Shire of
Donnybrook Balingup

Minutes of the Audit, Risk and Improvement Committee Meeting

Held on 24 June 2026 and commenced at 3:00pm
at the Council Chambers in Donnybrook
(1 Bentley Street, Donnybrook)

Authorised:

Mr Nick O'Connor, Chief Executive Officer

Prepared: 26 June 2026

Contents

1. Declaration of Opening / Announcement of Visitors

Acknowledgement of Country:

The Chairperson acknowledged the continuing connection of Aboriginal people to Country, culture and community, including traditional custodians of this land, the Wardandi and Kaneang People of the Noongar Nation, paying respects to Elders, past and present.

The Chairperson declared the meeting open at 3:01pm and welcomed the public gallery.

2. Attendance

Members Present:

Cr Vivienne MacCarthy	Mr Phillip Anastasakis, Presiding Member (Independent)
Cr Tyler Hall	Mr Alan Lamb, Deputy of the Presiding Member (Independent, Optional Online attendance)

Staff Present:

Nick O'Connor, Chief Executive Officer	Colin Young, Director Finance and Community
Meta Hazeldine, Manager Financial Services	Loren Clifford, Executive Manager Corporate
Samantha Farquhar, Administration Officer Corporate Services	

Other Members Present:

Public Gallery: 0 members of the public in attendance.

2.1. Apologies

Ross Marshall, Director Operations

2.2. Approved Leave of Absence

Nil.

2.3. Application for Leave of Absence

Nil.

3. Announcements from the Chairperson

Nil.

4. Declarations of Interest

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Nil.

5. Public Question Time

5.1. Responses to previous public questions that were taken on notice

Nil.

5.2. Public Question Time

Nil.

6. Presentations

Nil.

7. Confirmation of Minutes

7.1. Audit and Risk Management Committee Meeting held on 5 March 2026

Minutes of the Audit and Risk Management Committee Meeting held 5 March 2026 are attached as Attachment 7.1(1). At the Ordinary Council Meeting held on 25 March 2026, Council resolved to receive the minutes and adopt the recommendations as detailed in the 5 March 2026 Audit and Risk Management Committee minutes. It is noted that, prior to presentation at the Council meeting, the Audit and Risk Management Committee members confirmed the accuracy of the minutes via a flying minute process conducted by email.

EXECUTIVE RECOMMENDATION

That the Minutes from the Audit and Risk Management Committee Meeting held 5 March 2026 be received.

COMMITTEE RESOLUTION:	ARI 09/06-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

That the Minutes from the Audit and Risk Management Committee Meeting held 5 March 2026 be received.

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasaki
Against: Nil.
Carried: 3/0

8. Reports of Officers
8.1. Chief Executive Officer

8.1.1 Audit Findings Progress

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

File Reference: MONARCH-540448882-19 **Voting Requirement:** Simple Majority

Attachment(s):

8.1.1(1) FMR/Reg 17 -Findings & Improvements Register
8.1.1(2) Internal Audit Findings

Executive Recommendation

That the Audit, Risk and Improvement Committee notes the update provided on Audit Findings as outlined in Attachments 8.1.1(1) and 8.1.1(2).

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 11 - Strong, visionary leadership.

Objective: 11.1 - Provide strategically focused, open and accountable governance.

Item: Nil.

Executive Summary

It is requested that the Audit, Risk and Improvement Committee (ARIC) notes the latest update provided on the Audit Findings outlined in this report and Attachment 8.1.1(1) and Attachment 8.1.1(2).

Background

Under the *Local Government Act 1995* and associated regulations, the Shire is required to undertake several types of audits to ensure accountability and transparency. These Audit's consist of:

1. Financial Audits – The Shire must have their financial statements audited annually. This is mandated under Section 7.9 of the *Local Government Act 1995*.
2. Financial Management Review - is governed by Regulation 5(2) of the *Local Government (Financial Management) Regulations 1996*. This regulation requires the CEO to regularly review the appropriateness and effectiveness of the financial management systems and procedures of the local government, with a minimum frequency of once every three financial years.
3. Compliance Audits – The Shire must complete a compliance audit return (CAR) annually, which is reviewed by the ARMC, and Council then submitted to the Department of Local Government, Sport and Cultural Industries. This requirement is outlined in Regulation 14 of the *Local Government (Audit) Regulations 1996*.

4. Audit Regulation 17 Review - is a requirement under the *Local Government (Audit) Regulations 1996*. It requires the Chief Executive Officer (CEO) of a local government to review the appropriateness and effectiveness of the local government's systems and procedures in relation to:
    - Risk Management
    - Internal Control
    - Legislative Compliance

5. Internal Audits - While not explicitly mandated, internal audits are recommended as part of good governance practices. They help the Shire identify and mitigate risks proactively.

Regular reporting on progress and actions taken in response to audit findings to the Audit and Risk Management Committee should be undertaken to ensure transparency and accountability, demonstrating a commitment to addressing identified issues and improving governance.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Likely	Minor	Moderate (8)
Risk Description:	Not reporting updates on audit findings to the audit committee on a regular basis can lead to a lack of oversight, delayed corrective actions, and potential non-compliance with regulatory requirements.		
Mitigation:	Establish a reporting schedule and process as outlined in this report.		

Financial Implications

Nil.

Policy Compliance

Nil.

Statutory Compliance

Nil.

Consultation

An internal review of the findings by key responsible officers has been undertaken.

Officer Comment

The Financial Management Review (FMR) and the Audit Regulation 17 (Reg 17) Reviews were undertaken in December 2024, the findings from these reviews were presented to the committee at its March 2025 meeting. Subsequently presented in June 2025 to Council. The table below outlines the status/progress made in addressing the 102 findings.

A total of 102 audit actions were identified across the Regulation 17 and FMR reviews. Progress to date demonstrates that the majority of foundational governance, financial management, and compliance actions have been completed or substantially embedded.

- Completed: 86 actions
- Substantially progressed (¾): 11 actions
- Partially progressed (½): 4 actions
- Early stage (¼): 1 action
- Not yet commenced: 0 actions

Key Progress Since February 2026

Governance, Policy and Compliance Framework
Significant progress has been made in strengthening the Shire's governance framework. A number of key policies have been reviewed, adopted, or updated, including the Complaints Policy, Information Security, Working from Home and Purchasing Policy, while a structured, risk-based policy review program is now embedded.

Risk Management and Internal Controls
The Risk Management Framework has been implemented and is informing operational decision-making; however, practical application remains constrained by resourcing and reporting complexity. Controls relating to conflicts of interest, risk reporting, and facility operations have been strengthened, with ongoing refinement required to embed consistent practices and align service levels with risk exposure.

Financial Management and Procurement
Substantial improvements have been delivered in procurement, financial controls, and reporting. A revised Purchasing Policy has been adopted, supported by a Draft Procurement and Contract Management Manual now in use. Monthly management reporting has been introduced, stock control procedures implemented, and overhead allocation methodologies reviewed to ensure compliance with accounting standards.

ICT Governance and Cyber Security
Material progress has been made in ICT governance, with a draft ICT Strategy developed and scheduled for Council consideration. This includes formalisation of ICT risk management, security controls, and change management processes, addressing previously identified gaps and establishing a structured roadmap for ongoing improvement.

Records Management and Information Governance
The implementation of the Monarch EDRMS represents a major uplift in record keeping practices, with system rollout, training, and governance controls improving compliance and reducing risks associated with fragmented record storage and management.

Operational Procedures and Service Delivery

Progress has been made in formalising operational procedures, with business units developing procedures and controls using a risk- and resource-based approach. Improvements have been made in key areas including revenue controls, cash handling, and facility operations; however, ongoing work is required to ensure consistency across all service areas.

Asset and Facility Operations / Workforce Alignment

A review of the Workforce Plan has confirmed that resources support core service delivery; however, staff feedback has identified some gaps in resourcing at certain facilities. The Shire is responding by applying a risk-based approach to service levels and continuing to refine resource allocation in line with risk exposure and operational requirements.

Human Resources and Workforce Capability

Enhancements have been made to workforce management practices, including implementation of a training matrix, revised performance review processes, and improvements to onboarding and offboarding controls. Some initiatives, including induction standardisation, remain in progress due to competing priorities.

Actions Still in Progress or Outstanding

Governance and Policy Framework

Policy review and governance improvements remain in progress, with a structured, risk-based program ongoing. While priority policies have been updated, further reviews, including specific operational and compliance policies, are still being scheduled and finalised. In some cases, management has determined that risks are being managed through existing frameworks rather than standalone policies, resulting in actions remaining open pending further review or confirmation of approach.

ICT Governance and Strategic Planning

ICT-related actions remain a key outstanding area. A draft ICT Strategy has been developed; however, formal adoption and full implementation of supporting elements such as the ICT Risk Register, security controls and governance structures are still underway. These actions are being progressed as a coordinated, staged reform program.

Risk Management and Internal Controls

The Risk Management Framework has been implemented; however, full organisational embedment, consistent application and reporting remain incomplete. Further refinement is required to ensure the framework is practically applied across all business areas and supported by appropriate resourcing and systems.

Operational Procedures and Controls
The development of formal procedures, workflows and internal controls is ongoing. Business units are progressively documenting processes, with work prioritised based on risk and operational criticality. Full coverage of procedures across the organisation has not yet been achieved.

Procurement and Contract Management
Procurement and contract management controls are partially implemented. While a Procurement and Contract Management Manual has been developed, full implementation, training and integration into practice remains ongoing, along with broader improvements to contract governance and oversight.

Compliance, Reporting and Legislative Processes
Some compliance-related processes, including public notice management and risk reporting to Council, are still being strengthened. While initial controls such as registers have been introduced, supporting procedures and system improvements are required to ensure consistent compliance and reporting accuracy.

Records Management and EDRMS
Records management improvements are in progress through the rollout of the Monarch EDRMS. While the system has been implemented, full organisational adoption, supporting procedures, and consistent staff training are ongoing to ensure compliance with recordkeeping requirements.

Registers and Control Frameworks
Key governance registers (including contracts, risk and asset registers) remain incomplete or under development. These are being progressed alongside system improvements and broader governance reforms but are not yet fully established or consistently maintained.

Workforce and Organisational Capability
Human resource-related actions, including induction processes, training frameworks and workforce capability improvements, are partially complete. Further work is required to ensure consistency across the organisation and alignment with governance and compliance requirements.

Complex Operational Reviews
More complex and resource-intensive reviews, including aged accommodation operations and broader service-level governance reviews, have commenced and will be progressed as capacity allows.

Significant progress has been made in addressing the Regulation 17 and FMR audit findings, particularly in foundational governance, financial controls, and compliance systems. Remaining actions are predominantly higher-complexity, multi-year reforms that are being progressed in a staged and risk-based manner. No critical or systemic control failures remain unaddressed, with residual risks identified and actively managed.

COMMITTEE RESOLUTION:	ARI 10/06-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit, Risk and Improvement Committee notes the update provided on Audit Findings as outlined in Attachments 8.1.1(1) and 8.1.1(2).

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.2 Interim Audit for the Year Ending 30 June 2026

Report Details:

Prepared by: Manager Financial Services

Manager: Director Finance and Community

File Reference: MONARCH-1416558643-238 **Voting Requirement:** Simple Majority

Attachment(s):

8.1.2(1) Interim Audit Management Letter - Confidential

Executive Recommendation

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

1. **Receive the Interim Audit Management Letter and Findings Report for the year ending 30 June 2026 in** Attachments 8.1.2(1)**; and**
2. **Note the Management Comments provided, stating the actions the Chief Executive Officer intends to take with respect to the six matters identified in the attachment to the Interim Audit Management Letter.**

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 11 - Strong, visionary leadership.

Objective: 11.1 - Provide strategically focused, open and accountable governance.

Item: Nil.

Outcome: 12 - A well respected, professionally run organisation.

Objective: 12.1 - Deliver effective and efficient operations and service provision.

Item: Nil.

Executive Summary

The Office of the Auditor General (OAG) provided the Interim Audit results for the year ending 30 June 2026. The scope of the audit was to express an opinion on whether the Shire's general purpose financial report:

- is based on proper accounts and records;
- presents fairly, in all material respects, the results of Shire's operations for the year ended 30 June 2026 and its financial position as at that date; and
- complies with the *Local Government Act 1995* and, where not inconsistent with the Act, the Australian Accounting Standards.

The Audit and Risk Management Committee has been asked to receive the Interim Audit Management Letter and Report on Findings.

Background

AMD Charted Accountants were appointed on behalf of the OAG to conduct the annual Interim Audit, for the year ending 30 June 2026.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Unlikely	Minor	Low (4)
Risk Description:	The Chief Executive Officer's does not meet statutory obligations in relation to financial management practices		
Mitigation:	Present the Interim Audit Management Letter and attached Findings Report to the ARIC.		

Financial Implications

Nil.

Policy Compliance

Nil.

Statutory Compliance

Local Government Act 1995

The Interim Audit forms part of the Annual Audit process required under Section 7.2 of the Act, which requires the audit of the accounts and annual financial report.

Local Government (Financial Management) Regulations 1996

Regulation 5(1) outlines the Chief Executive Officer's responsibilities in relation to financial management practices.

Consultation

An entrance meeting was held on 4 of May 2026 between representatives of the Audit and Risk Management Committee, Shire staff, AMD, and the Office of the Auditor General to review the Audit Planning Summary in preparation for the audit of the financial year ending 30 June 2026.

Officer Comment

The interim audit identified six key areas requiring attention. While some findings relate to broader governance and compliance, others touch on operational, and ICT matters that are being addressed through structured planning and implementation. Detailed responses and timelines are provided in the confidential attachment.

1. Lack of IT Policies, Strategic Plan, IT Risk Register
   This issue has been raised in both 2024 and 2025. While the Shire is working towards establishing an IT governance framework, the following key components were not formally in place at the time of the interim audit.

- No documented or approved IT Strategy.
- Formal IT policies and procedures (including General IT, Cyber Security, and Change Management) have not yet been implemented.
- An IT Risk Register exists in draft form but has not been approved by Council.
- Staff have not completed structured cyber security awareness training.

Management acknowledges the finding and notes significant progress in strengthening the ICT governance framework since the previous audit. A draft ICT Strategy has been developed and will be workshopped with Council ahead of planned adoption in July 2026, providing a roadmap for governance, cyber security, and service improvements.

Key ICT policies have been developed and are ready for implementation, with further supporting policies to be formalised as needed. The ICT Risk Register and change management processes will be progressed alongside the Strategy to ensure an integrated approach.

Cyber security awareness training has now been delivered across the organisation, addressing a key prior control gap.

A staged, resource-conscious implementation approach is being adopted, with a focus on embedding sustainable practices.

2. User Access Exceptions
   Upon review of the Synergy user access listing, it was identified that access remained active for former employees. Although their network access had been disabled (a prerequisite for Synergy access), their system profiles had not been deactivated. Management has since conducted a review to identify inactive and offboarded users for removal, updated offboarding procedures to include timely deactivation of Synergy access and implemented a six-monthly review process to support ongoing monitoring.

3. Payroll Exceptions
   Sample testing identified overtime for outdoor staff timesheets was not clearly authorised by line managers, with hours instead calculated by payroll. Additionally, a sampled termination payment did not undergo an independent review, having only been approved through the standard pay run process. Management will reinforce the requirement for line manager authorisation of all overtime and implement an independent review process for termination payments.

4. Policy Updates
   Auditors noted policies that are past their due dates. Management acknowledges these and notes significant progress in updating the Shire's policy framework. Several overdue policies have been reviewed and updated, with a broader program continuing a risk-based, prioritised basis. Policies are being presented to Council in a staged manner to support effective oversight and enable thorough, informed review, rather than submitting all outstanding policies at once.

5. Payments Exceptions

Auditors identified two instances where a purchase order was raised after the date of the invoice. Management will remind staff regarding procurement requirements and continue monitoring and compliance.

6. Non-compliance with the *Local Government Act 1995* (WA) s5.75 and s5.76
   Auditors noted two findings of a primary and annual return not submitted by the due dates as per the Local Government Act 1995. Management has reinforced the importance of timely return submissions and arranged mandatory training to support compliance with requirements

COMMITTEE RESOLUTION:	ARI 11/06-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

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

1. **Receive the Interim Audit Management Letter and Findings Report for the year ending 30 June 2026 in** Attachments 8.1.2(1)**; and**
2. **Note the Management Comments provided, stating the actions the Chief Executive Officer intends to take with respect to the six matters identified in the attachment to the Interim Audit Management Letter.**

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.3 ICT Strategy and Strategic Roadmap

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

File Reference: MONARCH-1278560804-93 **Voting Requirement:** Simple Majority

Attachment(s):

8.1.3(1) ICT Strategy

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Notes the ICT Strategy and Strategic Roadmap prepared by Tango IT; and**
2. **Recommends that Council:**
   - **2.1. Acknowledge the significant financial, resourcing and organisational implications associated with implementation of the Strategy;**
   - **2.2. Request confirmation of alignment with the Long Term Financial Plan prior to committing to major initiatives, including the ERP replacement project;**
   - **2.3. Adopt a staged and prioritised implementation approach, focusing initially on governance, cyber security and risk management improvements;**
   - **2.4. Request further detail regarding delivery capability, including internal resourcing requirements and reliance on external providers; and**
   - **2.5. Require regular reporting to the Audit, Risk and Improvement Committee on implementation progress, risks and financial impacts.**

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome:	12 - A well respected, professionally run organisation.
Objective:	12.1 - Deliver effective and efficient operations and service provision.
Item:	12.1.3 - Review Shire IT, including business and customer service software (such as intramaps).

Executive Summary

The ICT Strategy prepared by Tango IT provides a comprehensive roadmap to modernise the Shire's technology environment and address critical risks, including system obsolescence, lack of governance, and cyber security vulnerabilities.

The Strategy identifies that the Shire's current ICT environment is fragmented, lacks formal oversight, and is reliant on an end-of-life core system, with inconsistent cyber security controls and limited internal ICT capability.

To address these issues, the Strategy proposes a multi-year transformation program over approximately four years, including replacement of the core ERP system, implementation of an ICT governance framework, and delivery of supporting technology systems and digital services.

The proposed roadmap represents a significant organisational transformation program, with estimated investment in the order of $1.4 million to $2.43 million, in addition to ongoing operational costs.

Given the scale of the proposed program, this report focuses on the governance, risk, financial and implementation considerations for the Audit, Risk and Improvement Committee.

Background

An initial budget allocation had been identified for an internal audit to be undertaken within the same year as both the Financial Management Review (FMR) and the Regulation 17 review. Given the overlap in scope between these review processes, and the presence of outstanding audit findings requiring action—specifically the need to develop a formal ICT strategy and supporting policy framework—it was determined that the proposed internal audit would provide limited additional value at that time.

At the same time, it was recognised that the Shire's ICT environment had evolved without a coordinated or strategic approach, resulting in an ad hoc and unplanned operating model that is not well aligned to the rapidly changing technology landscape.

Accordingly, a decision was made to redirect the allocated funds towards addressing the underlying audit findings through the development of a formal ICT Strategy and governance framework.

Tango IT was engaged to undertake this work, with the scope of the engagement to:

- Provide a comprehensive current state assessment of the Shire's ICT environment;
- Develop a clearly defined future state vision aligned to the Shire's ICT objectives; and
- Deliver a structured implementation roadmap outlining how the Shire can transition from its current environment to the desired future state.

The ICT Strategy was developed to respond to long-standing challenges within the Shire's technology environment, including:

- A fragmented ICT environment with limited integration
- An end-of-life core financial system (SynergySoft)
- Limited ICT governance and decentralised decision-making
- Reliance on manual processes and duplicated data
- Limited internal ICT capability and reliance on a Managed Service Provider (MSP)

The Strategy proposes a transition to a modern, integrated, cloud-based ICT environment supported by formal governance frameworks, improved cyber security controls, and enhanced digital services for the community.

Implementation is proposed over four phases, commencing with governance establishment and ERP procurement, followed by system implementation, consolidation, and review.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Financial Impact	Likely	Catastrophic	Extreme (20)
Risk Description:	ICT strategy costs are not aligned to the LTFP, resulting in unplanned financial pressure.		
Mitigation:	Align LTFP, stage investment, require business cases prior to commitment		
Risk:	Likelihood:	Consequence:	Risk Rating:
Financial Impact	Possible	Major	High (12)
Risk Description:	ICT program costs exceed estimates due to scope creep or delays.		
Mitigation:	Implement project governance framework, staged procurement, contingency planning.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Major	High (12)
Risk Description:	Major ICT investment is undertaken prior to establishment of governance frameworks		
Mitigation:	Prioritise ICT governance framework in Phase 1 before major procurement.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Major	High (12)
Risk Description:	Inadequate oversight and reporting of ICT program results in poor decision-making		
Mitigation:	Establish ARIC reporting, project governance, and defined decision-making structures		
Risk:	Likelihood:	Consequence:	Risk Rating:
Service Interruption	Possible	Catastrophic	High (15)
Risk Description:	Failure of end-of-life ERP system results in disruption to critical business systems and Council service delivery (finance, rates, payroll and customer services).		
Mitigation:	Prioritise ERP replacement, implement interim support and monitoring controls, maintain backups and disaster recovery capability.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Service Interruption	Likely	Major	High (16)
Risk Description:	Limited internal ICT capability impacts ability to deliver the roadmap.		
Mitigation:	Secure project resources, define roles, supplement with external expertise.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Major	High (12)
Risk Description:	Failure to implement ICT governance and systems results in non-compliance with PRIS and State Records obligations.		
Mitigation:	Implement data governance, records management, and privacy controls early.		

Risk:	Likelihood:	Consequence:	Risk Rating:
Service Interruption	Likely	Moderate	High (12)
Risk Description:	Overlapping ICT initiatives result in change fatigue and reduced delivery success.		
Mitigation:	Stage implementation, prioritise high-risk initiatives, apply change management.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Moderate	Moderate (9)
Risk Description:	ICT procurement and implementation not aligned with legislation or policy		
Mitigation:	Update procurement policy, apply governance controls and compliance checks.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Catastrophic	High (15)
Risk Description:	Existing ICT environment exposes the Shire to cyber security risks prior to full implementation.		
Mitigation:	Continue uplift of cyber controls (EDR, MFA, monitoring, backups) and prioritise Essential Eight.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Service Interruption	Possible	Major	High (12)
Risk Description:	Failure or delay in ERP implementation impacts multiple dependent projects.		
Mitigation:	Strong project governance, staged implementation and risk-managed delivery approach.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Service Interruption	Possible	Major	High (12)
Risk Description:	Data loss, corruption or poor data quality during ICT transition.		
Mitigation:	Data migration planning, backup/restore processes, governance controls.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Reputational	Possible	Major	High (12)
Risk Description:	Failure of ICT transformation results in service disruption and reduced community confidence.		
Mitigation:	Stage delivery, maintain service continuity, communicate changes clearly		

Financial Implications

The ICT Strategy presents significant financial implications for Council, including:

Capital Investment

1. Estimated program investment:
    a. $1.4M – $2.43M (indicative)
2. ERP replacement alone:

a. $1.345M – $2.31M

Ongoing Operational Costs

1. Estimated annual ERP costs:
    a. $60,000 – $230,000 per annum

Additional Financial Considerations

1. Internal staff resourcing and backfill
2. Consultant and specialist support costs
3. Potential cost escalation if timelines extend
4. Increased MSP costs where service scope expands

At the time of reporting, the financial implications associated with the ICT Strategy are not reflected in the Shire's Long Term Financial Plan, as the Strategy was received following Council's endorsement of the 2026–2027 annual review of the Plan. This represents a governance and financial risk, as Council cannot reasonably commit to the proposed ICT program without a clearly aligned and funded financial framework.

Alignment of the Long-Term Financial Plan is therefore required as a matter of priority to ensure informed decision-making, financial sustainability, and appropriate oversight of the proposed investment.

Policy Compliance

Based on the Strategy and proposed initiatives, the following Shire policies/procedures are likely to require review, development or alignment:

- ICT Governance Policy - new
- Cyber Security Policy - new
- Records Management Policy - Update
- Procurement Policy (ICT procurement provisions) – amendment to current policy
- Privacy Policy (including PRIS requirements) - new
- ICT Asset Management Policy – Pending Approval
- Business Continuity and Disaster Recovery Plans - Updates

The Strategy identifies that many of these policy frameworks are either not in place or require further development.

Statutory Compliance

There are no direct statutory requirements under the *Local Government Act 1995* mandating adoption of an ICT Strategy. However, Council must ensure that:

- Appropriate systems and procedures are in place for financial management, risk management and internal control,
- Compliance with the *Local Government (Audit) Regulations 1996* – Regulation 17 (review of systems and procedures) is maintained, and

- Risks associated with information systems, including cyber security, are appropriately managed.

Privacy and Responsible Information Sharing Act 2024 (WA)
Requires local governments to manage personal information in accordance with defined privacy principles, including lawful collection, secure storage, controlled use and disclosure, and responsible information sharing, as well as mandatory reporting of serious data breaches.

State Records Act 2000 (WA)
Requires local governments to create, capture and maintain State records as evidence of business activities, implement an approved Recordkeeping Plan, and ensure records are securely stored, retained and disposed of in accordance with authorised standards.

The ICT Strategy directly addresses these legislative requirements by establishing appropriate governance frameworks, systems and controls to support compliance with privacy, information management, and recordkeeping obligations.

Consultation

Internal Consultation
The Strategy has been developed with input from:

- Executive Leadership Team,
- All business units, and
- The Shire's Managed Service Provider (MSP).

The ICT Strategy includes stakeholder engagement documentation and current state analysis.

Tango IT will be presenting the ICT strategy to the Council Workshop 1 July 2026.

External / Community Consultation
No direct community consultation has been undertaken in relation to the ICT Strategy.
However, the Strategy identifies improved digital services and customer experience as key outcomes, indicating an anticipated benefit to the community.

Officer Comment

The ICT Strategy prepared by Tango IT provides a comprehensive and structured roadmap to address historical gaps in the Shire's ICT environment, including system obsolescence, limited governance and fragmented systems.

It is acknowledged, however, that since the completion of the current state assessment underpinning the Strategy, the Shire has already made material progress in reducing its cyber security risk exposure, particularly in strengthening core technical controls.

The improvements (as outlined in confidential report *9.1.1 Cyber Security Review & Management Action Plan* at the ARMC meeting 5 March 2026) demonstrate that the Shire has already commenced

addressing a number of the risks identified in the Strategy, particularly in relation to cyber security and operational resilience and is on track to meet the level 1, Essential Eight requirements by December 2026.

Notwithstanding this progress, the Strategy identifies broader structural issues, including the absence of a formal ICT governance framework, limited internal capability, and reliance on legacy systems and manual processes, which remain relevant and require strategic consideration.

It is important for the Committee to recognise that while early risk reduction measures have been implemented, the Strategy represents a significant transformation program beyond cyber uplift alone, encompassing governance reform, system replacement and organisational change.

Accordingly, the Strategy should be considered not as a discrete project, but as a multi-year program of work requiring careful staging, prioritisation and alignment with the Shire's financial and organisational capacity.

COMMITTEE RESOLUTION:	ARI 12/06-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit, Risk and Improvement Committee:

1. **Notes the ICT Strategy and Strategic Roadmap prepared by Tango IT; and**
2. **Recommends that Council:**
   - **2.1. Acknowledge the significant financial, resourcing and organisational implications associated with implementation of the Strategy;**
   - **2.2. Request confirmation of alignment with the Long Term Financial Plan prior to committing to major initiatives, including the ERP replacement project;**
   - **2.3. Adopt a staged and prioritised implementation approach, focusing initially on governance, cyber security and risk management improvements;**
   - **2.4. Request further detail regarding delivery capability, including internal resourcing requirements and reliance on external providers; and**
   - **2.5. Require regular reporting to the Audit, Risk and Improvement Committee on implementation progress, risks and financial impacts.**

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.4 Office of the Auditor General – Report 11: Local Government Management of Gifts and Benefits

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

File Reference: MONARCH-1936912049-22 **Voting Requirement:** Simple Majority

Attachment(s):

8.1.4(1) Report 11: Local Government Management of Gifts and Benefits

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 11: *Local Government Management of Gifts and Benefits* (March 2026) and the associated sector-wide findings;**
2. **Notes the Shire's current practices, policies and procedures relating to gifts and benefits, including EXE/CP-5 Attendance at Events and Functions, the Code of Conduct for Employees, Contractors and Volunteers, and the Code of Conduct for Council Members, Committee Members and Candidates.**
3. **Notes the proposed process improvement improvements to embed gifts and benefits disclosures within Council reporting and procurement processes; and**
4. **Recommends that Council support the implementation of the proposed control improvements to strengthen the integration of gifts and benefits disclosures into Council decision-making and procurement processes, consistent with better practice identified by the OAG.**

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 12 - A well respected, professionally run organisation.

Objective: 12.1 - Deliver effective and efficient operations and service provision.

Item: 12.1.3 - Review Shire IT, including business and customer service software (such as intramaps).

Executive Summary

The Audit, Risk and Improvement Committee is requested to consider the outcomes of the Office of the Auditor General's (OAG) Report 11: *Local Government Management of Gifts and Benefits* and the implications for the Shire's governance framework.

The OAG report identified that while local governments generally demonstrate transparency in recording gifts and benefits, there are significant weaknesses across the sector in managing conflicts of interest arising from accepted gifts. This report outlines the Shire's current practices, notes alignment with existing policy and legislative requirements, and identifies a targeted improvement to strengthen governance controls.

Background

The OAG undertook a performance audit examining whether local governments effectively manage gifts and benefits, including compliance with legislative requirements and internal controls.

The audit concluded that:

- most local governments maintain gift registers and demonstrate transparency; however
- conflicts of interest arising from accepted gifts are not consistently identified or managed, creating risks to impartial decision-making.

Across audited entities, the OAG identified instances where individuals who had accepted gifts from suppliers subsequently participated in procurement or contract management decisions involving those suppliers, without appropriate conflict management.

The report also identified that stronger controls, clearer policies, and improved oversight mechanisms are required across the sector, including better integration of gift disclosure processes with decision-making activities.

The Shire's practices relating to gifts and benefits have recently been reviewed as part of the Financial Management Regulations (Regulation 17) review, which considered internal controls, governance processes and compliance arrangements.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Likely	Moderate	High (12)
Risk Description:	Failure to identify and manage conflicts arising from gifts and benefits may result in decisions being, or being perceived to be, influenced by personal benefit.		
Mitigation:	Strengthen the existing gifts and benefits process by integrating it into Council reporting and decision-making processes to ensure transparency and mitigate actual or perceived conflicts.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Likely	Moderate	High (12)
Risk Description:	Where staff engage with suppliers who have provided gifts or benefits, there is an increased risk of compromised procurement outcomes.		
Mitigation:	Develop a process to link gift disclosures to procurement or supplier engagement processes for staff, to ensure conflicts of interest are actively identified and managed.		
Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Likely	Moderate	High (12)
Risk Description:	Absence of integrated processes linking gift disclosures to Council decision-making may limit visibility of potential conflicts.		
Mitigation:	Strengthen the existing gifts and benefits process by integrating it into Council reporting and decision-making processes to ensure transparency and mitigate actual or perceived conflicts.		

Risk:	Likelihood:	Consequence:	Risk Rating:
Reputational	Likely	Moderate	High (12)
Risk Description:	Community confidence may be adversely impacted where gifts and benefits are not effectively managed.		
Mitigation:	Strengthen the existing gifts and benefits process by integrating it into Council reporting and decision-making processes to ensure transparency and mitigate actual or perceived conflicts.		

Financial Implications

Nil.

Policy Compliance

The Shire has an established policy and governance framework addressing gifts and benefits, including:

- EXE/CP-5 Attendance at Events and Functions Council Policy,
- Code of Conduct for Employees, Contractors and Volunteers,
- Code of Conduct for Council Members, Committee Members and Candidates.

These documents provide guidance relating to:

- acceptance of gifts and benefits,
- attendance at events in an official capacity, and
- declaration and management of conflicts of interest.

Statutory Compliance

The following legislation is relevant to the management of gifts and benefits:

Local Government Act 1995

- Section 5.57 – definition of gift
- Sections 5.87A–5.87C – disclosure of gifts by Council Members and CEO
- Section 5.62 – disclosure of interests affecting impartiality

Local Government (Administration) Regulations 1996

- Regulations relating to gift disclosure thresholds and requirements
- Regulation 19AB and 19AC – requirements relating to staff codes of conduct and gifts

The legislation establishes requirements for disclosure of gifts and management of conflicts of interest, including thresholds and reporting timeframes.

Consultation

Internal Consultation

- Governance staff have contributed to the review of current practices.
- The Shire's processes were recently considered as part of the Regulation 17 review.

External / Community Consultation

Nil.

Future Consultation

Any proposed policy or procedural changes will require internal consultation with relevant business units (e.g. procurement, governance); and briefing of Elected Members to support consistent application.

Officer Comment

The OAG report confirms that local governments, including the Shire, generally have appropriate policy frameworks in place to manage gifts and benefits. The Shire's current policies, provide a sound foundation aligned with legislative requirements.

The recent Regulation 17 review further supports that appropriate governance controls exist.

However, consistent with the OAG findings, there are two key areas for improvement that have been identified by staff.

Gap One

There is no formalised or embedded process to ensure disclosed gifts are considered during preparation of Council reports, including where Elected Members may have received gifts.

Gap Two

There is no systematic mechanism to link gift disclosures to procurement or supplier engagement processes for staff, to ensure conflicts of interest are actively identified and managed.

These gaps create a risk that disclosed gifts may not be appropriately considered at the point where decisions are being made.

Gap One - Proposed Control

Amend the Council report template to require identification and disclosure of any relevant conflicts of interest, including gifts and benefits, in support of the executive recommendation.

Gap Two - Proposed Control

- Amend the Tender Register template to require identification and disclosure of any relevant conflicts of interest, including gifts and benefits, in relation to procurement activities; and
- Implement a requirement within purchasing procedures (e.g. purchase orders, credit card acquittals, or requisitions) for staff to declare any relevant gifts or benefits and conflicts of interest, supported by periodic cross-checking against the gifts register.

The proposed controls represent a targeted and proportionate improvement that aligns with better practice identified by the OAG, particularly in strengthening oversight and conflict of interest management.

Accordingly, the Committee is requested to consider the Executive Recommendation.

COMMITTEE RESOLUTION:	ARI 13/06-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 11: *Local Government Management of Gifts and Benefits* (March 2026) and the associated sector-wide findings;**
2. **Notes the Shire's current practices, policies and procedures relating to gifts and benefits, including EXE/CP-5 Attendance at Events and Functions, the Code of Conduct for Employees, Contractors and Volunteers, and the Code of Conduct for Council Members, Committee Members and Candidates.**
3. **Notes the proposed process improvement improvements to embed gifts and benefits disclosures within Council reporting and procurement processes; and**
4. **Recommends that Council support the implementation of the proposed control improvements to strengthen the integration of gifts and benefits disclosures into Council decision-making and procurement processes, consistent with better practice identified by the OAG.**

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.5 Office of the Auditor General – Report 12: Information Systems Audit Results (Local Government 2025)

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

File Reference:

Voting Requirement: Simple Majority

Attachment(s):

8.1.5(1) Report 12: Information Systems Audit Results (Local Government 2025)

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 12: *Local Government 2025 – Information Systems Audit Results* (March 2026); and**
2. **Notes the Shire's current information systems governance framework and ongoing improvements identified through the Financial Management Regulation 17 review and audit processes.**

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome:	12 - A well respected, professionally run organisation.
Objective:	12.1 - Deliver effective and efficient operations and service provision.
Item:	12.1.3 - Review Shire IT, including business and customer service software (such as intramaps).

Executive Summary

The Audit, Risk and Improvement Committee is requested to consider the key findings of the Office of the Auditor General's (OAG) Report 12: Local Government 2025 – Information Systems Audit Results, which provides a sector-wide assessment of information systems and cyber security controls across local governments.

The report highlights ongoing weaknesses in information and cyber security controls, including persistent unresolved issues and declining capability maturity. While no decision is required beyond noting the report, it identifies key risk areas relevant to the Shire and supports continued focus on strengthening internal controls, governance and system resilience.

Background

The OAG undertakes annual information systems audits to assess whether general computer controls support the confidentiality, integrity and availability of systems and data.

The 2025 report identified:

- 333 control weaknesses across 68 entities, with 60% of findings unresolved from prior years, indicating persistent control issues.

The report concluded that:

- weaknesses across information and cyber security controls remain prevalent; and
- these weaknesses increase risks of service disruption, data breaches, financial loss and reputational damage.

The audit also found that capability maturity across key IT control areas declined overall, with most entities failing to meet benchmark levels across all 10 categories assessed.

The Shire's systems and control environment are subject to ongoing review through annual financial audits and the Financial Management Regulation 17 review process.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Choose an item.	Likely	Major	High (16)
Risk Description:	Persistent information systems and cyber security control weaknesses may expose the Shire to service disruption, data breach, and governance failure if controls are not fully implemented, monitored and sustained.		
Mitigation:	Implementation of the ICT Strategy, Cyber Security Action Plan, and ongoing audit monitoring through ARIC provides structured oversight and continuous improvement of the Shire's information systems control environment.		

Financial Implications

Nil.

Policy Compliance

The Shire maintains policies and procedures that support information governance and system security, including:

- Information Security Policy
- ICT Backup and Recovery
- ICT User Access Policy
- ICT Asset and Lifecycle Management Policy
- Risk Management Framework
- Business continuity Plan
- ICT Disaster Recovery Plan

Statutory Compliance

Nil.

Consultation

Internal Consultation

Ongoing engagement with ICT, finance and governance staff through audit processes and the Regulation 17 review.

External Consultation

Nil.

Future Consultation

Future improvements may require, internal consultation across business units, engagement with ICT service providers or vendors and consideration through ARIC and Council reporting processes.

Officer Comment

The OAG report highlights that while local governments demonstrate improvement in some areas, systemic weaknesses in information and cyber security controls remain across the sector, with a high proportion of findings carried over from previous years.

The Shire's information systems and governance processes are subject to regular review through:

- annual financial audits
- ICT governance and operational processes; and
- the recent Financial Management Regulation 17 review

Consistent with the findings of the OAG report, the key governance consideration is not the existence of policies and controls, but their effective implementation, monitoring and continuous improvement.

The report identifies several high-risk areas that warrant ongoing focus, including:

Access Management Controls

1. Expansion and strengthening of Multi-Factor Authentication (MFA) across remote and privileged access environments.
2. Reduction of excessive privilege through restricted administrator access and introduction of privileged access controls.
3. Removal of end-of-life systems to reduce unmanaged access vulnerabilities.
4. The development of the ICT User Access Policy to embed formal access governance frameworks including a periodic review process.

Cyber Security Maturity

1. Significant uplift in core technical controls since March 2025 baseline, including:
    a. Deployment of Endpoint Detection & Response (EDR) with managed security operations monitoring,
    b. Strengthened logging and monitoring capabilities across key systems,
    c. Removal of all end-of-life systems to reduce cyber exposure.
2. Continued enhancement of email filtering, web security and system hardening controls.

3. Introduction of 24/7 managed monitoring capability (SOC) via external ICT provider arrangements.
4. Regular review of cyber posture through:
    a. LGIS Cyber Security Review benchmarking, and
    b. Internal ICT oversight and audit processes.
5. Development and implementation of a formal Cyber Security Action Plan with prioritised uplift initiatives.
6. Integration of cyber security initiatives into the ICT Strategy roadmap, with staged uplift aligned to sector frameworks.
7. Establishment of KPIs and performance metrics to measure maturity uplift over time.
8. Cyber security training undertaken by staff.

Business Continuity and Disaster Recovery Planning

1. Development and ongoing refinement of Disaster Recovery (DR) architecture, including:
    a. Strengthened backup and offsite replication arrangements,
    b. Infrastructure upgrades supporting improved resilience.
2. Regular testing and validation of DR capability to confirm system recovery processes (referenced in audit and internal reviews).
3. DR capability reviewed through:
    a. ICT system reviews and infrastructure assessments,
    b. Audit processes and Regulation 17 review oversight.

Monitoring and Remediation of Audit Findings

1. Formal commitment (through ARIC reporting) to:
    a. Track, report and address audit findings in a timely manner,
    b. Align audit responses with key OAG risk areas (access, cyber, continuity).
2. Use of:
    a. Financial Management Regulation 17 reviews,
    b. Annual financial audits as structured mechanisms to identify and validate control improvements.
    c. Benchmarking against LGIS cyber maturity framework, and the OAG sector-wide observations.
3. ICT Strategy outlines the formal governance frameworks and monitoring, evaluation and KPI tracking mechanisms to ensure sustained improvement and closure of audit findings has been identified in the ICT Strategy.

The Shire has moved from a largely reactive and technically focused control environment to a more structured and risk-informed approach, the Shire's focus has shifted toward ensuring that controls are not only in place, but are actively monitored, periodically tested, and continuously improved.

Accordingly, the Committee is requested to consider the Executive Recommendation.

COMMITTEE RESOLUTION:	ARI 14/06-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 12: *Local Government 2025 – Information Systems Audit Results* (March 2026); and**
2. **Notes the Shire's current information systems governance framework and ongoing improvements identified through the Financial Management Regulation 17 review and audit processes.**

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.6. Office of the Auditor General – Report 13: Financial Audit Results (Local Government 2025)

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

File Reference:

Voting Requirement: Simple Majority

Attachment(s):

8.1.6(1) Report 13: Financial Audit Results (Local Government 2025)

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 13: Local Government 2025 – Financial Audit Results (April 2026);**
2. **Notes the inclusion of the Shire of Donnybrook Balingup as a Top 20 best practice entity (Band 3 and 4 category); and**
3. **Recommends to Council to Council that it acknowledges that this outcome reflects strong financial management, audit readiness and governance practices, while supporting continued focus on maintaining these standards and addressing emerging sector-wide risks.**

Strategic Alignment

The following outcomes from the Council Plan relate to this proposal:

Outcome: 12 - A well respected, professionally run organisation.

Objective: 12.1 - Deliver effective and efficient operations and service provision.

Item: 12.1.3 - Review Shire IT, including business and customer service software (such as intramaps).

Executive Summary

The Audit, Risk and Improvement Committee is requested to consider the findings of the Office of the Auditor General's (OAG) Financial Audit Results report for local government.

The report identifies that the Shire of Donnybrook Balingup has been recognised as a Top 20 best practice entity, reflecting strong performance across financial reporting quality, timeliness and governance practices. This is a positive outcome for the organisation, demonstrating a high level of maturity compared to peers, while also reinforcing the need to maintain and continuously improve financial management practices in line with sector expectations.

Background

The OAG annual financial audit report summarises the outcomes of financial audits across 138 local government entities for the year ended 30 June 2025.

The 2025 results indicate:

1. 136 clear audit opinions, with only two qualified opinions issued across the sector, and
2. improved timeliness of audit completion, with 94% of opinions issued by the statutory deadline.

For 2025, the OAG introduced a revised approach to identifying best practice entities by aligning results to local government banding categories, providing more meaningful comparison across similar organisations.

Within this revised framework, the Shire of Donnybrook Balingup has been recognised as one of the Top 20 best practice entities for Band 3, 4 and regional councils.

Best practice entities are assessed against criteria including:

- timeliness of financial reporting
- quality and accuracy of financial reports
- quality of supporting working papers
- resolution of accounting issues
- staff availability and audit readiness
- number and severity of audit findings
- achievement of a clear audit opinion without modifications

Risk Management

While the Shire has been recognised as a best practice entity, sector-wide risks identified by the OAG within Attachment 8.1.5 (1) remain relevant. The Shire's inclusion as a best practice entity suggests these risks are being effectively managed at a local level, however they require ongoing oversight to ensure standards are maintained.

Financial Implications

Nil.

Policy Compliance

Nil.

Statutory Compliance

Nil.

Consultation

Nil.

Officer Comment

The recognition of the Shire as a Top 20 best practice entity in the OAG Financial Audit Results report is a significant and positive outcome for the organisation.
This recognition demonstrates that the Shire is performing strongly across key areas of financial governance, including:

- preparation of high-quality financial reports

- audit readiness and timeliness
- effective resolution of audit matters; and
- maintenance of robust financial controls

Importantly, the OAG assessment criteria emphasise not only compliance, but consistency, quality and maturity of financial practices, indicating that the Shire's approach aligns with better practice across the sector.

From a governance perspective, this places the Shire in a strong position relative to comparable local governments and provides assurance to Council, the Committee and the community regarding the integrity of financial reporting and decision-making processes.

However, the report also highlights that:

- sector-wide challenges remain; and
- maintaining best practice requires ongoing vigilance, continuous improvement and sustained focus on key risk areas, particularly financial reporting quality, asset management and control environments.

Accordingly, while the outcome reflects positively on the Shire's current practices, it also reinforces the importance of:

- maintaining strong internal controls;
- promptly addressing any audit findings; and
- continuing to embed improvement initiatives into business processes.

Accordingly, the Committee is requested to consider the Executive Recommendation.

COMMITTEE RESOLUTION:	ARI 15/06-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit, Risk and Improvement Committee:

1. **Notes the Office of the Auditor General's Report 13: Local Government 2025 – Financial Audit Results (April 2026);**
2. **Notes the inclusion of the Shire of Donnybrook Balingup as a Top 20 best practice entity (Band 3 and 4 category); and**
3. **Recommends to Council to Council that it acknowledges that this outcome reflects strong financial management, audit readiness and governance practices, while supporting continued focus on maintaining these standards and addressing emerging sector-wide risks.**

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

8.1.7 Chief Executive Officer Briefing

Executive Recommendation

That the Audit and Risk Management Committee Meeting note the update provided to the Committee.

COMMITTEE RESOLUTION:	ARI 16/06-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit and Risk Management Committee Meeting note the update provided to the Committee.

For: Cr Vivienne MacCarthy, Cr Tyler Hall, Mr Phillip Anastasakis
Against: Nil.
Carried: 3/0

9. Meetings Closed to the Public

9.1. Matters for which the Meeting may be closed

Nil.

9.2. Public reading of Resolutions that may be made public

Nil.

10. Closure

The Chairperson advised that the next Audit Risk and Improvement Committee Meeting is scheduled for 3 September 2026.

The Chairperson declared the meeting closed at 3:59pm.