Shire of
Donnybrook Balingup

Minutes of the Audit, Risk and Improvement Committee

held on 26 August 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 August 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 3pm.

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, Online attendance)

Staff Present:

Nick O'Connor, Chief Executive Officer	Meta Hazeldine, Manager Financial Services
Robert Kennedy, Governance Coordinator Corporate Services	Samantha Farquhar, Administration Officer Corporate

Other Members Present:

Public Gallery: No members of the public in attendance.

Guests:

2.1. Apologies

Colin Young, Director Finance and Community
Ross Marshall, Director Operations
Loren Clifford, Executive Manager Corporate

2.2. Approved Leave of Absence

Nil.

2.3. Application for Leave of Absence

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, Risk and Improvement Committee Meeting held on 24 June 2026

Minutes of the Audit, Risk and Improvement Committee Meeting held 24 June 2026 are attached as Attachment 7.1(1). At the Ordinary Council Meeting held on 22 July 2026, Council resolved to receive the minutes and adopt the recommendations as detailed in the 24 June 2026 Audit, Risk and Improvement Committee minutes. It is noted that, prior to presentation at the Council meeting, the Audit, Risk and Improvement Committee members confirmed the accuracy of the minutes via a flying minute process conducted by email.

EXECUTIVE RECOMMENDATION

That the Minutes from the Audit, Risk and Improvement Committee Meeting held 24 June 2026 be received.

COMMITTEE RESOLUTION:	ARI 17/08-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

That the Minutes from the Audit, Risk and Improvement Committee Meeting held 24 June 2026 be received.

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

8. Reports of Officers
8.1. Chief Executive Officer

8.1.1 Audit Findings Progress

Report Details:

Prepared by: Governance Coordinator

Manager: Executive Manager Corporate

Monarch: MONARCH-540448882-19 **Voting Requirement:** Simple Majority

Attachment(s):

8.1.1(1) Annual Audit Findings August 2026 status
8.1.1(2) Outstanding FMR/Reg17 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) Annual Audit Findings August 2026 status and 8.1.1(2) Outstanding Financial Management Review/Audit Regulation 17 Review Findings.

Strategic Alignment

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

Outcome: 10 - Effective governance and partnerships.

Objective: 10.1 - 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, Risk and Improvement 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

A total of four audit actions remain outstanding since June 2026 from the 2025-26 interim audit letter (Attachment 8.1.1(1)). Two remain unresolved. The first relates to the introduction of an IT strategy and relevant policies. The second involves updating the Shire's policy suite. Adoption of the Shire ICT Strategy at the August 2026 Ordinary Council Meeting will represent a significant advance in

addressing the first of these findings, noting that the future dedication of resources will ultimately ensure successful implementation. Work on the Shire's suite of policies continues with a risk and resources-based approach to updating policies currently outside their scheduled review date. The approach also includes a thorough assessment of policy rationale to ensure Council is only required to consider policies of a strategic nature, consistent with the established Policy Framework adopted by Council.

Two items were closed out, concerning termination payments and purchase orders. An independent review of termination payments was conducted which identified no irregularities. Issues concerning purchase order process were resolved with reinforcement of appropriate processes with staff including the publication of a flow chart explaining purchase order processes. The flow chart was included in the Procurement and Contract Management Manual to ensure ongoing availability and exposure for new staff as part of the induction process.

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 information 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: 89 actions
- Substantially progressed (¾): 11 actions
- Partially progressed (½): 2 actions
- Early stage (¼): 0 actions
- Not yet commenced: 0 actions

The Outstanding FMR and Reg17 audit findings are contained in Attachment 8.1.1(2).

Key Progress Since June 2026 and future activities

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 Legal Representation Policy (to be considered by Council at September Ordinary Council Meeting), Complaints Policy, Information Security, Working from Home and Purchasing Policy, and the structured, risk-based policy review program is now active. Other Council policies identified by auditors as focussed on operational functions and not of a strategic nature are currently under review or have been rescinded or transitioned to an Administration Policy. This includes:

- EMERG/CP-1 Fireworks Events (review underway)
- EMERG/CP-2 Permits for road verge burning (review underway)
- EXE/CP- 2 Document execution and Application of the Common Seal (review underway)

- FIN/CP-8 Building Insurance (rescinded)
- WRKS/CP-4 Road Use Approval for Restricted Access Vehicles (RAVs) on Council Road Network (rescinded)
- EXE/CP-1 Commercial Lease (rescinded with sunset clause for specific leases)
- HR/CP-3 Employee Recreation Centre Subsidy (transitioned to Administrative Policy)

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. The manual has been amended to include the Purchase Order flow chart process. Monthly management reporting has been introduced, stock control procedures implemented, and overhead allocation methodologies reviewed to ensure compliance with accounting standards. Procurement and contract management controls are partially implemented. While the Manual has been developed, full implementation, training and integration into practice remains ongoing, along with broader improvements to contract governance and oversight such as the development of a contracts register.

ICT Governance and Cyber Security

Material progress has been made in ICT governance, with a draft ICT Strategy developed and scheduled for Council adoption at the August 2026 ordinary council meeting. The Shire has adopted an ICT User Access Policy in order to:

- Establish a consistent framework for managing user access to the Shire's ICT systems
- Ensure access to systems and data is appropriate, authorised and aligned to organisational needs
- Reduce the risk of unauthorised access, data breaches and misuse of information resources

The Executive Leadership Team will now develop treatment plans for each of the ICT risks identified outside of the tolerance rating of 10+.

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. While the system has been implemented, organisational adoption is positive noting that some business units are staging their transition over the coming 12 months. Supporting procedures, and consistent staff training are ongoing to ensure compliance with recordkeeping requirements.

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. Recruitment remains challenging for operations roles due to a tight local labour market.

Human Resources and Workforce Capability

Enhancements have been made to workforce management practices, including a focus on improved induction processes. Outside workforce are now using an induction passport to ensure full compliance while a revised internal induction process is being trialled with office-based staff.

Revised performance review processes have been introduced including the trial of structured rating scales and improved follow-up mechanisms based on the Chief Executive Officer's key performance indicators.

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.

Complex Operational Reviews

A significant review of aged accommodation operations has commenced with resident consultation occurring in early August.

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 18/08-26		
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) Annual Audit Findings August 2026 status and 8.1.1(2) Outstanding Financial Management Review/Audit Regulation 17 Review Findings.

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

8.1.2 Compliance Audit Report 2025

Report Details:

Prepared by: Governance Coordinator

Manager: Executive Manager Corporate

Monarch: MONARCH-15366141-19 **Voting Requirement:** Simple Majority

Disclosure of Interests and Gifts:

Name: **Type:** Choose an item.

Attachment(s):

8.1.2(1) Compliance Audit Report 2025 Summary of Responses

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Endorse the adoption of the 2025 Compliance Audit Return for the period 1 January 2025 to 31 December 2025 (Attachment 8.1.2(1) Compliance Audit Report 2025 Summary of Responses); and**
2. **Endorse the certification of the 2025 Compliance Audit Return by the Shire President and Chief Executive Officer prior to submission to the Local Government Inspector by 30 September 2025.**

Strategic Alignment

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

Outcome: 10 - Effective governance and partnerships.

Objective: 10.1 - Provide strategically focused, open and accountable governance.

Executive Summary

The 2025 Compliance Audit Return (CAR) has been completed for the period 1 January to 31 December 2025 and is presented to the Audit, Risk and Improvement Committee for review and endorsement prior to submission to the Office of the Local Government Inspector. The audit identified compliance with 116 of the 119 legislative requirements assessed, representing an overall compliance rate of 97.5%, with three items (2.5%) recorded as non-compliant. This reflects a significant improvement from the 2024 CAR, which reported a compliance rate of 92.5%.

Background

Local governments are required to complete an annual Compliance Audit Return in accordance with Regulation 14 of the *Local Government (Audit) Regulations 1996*. The audit assesses compliance with a range of legislative requirements applicable to local government operations during the period 1 January to 31 December each year.

The 2025 CAR was undertaken by Shire staff using the prescribed format and scope issued by the Local Government Inspector. Responsibility for administering the CAR process has transitioned from the Department of Local Government, Industry Regulation and Safety (DLGIRS) to the Office of the Local

Government Inspector. Due to delays associated with establishing the Inspectorate, the statutory submission deadline has been extended from 31 March to 30 September 2026 for this reporting period.

The detailed compliance questions and responses are provided in Attachment 8.1.2(1).

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Unlikely	Moderate	Moderate (6)
Risk Description:	Failure to complete the 2025 CAR legislative process by the due date.		
Mitigation:	Adopt the Executive Recommendation to this report.		

Financial Implications

Nil

Policy Compliance

Nil

Statutory Compliance

The *Local Government (Audit) Regulations 1996* detail the compliance audit requirements for local governments.

Regulations 14 and 15 require the CAR to be reviewed by the Shire's Audit, Risk and Improvement Committee, with the results reported and presented to Council for adoption. Following this, the CAR requires certification by the Shire President and Chief Executive Officer and lodgment along with relevant documentation to the Local Government Inspector by 30 September 2026.

The meeting Minutes and recommendation to Council from the Audit, Risk and Improvement Committee is considered to constitute the report referred to in the legislation. Following presentation to Council, a certified copy of the 2025 CAR, along with an extract of the minutes of the meeting at which the CAR was adopted by Council, will be submitted to the Inspector as required by 30 September 2026.

Consultation

An internal review of the requirements for the 2025 CAR was assessed by key Shire Officers. The combined responses are detailed in Attachment 8.1.2(1).

Officer Comment

The 2025 CAR contained 119 questions (including sub-questions) grouped according to items of compliance legislation.

The result of the 2025 CAR was a positive compliance response (or not applicable response) to 116 of these requirements, with 3 non-compliance responses. The responses for each non- compliance question are detailed below and contained in Attachment 8.1.2(1).

Legislative provision	Compliance Requirement	Detail of Shire non-compliance	Remedial activity undertaken
s5.75 *Local Government Act 1995*	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	One councillor did not return a primary return within the prescribed period	The Shire has introduced online compliance system to make it easier for Elected Members and employees to complete these requirements. This includes an automated tracking and reminder system to ensure the relevant person is reminded of their obligation several times prior to the deadline.
s5.76 *Local Government Act 1995*	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?	Two councillors did not return an annual return within the prescribed period.	The Shire has introduced online compliance system to make it easier for Elected Members and employees to complete these requirements. This includes an automated tracking and reminder system to ensure the relevant person is reminded of their obligation several times prior to the deadline.
Reg 35 *Local Government (Administration) Regulations 1996*	Has every local government council member completed and passed the Council Member Essentials course, consisting of the five required modules and delivered by an approved provider, within 12 months of being elected?	One Councillor did not complete the course within 12 months of being elected.	Councillors have been reminded of the importance of completing training within the required period.

COMMITTEE RESOLUTION:	ARI 19/08-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

That the Audit, Risk and Improvement Committee:

3. **Endorse the adoption of the 2025 Compliance Audit Return for the period 1 January 2025 to 31 December 2025 (Attachment 8.1.2(1) Compliance Audit Report 2025 Summary of Responses); and**
4. **Endorse the certification of the 2025 Compliance Audit Return by the Shire President and Chief Executive Officer prior to submission to the Local Government Inspector by 30 September 2025.**

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

8.1.3 Strategic Risk Register Review and Risk Treatment Plan Update

Report Details:

Prepared by: Executive Manager Corporate

Manager: Chief Executive Officer

Monarch: MONARCH-907132295-86 **Voting Requirement:** Simple Majority

Disclosure of Interests and Gifts:

Name: **Type:** Choose an item.

Attachment(s):

8.1.3(1) Risk Register - Strategic Updated 18-08-2026
8.1.3(2) Strategic Risk Treatment Plan - Updated 18 August 2026

Executive Recommendation

That the Audit, Risk and Improvement Committee:

1. **Notes the updated Risk Register - Strategic Updated 18-08-2026** (Attachment 8.1.3(1)); **and**
2. **Notes that control effectiveness assessments have now been completed for all identified strategic risks and residual risk ratings have been reviewed accordingly; and**
3. **Notes that strategic risk treatment plans have been developed for all strategic risks with residual risk ratings above the Shire's risk tolerance level of 9, as detailed in Strategic Risk Treatment Plan - Updated 18 August 2026** (Attachment 8.1.3(2)); **and**
4. **Notes that implementation and monitoring of the identified treatment actions will be reported to future meetings of the Audit, Risk and Improvement Committee as part of the Shire's ongoing risk management and governance framework.**

Strategic Alignment

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

Outcome: 10 - Effective governance and partnerships.

Objective: 10.1 - Provide strategically focused, open and accountable governance.

Executive Summary

This report provides the Audit, Risk and Improvement Committee (ARIC) with an update on the Shire's Strategic Risk Register and associated treatment planning process.
Following a comprehensive review of the Strategic Risk Register, all strategic risks have now been assessed for control effectiveness and residual risk exposure. Strategic risks with residual risk ratings exceeding the Shire's adopted risk tolerance level of 9 have been subject to detailed treatment planning. These treatment plans identify risk ownership, existing controls, proposed treatment actions, success measures and monitoring requirements to support Executive and ARIC oversight.

The updated Strategic Risk Register identifies sixteen strategic risks across the organisation. Seven risks currently have residual risk ratings above the tolerance threshold and are subject to active treatment plans. These risks relate to pandemic preparedness, work health and safety, emergency management,

compliance, records and information management, asset sustainability, and ICT governance and cyber security.

The update represents a significant advancement in the maturity of the Shire's risk management framework and provides a mechanism for ongoing monitoring and continuous improvement.

Background

The Shire's Strategic Risk Register is a key component of its risk management framework and supports informed decision-making, governance oversight and organisational resilience.
A strategic review of the register has recently been completed. The review included:

- Reassessment of strategic risks;
- Review and documentation of existing controls;
- Assessment of overall control effectiveness;
- Recalculation of residual risk ratings; and
- Development of treatment plans for risks exceeding the Shire's tolerance threshold.

The updated register now incorporates documented controls and control effectiveness ratings for all strategic risks. Residual risk assessments indicate that a number of strategic risks remain above the organisation's tolerance level and accordingly require active management and monitoring.

The accompanying Strategic Risk Treatment Plans document has been developed to convert the Strategic Risk Register into a practical implementation and monitoring tool. The document identifies risk ownership, treatment actions, performance indicators and reporting requirements to support Executive Leadership Team and ARIC oversight.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Unlikely	Moderate	Moderate (6)
Risk Description:	Risks are not effectively monitored and treated		
Mitigation:	Ongoing ARIC oversight and treatment plan monitoring		
Risk:	Likelihood:	Consequence:	Risk Rating:
Reputational	Likely	Moderate	High (12)
Risk Description:	Stakeholder confidence is reduced if significant risks are unmanaged		
Mitigation:	Regular reporting and implementation of treatment actions		

Financial Implications

There are no direct financial implications arising from the recommendation contained within this report.

Some treatment actions identified within the Strategic Risk Treatment Plans may require future budget allocation, resource reprioritisation or project funding. Any significant financial commitment arising from implementation of treatment actions will be considered through the normal budget and business planning processes and reported separately where required.

Policy Compliance

Nil

Statutory Compliance

The *Local Government Act 1995* requires local governments to establish and maintain appropriate systems and processes for governance, risk management and internal control.

Consultation

Internal consultation has been undertaken with:

- Chief Executive Officer;
- Executive Leadership Team;
- Strategic Risk Owners; and
- Relevant Officers responsible for implementation of control activities and treatment actions.

The Strategic Risk Register and treatment plans will continue to be reviewed through Executive Leadership Team processes and reported to ARIC as implementation progresses.

Officer Comment

The updated Strategic Risk Register demonstrates a significant increase in the maturity of the Shire's risk management processes.

The completion of control effectiveness assessments and development of treatment plans for all risks above the Shire's tolerance level provides a stronger framework for monitoring, accountability and continuous improvement. Future ARIC reports will focus on implementation progress, effectiveness of treatment actions and reassessment of residual risk ratings.

COMMITTEE RESOLUTION:	ARI 20/08-26		
MOVED BY:	Cr Tyler Hall	**SECONDED BY:**	Cr Vivienne MacCarthy

That the Audit, Risk and Improvement Committee:

1. **Notes the updated Risk Register - Strategic Updated 18-08-2026** (Attachment 8.1.3(1)); **and**

2. **Notes that control effectiveness assessments have now been completed for all identified strategic risks and residual risk ratings have been reviewed accordingly; and**
3. **Notes that strategic risk treatment plans have been developed for all strategic risks with residual risk ratings above the Shire's risk tolerance level of 9, as detailed in Strategic Risk Treatment Plan - Updated 18 August 2026** (Attachment 8.1.3(2)); **and**
4. **Notes that implementation and monitoring of the identified treatment actions will be reported to future meetings of the Audit, Risk and Improvement Committee as part of the Shire's ongoing risk management and governance framework.**

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

8.1.4 Privacy and Responsible Information Sharing – Implementation Progress

Report Details:

Prepared by: Community Housing Officer

Manager: Executive Manager Corporate

Monarch: MONARCH-1222330857-97 **Voting Requirement:** Simple Majority

Disclosure of Interests and Gifts:

Name: **Type:** Nil.

Attachment(s):

Nil.

Executive Recommendation

That the Audit, Risk and Improvement Committee Meeting note the update provided on the Privacy and Responsible Information Sharing Implementation Progress.

Strategic Alignment

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

Outcome: 10 - Effective governance and partnerships.

Objective: 10.1 - Provide strategically focused, open and accountable governance.

Executive Summary

The Shire continues to progress implementation of the *Privacy and Responsible Information Sharing Act 2024 (WA) (PRIS Act),* which introduced new privacy obligations for local governments from 1 July 2026 and mandatory data breach reporting requirements from 1 January 2027.

Significant progress has been achieved in establishing the governance framework necessary to support compliance. Key initiatives completed include adoption of the Privacy and Responsible Information Sharing Policy, establishment of an implementation plan, development of an Information Asset Register, and preparation of supporting operational procedures.

Implementation efforts are now focused on embedding privacy requirements into business processes, completing operational controls, delivering staff training, and establishing ongoing monitoring and reporting arrangements.

While implementation remains in progress, the Shire has established the foundational governance framework required to support compliance and reduce organisational privacy risks.

Background

The *Privacy and Responsible Information Sharing Act 2024 (WA)* establishes a new privacy framework governing the collection, use, disclosure and management of personal information by local governments and other public sector agencies.

In response to the legislation, Council adopted the Shire's Privacy and Responsible Information Sharing Policy (EXE/CP-18), establishing the organisation's commitment to protecting personal information and providing a framework for implementation of the new legislative requirements.

The Shire has adopted a staged implementation approach, recognising that compliance requires the development of governance arrangements, operational procedures, staff capability, monitoring systems and reporting mechanisms.

Risk Management

Risk:	Likelihood:	Consequence:	Risk Rating:
Compliance	Possible	Major	High (12)
Risk Description:	Failure to comply with PRIS Act requirements		
Mitigation:	Adoption of Policy, staged implementation, development of procedures and governance frameworks.		

Financial Implications

There are no immediate financial implications associated with the introduction of PRIS arrangements. However, implementation may require future resourcing for:

- System improvements,
- Staff training,
- Development of supporting frameworks and procedures.

These will be addressed through the annual budget and operational planning processes.

Policy Compliance

EXE/CP-18-Privacy and Responsible Information Sharing

Statutory Compliance

Privacy and Responsible Information Sharing Act 2024 (WA) Requires the local government to implement lawful, transparent systems for the collection, use, disclosure and sharing of personal information, including compliance with Information Privacy Principles and the establishment of governance frameworks.
Local Government Act 1995 Requires the local government to ensure proper governance, accountability and administration of its operations, including adopting policies that guide responsible decision-making and organisational practices. Section 2.7(2)(b) provides Council with the function of determining policies for the local government, and Section 5.41(g) requires the Chief Executive Officer to implement Council decisions, including adopted policies.

Consultation

Extensive internal consultation has occurred with relevant business units involved in information management, governance, records management and operational service delivery to inform development of the implementation framework and supporting procedures.

Officer Comment

Current Implementation Status

The implementation program is progressing in accordance with the adopted framework and includes the following key achievements:

Completed

- Adoption of the Privacy and Responsible Information Sharing Policy.
- Appointment of PRIS Champion arrangements.
- Establishment of the PRIS Implementation Plan.
- Development and rollout of the Information Asset Register framework.

In Progress

- Completion of the Information Asset Register.
- Development and implementation of collection notices.
- Development of the Information Breach Policy, Register and Response Framework.
- Legislative mapping and compliance assessment.
- Integration of privacy requirements into procurement and contract management processes.

Key Priorities Remaining

- Staff training and awareness.
- Access and correction processes.
- Privacy impact assessment processes.
- Information sharing procedures.
- Contract reviews.
- Ongoing compliance monitoring and reporting arrangements.

The current readiness assessment indicates that several implementation areas remain under development and require further work to achieve the maturity level recommended by the WA Government.

The implementation program remains on track and has established the key governance structures necessary to support compliance with the PRIS Act. The focus over the next implementation phase will be embedding operational controls, improving organisational capability through training, finalising compliance processes and establishing ongoing monitoring and reporting mechanisms.

The Committee will continue to receive periodic updates on implementation progress, emerging risks and organisational readiness.

COMMITTEE RESOLUTION:	ARI 21/08-26		
MOVED BY:	Cr Vivienne MacCarthy	**SECONDED BY:**	Cr Tyler Hall

That the Audit, Risk and Improvement Committee Meeting note the update provided on the Privacy and Responsible Information Sharing Implementation Progress.

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

8.1.5 Chief Executive Officer Briefing

Executive Recommendation

That the Audit, Risk and Improvement Committee note the update provided to the Committee.

COMMITTEE RESOLUTION:	ARI 22/08-26		
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 Anastasaki
Against:
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 December 2026.

The Chairperson declared the meeting closed at 3.45pm