



Published Minutes

Audit, Risk and Improvement Committee Meeting

Tuesday, 9 December 2025

Date:	Tuesday 9 December 2025
Time:	8:30am
Location:	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
Distribution Date:	Thursday 11 December 2025



**Shire of Ashburton
Audit, Risk and Improvement Committee Meeting**

The Chief Executive Officer recommends the endorsement of these minutes at the next Audit, Risk and Improvement Committee Meeting.

Keith Woodward PSM
Chief Executive Officer
11 December 2025

These minutes were confirmed by Council as a true and accurate record of proceedings at the Audit, Risk and Improvement Committee Meeting held on Tuesday, 9 December 2025.

Presiding Member

Date

10 February 2026

Disclaimer

The Shire of Ashburton warns anyone who has an application lodged with Council must obtain, and should only rely on, written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by Council in respect of the application. No responsibility whatsoever is implied, or accepted, by the Shire of Ashburton for any act, omission, statement, or intimation occurring during a Council meeting.

Contents

1	Declaration Of Opening	4
1.1	Acknowledgement Of Country	4
2	Announcement Of Visitors	4
3	Attendance.....	4
3.1	Present	4
3.2	Apologies	5
3.3	Approved Leave Of Absence	5
4	Declaration By Members.....	5
4.1	Due Consideration By Elected Members To The Agenda	5
4.2	Declaration Of Interest.....	5
5	Confirmation Of Minutes.....	6
5.1	Confirmation Of Previous Minutes	6
5.1.1	Minutes Of The Audit, Risk and Improvement Committee Meeting Held On 24 November 2025	6
6	Public Agenda Items	7
6.1	Strategic Risk Report - December 2025	7
6.2	Audit Log Status Update.....	10
6.3	Progress on Internal Audit Schedule September 2025 - March 2026	14
7	Confidential Agenda Items	18
8	Next Meeting	18
9	Closure Of Meeting	18

1 Declaration Of Opening

The Presiding Member declared the meeting open at 8:29am.

1.1 Acknowledgement Of Country

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders past and present.

2 Announcement Of Visitors

Nil

3 Attendance

3.1 Present

Independent Committee Member:	Mr S Brown APM	Presiding Member
Elected Members:	SP A Smith Cr L Rumble JP Cr A Sullivan Cr K Day	Shire President Paraburadoo Ward Deputy Shire President, Paraburadoo Ward Tom Price Ward
Observers:	Cr R de Pledge Cr T Fox Cr C Rogers	Ashburton-Tablelands Ward Pannawonica Ward Tom Price Ward
Employees:	K Woodward C McGurk D Kennedy G Harris D Weerasingha A Johnston J Bray J Rouse M Malinowska	Chief Executive Officer Director Community Development Director Corporate Services Director Infrastructure Services Internal Auditor (by electronic means) Manager Media and Communications Manager Governance Governance Officer Council Support Officer

Guests:	None
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.
Members of media:	There were no members of the media in attendance at the commencement of the meeting.

3.2 Apologies

Cr B Healy Tom Price Ward

3.3 Approved Leave Of Absence

Nil

4 Declaration By Members

4.1 Due Consideration By Elected Members To The Agenda

Elected Members noted they have given due consideration to all matters contained in this agenda.

4.2 Declaration Of Interest

A member who has an Impartiality, Proximity or Financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice, given to the Chief Executive Officer, prior to the meeting, or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest are disclosed –

Nil

5 Confirmation Of Minutes

5.1 Confirmation Of Previous Minutes

5.1.1 Minutes Of The Audit, Risk and Improvement Committee Meeting Held On 24 November 2025

Committee Decision

Moved Cr L Rumble JP

Seconded Cr K Day

That the Minutes of the Audit, Risk and Improvement Committee Meeting held 24 November 2025 (Item 5.1.1 Attachment 1) be confirmed as a true and accurate record.

For: A Smith, L Rumble JP, A Sullivan, K Day, S Brown APM

Against: Nil

Carried /0

6 Public Agenda Items

6.1 Strategic Risk Report - December 2025

File Reference	CM05
Applicant or Proponent(s)	Not Applicable
Author	D Kennedy, Director Corporate Services
Authorising Officer	K Woodward, Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 18 February 2025 - Item 6.4 – 010/2025 Ordinary Council Meeting 19 August 2025 - Item 6.2 – 138/2025
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Strategic Risk Review Report - December 2025

Report Purpose

The purpose of this report is to present to the Audit, Risk and Improvement Committee (ARIC), the quarterly Strategic Risk update as required by the endorsed Strategic Risk Procedure.

The ARIC is requested to note the quarterly update.

Background

The Risk Management Procedure – Strategic Risks (Procedure) was endorsed by the ARIC on 18 February 2025. This Procedure sets out the monitoring process for strategic risks and requires a standing agenda item be presented to each Audit, Risk and Improvement Committee meeting to provide an update on any changes in the strategic environment that may impact on the level of the strategic risk.

Strategic risks relate specifically to those risks that may impact the Shire for which we have very little control in terms of whether they materialise.

Strategic risks relate to those events/incidents that are outside the control of the Shire that could impact the future strategic direction of Council. The consequences for strategic risks, therefore, are measured in relation to the amount of change required to the strategic direction as a result of the realisation of the risks.

Unlike enterprise risks, strategic risks have very few controls in place so the likelihood criteria used is also different and is more focused on whether there is any evidence that the risk is imminent.

The Strategic Risk Register was endorsed by Council on 19 August 2025.

Comments

One current Strategic Risk – SR9 – **Government reforms, legislative changes, and/or investment decisions impact Council's ability to pursue strategies, service provision and/or sustainability** has had current risk level increased from Low to Extreme.

The Minister for Local Government introduced legislation without industry consultation, potentially affecting the Shire's ability to maintain current rating revenue from temporary workforce accommodation facilities. While existing camps comply with current policy, confusion remains over the rating of "miscellaneous licences," where most camps are located. A Council briefing will address the draft bill's possible impacts and ongoing efforts for clarification before it becomes law. WALGA, the Shadow Minister, and the Minister's Chief of Staff have been engaged and acknowledge that amendments to the bill are likely needed.

Full details of review and comments regarding other Strategic Risks can be found in Attachment 1.

Consultation

In accordance with the Procedure, the Director Corporate Services consulted with members of the Executive Leadership Team to ascertain if the level of strategic risk has changed.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

[Council Policies » Shire of Ashburton](#)

Council Policy – Risk Management

The policy provides information and guidance regarding the management of risk to support the achievement of Shire's strategic and operational objectives, protect staff and assets, and ensure financial sustainability.

Financial Implications

Current Financial Year

Not applicable

Future Financial Year(s)

Rating of temporary workforce accommodation facilities currently has some uncertainty as a result of the current bill before parliament.

Legislative Implications

Nil

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Financial impact	Loss of rating revenue due to the amendment bill currently before parliament.	Possible (3)	Major (4)	High (10-16)	Advocacy ongoing with WALGA, Department and Ministers Office.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That the Audit, Risk and Improvement Committee:

1. Receive the December Quarter Strategic Risk Review Report at Attachment 1; and
2. Acknowledge the change in risk rating of Strategic Risk 9 from low to extreme for the reasons outlined in the body of the report.

Committee Decision

Moved SP A Smith

Seconded Cr L Rumble JP

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

1. **Receives the December Quarter Strategic Risk Review Report at Attachment 1; and**
2. **Acknowledges the change in risk rating of Strategic Risk 9 from low to extreme for the reasons outlined in the body of the report.**

For: A Smith, L Rumble JP, A Sullivan, K Day and S Brown, APM

Against: Nil

Carried 5/0

6.2 Audit Log Status Update

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	K Woodward, Chief Executive Officer
Previous Meeting Reference	Audit and Risk Management Committee 20 May 2025 - Item 6.1
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	1. Internal Audit Log - Outstanding and Closed - Nov 2025

Report Purpose

The purpose of this report is to provide the Audit, Risk and Improvement Committee (ARIC) oversight of the implementation of actions resulting from internal audits.

Endorses the closure of three validated internal audit actions and receive the updated Internal Audit Log – Outstanding and Closed Actions as provided in Attachment 1.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire per local government regulations.

Internal audits and external reviews are examples of methods the ARIC may use to ensure sound management of the Shire is occurring.

Following the finalisation of an internal audit and/or external review, recommendations are included in the Audit Log to ensure progress is monitored and recorded.

Comments

This report covers the period 25 July 2025 to 14 November 2025.

During this period, evidence against three audit items were verified and closed.

Finding No	Audit Report	Action	Status
236	Reg 17-2023 Fuel consumption monitoring	Implementation of Smart Tags	Closed
237	Reg 17-2023 Fuel consumption monitoring	Fuel Reconciliation by SmartFill System for Tom Price and Onslow non moving tanks.	Closed
268	Procurement 2024 Training on identifying and recording contract variation	Increase training on contract management and recording variance (Combined with Procurement Training)	Closed

A summary of the progress on the implementation of internal audit recommendations is provided in the following table. There are **10** audit findings that are open as of 14 November 2025.

The Internal Auditor is working with managers and the Executive Leadership Team (ELT) and service providers to close the remaining open items, prioritising as per risk ratings.

Open Audit Findings

Internal Audit Topic	Not Started		In Progress		Validated		Total Open		Total Items
	14 Nov	25 July	14 Nov	25 July	14 Nov	25 July	14 Nov	25 July	
Regulation 17-2023	1	1	5	7	23	21	6	8	29
Procurement [24]	0	1	2	2	5	4	2	3	7
FMR 2024	0	0	2	2	7	7	2	2	9
Totals	1	2	9	11	35	32	10	13	45

Consultation

Below is the consultation framework endorsed by ARMC for internal audit department.

Output	IIA Standard (2017 Version)	Council	Audit and Risk Management Committee	CEO / ELT	Audit Sponsor / Director	Internal Audit
Internal Audit Charter	1000	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Strategic Internal Audit Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Annual Internal Audit Service Delivery Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Internal Audit Manual	2040	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Quality Assurance and Improvement Plan	1300, 1320	Adopt	Review / Recommend	Consult / Inform	N/A	Develop
Annual Internal Audit Status Report	2060	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Audit Engagements						
Planning Memorandum	2200	N/A	N/A	Consult / Approve	Consult	Develop / Approve
Draft Report	2400	N/A	N/A	N/A	Consult	Develop
Final Report	2400, 2440	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with *Regulation 17 of the Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Major (4)	High (10-16)	Implement process improvements resulting from internal audits/external reviews and provide regular progress reporting to the Audit and Risk Management Committee.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Chief Executive Officer Comment

The Chief Executive Officer will provide separate confidential comment on this item.

Voting Requirements

Simple Majority

Internal Auditor Recommendation

The Audit, Risk and Improvement Committee recommends that Council:

1. Endorses the closure of three validated internal audit actions, numbers 236, 237 and 268, as detailed in Attachment 1; and
2. Receives the updated Internal Audit Log – Outstanding and Closed Actions report dated 14 November 2025, also as provided at Attachment 1.

Committee Decision

Moved Cr K Day

Seconded Cr L Rumble JP

The Audit, Risk and Improvement Committee recommends that Council:

1. **Endorses the closure of three validated internal audit actions, numbers 236, 237 and 268, as detailed in Attachment 1; and**
2. **Receives the updated Internal Audit Log – Outstanding and Closed Actions report dated 14 November 2025, also as provided at Attachment 1.**

For: A Smith, L Rumble JP, A Sullivan, K Day and S Brown, APM

Against: Nil

Carried 5/0

6.3 Progress on Internal Audit Schedule September 2025 - March 2026

File Reference	CM53
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	K Woodward, Chief Executive Officer
Previous Meeting Reference	Nil
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Report Purpose

A comprehensive Strategic Internal Audit Plan 2025–2029 is currently being developed in consultation with the Executive Leadership Team (ELT) and other key stakeholders. The draft plan adopts a risk-based approach consistent with the International Professional Practices Framework (IPPF) and the requirements of Regulation 17 of the Local Government (Audit) Regulations 1996.

Given the time required to undertake final validation, obtain stakeholder endorsement, and align organisational resources, an interim internal audit schedule was endorsed in August 2025 to ensure continuity of assurance activities.

Background

An Internal Auditor commenced in March 2025. At that time, there was no current Strategic Internal Audit Plan in place to guide assurance activity for the 2025 financial year. Subsequently, a new draft Strategic Internal Audit Plan (2025–2029) was developed in consultation with the previous CEO and the ELT. With the appointment of the new CEO, the updated plan has been resubmitted for further consultation and review.

To maintain oversight of internal controls and ensure continuity of audit coverage during this transition period, the Audit and Risk Committee (ARIC) endorsed two interim internal audits in August 2025, as follows:

1. Corporate Credit Cards
2. Contract Management

Comments

Due to the transition associated with the appointment of the new CEO, approval of the Planning Memorandum for the Corporate Credit Card audit was finalised at the end of September.

The table below outlines the current progress of the two internal audits that are presently underway.

Audit Name	Status
Corporate Credit Cards	The draft report has been issued for the CEO's consultation. It is expected that the final report will be presented at the next ARIC meeting.
Contract Management	The Planning Memorandum has been initiated, and the report is expected to be presented at the next ARIC meeting.

Consultation

The ELT have been consulted on the internal audit schedule. External auditors have been consulted identifying extent of their work to avoid possible duplication of assurance efforts.

Below is the Audit and Risk Management Committee (ARMC) endorsed consultation framework for Internal Audit Department.

Output	IIA Standard	Council	Audit and Risk Management Committee	CEO/ ELT	Audit Sponsor/ Director	Internal Audit
Internal Audit Charter	1000	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Strategic Internal Audit Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Annual Internal Audit Service Delivery Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Internal Audit Manual	2040	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Quality Assurance and Improvement Plan	1300, 1320	Adopt	Review / Recommend	Consult / Inform	N/A	Develop
Annual Internal Audit Status Report	2060	Receive	Review / Recommend	Inform	Inform	Develop / Approve
Audit Engagements						
Planning Memorandum	2200	N/A	N/A	Consult/ Approve	Consult	Develop / Approve
Draft Report	2400	N/A	N/A	N/A	Consult	Develop
Final Report	2400, 2440	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Increased exposure to fraud, inadequate risk management, non-compliance with legislation, inefficient use of resources, limited accountability and transparency, reputational damage.	Almost Certain (5)	Catastrophic (5)	Extreme (17-25)	<p>Establish an effective internal audit function in compliance with the International Professional Practice Framework and regulatory requirements.</p> <p>Adopt Internal Audit Charter and Strategic Internal Audit Plan and implement.</p> <p>Establish and operate an effective Risk Management Framework ISO31000.</p>

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

Officer Recommendation

That the Audit and Risk Improvement Committee recommends that Council notes the progress of the two internal audits endorsed in August 2025.

Committee Decision

Moved Cr L Rumble JP

Seconded Cr A Sullivan

That the Audit and Risk Improvement Committee recommends that Council notes the progress of the two internal audits endorsed in August 2025.

For: A Smith, L Rumble JP, A Sullivan, K Day and S Brown, APM

Against: Nil

Carried 5/0

7 Confidential Agenda Items

Nil

8 Next Meeting

The next Audit, Risk and Improvement Committee Meeting will be held at 6:00pm on Tuesday 10 February 2026 at by electronic means.

9 Closure Of Meeting

There being no further business, the Presiding Member closed the meeting at 8:56am.