council the results of those reviews in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*.
10. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
11. Consider the financial management systems and procedures in accordance with Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996* within the statutory timeframes.

### Risk Management

1. Ensure that management has in place a current and comprehensive enterprise Risk Management Framework and associated procedures for effective identification and management of Shire's business and financial risks.
2. Determine whether a sound and effective approach has been followed in managing the Shire's major risks including those associated with individual projects, program implementation, and activities.
3. Ensure the Shire identifies, reviews and regularly updates the strategic and operational risk profiles.
4. Understand and endorse the Shire's risk appetite.
5. Oversee the periodic review of the Risk Management Framework.

Formatted: Justified

### Business Continuity

1. Ensure a sound and effective approach has been followed in establishing the Shire's business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.
2. Oversee the periodic review of the Business Continuity Framework.

Formatted: Justified

### Financial Reporting

1. Review significant accounting and reporting issues, recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
2. Review with management and the external auditors the results of the audit, including any difficulties encountered.
3. Review the Annual Financial Statements forming part of the Shire's Annual Report and consider whether it is complete, consistent with information known to Committee members, and reflects appropriate accounting principles.
4. Review with management and the external auditors all matters required to be communicated to the Committee under the Australian Auditing Standards.
5. Recommend the adoption of the Annual Financial Statements forming part of the Annual Report to Council.

Formatted: Justified

### Internal Control

1. Ensure management's approach to maintaining an effective Internal Control Framework is sound and effective.

Formatted: Justified

Audit, Risk and Improvement Committee Terms of Reference

2. Ensure management has in place relevant policies and procedures, including CEO's Instructions or their equivalent, and that these are periodically reviewed and updated.
3. Ensure appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with.
4. Ensure appropriate policies and supporting procedures are in place for the management and exercise of delegations.
5. Review how management identifies any required changes to the design or implementation of key internal controls.

Formatted: Justified

Fraud & Corruption Prevention

1. Oversee the process of developing and implementing the Shire's fraud control arrangements to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
2. Receive and consider information and advice presented by the CEO on the strategies and controls to manage fraud and corruption risks at the Shire.
3. Provide oversight over the Shire's exposure and issues raised in relation to fraud and corruption.

Legislative Compliance

1. Oversee the effectiveness of the systems for monitoring compliance with relevant laws, regulations and associated government policies.

Formatted: Justified

Other Responsibilities

1. Monitor the progress of the implementation of external audit recommendations made by the auditor, which have been accepted by the Shire.
2. Receive recommendations arising from reviews of local government systems and procedures.
3. At least once every two years review and assess the adequacy of the Committee's TOR, request Council approval for proposed changes, and ensure appropriate disclosure as required by legislation or regulation.

Formatted: Justified

**ATTACHMENT 7.1A**  
**2025 Compliance Audit Return (internal)**



### COMPLIANCE AUDIT RETURN 2025 - INTERIM

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2025?	NA	
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2025?	NA	
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2025?	NA	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2025?	NA	
5	s3.59(5)	During 2025, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	NA	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	Y	20/05/2025 MIN 7990/25
2	s5.16 (2)	Were all delegations to committees in writing?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Delegations\Committee Delegations
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the <i>Local Government Act 1995</i> ?	Y	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>
5	s5.18	Has council reviewed delegations to its committees in the 2024/2025 financial year?	Y	20/05/2025 MIN 7990/25



Department of  
**Local Government, Sport  
and Cultural Industries**

6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the <i>Local Government Act 1995</i> ?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Delegations\Staff Delegations
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Y	20/05/2025 MIN 7990/25 19/08/2025 MIN 8048/25
8	s5.42(2)	Were all delegations to the CEO in writing?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Delegations\Staff Delegations
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Delegations\Staff Delegations
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	NA	
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Y	20/05/2025 MIN 7990/25
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2024/2025 financial year?	Y	20/05/2025 MIN 7990/25
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with <i>Local Government (Administration) Regulations 1996</i> , regulation 19?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Delegations\Exercise of Delegations Register

Disclosure of Interest				
No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the <i>Local Government Act 1995</i> , did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Declaration of Interest\EY2025
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the <i>Local Government (Administration) Regulations 1996</i> regulation 21A, recorded in the minutes of the relevant council or committee meeting?	NA	
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the <i>Local Government Act 1995</i> recorded in the minutes of the meeting at which the disclosures were made?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Declaration of Interest\EY2025



Department of  
**Local Government, Sport  
and Cultural Industries**

4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Y	G:\Records\OPEN\CORPORATE MANAGEMENT\REPORTING\Statutory Returns
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?	Y	G:\Records\OPEN\CORPORATE MANAGEMENT\REPORTING\Statutory Returns
6	s5.77	On receipt of a primary or annual return, did the CEO, or the Mayor/President, give written acknowledgment of having received the return?	Y	
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> ?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Declaration of Interest
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the <i>Local Government Act 1995</i> , in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Declaration of Interest
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the <i>Local Government Act 1995</i> , did the CEO remove from the register all returns relating to that person?	Y	
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the <i>Local Government Act 1995</i> been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Y	
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the <i>Local Government Act 1995</i> , in the form prescribed in the <i>Local Government (Administration) Regulations 1996</i> , regulation 28A?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the <i>Local Government Act 1995</i> , did the CEO remove from the register all records relating to those people?	Y	
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) <i>Local Government Act 1995</i> been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Y	



Department of  
**Local Government, Sport  
and Cultural Industries**

GOVERNMENT OF  
WESTERN AUSTRALIA

15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Y	G:\Records\OPEN\GOVERNANCE\AUTHORISATIONS\Declaration of Interest\EY2025
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the <i>Local Government Act 1995</i> relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	NA	
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the <i>Local Government Act 1995</i> , recorded in the minutes of the council meeting at which the decision was considered?	NA	
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates that incorporates the model code of conduct?	N	Not a new version – Current version requires review every three years. <a href="https://www.narembeen.wa.gov.au/documents/policies">https://www.narembeen.wa.gov.au/documents/policies</a> 16/04/2024 MIN 7799/24
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the <i>Local Government Act 1995</i> ?	N	
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Y	<a href="https://www.narembeen.wa.gov.au/documents/policies">https://www.narembeen.wa.gov.au/documents/policies</a>
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employee of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	N	Not a new version, current version requires review every three years. <a href="https://www.narembeen.wa.gov.au/documents/policies">https://www.narembeen.wa.gov.au/documents/policies</a>

Disposal of Property

No	Reference	Question	Response	Comments
----	-----------	----------	----------	----------



Department of  
**Local Government, Sport  
and Cultural Industries**

1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the <i>Local Government Act 1995</i> (unless section 3.58(5) applies)?	Y	
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the <i>Local Government Act 1995</i> , did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	Y	<a href="https://www.narembeen.wa.gov.au/publicnotices/">https://www.narembeen.wa.gov.au/publicnotices/</a>

### Elections

No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the <i>Local Government (Elections) Regulations 1997</i> ?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the <i>Local Government (Elections) Regulations 1997</i> ?	NA	
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the <i>Local Government (Elections) Regulations 1997</i> ?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>

### Finance

No	Reference	Question	Response	Comments
----	-----------	----------	----------	----------



1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the <i>Local Government Act 1995</i> ?	Y	
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the <i>Local Government Act 1995</i> , did it do so by absolute majority?	Y	20/05/2025 MIN 7990/25
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2025 received by the local government by 31 December 2025?	Y	16/12/2025 MIN 8105/25
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the <i>Local Government Act 1995</i> required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	NA	Nil to Report
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	NA	Nil to Report
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the <i>Local Government Act 1995</i> , did the CEO publish a copy of the report on the local government's official website?	NA	Nil to Report
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2025 received by the local government within 30 days of completion of the audit?	Y	16/12/2025 MIN 8105/25

#### Integrated Planning and Reporting

No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If yes, please provide the adoption date or the date of the most recent review in the Comments section?	Y	<a href="https://www.narembeen.wa.gov.au/documents/10215/strategic-community-plan-2022-2032">https://www.narembeen.wa.gov.au/documents/10215/strategic-community-plan-2022-2032</a>



<b>2</b>	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If yes, please provide the adoption date or the date of the most recent review in the Comments section?	Y	<a href="https://www.narembreen.wa.gov.au/documents/10225/corporate-business-plan-202223-202526">https://www.narembreen.wa.gov.au/documents/10225/corporate-business-plan-202223-202526</a>
<b>3</b>	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of <i>Local Government (Administration) Regulations 1996</i> 19DA(2) & (3)?	Y	

### Local Government Employees

No	Reference	Question	Response	Comments
<b>1</b>	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with <i>Local Government (Administration) Regulations 1996</i> , regulation 18A?	NA	
<b>2</b>	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	NA	
<b>3</b>	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the <i>Local Government Act 1995</i> ?	NA	
<b>4</b>	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	NA	
<b>5</b>	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	NA	

### Official Conduct

No	Reference	Question	Response	Comments
<b>1</b>	s5.120	Has the local government designated an employee to be its complaints officer?	Y	
<b>2</b>	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the <i>Local Government Act 1995</i> ?	NA	Nil to report



3	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the <i>Local Government Act 1995</i> ?	Y	
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Y	<a href="https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx">https://www.narembeen.wa.gov.au/the-shire/your-council/declarations.aspx</a>

### Optional Questions

No	Reference	Question	Response	Comments
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the <i>Local Government (Financial Management) Regulations 1996</i> regulations 5(2)(c) within the three financial years prior to 31 December 2025? If yes, please provide the date of council's resolution to accept the report.	Y	21/05/2024 – A&R Committee G:\Records\OPEN\GOVERNANCE\COUNCIL MEETINGS\Audit and Risk Committee\2024 Audit and Risk Committee\2024-05 A&R 21/05/2024 – OCM G:\Records\OPEN\GOVERNANCE\COUNCIL MEETINGS\Minutes and Agendas\OCM Year 2024\2024-05 OCM
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with <i>Local Government (Audit) Regulations 1996</i> regulation 17 within the three financial years prior to 31 December 2025? If yes, please provide date of council's resolution to accept the report.	Y	21/05/2024 – A&R Committee G:\Records\OPEN\GOVERNANCE\COUNCIL MEETINGS\Audit and Risk Committee\2024 Audit and Risk Committee\2024-05 A&R 21/05/2024 – OCM G:\Records\OPEN\GOVERNANCE\COUNCIL MEETINGS\Minutes and Agendas\OCM Year 2024\2024-05 OCM
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the <i>Local Government Act 1995</i> , were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	NA	
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	Y	18/06/2024 MIN 7808/24 <a href="https://www.narembeen.wa.gov.au/documents/10310/council-policy-manual">https://www.narembeen.wa.gov.au/documents/10310/council-policy-manual</a>



Department of  
**Local Government, Sport  
and Cultural Industries**

5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the <i>Local Government Act 1995</i> ?	Y	
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	N	Not a new policy – policy reviewed every 2 years. 18/06/2024 MIN 7808/24 <a href="https://www.narembeen.wa.gov.au/documents/10310/council-policy-manual">https://www.narembeen.wa.gov.au/documents/10310/council-policy-manual</a>
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2023/2024 financial year and publish it on the local government's official website by 31 July 2025?	Y	Annual Report 2024-2025 (17/12/2025) <a href="https://www.narembeen.wa.gov.au/documents/corporate-plans-and-strategies">https://www.narembeen.wa.gov.au/documents/corporate-plans-and-strategies</a>
8	s6.4(3)	By 30 September 2025, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2025?	Y	
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Y	

Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the <i>Local Government (Functions and General) Regulations 1996</i> , regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Y	G:\Records\OPEN\CORPORATE MANAGEMENT\TENDERING\2025
2	s3.57 F&G Reg 11	Subject to <i>Local Government (Functions and General) Regulations 1996</i> , regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	Y	



Department of  
**Local Government, Sport  
and Cultural Industries**

3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the <i>Local Government Functions and General) Regulations 1996</i> , required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Y	
4	F&G Reg 12	Did the local government comply with <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	NA	
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	Y	
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 15 and 16?	Y	
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Y	
8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	Y	
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Y	
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Y	G:\Records\OPEN\CORPORATE MANAGEMENT\TENDERING\2025
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the <i>Local Government (Functions and General) Regulations 1996</i> , Regulations 21 and 22?	NA	
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	NA	



Department of  
**Local Government, Sport  
and Cultural Industries**

13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	NA	
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24?	NA	
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with <i>Local Government (Functions &amp; General) Regulations 1996</i> regulations 24AD(4) and 24AE?	N	
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	NA	
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	NA	
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24AG?	NA	
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	NA	
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	NA	
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	NA	



Department of  
**Local Government, Sport  
and Cultural Industries**

22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of <i>Local Government (Functions and General) Regulations 1996</i> , Regulation 24E and 24F?	NA	
----	--------------------	--	----	--

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

# **ATTACHMENT 7.2A**

## **Decision Making Framework**

## **Purpose**

To facilitate discussion on whether the introduction of a structured decision-making framework would be of benefit to the organisation from a governance and risk perspective.

## **Background**

A draft decision-making matrix has been prepared as a potential tool to support more consistent, transparent and evidence-based decision-making across the organisation.

The framework is not proposed as a mandatory requirement, but rather as an optional support tool that could be applied to significant or complex decisions where a structured assessment may add value.

## **Discussion**

The proposed framework introduces a structured approach to assessing options against a set of weighted criteria, including strategic alignment, community benefit, financial sustainability, risk, deliverability and stakeholder considerations.

It is intended to:

- Support clearer articulation of decision-making rationale
- Encourage balanced consideration of competing priorities
- Provide greater transparency in how options are evaluated

At the same time, the framework is designed to complement—not replace—professional judgement and Council discretion.

## **Points for Consideration**

The Committee may wish to consider the following:

- **Governance and transparency**

Would a structured framework strengthen confidence in how decisions are made and documented?

- **Practicality and proportionality**

Could the framework be applied in a way that adds value without creating unnecessary administrative burden?

- **Risk and assurance**

Would the framework improve the consistency of risk consideration and support auditability of decisions?

- **Usability and flexibility**

Is there a risk that a formalised approach could be seen as overly rigid or reduce flexibility in decision-making?

- **Cultural fit**

Would the organisation view this as a helpful tool, or as an additional layer of process?

- **Application threshold**

In what types of decisions would such a framework be most useful?

## **Conclusion**

The adoption of a decision-making framework is not being proposed at this stage. This item is presented to seek initial views on whether such an approach would be beneficial and appropriate for the organisation.

## **Committee Feedback Sought**

The Committee is invited to provide informal feedback and observations on:

- The potential value of a decision-making framework
- Any perceived risks or drawbacks
- Considerations for future development, should the concept be progressed



## Decision-Making Framework

### Purpose

To provide a transparent, consistent and defensible framework for evaluating options and supporting informed decision-making by Council.

The framework assists Council to systematically consider strategic alignment, community outcomes, financial sustainability, asset management principles, risk, deliverability and reputational impacts when determining preferred options. The matrix integrates the principles of Council's Asset Management Plan to ensure decisions support sustainable service delivery over the long-term.

### Objectives

The objectives of the decision-making matrix are to:

- Support evidence-based and consistent decision-making
- Ensure alignment with Council's Strategic Plan, Asset Management Plan and Long-Term Financial Plan
- Balance community benefit, service levels, financial sustainability and risk
- Promote whole-of-life asset management and long-term sustainability
- Improve transparency and defensibility of Council decisions
- Assist in clearly articulating the rationale for recommended options

### Application

The decision-making matrix is used as a decision support tool for significant strategic, financial, asset or service delivery decisions.

The matrix does not replace Council judgement. The highest-scoring option indicates the preferred option based on assessed criteria; however, Council may take into account qualitative considerations, emerging risks, funding opportunities, or broader strategic context when making a final determination.

### Scoring Scale

Score	Definition
1	Does not meet requirements
2	Partially meets requirements
3	Meets requirements
4	Exceeds requirements
5	Significantly exceeds requirements / best practice

## Scoring Guidance

Scores should be applied consistently across all options based on available evidence, professional judgement and relevant advice. Where assumptions are made, these should be documented in the accompanying report. Consideration should be given to Asset Management Plan data, including asset condition, service levels, renewal needs, lifecycle costs and risk exposure, where relevant.

### Recommended Criteria and Weights

Criteria	Weight (%)	What Council is Considering
Strategic Alignment	25	Alignment with Council Strategic Plan, Corporate Business Plan, Asset Management Plan, informing strategies and adopted policies. Demonstrates how the option supports agreed service outcomes and long-term asset planning.
Community Benefit & Impact	20	Extent of benefit to the community, equity, accessibility, and long-term outcomes. Considers whether the options maintain or improves service levels.
Financial Sustainability & Value for Money	20	Whole-of-life cost, including capital, operating, maintenance, renewal and disposal costs. Affordability within the Long-Term Financial Plan, funding availability, and contribution to reducing asset renewal backlogs or future financial risk.
Risk & Compliance	15	Legal, safety, reputational, and operational risks. Includes asset condition, asset importance, consequence to failure, compliance with legislation and policy, and risk exposure identified through asset inspections and AMP risk assessments.
Deliverability & Organisational Capacity	10	Organisational capability, resourcing, timeframe, and complexity. Considers availability of skills, asset data confidence, supply constraints, and alignment with the AMP works program.
Stakeholder Support & Reputational Considerations	10	Community confidence, level of stakeholder and partner support, inter-agency relationships, and reputational impact. Considers transparency and consistency with Council's adopted long-term plans.
<b>TOTAL</b>	<b>100</b>	

### Matrix Format (example)

Criteria	Weight	Option A	Option B	Option C
Strategic Alignment	25			
Community Benefit & Impact	20			
Financial Sustainability & VFM	20			
Risk & Compliance	15			
Deliverables & Capacity	10			
Stakeholder Support & Reputation	10			

*Score × Weight = Weighted score; totals compared across options*



## Decision-Making Framework

### Asset Management Considerations Checklist

Where a decision involves assets (existing or proposed), officers should address the following:

#### Proposal for Decision:

##### Strategic & Service Alignment

- Is the asset required to deliver an agreed service identified in the Council Strategic Plan and Asset Management Plan?
- Does the proposal maintain or improve agreed service levels (e.g. safety, accessibility, fit for purpose)?

##### Asset Condition & Risk

- What is the current condition of the affected asset(s)?
- What is the consequence of failure if no action is taken?
- Does the proposal reduce safety, operational or compliance risks?

##### Options Assessment

- Have non-asset or lower-cost alternatives been considered (e.g. service change, renewal instead of new asset)?
- Does the proposal prioritise renewal over new assets where a renewal backlog exists?

##### Financial Sustainability

- Have whole-of-life costs been identified (capital, operating, maintenance, renewal and disposal)?
- Is the proposal affordable within the Long Term Financial Plan?
- Does it reduce future financial risk or renewal backlog?

##### Deliverability & Data Confidence

- Is the proposal aligned with the AMP works programme or capital planning pipeline?
- Is asset data sufficiently reliable to support the decision?
- Does Council have the capability and resources to deliver and manage the asset?

##### Stakeholders & Reputation

- Have key stakeholders been consulted or considered?
- Is the proposal consistent with Council's adopted long-term plans and commitments?

# **ATTACHMENT 7.3A**

## **LGI Presentation**



GOVERNMENT OF  
WESTERN AUSTRALIA

**Local Government  
Inspector**

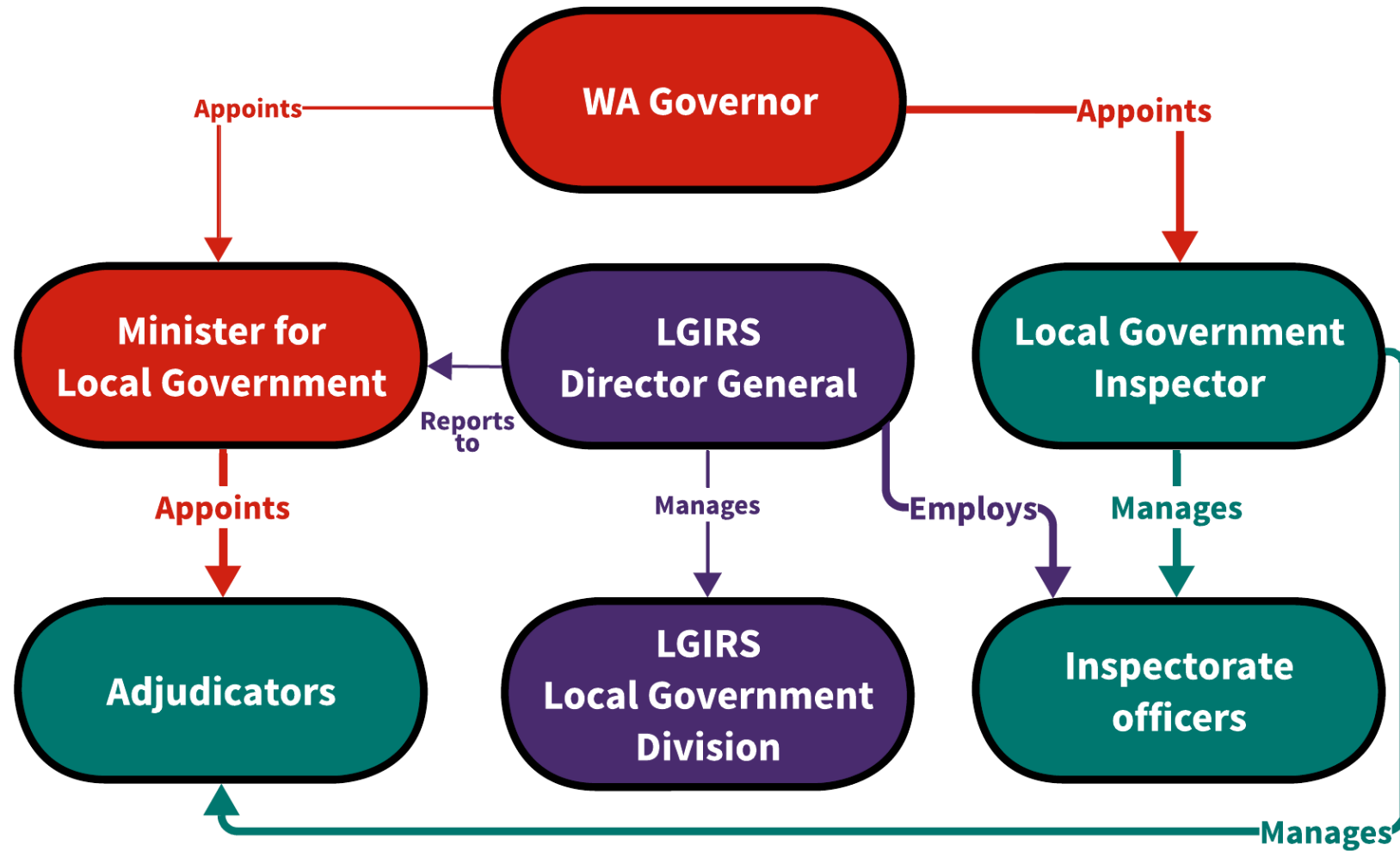
# **WA Local Government Inspector**

**Tony Brown**

# Overview

- The Local Government Inspector, established under the Local Government Amendment Act 2024, commenced on 1 January 2026 as an independent statutory officer appointed by the Governor to strengthen compliance, improve decision-making, and resolve issues early within the local government sector.
- Supported by a specialist inspectorate team, the Inspector has broad powers to intervene, investigate, assess and manage complaints, oversee compliance with the *Local Government Act 1995*, appoint monitors, issue orders, and recommend the dismissal of councils or council members.
- The Inspector is accountable to multiple integrity bodies— including the Minister, CCC, PSC, Auditor General, Ombudsman and Parliament.
- The Inspector provides independent regulatory oversight and enforcement, complementing LGIRS' policy and sector support functions.

# Overview



# Functions and powers of the Local Government Inspector

# Local Government Inspector Functions



Receiving and dealing with complaints



Conducting investigations, including on the Inspector's own initiative



Monitoring the conduct of a local government's operations and affairs



Providing education and information to assist in compliance and conduct



Analysing systems and information



Consulting, providing information, and making recommendations



If necessary, conducting an Inspector's Inquiry

# Investigations and compliance powers

Requiring a person to produce information about the local government's affairs

Requiring a person to appear before the Inspector and give evidence

Requiring a person to produce a document, information or property to the Inspector in the person's possession and allow the Inspector access to it

Entry onto local government property (without a warrant) or private property (with a warrant)

The ability to obtain the recordings of meetings (including closed meetings)

Obtain business records and data access orders under Parts 6 and 7 of the *Criminal Investigations Act 2006*

Require a local government to compile information for the Inspector, known as a 'statement of information'

Extend secrecy to some of their notices and directions

# Investigations and compliance powers

<b>Appointing</b>	A local government monitor to address issues
<b>Referring</b>	Certain complaints to either local government, an adjudicator or the State Administrative Tribunal
<b>Issuing</b>	Infringement notices, warnings or recommendations
<b>Prosecuting</b>	Offences under the <i>Local Government Act 1995</i>
<b>Directing</b>	A person to comply with the <i>Local Government Act 1995</i>
<b>Recovering</b>	Misappropriated funds and property from council members and employees
<b>Initiating</b>	An Inspector's Inquiry into a local government

# Monitors

The Inspector may appoint a monitor to support and address issues. A monitor can also be appointed on request from the Mayor/President, Council or CEO.

A monitor can work with a local government to:

- Build capacity so that a local government performs its functions.
- Promote compliance with laws.
- Implement financial controls.
- Facilitate resolutions for interpersonal problems.
- Monitors are to prepare a report for the Inspector about what they have found and what further action should be taken (if any).

# Monitors

The regulations advise that the following cannot be a Monitor:

- an inspectorate officer;
- a member of a council
- a member of the governing body of a regional subsidiary;
- an employee of a local government or regional subsidiary;
- an employee of WALGA or the Local Government Professionals Australia (WA);
- a member of the governing body of, or an employee of, a body corporate the activities of which are, wholly or mainly, advocating or otherwise acting for, or on behalf of, 1 or more of the following —
  - (i) local governments; (ii) members of councils; (iii) employees of local governments

# Complaints

A General Complaint is a new complaint type.

- A **general complaint** made by a person to the Inspector that a relevant person of local government has contravened or is contravening a provision of the Act or relevant regulations.
- This could be a breach of an offence provision (that is not a specified breach) or otherwise non-compliance with a requirement of the *Local Government Act 1995*.
- Does not include behavioural, conduct, recurrent or specified breaches.
- The Inspector may dismiss the complaint, accept and investigate the complaint, send the complaint to the local government or another appropriate authority.

# Breaches

Type	Role
<b>Behavioral breach</b> <i>(breach of behavioral components of model code)</i>	<ul style="list-style-type: none"><li>• Complaint referred to the local government to be dealt with under the local government's Code of Conduct</li></ul>
<b>Conduct breach</b> <i>(breach of a rule of conduct or prescribed meeting procedure)</i>	<ul style="list-style-type: none"><li>• Inspector is responsible for complaint receipt and investigation</li><li>• Inspector either dismisses complaint for being frivolous, trivial, vexatious, misconceived or without substance, or accepts complaint</li><li>• Accepted complaints must be referred for decision by an adjudicator</li></ul>
<b>Recurrent breach</b> <i>(more than two previous conduct breaches)</i>	<ul style="list-style-type: none"><li>• Inspector may either treat this as a conduct breach or as a specified breach</li></ul>
<b>Specified breach</b> <i>(committing a prescribed offence)</i>	<ul style="list-style-type: none"><li>• Inspector is responsible for complaint receipt and investigation</li><li>• Inspector either dismisses complaint for being frivolous, trivial, vexatious, misconceived or without substance, or accepts complaint</li><li>• If complaint is accepted, the Inspector can:<ul style="list-style-type: none"><li>○ Make an allegation to State Administrative Tribunal</li><li>○ Initiate a prosecution in court</li><li>○ Take other action (e.g. inspectorate officer issuing an infringement notice)</li></ul></li></ul>

# Breaches

Type	Sanction
<b>Behavioral breach</b>	<ul style="list-style-type: none"><li>• As currently provided in the Code of Conduct</li></ul>
<b>Conduct breach</b>	<ul style="list-style-type: none"><li>• Public censure</li><li>• Public apology</li><li>• Counselling</li><li>• Training</li><li>• Suspend payment of allowances for up to 3 months</li><li>• Suspension from a committee of council for up to 3 months</li><li>• Suspension from council for up to 3 months</li></ul>
<b>Specified breach</b>	<ul style="list-style-type: none"><li>• The State Administrative Tribunal may order all the sanctions an adjudicator can order, but for up to 6 months instead of 3 months</li><li>• Disqualification from being a council member for up to 5 years</li><li>• Disqualification from being mayor/president or deputy mayor/president (if office is elected by council) for the rest of the council member's term</li></ul>

# Infringements

## The new Infringement system

The following offences will attract infringements:

- Failure to vote - \$1,000
- Failure to lodge a Primary or Annual return – Council Members, CEO & designated employees - \$1,000
- Failure for an Elected Member or CEO to disclose a gift - \$1,000
- Failure of a Council Member to complete training - \$500

# Adjudicators ( Not a function of the Inspector)

Adjudicators replace the Local Government Standards Panel.

- All adjudicators must be legal practitioners with at least 5 years' experience.
- Where a complaint of a conduct breach is accepted, the Inspector refers it to the Principal Adjudicator to be allocated to make a finding and potential sanction.
- Adjudicator decisions are to be based upon the evidence presented to determine if there has been a breach on the balance of probabilities.
- Decisions of an adjudicator may be appealed to the State Administrative Tribunal.

# Inquiry

- The Inspector can choose to conduct a formal inquiry into a local government.
- This replaces the current Authorised Inquiry.
- An inquiry can result in findings and recommendations which the local government must implement including recommending a council or council member be dismissed.
- The Inspector can advise the Minister to suspend a council or council member.
- The Minister has the power to extend the suspension of a council while an Inspector's Inquiry is underway.
- The Inspector can advise the Minister to recommend to the Governor the dismissal of a council or council member following an Inspector's Inquiry.

# Inquiry

- Under section 8.4 (4) the Inspector can recommend that a council member be dismissed only if the Inspector is satisfied on reasonable grounds that —
  - ❖(a) at least 1 of the following applies —
    - (i) the member has failed, or is failing, to perform the member’s role, functions or duties under this Act;
    - (ii) the member’s conduct has impeded, or is impeding, the ability of another person to perform their role, functions or duties under this Act;
    - the member’s conduct has impeded, or is impeding, the ability of the local government to comply with the principles that apply to it under section 5.40; and
  - ❖(b) the seriousness or duration of that failure of conduct make it inappropriate for the member to continue to be a member of the governing body of the local government.

# **Local Government Inspector Priorities and expectations**

# 2026 Priorities

- Empowering Local Governments to lead their own improvements
- Compliance enforcement; infringing and investigating
- Education and engagement with sector

# Expectations

- Understanding of individual and collective obligations under the *Local Government Act 1995*.
- Respectful working relationships
- Elected Members and CEO's to understand their roles and responsibilities as prescribed under sections 2.7 to 2.10 and 5.41
- Work collaboratively to solve identifiable issues, ie interpersonal, financial and compliance matters
- Open and transparent relationship with the community

# Connect with the Local Government Inspector



[www.lginspector.wa.gov.au](http://www.lginspector.wa.gov.au)



[contact@lginspector.wa.gov.au](mailto:contact@lginspector.wa.gov.au)