



Shire of  
**Plantagenet**

Mount Barker • Kendenup • Narrikup  
Porongurup • Rocky Gully

# **AUDIT RISK AND IMPROVEMENT COMMITTEE AGENDA**

**NOTICE IS HEREBY GIVEN that a  
meeting of the Audit Risk and Improvement Committee  
will be held in the Committee Room,  
Lowood Road, Mount Barker WA 6324  
at 3.00pm on Tuesday 10 March 2026**

**Julian Murphy**  
**CHIEF EXECUTIVE OFFICER**

### **Committee Function**

Under section 16 of the *Local Government (Audit) Regulations 1996*, the Audit Committee is responsible for:

Guiding and assisting Council in carrying out:

- a) Its functions under Part 6 of the Act
- b) Its functions relating to other audits and other matters related to financial management; and,
- c) Part 7 of the Act in relation to auditing the Shire's financial accounts.
- d) Reviewing the CEO's report required under regulation 17(3).

Monitoring and advising the CEO when the CEO is carrying out functions in relation to a review under:

- (a) regulation 17(1); and
- (b) the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c).

Supporting the Auditor conducting an audit and carrying out the Auditor's other duties under the Act.

Overseeing the implementation of any action that Council:

- (a) is required to take, has stated it has taken or intends to take, in respect to matters raised by the audit report;
- (b) has accepted should be taken on receipt of the CEO's report of a review under regulation 17(1); and
- (c) has accepted should be taken on receipt of the CEO's report under regulation 5(2)(c) of *Local Government (Financial Management) Regulations 1996*.

The Audit Committee's duties include:

- (a) considering the Auditor's interim audit of the Shire's accounting and internal control procedures for the financial year;
- (b) reviewing the audited financial report for the previous financial year;
- (c) reviewing the interim and final audit reports for the financial year;
- (d) reviewing the annual Compliance Audit Return;
- (e) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's systems and procedures regarding risk management, internal controls and legislative compliance;
- (f) reviewing the CEO's triennial report on the appropriateness and effectiveness of the Shire's financial management systems and procedures; and
- (g) providing a report to Council on those matters.

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## Membership

Cr L Handasyde (Presiding Member)  
Cr J Liebeck (Deputy Presiding Member)  
Cr K Tyrer  
Cr W Sheard

## Deputies

Cr A Fraser  
Cr M O'Dea

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**1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

The Presiding Member will declare the meeting open at \_\_\_\_\_pm.

**2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

Members Present:

Observers:

Staff

Apologies

Leave of Absence:

**3 CONFIRMATION OF MINUTES**

Minutes, as circulated, of the Ordinary Meeting of the Audit Risk and Improvement Committee Meeting held on 23 December 2025.

**OFFICER RECOMMENDATION**

**That the Minutes of the Meeting of the Audit Risk and Improvement Committee held on 23 December 2025 be confirmed as a true and accurate record.**

**4 DISCLOSURE OF INTEREST**

Part 5 Division 6 *Local Government Act 1995*

## 5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

### 5.1 COMMITTEE STATUS REPORT

Refer to attachment 5.1.1. A summary of the open items on the Status Report each meeting is as follows:

**Summary:**

Month	August 2025	December 2025	March 2026
<b>Number of Active Items</b>	40	37	33

## 5.2 AUDIT REGULATION 17 REVIEW

<b>Attachment:</b>	<u>Regulation 17 Review Report</u>
<b>Responsible Officer:</b>	<b>Julian Murphy</b> <b>Chief Executive Officer</b>
<b>Author:</b>	<b>Anthony Middleton</b> <b>Executive Manager – Corporate &amp; Community</b>
<b>Proposed Meeting Date:</b>	<b>10 March 2026</b>

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### PURPOSE

The purpose of this report is to consider the review undertaken on the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal controls and legislative compliance.

### BACKGROUND

The Local Government (Audit) Regulations 1996 (Regulation 17) require the CEO to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

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

This review is to be conducted not less than once in every four (4) financial years. The previous review was adopted by the Council in May 2022.

### EXTERNAL CONSULTATION

Nil.

### STATUTORY ENVIRONMENT

Local Government (Audit) Regulations 1996, regulation 17 (CEO to review certain systems and procedures) states:

- (1) The CEO must review the appropriateness and effectiveness of the local government's systems and procedures in relation to the following matters —
    - (a) financial management;
    - (b) legislative compliance;
    - (c) risk management.
  - (2) Under subregulation (1), the CEO may review any or all of the matters referred to in subregulation (1)(a) to (c) at any time but must review each of those matters not less than once in every 4 financial years.
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- (3) The CEO must report to the audit, risk and improvement committee the results of each review carried out under subregulation (1).

### **POLICY IMPLICATIONS**

Policy implications do not apply for this report and it is the opinion of the author that policy development is not required.

### **FINANCIAL IMPLICATIONS**

There are no financial implications for this report.

### **BUDGET IMPLICATIONS**

There are no budget implications for this report.

### **LEGAL IMPLICATIONS**

There are no legal implications for this report.

### **ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications as no assets are being created or acquired.

### **STRATEGIC IMPLICATIONS**

The Shire of Plantagenet Corporate Business Plan 2025 - 2029 provides:

*At Key Pillar 4 Performance & Leadership the following:*

Strategy 4.2:

'A Shire that is open and transparent with its community.'

Corporate Action 4.2.3 - Develop effective reporting and communication tools relevant to the way our community access information

Strategy 4.3:

'Commitment to continuous improvement in service delivery.'

Corporate Action 4.3.2 - Be transparent with our financial management by reporting regularly readable and meaningful financial data to the community

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

### **STRATEGIC RISK IMPLICATIONS**

#### Low Risk

This item has been evaluated against the Shire of Plantagenet Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with currently available resources.

### **REGIONAL IMPLICATIONS**

There are no regional implications for this report.

**OFFICER COMMENT**

The Audit Regulation 17 review has recently been completed and a copy is attached.

The review of 'financial management' as required by 1(a) of the regulation has not been completed as part of this review as it was previously considered by the Council on 17 June 2025.

The report raised seven (7) recommendations on the following topics:

1. Risk Register;
2. Insurance Coverage;
3. Integrated Planning & Reporting;
4. Fraud & Corruption Controls;
5. Policy Framework;
6. Regular Risk Reports; and
7. Audit Advisory Committee Performance

Details of each finding and recommendation above is contained within the report, however, each item raised has been noted that it "does not represent a deficiency", rather an "enhancement opportunity".

The Committee may choose not to adopt all recommendations; however, the Officer's Recommendation suggests endorsing each recommendation and adding it to the Status Report for completion.

Following consideration by the Committee, the review will be presented to the Council.

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER RECOMMENDATION**

**That it be recommended to the Council that:**

- 1. The Audit Regulation 17 review be accepted, as proposed; and**
- 2. The seven (7) recommendations contained within be endorsed and added Audit, Risk & Improvement Committee's status report for addressing.**

## **6 GENERAL BUSINESS**

### **6.1 ITEMS FOR THE COMMITTEE'S INFORMATION**

The following documents are attached for the information of the Committee:

**1. 2026 – 2028 Contract Audit Services – Correspondence**

Notification from the Office of the Auditor General (OAG) that Dry Kirkness have been appointed as the Shire's contract auditor for the 2026–2028 audit period. Dry Kirkness replace Lincoln's from Albany.

**2. Office of the Auditor General Report – Status of Local Government Audits 2025.**

A report submitted to Parliament by the OAG on the status of delayed local government audit opinions.

## **7 NEXT MEETING**

9 June 2026

## **8 CLOSURE OF MEETING**

There being no further business to discuss, the Presiding Member shall declare the meeting closed at \_\_\_\_\_pm.