

SHIRE OF WYNDHAM EAST KIMBERLEY

Audit (Finance & Risk) Meeting: Agenda

10 November 2025



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**SHIRE OF WYNDHAM EAST KIMBERLEY
AUDIT (FINANCE AND RISK) COMMITTEE
AGENDA
KUNUNURRA COUCIL CHAMBERS
TO BE HELD ON 10 NOVEMBER 2025 AT 5:00PM**

- 1. DECLARATION OF OPENING**
- 2. RECORD OF ATTENDANCE / APOLOGIES**
- 3. PUBLIC QUESTION TIME / PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
- 4. DECLARATION OF INTEREST**
- 5. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**
- 6. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS / NOTICES OF MOTIONS**
- 7. REPORTS**

7.1. AUDIT - AUDIT REGULATION 17 AND FINANCIAL MANAGEMENT REGULATION 5(2)(C) REPORT

AUTHOR:	Liam Moore, Manager Finance
RESPONSIBLE OFFICER:	Vernon Lawrence, Chief Executive Officer
FILE NO:	CM.01.1
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Leader - plan and provide direction through policy and practices
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommends that Council notes the progress report on the implementation of action items arising from the 2025 statutory compliance reviews undertaken in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996* and Regulation 5(2)(c) *Local Government (Financial Management) Regulations 1996*.

PURPOSE

The purpose of this report is to update the Audit (Finance and Risk) Committee on the Shire's progress in addressing findings from the 2025 statutory compliance reviews conducted in accordance with:

- Regulation 17 of the *Local Government (Audit) Regulations 1996*, which requires a review of the appropriateness and effectiveness of risk management, internal control, and legislative compliance systems.
- Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, which requires a review of the appropriateness and effectiveness of financial management systems and procedures.

This progress report outlines the status of implementation activities, timelines, and key developments. It supports the Audit (Finance and Risk) Committee's oversight function and demonstrates improvements made to ensure the Shire meets its legislative obligations.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

The Shire engaged Stantons International to undertake statutory compliance reviews under:

- Regulation 17 of the *Local Government (Audit) Regulations 1996*.
- Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

The findings and recommendations arising from these reviews were presented at the Audit (Finance and Risk) Committee meeting held on 4 March 2025. Following consideration by the Audit (Finance and Risk) Committee, Council adopted the Committee's recommendations at the Ordinary Council Meeting held 25 March 2025 (Resolution 0303/2025).

A management progress report on the implementation of the audit recommendations was first presented to the Audit (Finance and Risk) Committee in March 2025. Subsequent updates have been provided at each intervening Audit (Finance and Risk) Committee meeting to ensure ongoing oversight and monitoring of progress.

This report provides a progress update on the implementation of the recommendations.

COMMENTS

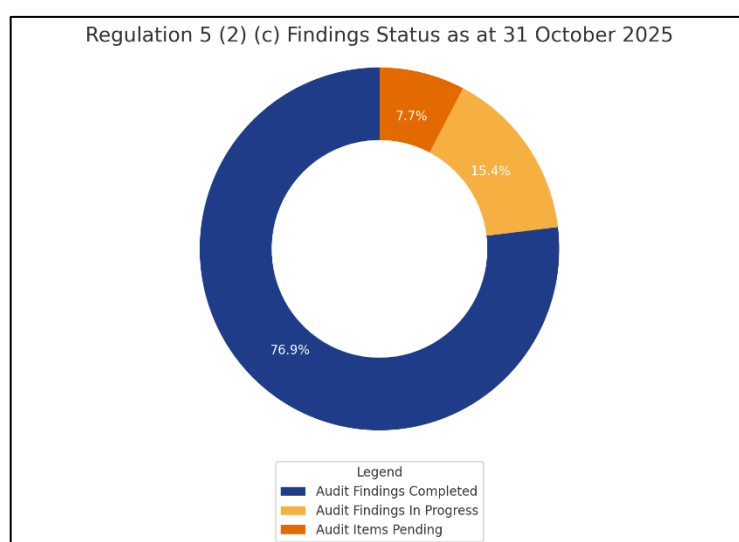
The Shire has commenced the implementation of actions arising from the statutory compliance reviews. These actions aim to strengthen legislative compliance, and improve governance, internal control processes, and the effectiveness of financial management systems.

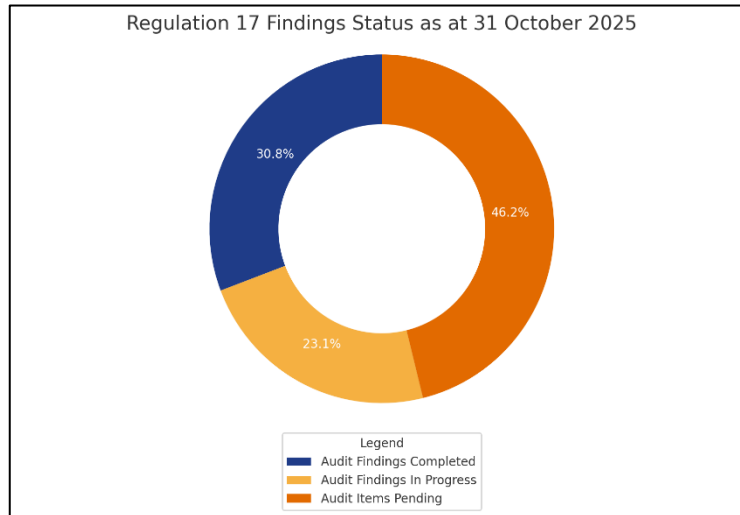
Implementation efforts to date include:

- Reviewing and updating key operational policies and procedures.
- Updating internal controls, particularly in relation to asset management and system access.
- Integrating compliance improvements into broader organisational reform and improvement initiatives.

Several actions have been completed, while others are scheduled for implementation in future reporting periods, depending on available resources and alignment with related projects. Some recommendations have been incorporated into existing strategic initiatives to maximise efficiency and minimise duplication.

This progress report demonstrates the Shire's commitment to good governance and continuous improvement. A detailed status update for each action item, including responsible officers and revised timelines, is provided in Confidential Attachment 7.1.





STATUTORY IMPLICATIONS

[Regulation 17 of the *Local Government \(Audit\) Regulations 1996*](#)
[Regulation 5 of the *Local Government \(Financial Management\) Regulations 1996*](#)

POLICY IMPLICATIONS

The Following Policies are relevant to this report:

- POL-1005 Code of Conduct for Council Members, Committee Members and Candidates for Local Government Elections.
- POL-1011 Risk and Opportunity Management Policy.
- POL-2009 Sundry Debt Collection Policy
- POL-2014 Information Management & ICT Acceptable Use Policy.
- REG-1001 Delegations Register.

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.3: Advocacy - Strong and consistent advocacy for local needs and priorities

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to manage the appropriateness and effectiveness of the Shire's systems and procedures in relation to risk management, internal control and legislative compliance.

Control: Review policies and procedures in accordance with the review schedule and complete the statutory compliance review under Audit Regulation 17 and Financial Management Regulation 5(2)(c). The implementation of the recommendations allows for continuous improvement.

FINANCIAL IMPLICATIONS

The cost of Stanton's conducting the previous review and the preparation of the report was \$27,720 excl. GST.

Current and Future Asset Considerations

- **Asset Management:** The absence of a formal process for asset acquisition, disposal, and stock take increases the risk of financial mismanagement.
- **Financial Systems:** The SynergySoft system requires better alignment with delegations and more controlled access to payroll and finance data.

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - Regulation 17 Audit Report - Management Update
Confidential Attachment 2 - Regulation 5 Audit Report - Management Update
Confidential Attachment 3 - Policy Review Schedule

7.2. FINANCE - USE OF DELEGATED AUTHORITY

AUTHOR	Liam Moore, Manager Finance
RESPONSIBLE OFFICER:	Alexandra Bell, Director Corporate Services
FILE NO:	Nil
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Leader - plan and provide direction through policy and practices
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance & Risk) Committee recommend that Council note the report relating to the exercise of Delegation 1.2.26 – Defer, Grant Discounts, Waive or Write Off Debts.

PURPOSE

To inform the Audit (Finance & Risk) Committee of the exercise of delegated authority by the Chief Executive Officer & Director Corporate Services to waive interest charges on an overdue rate account in accordance with Delegation 1.2.26.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

In accordance with section 6.12(1)(b) and (c) of the *Local Government Act 1995*, the Chief Executive Officer and Director Corporate Services may use delegated authority, under Delegation 1.2.26, to waive debts, grant concessions, and write off monies owed to the Shire of Wyndham East Kimberley. They may waive fees and charges where necessary to rectify a Shire service failure, or to assist a not-for-profit community group or charitable entity in fulfilling a social, cultural or community service within the district.

Delegation 1.2.26 can be used to waive a maximum of \$2,000 per individual debt or customer per year. The exercise of this delegation is required to be reported to the Audit (Finance & Risk) Committee.

COMMENTS

During the reporting period, the Director Corporate Services exercised authority delegated under Delegation 1.2.26 to waive minor charges on several rates accounts.

The total value waived was \$20,695.88 across twenty assessments for the 2025/26 financial year. Seventeen waivers were approved within delegated financial limits. Of these, in fifteen instances the estimated cost of recovery exceeded the value of the amount waived, and in two instances bin charges were reversed as no additional service had been requested. Three waivers exceeded \$2,000 and required Chief Executive Officer approval. These Chief Executive Officer approved waivers resulted in a reduction to total rates revenue, as they related to charges raised on expired mining tenements and rates applied to a Shire-owned property.

No waivers during this period were issued under the service failure or community group assistance criteria. All write-offs under \$2,000 were made based on economic unviability of recovery, consistent with clause (a) of the delegation conditions.

STATUTORY IMPLICATIONS

[Section 6.12\(1\)\(B\) of the Local Government Act 1995](#) permits a Local Government may waive or write off an amount of money.

[Section 5.44 of the Local Government Act 1995](#) allows the CEO to sub-delegate powers and duties to other employees.

POLICY IMPLICATIONS

POL 2016 Financial Hardship – Rates and Sundry Debtors
POL 2007 Rates and Charges Debt Collection

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.3: Advocacy - Strong and consistent advocacy for local needs and priorities

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.

Control: Delegated authority enables prompt and cost-effective resolution of minor debtor issues, preserving resources for larger recoveries and supporting fair community outcomes.

FINANCIAL IMPLICATIONS

A total of \$20,695.53 was waived under Delegation 1.2.26. Majority of these were minor charges added during the year, such as interest, extra waste collections, and bin repairs. Three were above delegated limits for rates on expired mining tenements and a Shire owned property.

Current and Future Asset Considerations

NIL

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - Write Off Register 30102025

7.3. FINANCE - QUARTERLY FINANCIAL REPORT

AUTHOR:	Liam Moore, Manager Finance
RESPONSIBLE OFFICER:	Alexandra Bell, Director Corporate Services
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Regulator - enforce state legislation and local laws
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommend that Council receives the Quarterly Financial Report for the period ended 30 September 2025.

PURPOSE

The purpose of this report is to present the Audit (Finance and Risk) Committee with the Shire's unaudited Quarterly Financial Report, highlighting material variances and key financial management risks. This quarterly review forms part of the year-end process and supports oversight of financial sustainability, infrastructure investment, and performance against budget.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

Quarterly financial reporting is a mechanism to provide transparency and oversight of the Shire's financial position, performance against budget, and management of material variances.

Regular review supports early identification of risks or emerging financial issues.

COMMENTS

Please note that Quarterly Financial Statements are not audited and subject to change.

The Quarterly Financial Report includes:

- Statement of Financial Activity for the Quarter
- Financial Trend Analysis
- Financial Ratio Analysis
- Statement of Financial Position
- Commentary on significant financial risks or emerging issues.

During the first quarter of 2025–26 financial year:

- A preliminary net asset increase of \$4.48 million since 30 June 2025, bringing total equity to \$349 million.
- Cash and cash equivalents rose significantly from \$18 million to \$51.9 million, due to the receipt of advance capital grants.

- Operating income increased by approximately \$1.32 million compared to the same quarter last year, driven by higher rates, airport and waste service fees, and additional grant funding.
- Operating expenditure rose by \$606,000, due to increased staffing and maintenance costs associated with the expanded capital works program.
- The operating profit margin remained strong at 66%, indicating continued efficiency despite higher costs.
- The asset sustainability ratio improved sharply from 2.21 to 5.77, reflecting major investment in renewal and upgrade projects supported by external funding.
- The own source revenue ratio slightly declined from 0.94 to 0.91, still above the Department of Local Government's benchmark and indicating a high degree of financial independence.
- The rates coverage ratio eased from 0.70 to 0.67 as other income sources outpaced rate revenue growth.
- Overall, the Shire commenced the new financial year in a strong position, supported by healthy liquidity, a solid operating surplus, and significant progress in grant-funded infrastructure projects. Continued focus on efficient resource management, sustainable revenue growth, and infrastructure renewal will help maintain financial resilience throughout 2025–26.

Note: The 2024–25 June result remains preliminary and is subject to adjustment following the completion of the final audit.

STATUTORY IMPLICATIONS

[Regulation 34 of the *Local Government \(Financial Management\) Regulations 1996*](#)
[Regulation 16 of the *Local Government \(Audit\) Regulations 1996*](#)

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.4: Innovation - Embrace technology, creativity, and innovation to solve complex problems

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to manage the disbursement of funds to meet the needs of the Shires forward planning requirements, including the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plans and Annual Budget.

Control: Monthly, Quarterly and Annual finance reports. Department specific Budget to Actual reports. Emerging issues flagged in this quarter include advance grant receipt timing and the continued gap between asset depreciation and renewal expenditure.

FINANCIAL IMPLICATIONS

This report outlines preliminary first-quarter results, including a \$4.48 million net asset increase and \$6.3 million growth in reserves. These figures are unaudited and remain subject to final audit adjustments.

Current and Future Asset Considerations

The asset sustainability ratio rose from 2.21 to 5.77, driven by one-off grant-funded renewals. While this shows strong short-term investment, future budgets must prioritise ongoing asset renewal funding to ensure long-term sustainability.

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - September Quarterly Financial Report

7.4. RISK - INTERNAL REVIEW PROGRAM (INTERNAL CONTROLS & IMPROVEMENTS)

AUTHOR:	Director Corporate Services
RESPONSIBLE OFFICER:	Alexandra Bell, Director Corporate Services
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Regulator – Responsible for the enforcement of statutory requirements
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommends that Council:

1. Notes the commencement of a comprehensive review of exempt and non-rateable properties within the district.
2. Supports the methodology being applied to confirm compliance with section 6.26 of the Local Government Act 1995 and the Shire's policy POL-2005 Rates Exemptions for Charitable Organisations (Non-Rateable Land).
3. Notes that further investigation or engagement with property owners will be undertaken where clarification of exemption status is required.

PURPOSE

To provide the Audit (Finance and Risk) Committee with an update on the commencement of the Shire's review of exempt and non-rateable properties and to outline the methodology, governance controls, and legislative framework guiding this process.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

Section 6.26 of the *Local Government Act 1995* identifies categories of land that are not rateable, including land used exclusively for charitable purposes, Crown land held for public use, and land otherwise exempt under written law.

Over time, various properties within the Shire have been recorded as exempt or non-rateable. In line with good governance practice, the Shire has initiated a structured review to confirm the ongoing validity of each classification and ensure compliance with section 6.26 and relevant policies.

This review forms part of the Shire's broader financial governance program and aligns with the principles of sound financial management under section 5.38 of the *Local Government Act 1995*.

COMMENTS

The review involves a systematic examination of all properties recorded as exempt or non-rateable. The process includes:

- Cross-checking each exemption against the statutory and policy provisions that permit it

- Verifying supporting documentation such as leases, land use statements, and correspondence from government agencies or charitable organisations.
- Identifying records that may require clarification or updated evidence.
- Maintaining a centralised Rates Exemption and Non-Rateable Properties Register to track progress.

At this early stage, the preliminary register has been prepared (Attachment 1) and initial validation work has commenced. Further verification and correspondence with property owners or agencies will occur progressively over the coming months.

Any changes to the rate record resulting from this process will be reported to Council in accordance with section 6.39 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

[Section 6.26 of the *Local Government Act 1995*](#)

[Section 6.39 of the *Local Government Act 1995*](#)

[Section 6.40 of the *Local Government Act 1995*](#)

[Regulation 39 of the *Local Government \(Financial Management\) Regulations 1996*](#)

[Regulation 55 of the *Local Government \(Financial Management\) Regulations 1996*](#)

POLICY IMPLICATIONS

POL-2005 [*Rates Exemptions for Charitable Organisations \(Non-Rateable Land\)*](#)

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the Strategic Community Plan 2023-2033:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.4: Innovation - Embrace technology, creativity and innovation to solve complex problems

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk Failure to adequately resource and manage funding requirements which meet the needs of the Shire's service delivery requirements and strategic objectives.

Control: Implementation of a structured review program, legal and policy verification where required, and establishment of a centralised exemption register subject to ongoing oversight by the Audit (Finance and Risk) Committee.

FINANCIAL IMPLICATIONS

The review may identify properties that no longer meet exemption criteria, potentially resulting in additional rate revenue in future years. Any legal or administrative costs associated with verification will be managed within the existing budget allocation.

Current and Future Asset Considerations

Nil

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - September Quarterly Financial Report Rates Exemption Register

7.5. RISK - STRATEGIC RISK REVIEW

AUTHOR:	Senior Safety Officer
RESPONSIBLE OFFICER:	Wendy Tapper, Manager Human Resources and Safety
FILE NO:	TBC
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Leader - plan and provide direction through policy and practices
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommends that Council note the Strategic Risk #3 – Safety Risks Affecting Staff Wellbeing (on the Job).

PURPOSE

To present the Audit (Finance and Risk) Committee with an update on Strategic Risk #3 – *Safety Risks Affecting Staff Wellbeing (on the Job)*, including current controls, residual risk rating, and future actions identified to strengthen the Shire's workplace safety culture.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

The Strategic Risk Register forms part of the Shire's integrated risk management framework and is reviewed regularly by the Executive Management Team (EMT) to ensure alignment with Council's strategic objectives and compliance with the *Local Government Act 1995 (WA)*.

Risk #3 identifies safety risks affecting staff wellbeing, with the EMT responsible for ensuring that systems, processes, and culture continue to mitigate potential harm and support a safe, productive working environment.

COMMENTS

The presentation provides an overview of current safety performance and highlights the following key areas:

- Findings from recent safety inspections and internal audits.
- Observations relating to staff awareness, reporting, and hazard identification.
- Recommendations to strengthen risk controls, improve safety culture, and enhance compliance monitoring.

The Committee will be asked to note the outcomes and may provide feedback on proposed control improvements. All detailed findings and recommendations are contained in the confidential attachment.

STATUTORY IMPLICATIONS

[Work Health and Safety Act 2020](#)

[Work Health and Safety \(General\) Regulations 2022](#)

POLICY IMPLICATIONS

This matter relates to the following Council policies:

- **POL-1021 Work Health and Safety** – outlines the Shire's commitment to ensuring a safe, supportive, and healthy workplace across all operations, recognising workers as the Shire's most asset.

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.4: Innovation - Embrace technology, creativity and innovation to solve complex problems

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to attract and retain suitably qualified and experienced technical staff to meet organisational requirements.

Risk: Failure to create and maintain an organisational culture which promotes a safe and positive work environment, fosters employee satisfaction, motivates employees to perform and increases organisational effectiveness.

Risk: Failure to manage the appropriateness and effectiveness of the Shire's systems and procedures in relation to risk management, internal control and legislative compliance.

Control:

- Regular workplace inspections and safety audits.
- Review and continuous improvement of WHS systems, procedures, and reporting mechanisms.
- Ongoing staff training and proactive hazard identification programs.
- Explore partnerships with local groups and training organisations to increase the volume of suitable candidates.

The residual risk rating for Risk #3 is Moderate (6) and is considered acceptable.

FINANCIAL IMPLICATIONS

There are no direct financial implications from this report. However, several of the recommendations may result in significant future cost implications associated with staff training, system improvements, capital improvements, or safety-related capital works.

Current and Future Asset Considerations

Recommendations arising from the presentation will impact future budget planning for facility upgrades, plant and equipment replacement, or safety improvements

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - 250226 Draft Strategic Risk Register

7.6. RISK - SAFETY

AUTHOR:	Manager Human Resources
RESPONSIBLE OFFICER:	Chief Executive Officer
FILE NO:	N/A
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Regulator - enforce state legislation and local laws
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommends that Council note the safety report and attachments and consider the recommendations.

PURPOSE

To provide the Finance and Risk Committee with the current state of health and safety in the Shire workplace and to consider needed changes to realign the organisation with legislative responsibilities.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

None known.

COMMENTS

The Senior Safety Advisor recently conducted a series of internal reviews and workplace safety inspections across multiple operational areas, in addition to reviewing insurer recommendations and findings from past audits and reports. Four notices of non-conformance were issued to address areas of risk to the organisation that require immediate attention. These notices and associated findings were shared with members of the Executive Management Team (EMT) for discussion, prioritisation, and determination of appropriate corrective actions.

The notices of non-conformance highlight areas of non-compliance with Western Australian workplace health and safety regulations in the following key areas:

- Plant, fleet, and maintenance systems
- Waste management systems
- Asbestos management
- Use of earthmoving equipment to lift loads

The Committee will be asked to note the outcomes and may provide feedback on proposed control improvements. All detailed findings and recommendations are contained in the confidential attachment.

STATUTORY IMPLICATIONS

[Work Health and Safety Act 2020](#)

[Work Health and Safety \(General\) Regulations 2022](#)

POLICY IMPLICATIONS

It is recommended that council and management review current policies to determine if additional policies are needed to address the non-conformance issues.

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Areas: Liveability & Connection

Goal 1: Safe communities - A community where we all feel safe

Goal Outcome 1.2: Safe Physical Environment - People feel safe on the streets and in public areas and can engage in healthy vibrant active lives

Strategy 1.1: The Shire will work to improve the distribution and awareness of information and resources on safety and crime prevention

RISK IMPLICATIONS

Risk: Failure to create and maintain an organisational culture which promotes a safe and positive work environment, fosters employee satisfaction, motivates employees to perform and increases organisational effectiveness.

Risk: Failure to manage and implement an effective, forward planned capital works program which meets the safety and functional requirements of the community.

Control: Please refer to the notices of non-conformance for the recommended controls.

FINANCIAL IMPLICATIONS

Funding will be required to achieve compliance with health and safety regulations. Assistance should be conditional on funds being used solely to address the identified nonconformances. Not implementing these controls poses significant legal, financial, and reputational risks to the Shire.

Current and Future Asset Considerations

Serious consideration needs to be given before purchasing additional plant without shade structures in place. The insurer and internal auditing have identified the need for shade to protect the assets of the Shire. All existing plant needs to be reassessed for roadworthiness as records are incomplete and may be denied potential future insurance claims. A process to manage fleet and plant urgently needs to be implemented. Additional asset considerations can be developed from the information in the non-conformance notices.

COMMUNITY ENGAGEMENT

No community engagement required.

ATTACHMENTS

Confidential Attachment 1 - Non- Conformance - Kununurra Waste Management Facility

Confidential Attachment 2 - Shire of SWEK Wyndham Depot - Injury Prevention RPRT
September_ 2025

Confidential Attachment 3 - Non- Conformance Plant Fleet and Maintenance Systems

Confidential Attachment 4 - Non- Conformance Kununurra Waste Management Facility

Confidential Attachment 5 - Non- Conformance Asbestos Management

Confidential Attachment 6 - Non- Conformance Use of Earthmoving Equipment to Lift Loads

Confidential Attachment 7 - 250226 Draft Strategic Risk Register Safety Report

7.7. RISK - LEGAL MATTERS

AUTHOR:	Vernon Lawrence, Chief Executive Officer
RESPONSIBLE OFFICER:	Vernon Lawrence, Chief Executive Officer
DISCLOSURE OF INTERESTS:	N/A
COUNCIL'S ROLE IN THE MATTER:	Regulator - enforce state legislation and local laws
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee note the report.

PURPOSE

This report provides an overview of legal matters with potential or actual risk exposures relevant to the Shire's operations.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

Legal risks can impact financial, operational, and reputational outcomes. Monitoring legal risks supports the Shire's risk management framework. A verbal report will be provided.

COMMENTS

The report provides a summary of ongoing and concluded legal matters which may include:

- Active litigation and claims
- Potential legal disputes
- Governance-related legal risks

The current legal fees include amounts paid for legal advice on Human Resource matters and Procurement matters.

STATUTORY IMPLICATIONS

[Regulation 16 of the Local Government \(Audit\) Regulations 1996](#)

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: SUSTAINABILITY

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.4: Innovation - Embrace technology, creativity and innovation to solve complex problems

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to manage a governance framework which transparently embraces good governance practices.

Control: Monitoring of legal risks.

FINANCIAL IMPLICATIONS

Legal cost exposure managed through existing budgets.

Current and Future Asset Considerations

Potential financial liabilities.

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - Legal Fees - 2025-26 YTD November

7.8. RISK - PROCUREMENT AND CONTRACT COMPLIANCE

AUTHOR:	Senior Procurement and Contracts Advisor
RESPONSIBLE OFFICER:	Alexandra Bell, Director Corporate Services
FILE NO:	TBA
DISCLOSURE OF INTERESTS:	Nil
COUNCIL'S ROLE IN THE MATTER:	Regulator - enforce state legislation and local laws
VOTING REQUIREMENT:	Simple Majority

OFFICER'S RECOMMENDATION

That the Audit (Finance and Risk) Committee recommends that Council notes the outcomes of the procurement and contract management compliance review for the period 1 August to 29 October 2025.

PURPOSE

The purpose of this report is to inform the Audit (Finance and Risk) Committee of procurement and contract management compliance outcomes, identified risks, and control improvements arising from the targeted procurement risk review undertaken between 1 August and 29 October 2025.

BACKGROUND / PREVIOUS CONSIDERATIONS BY COUNCIL OR COMMITTEE

Procurement and contract management activities carry inherent financial, compliance, and reputational risks. Oversight supports compliance with legislation, policy, and best practice.

COMMENTS

A random sample of procurement activity from 1 August to 29 October 2025 was reviewed to assess compliance with the Shire's *Purchasing Policy* (POL-2004) and related legislative requirements.

The review confirmed that the majority of purchase orders were compliant with policy and delegation requirements. Overall, the review indicates that procurement controls are generally effective, with administrative improvements and other opportunities for improvement identified. A detailed analysis and graphical summary of the review outcomes have been provided to the Audit (Finance and Risk) Committee under confidential attachment.

STATUTORY IMPLICATIONS

[Regulation 11A\(1\) of the Local Government \(Functions and General\) Regulations 1996](#)
[Regulation 14\(1\) of the Local Government \(Functions and General\) Regulations 1996](#)

POLICY IMPLICATIONS

Compliance with the Shire's [POL-2004 Purchasing Policy](#).

STRATEGIC IMPLICATIONS

This matter relates to the following sections of the *Strategic Community Plan 2023-2033*:

Focus Area: Sustainability

Goal 10: Community-driven Leadership - Leaders work with the community to develop and implement change in delivering positive outcomes

Goal Outcome 10.4: Innovation - Embrace technology, creativity and innovation to solve complex problems

Strategy 10.4: Integrate all planning and resource management to drive continuous improvement and innovation

RISK IMPLICATIONS

Risk: Failure to manage a governance framework which transparently embraces good governance practices.

Control: Procurement framework and compliance monitoring as well as targeted education.

FINANCIAL IMPLICATIONS

Procurement risk exposure can impact project costs and financial sustainability.

Current and Future Asset Considerations

Effective procurement underpins major CAPEX and operational service delivery.

COMMUNITY ENGAGEMENT

No community engagement is required.

ATTACHMENTS

Confidential Attachment 1 - Procurement and Contract Compliance

8. MATTERS BEHIND CLOSED DOORS

9. CLOSURE