



# Agenda

Audit, Risk and Improvement Committee Meeting

Tuesday, 10 February 2026

Date:	Tuesday 10 February 2026
Time:	6:00pm
Location:	By electronic means
Distribution Date:	Thursday 05 February 2026



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

Please be advised an Audit, Risk and Improvement Committee Meeting will be held at 6:00pm on Tuesday 10 February 2026 at By electronic means.

A handwritten signature in black ink, appearing to read "Keith Woodward".

Keith Woodward  
Chief Executive Officer  
05 February 2026

**Disclaimer**

*The recommendations contained in the agenda are subject to confirmation by Council. 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.*

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## 1 Declaration Of Opening

The Presiding Member declared the meeting open at [enter time](#).

### 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

The Presiding Member welcomed members of the public to the gallery.

## 3 Attendance

### 3.1 Present

Independent Member:	Mr S Brown, APM	Presiding Member
Elected Members:	SP A Smith Cr L Rumble JP Cr A Sullivan Cr K Day Cr B Healy	Shire President Paraburdoo Ward Paraburdoo Ward Tom Price Ward Tom Price Ward
Employees:	K Woodward C McGurk D Kennedy G Harris D Weerasingha A Johnston J Bray J Rouse	Chief Executive Officer Director Community Development Director Corporate Services Director Infrastructure Services Internal Auditor Manager Media and Communications Manager Governance Governance Officer
Guests:	<a href="#">Enter names</a>	
Members of Public:	There were <a href="#">enter number</a> members of the public in attendance at the commencement of the meeting.	
Members of media:	There were <a href="#">enter number</a> members of the media in attendance at the commencement of the meeting.	

### **3.2 Apologies**

To be informed at the meeting.

### **3.3 Approved Leave Of Absence**

To be informed at the meeting.

## **4 Declaration By Members**

### **4.1 Due Consideration By Elected Members To The Agenda**

Elected Members will be requested to note 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 –

To be advised at the meeting.

## **5 Confirmation Of Minutes**

### **5.1 Confirmation of Previous Minutes**

#### **5.1.1 Minutes Of The Audit, Risk and Improvement Committee Meeting Held On 9 December 2025**

##### **Officer Recommendation**

That the Minutes of the Audit, Risk and Improvement Committee Meeting held 9 December 2025 (Item 5.1.1 Attachment 1) be confirmed as a true and accurate record.

## 6 Public Agenda Items

### 6.1 Internal Audit Schedule February 2026 - May 2026

<b>File Reference</b>	CM53
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	D Weerasingha, Internal Auditor
<b>Authorising Officer</b>	K Woodward, Chief Executive Officer
<b>Previous Meeting Reference</b>	Nil
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	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 2025-2026 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, Risk and Improvement Committee (ARIC) endorsed two internal audits in August 2025, as follows:

1. Corporate Credit Cards
2. Contract Management.

## Comments

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

Audit Name	Status
Corporate Credit Cards	<p><b>Completed and to be presented to ARIC February 2026.</b></p> <p><b>Note:</b> 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 and the finalisation of the audit affected with yearend holiday period.</p>
Contract Management	<p>The Planning Memorandum was prepared and discussed with the former Deputy Chief Executive Officer (DCEO), and initial audit testing commenced in relation to the Contract Variation Requests process for the period 2024 to 2025. Progress was partially impacted by the annual holiday period.</p> <p>The audit was subsequently placed on hold following the resignation of the responsible Director (DCEO) who was involved in discussing and endorsing the Planning Memorandum.</p> <p>The Internal Auditor has since discussed the matter with the Chief Executive Officer and is in the process of refining the Planning Memorandum to focus on key risk areas within the contract management framework.</p> <p><b>Accordingly, the audit report is now planned for presentation to the May 2026 ARIC meeting.</b></p>

It is also suggested that the following audit areas be commenced during the period February to April 2026, with report or the status reporting planned for presentation to the May 2026 ARIC meeting.

S/N	Area	Possible Scope
1	Fire Breaks	The audit will assess the adequacy and effectiveness of controls over the administration, inspection, compliance monitoring, and enforcement of fire break requirements, including alignment with legislative obligations, Council determinations, inspection coverage, recordkeeping, and escalation of non-compliance to mitigate bushfire risk.
2	Local Emergency Preparedness	The audit will review the Shire's emergency preparedness framework, including governance arrangements, planning, resourcing, training, inter-agency coordination, and testing of emergency management plans, to assess readiness and compliance with statutory emergency management requirements.

## Consultation

The CEO has 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 ARIC 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
<b>Audit Engagements</b>						
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 ARIC, 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
<b>Compliance</b>	Increased exposure to fraud, inadequate risk management, non-compliance with legislation, inefficient use of resources, limited accountability and transparency, reputational damage.	Possible (3)	Major (4)	High (10-16)	Establish an effective internal audit function in compliance with the International Professional Practice Framework and regulatory requirements.  Adopt Internal Audit Charter and Strategic Internal Audit Plan and implement.  Establish and operate an effective Risk Management Framework <i>ISO31000</i> .

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, Risk and Improvement Committee recommends that Council:

1. Notes the progress of the two internal audits endorsed in August 2025, being the Internal Audit of Corporate Credit Cards and the Internal Audit of Contract Management; and
2. Endorses the commencement of two internal audits from February 2026, being the Internal Audit over Firebreaks and the Internal Audit over Local Emergency Preparedness.

## 6.2 Audit Log Status Update

<b>File Reference</b>	CM52
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	D Weerasingha, Internal Auditor
<b>Authorising Officer</b>	K Woodward, Chief Executive Officer
<b>Previous Meeting Reference</b>	Audit Risk and Improvement Committee 09 December 2025 - Item 6.2
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	1. Audit Log Update 15 January 2026

### 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 one validated internal audit action 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 from 14 November 2025 to 15 January 2026.

During this period, evidence against one audit item was verified and closed.

Finding No	Audit Report	Action	Status
254	Reg 17-2023 Onslow Airport- Transport Security Program (TSP) and Biennial External Security Audit	Undertake a formal review and update of the TSP, and engage an independent, suitably qualified external auditor to perform a security audit.	To be closed after ARIC endorse.

A summary of the progress on the implementation of internal audit recommendations is provided in the following table. There are **nine** audit findings that are open as of 15 January 2026 after considering the proposed closure of one finding.

The Internal Auditor is working with the Executive Leadership Team (ELT) and managers, 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
	15 Jan	14 Nov	15 Jan	14 Nov	15 Jan	14 Nov	15 Jan	14 Nov	
Regulation 17-2023	1	1	4	5	24	23	5	6	29
Procurement [24]	0	0	2	2	5	5	2	2	7
FMR 2024	0	0	2	2	7	7	2	2	9
<b>Totals</b>	<b>01</b>	<b>01</b>	<b>08</b>	<b>09</b>	<b>36</b>	<b>35</b>	<b>09</b>	<b>10</b>	<b>45</b>

**Consultation**

Below is the consultation framework endorsed by the then Audit, Risk and Management Committee (ARMC) for the 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 ARIC, 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
<b>Compliance</b>	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Moderate (3)	Moderate (5-9)	Implement process improvements resulting from internal audits/external reviews and provide regular progress reporting to the Audit, Risk and Improvement Committee. As number of outstanding findings has been reduced to nine (as of 15 January 2026) the residual risk rating has been reduced to medium.

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

## Voting Requirements

Simple Majority

## Internal Auditor Recommendation

The Audit, Risk and Improvement Committee recommends that Council:

1. Endorses the closure of one validated internal audit action, number 254, as detailed in Attachment 1; and
2. Receives the updated Internal Audit Log – Outstanding and Closed Actions report dated 15 January 2026, also as provided at Attachment 1.

### 6.3 Internal Audit - Corporate Credit Cards

<b>File Reference</b>	CM52
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	D Weerasingha, Internal Auditor
<b>Authorising Officer</b>	K Woodward, Chief Executive Officer
<b>Previous Meeting Reference</b>	Ordinary Council Meeting 9 December 2025 - Item 11/ARM.3 – 237/2025
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	1. Report-Internal Audit Over Corporate Credit Cards

#### Report Purpose

Internal Audit over Corporate Credit Cards (IAOCCC) has been scheduled to conduct from September 2025 – March 2026 per approved internal audit schedule.

Council is requested to receive the Internal Audit over Corporate Credit Cards (refer to Attachment 1).

#### Background

The Office of the Auditor General (OAG) of Western Australia conducted a performance audit in June 2024 titled Local Government Management of Purchasing Cards, which examined practices across three local governments comparable in scale and complexity to the Shire of Ashburton. The internal audit was conducted in comparison with Shire adopted policies and organisational practices, such OAG report Appendix 1: better practice guidance and local government act and its regulations as follows:

- Section 2.7(2)(a) and (b) of the *Local Government Act 1995* (Act) requires the council to oversee the allocation of the local government's finances and resources and to determine the policies of the local government.
- Section 6.5(a) of the Act requires the Chief Executive Officer (CEO) to ensure that proper accounts and records of the transactions and affairs of the local government are kept in accordance with regulations.
- Regulation 5 of the *Local Government (Financial Management) Regulations 1996* requires local government's CEO to establish efficient systems and procedures for financial management.
- Regulation 11(1)(a) of the *Local Government (Financial Management) Regulations 1996* requires local governments to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisations in place for the use of credit cards.
- Regulation 13(2) of the *Local Government (Financial Management) Regulations 1996* requires local governments to prepare a list of accounts for approval to be paid is to be prepared each month and present to Council.

There was no such internal audit that had been conducted during last internal audit plans since 2022.

Therefore, the objective of IAOSCC is to assess the adequacy and effectiveness of established controls and compliance with applicable regulations.

### Comments

This report presents the findings of the IAOSCC of the Shire for the period of 1 July 2024 to 30 August 2025 (referred to as the "engagement period").

The executive summary to the report on page 4 and 5 shows the strengths of the Shire systems and controls to address risks.

The assessment of the adequacy and effectiveness of internal controls was conducted against the Appendix 1: better practice guidance of OAG report titled Local Government Management of Purchasing Cards. The assessment results are showing under Annexure 1 to the report from page 17 to 28.

Findings are listed under finding sections as summarised in below table. Details of findings are showing from page 10 to 16.

The effectiveness of internal controls was evaluated for each finding based on the control's effectiveness matrix provided in the Shire adopted risk management framework showing on page 29 to the report.

S/N	Finding	Control Effectiveness	Target Date of Completion
1	Absence of a Compliant Corporate Credit Card Register	Partially Effective	Not mentioned
2	Absence of Explicit Prohibition on Rewards or Loyalty Systems in the Corporate Credit Card Framework	Partially Effective	Not mentioned
3	Incomplete Recordkeeping for Card Handover, Cancellation, and Destruction	Partially Effective	Not mentioned

Management has provided actions to address findings. All actions are pending to be completed, and target dates are not mentioned together with agreed actions included in the report.

Please see the attached full report for complete details on findings, implications, recommendations, agreed corrective actions and target completion date.

## Consultation

As per the adopted Strategic Internal Audit Plan (2023), the consultation framework is shown below:

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
<b>Audit Engagements</b>						
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**

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* states:

*“The CEO is to-*

*undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government with the results of those reviews.”*

**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 as a result internal/external reviews and provide regular progress reporting to the Audit, Risk and Improvement Committee.

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 recommends that Council receives the Internal Audit Over Corporate Credit Cards report, as detailed in Attachment 1.

## 6.4 Strategic Risk Report - February 2026

<b>File Reference</b>	CM05
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	D Kennedy, Director Corporate Services
<b>Authorising Officer</b>	K Woodward, Chief Executive Officer
<b>Previous Meeting Reference</b>	Ordinary Council Meeting 18 February 2025 - Item 6.4 – 010/2025 Ordinary Council Meeting 19 August 2025 - Item 6.2 – 138/2025 Audit, Risk and Improvement Committee 9 December 2025 – Item 6.1
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	Nil

### 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****Summary of Strategic Risks - 30 January 2026**

<b>Risk</b>	<b>Strategic Risk</b>	<b>Current Risk Level</b>	<b>Target Risk Level</b>	<b>Risk Accepted</b>
SR1	Speed and/or extent of urban/commercial growth within Ashburton occurs at different rate to that planned/predicted	Extreme	High	No
SR2	Shire unable to adapt to a changing technological and innovation environment to provide services that are comparable or exceed those provided by other local governments.	High	Medium	No
SR3	State Government continues to delay and/or fails to fully remediate the Wittenoom Asbestos Management Area (including Roebourne – Wittenoom Road)	Extreme	High	No
SR4	Shire unable to recruit, train and/or retain workforce to support service expectations of community and operate effectively	High	Medium	No
SR5	Increased number and/or severity of major disaster events and/or weather extremes	Medium	Medium	Yes
SR6	Changes in demographics and/or health profile and/or community expectations across the Shire occur at different rate to that planned/predicted	Medium	Medium	Yes
SR7	Global/National incident impacts on investments/businesses in the Shire. (e.g. pandemic, financial downturn etc.)	Low	Low	Yes
SR8	Loss of major employer/jobs within the Shire	Low	Low	Yes
SR9	Government reforms, legislative changes, and/or investment decisions impact Council's ability to pursue strategies, service provision and or sustainability	Extreme	Low	No
SR10	Changes to external government funding model/s for Local Government	Low	Low	Yes
SR11	Increased criminal and/or antisocial behaviour within the LGA	Low	Low	Yes
SR12	Major 3 <sup>rd</sup> party Environmental incident impacts the Shire	Low	Low	Yes
SR13	Major biosecurity incident within the Shire impacts businesses in the Shire. (e.g. foot and mouth disease, polyphagous shot-hole borer, cane toads)	Low	Low	Yes

At the last ARIC meeting the risk level for SR9 was increased to extreme because of the current legislative uncertainty relating to the rating of temporary workforce accommodation facilities. The Shire generates approximately \$9 million in revenue from this source.

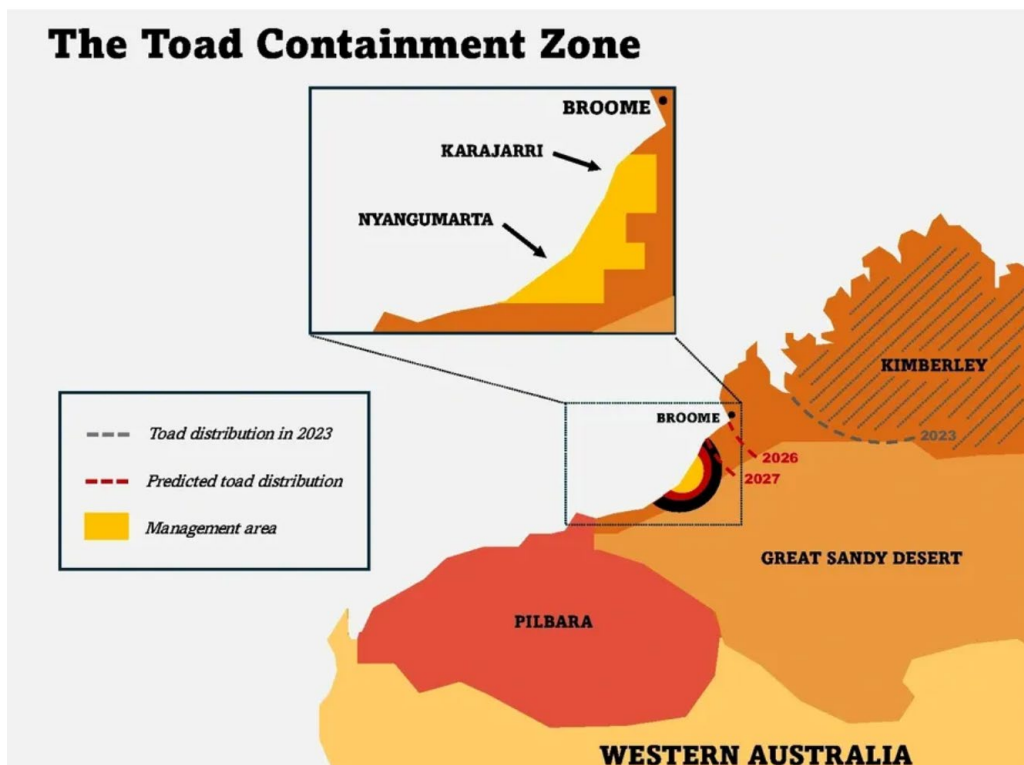
During December 2025 and January 2026, the Shire has engaged with staff from within the Minister for Local Government's office and the Department of Local Government, Industry Regulation and Safety. There was an acknowledgement that clarity was required, however nothing has formally been communicated to the industry.

The commencement of rating on several new workforce accommodation facilities including the MRL Ken's Bore Resort Camp has been delayed as a result. Continued lobbying will occur until this matter is resolved and it is hoped that this is received prior to the commencement of 2026/27 budget deliberations.

No other Strategic Risks have been assessed as needing to be re-rated at this stage.

A query at the last ARIC in December 2026 regarding SR13 and the impact that cane toads may have on the Pilbara, was referred to the Department of Biosecurity, Conservation and Attractions (DBCA). At present it is estimated that under a worst-case scenario without any mitigation measures cane toads would arrive in the Pilbara within 10 – 20 years.

The DBCA focus at present is on the Toad Containment Zone (TCZ) project which aims to establish a 150km long ‘toad containment zone’ which limits toad access to artificial waterpoints. The aim is to halt the progress south and force the species back to the northern parts of Australia. As the map below identifies, Western Australia has the advantage of the Great Sandy Desert being a natural barrier for such a containment line to be considered.



Further information regarding the TCZ project is available from the below link:

[Toadfree Zone](#)

**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

There is currently a delay in the processing/approval of new temporary workforce accommodation facilities. This has the potential for rate revenue in 2025/26 to be under that forecast. This will be further analysed during the mid-year budget review to be completed in February 2026 and presented to Council in March 2026.

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**

Not applicable

**Risk Management**

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

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
<b>Financial impact</b>	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 recommends that Council receives the February 2026 Strategic Risk Review update as detailed in the body of the report.

## 6.5 Fraud and Corruption Control Plan

<b>File Reference</b>	CORP6
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	J Bray, Manager Governance
<b>Authorising Officer</b>	D Kennedy, Director Corporate Services
<b>Previous Meeting Reference</b>	Ordinary Council Meeting 17 December 2019 - Item 9.3.2
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	<ol style="list-style-type: none"> <li>1. Proposed Fraud and Corruption Control Plan</li> <li>2. Current Fraud and Corruption Control Plan</li> </ol>

### Report Purpose

The purpose of this report is to present a new Fraud and Corruption Control Plan (Attachment 1) for Council consideration.

Council is requested to adopt the proposed Fraud and Corruption Control Plan to replace the current plan (Attachment 2) endorsed on 17 December 2019.

### Background

Council endorsed the current Fraud and Corruption Control Plan on 17 December 2019. The plan is due for review in accordance with the Shire's new Fraud and Corruption Policy, which requires a biennial review to ensure the currency, effectiveness and alignment of fraud and corruption controls and applicable legislative requirements.

Since adoption of the current plan, there have been a number of changes to fraud and corruption risk management, updates to Public Sector Commission guidance, and internal operational changes.

### Comments

The proposed Fraud and Corruption Control Plan has been developed based on identified fraud controls, external audit control testing results and recommended best practice controls from bodies such as the Office of the Auditor General. The potential for fraud and corruption across key operational and governance activities, including procurement, payroll, financial management, asset management, regulatory functions and information systems was considered in detail during the formulation of the Plan.

The new plan aligns with contemporary best practice and the Public Sector Commission's Integrity Framework by focusing on the four key elements of fraud and corruption control:

- Prevention
- Detection
- Response
- Monitoring and Review.

Key enhancements in the proposed plan include:

- Clearer assignment of roles and responsibilities for prevention, detection and investigation.
- Strengthened reporting and escalation processes, including mandatory reporting obligations.
- Improved staff awareness and training requirements.
- Enhanced monitoring, review and reporting mechanisms to the Audit, Risk and Improvement Committee.

Adoption of the proposed plan will strengthen the Shire's governance framework and demonstrate Council's ongoing commitment to ethical conduct and accountability.

### Consultation

The proposed plan was developed by an external consultant. Internal consultation was undertaken with the Executive Leadership Team, Manager Organisational Development and the Governance team during development of the proposed plan.

### 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 – Fraud and Corruption reinforces the Shire's commitment to prevent, detect and respond to allegations of fraud and corruption within the organisation and requires the preparation and biennial review of a Fraud and Corruption Control Plan.

Council Policy – Risk Management provides guidance regarding the management of risk to support the achievement of Shire's strategic and operational objectives.

### Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

**Legislative Implications**

Implementation of the Fraud and Corruption Control Plan supports compliance with relevant legislation, including:

- *Corruption, Crime and Misconduct Act 2003*
- *Public Interest Disclosure Act 2003*
- *Local Government Act 1995.*

The plan also aligns with the Public Sector Commission guidance on integrity, conduct and accountability.

**Risk Management**

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

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
<b>Reputation (social/community)</b>	Fraud and corruption risks are inadequately identified or managed, resulting in financial loss or reputational damage.	Possible (3)	Major (4)	High (10-16)	Adoption of an updated Fraud and Corruption Control Plan, staff training, periodic fraud risk assessments, clear reporting pathways and oversight by the Audit, Risk and Improvement Committee.

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, Risk and Improvement Committee recommends that Council, endorses the updated Fraud and Corruption Control Plan, as detailed in Attachment 1.

**7 New Business Of An Urgent Nature Introduced By Committee Decision**

## 8 Confidential Agenda Items

### 8.1 Wittenoom Claims Update

<b>File Reference</b>	LS34
<b>Applicant or Proponent(s)</b>	Not Applicable
<b>Author</b>	D Kennedy, Director Corporate Services
<b>Authorising Officer</b>	K Woodward, Chief Executive Officer
<b>Previous Meeting Reference</b>	Audit and Risk Committee Meeting – 19 August 2025 – Item 8.2
<b>Disclosure(s) of interest</b>	Author – Nil
	Authorising Officer – Nil
<b>Attachments</b>	Nil

#### ***Reason for Confidentiality***

<b><i>Section under the Act</i></b>	<i>This matter is to be considered behind closed doors pursuant to s.5.23(4)(b) of the Local Government Act 1995 as the subject matter relates to:</i>
<b><i>Sub-clause and Reason:</i></b>	<i>“s.5.23(4)(b) information relating to the personal affairs of an individual.”</i>

#### **Report Purpose**

This item provides a summary of open, resolved, and new claims since the last Wittenoom claims update which was provided to the Audit , Risk and Improvement Committee (ARIC) on 19 August 2025.

The ARIC is requested to receive the Wittenoom claims update.

#### **Voting Requirements**

Simple Majority

## **9 Next Meeting**

The next Audit, Risk and Improvement Committee will be held at 8:30am on Tuesday 19 May 2026 at Council Chambers, Onslow Shire Complex, Second Avenue, Onslow.

## **10 Closure Of Meeting**

There being no further business, the Presiding Member closed the meeting at [enter time](#).