Shire of Brookton

# AGENDA

## Audit, Risk & Improvement Committee Meeting

To be held on:
**Tuesday 22 September 2026 at 2pm**
Shire of Brookton Council Chamber
14 White Street, Brookton

**This meeting will be recorded in line with Local Government Act.**

# NOTICE OF MEETING

Dear Councillor, Elector or Ratepayer,

Notice is hereby given that the Audit, Risk and Improvement Committee Meeting will be held on Tuesday 22nd September 2026 in the Council Chambers at the Shire Administration Centre commencing at 2:00pm.

**Gary Sherry**
**CHIEF EXECUTIVE OFFICER**
15 September 2026

# DISCLAIMER

The recommendations contained in the Agenda are subject to confirmation by Council. The Shire of Brookton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Brookton for any act, omission or statement or intimation occurring during a Council meeting.

**TABLE OF CONTENTS**

## 1.09.26 DECLARATION OF OPENING

On behalf of the Council, I would like to acknowledge that this meeting is being held on the traditional lands of the Nyoongar People, and pay respect to all Elders, past, present, and emerging. I wish to acknowledge and respect local people's continuing culture, and the contribution they make to Country, and its life.

## 2.09.26 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members (Voting)

| | |
|---|---|
| Mr M Cole | Presiding Member |
| Deanne Sweeney | Deputy of the Presiding Member |
| Cr RJ Wallis | Shire President |
| Cr L McCabe | Deputy Shire President |
| Cr C Andretta | |
| Cr BJ Copping | |
| Cr G Crouch | |
| Cr PL Harben | |
| Cr KA Toop | |

Staff (Non-Voting)

| | |
|---|---|
| Stuart Billingham | Manager Corporate and Community |
| Kevin D'Alton | Acting Manager Infrastructure Works |
| Jennie Mason | Governance Officer |

Apologies

| | |
|---|---|
| Gary Sherry | Chief Executive Officer |

Leave of Absence
Nil.

Visitors/Residents/Electors
Nil at this time

## 3.09.26 CONFIRMATION OF PREVIOUS MINUTES

***<u>OFFICER'S RECOMMENDATION</u>***

***That the minutes of the Audit, Risk and Improvement Committee meeting held in the Shire of Brookton Council Chambers on 18th December 2025 be confirmed as a true and correct record of the proceedings.***

## 4.09.26 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

## 5.09.26 PUBLIC QUESTION TIME

Nil at this time.

## 6.09.26 ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil at this time.

## 7.09.26 DECLARATIONS BY MEMBERS AND OFFICERS

***Members and Officers to declare Financial, Proximity or Impartiality Interests & submit forms to the Chief Executive Officer at the commencement of the meeting and also prior to the item.***

**Disclosure of Financial & Proximity Interests**

a. Members must disclose the nature of their interest in matters to be considered at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*).
b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of *the Local Government Act 1995*).

**Disclosure of Interest Affecting Impartiality**

a. Members and staff must disclose their interest in matters to be considered at the meeting in respect of which the member or employee has given or will give advice.

## 8.09.26 PRESENTATIONS

Nil.

| 9.09.26 | FINANCE |
|---|---|

| 9.09.26.01 | 2025 COMPLIANCE AUDIT REPORT (CAR) |
|---|---|
| **File No:** | GOV-026 |
| **Date of Meeting**: | 22 September 2026 |
| **Location/Address**: | N/A |
| **Name of Applicant:** | N/A |
| **Name of Owner:** | Shire of Brookton |
| **Author/s:** | Stuart Billingham – Manager Corporate and Community |
| **Authorising Officer:** | Gary Sherry – Chief Executive Officer |
| **Declaration of Interest**: | The author and authorising officer do not have an interest in this item |
| **Voting Requirements:** | Absolute Majority |
| **Previous Report:** | Nil |

**Summary of Report:**
The Audit, Risk and Improvement Committee (ARIC) is requested to review the Shire of Brookton's 2025 Compliance Audit Return (CAR) and recommend that Council adopt the completed CAR and authorise its submission to the Local Government Inspector.

**Description of Proposal:**
The ARIC is to review the completed 2025 Compliance Audit Return and consider recommending that Council:

1. adopt the completed CAR;
2. authorise the Shire President and Chief Executive Officer to jointly certify the CAR; and
3. direct the Chief Executive Officer to submit the certified CAR, together with the relevant Council minutes, to the Local Government Inspector by 30 September 2026.

The 2025 CAR comprises 120 questions relating to legislative compliance across the seven legislative instruments prescribed under the Local Government (Audit) Regulations 1996.

The completed 2025 CAR is provided at Attachment 9.09.26.01A in the format approved by the Local Government Inspector.

**Background:**
The Compliance Audit Return is an annual statutory assessment of a local government's compliance with prescribed requirements under the Local Government Act 1995 and associated regulations.

Following amendments to the Local Government Act 1995 and the commencement of the Local Government Inspector, administration of the Compliance Audit Return process has transitioned to the Inspector, including responsibility for the administration of the CAR and approval of the form and questions.

The audit period for the 2025 CAR is 1 January 2025 to 31 December 2025.

The 2025 CAR contains 120 questions covering the following legislation:
- Local Government Act 1995;
- Local Government (Financial Management) Regulations 1996;
- Local Government (Functions and General) Regulations 1996;

- Local Government (Administration) Regulations 1996;
- Local Government (Elections) Regulations 1997;
- Local Government (Constitution) Regulations 1998; and
- Local Government (Audit) Regulations 1996.

The statutory process requires the completed CAR to be:
1. presented to ARIC for review and consideration;
2. considered by ARIC, with a recommendation made to Council;
3. adopted by Council;
4. jointly certified by the Shire President and Chief Executive Officer; and
5. submitted to the Local Government Inspector, together with a copy of the relevant Council minutes and any required additional information, by **30 September 2026**.

**Consultation:**
Following receipt of the 2025 CAR questions and the opening of the Compliance Audit Return portal by the Local Government Inspector, the Chief Executive Officer, Executive Staff and relevant Council Officers reviewed the questions and determined the appropriate responses based on the Shire's records, processes and activities during the audit period.

**Statutory Environment**
Local Government (Audit) Regulations 1996
Regulation 14 requires a local government to carry out an annual compliance audit for the period 1 January to 31 December in a form approved by the Local Government Inspector.

Regulation 14 also requires the completed CAR to be reviewed by the Audit, Risk and Improvement Committee, with the results of the review reported to Council. The CAR is then to be adopted by Council, with the adoption recorded in the minutes of the Council meeting.

Regulation 15 requires that, following adoption by Council, a certified copy of the CAR, signed by the Shire President and Chief Executive Officer, together with a copy of the minutes of the Council meeting at which the CAR was adopted and any additional required information, be submitted to the Local Government Inspector by 30 September 2026.

**Relevant Plans and Policy:** Nil
**Financial Implications:** Nil

**Risk Assessment:**
Failure to complete/adopt/certify/lodge the 2025 Compliance Audit Return would result in noncompliance with the requirements of the *Local Government (Audit) Regulations 1996*. Approval of this item will mitigate the consequence.

| Consequence<br>Likelihood | Insignificant | Minor | Moderate | Major | Extreme |
|---|---|---|---|---|---|
| **Almost Certain** | Medium | High | High | Severe | Severe |
| **Likely** | Low | Medium | High | High | Severe |
| **Possible** | Low | Medium | Medium | High | High |
| **Unlikely** | Low | Low | Medium | Medium | High |
| **Rare** | Low | Low | Low | Low | Medium |

| Risk Rating | Action |
|---|---|
| **LOW** | Monitor for continuous improvement. |

| | |
|---|---|
| **MEDIUM** | Comply with risk reduction measures to keep risk as low as reasonably practical. |
| **HIGH** | Review risk reduction and take additional measures to ensure risk is as low as reasonably achievable. |
| **SEVERE** | Unacceptable. Risk reduction measures must be implemented before proceeding. |

**Community & Strategic Objectives:**
This report relates to the delivery of core governance and statutory responsibilities and supports the governance objectives contained within the Shire of Brookton Strategic Community Plan – June 2032, duly incorporated into the Brookton Corporate Business Plan July 2022 to June 2032.

**Comment:**
The 2025 Compliance Audit Return has been completed based on the information and records available to the Shire for the compliance audit period of 1 January 2025 to 31 December 2025.

The completed CAR is presented to ARIC for review and consideration before being presented to Council for adoption.

The CAR provides a structured assessment of the Shire's compliance with a range of statutory requirements applying to local government operations. The responses have been determined through consideration of relevant Shire records, policies, procedures and operational practices.

Subject to ARIC's recommendation and Council's subsequent adoption of the CAR, the Shire President and Chief Executive Officer will jointly certify the return before it is submitted to the Local Government Inspector.

The statutory deadline for submission is 30 September 2026. Adoption and certification of the CAR within the required timeframe is therefore necessary to enable the Shire to meet its statutory obligations.

***<u>OFFICER'S RECOMMENDATION</u>***
***That the Audit, Risk and Improvement Committee recommend that Council:***

1. ***Adopt the Shire of Brookton's 2025 Compliance Audit Return, as detailed in Attachment 9.09.26.01A;***

2. ***Authorise the Shire President and Chief Executive Officer to jointly certify the 2025 Compliance Audit Return; and***

3. ***Direct the Chief Executive Officer to submit the certified 2025 Compliance Audit Return, together with a copy of the minutes of the Council meeting at which the return is adopted and any required additional information, to the Local Government Inspector by 30 September 2026, in accordance with the Local Government (Audit) Regulations 1996.***

*(simple vote required)*

## **Attachments**

Attachment 9.09.26.01A – 2025 Compliance Audit Report

Local Government Inspector

GOVERNMENT OF WESTERN AUSTRALIA

# 2025 Compliance Audit Return

**Local Government Authority:** The Shire of Brookton

## *Local Government Act 1995*

**s. 2.29**

Has every person elected or appointed to a mayor, president, deputy, or councillor role made the required declaration in the prescribed form before a prescribed person, prior to acting in the office?

**Response:** Yes

**s. 3.16**

Has the local government reviewed local laws, which have not been reviewed in the previous 8 years, to ensure compliance with Schedule 9.3, Clause 65?

**Response:** Yes

**Comments:** Council resolution 15.04.26.02

**s.3.57**

Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?

**Response:** Yes

**s. 3.58(3)**

Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?

**Response:** Yes

**s. 3.58(4)**

Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?

**Response:** Yes

**s. 3.59(2)(a)**

Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2025?

**Response:** N/A

**s. 3.59(2)(b)**

Has the local government prepared a business plan for each major land transaction that was not exempt in 2025?

**Response:** N/A

**s. 3.59(2)(c)**

Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2025?

**Response:** N/A

**s. 3.59(4)**

Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?

**Response:** N/A

**s. 3.59(5)**

During 2025, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?

**Response:** N/A

**s. 5.16 (1)**

Were all delegations to committees resolved by absolute majority?

**Response:** Yes

**s. 5.16 (2)**

Were all delegations to committees in writing?

**Response:** Yes

**s. 5.17**

Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?

**Response:** Yes

**s. 5.18**

Were all delegations to committees recorded in a register of delegations?

**Response:** Yes

**s. 5.36(4) and s. 5.37(3)**

Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?

**Response:** Yes

**s. 5.37(2)**

Did the CEO inform council of each proposal to employ or dismiss senior employee?

**Response:** Yes

Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?

**Response:** N/A

**s. 5.39B**

Has the local government adopted and maintained model standards that incorporate the prescribed model standards within required timeframes (including amendments), ensured adoption by absolute majority, published an up-to-date version on its official website, and avoided including any inconsistent additional provisions?

**Response:** Yes

**s. 5.42**

Were all delegations to the CEO resolved by an absolute majority?

**Response:** Yes

Were all delegations to the CEO in writing?

**Response:** Yes

**s. 5.43**

Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?

**Response:** Yes

**s. 5.44(2)**

Were all employees delegated authority by the CEO under Section 5.44(1), issued with a written instrument of delegation?

**Response:** Yes

**s. 5.45(1)(b)**

Were all decisions by the Council to amend or revoke a delegation made by absolute majority?

**Response:** Yes

**s. 5.46**

Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?

**Response:** Yes

Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2024/2025 financial year?

**Response:** Yes

Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?

**Response:** Yes

**s. 5.50**

If the local government paid a finishing employee an amount in addition to their entitlement, did the local government follow a policy it had adopted and published on its website outlining the circumstances in relation to payments made to terminated employees?

**Response:** N/A

If the local government made a payment to a finishing employee that is more than the amount set out in the policy, was local public notice given?

**Response:** N/A

**s. 5.51A**

Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government?

**Response:** Yes

Has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?

**Response:** Yes

**s. 5.67**

Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?

**Response:** Yes

**s. 5.68(2)**

Were all decisions regarding participation approval in relation to Section 5.68(2), including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?

**Response:** Yes

**s. 5.69(5)**

Were all decisions regarding participation approval in relation to Section 5.69(5), including the extent of participation allowed recorded in the minutes of the relevant council or committee meeting?

**Response:** Yes

**s. 5.70**

Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?

**Response:** Yes

**s. 5.71B(5) and (7)**

Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?

**Response:** N/A

Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?

**Response:** N/A

**s. 5.73**

Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?

**Response:** Yes

**s. 5.75**

Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?

**Response:** Yes

**s. 5.76**

Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?

**Response:** Yes

**s. 5.77**

On receipt of a primary or annual return, did the CEO, or the Mayor/President, as the case may be, give written acknowledgment of having received the return?

**Response:** Yes

**s. 5.88**

Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?

**Response:** Yes

Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?

**Response:** Yes

After a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?

**Response:** Yes

Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?

**Response:** Yes

**s. 5.89A**

Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?

**Response:** Yes

Did the CEO publish an up-to-date version of the gift register on the local government's website?

**Response:** Yes

**s. 5.90A**

Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?

**Response:** Yes

**s. 5.94**

Does the local government have information available for members of the public to inspect, free of charge as prescribed under section 5.94 and Admin Reg 29, except where restricted under this section?

**Response:** Yes

**s. 5.96**

Where a person is entitled to inspect information under this Division, can the local government confirm that copies are available and that the price at which it sells copies does not exceed the cost of providing them, (unless prescribed otherwise)?

**Response:** Yes

**s. 5.96A**

Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?

**Response:** Yes

**s. 5.104**

Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates that incorporates the model code of conduct?

**Response:** Yes

Did the local government adopt additional requirements in addition to the model code of conduct?

**Response:** Yes

Does it comply with section 5.104(3) and (4) of the Local Government Act 1995?

**Response:** Yes

Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?

**Response:** Yes

**s. 5.128**

Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?

**Response:** Yes

**s. 7.12A(3), (4) and (5)**

Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?

**Response:** N/A

Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?

**Response:** N/A

Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?

**Response:** N/A

**r. 18F**

Were the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?

**Response:** N/A

**r. 19AB**

Does the code of conduct contain the requirement that a local government employee (not including the CEO) must not accept a prohibited gift from an associated person?

**Response:** Yes

**r. 19AC**

Does the local government's code of conduct include requirements for the recording, storing, disclosure, and use of information relating to gifts accepted by local government employees (excluding the CEO) from associated persons, in accordance with regulatory requirements?

**Response:** Yes

**r. 19AE**

Does the local government's code of conduct include requirements addressing employee behaviour in the performance of duties, interactions with others, use and disclosure of information, use of local government resources and finances, the keeping of records, and the reporting and management of suspected breaches and misconduct, in accordance with regulatory requirements?

**Response:** Yes

**r. 19B**

Did the local government include in its annual report all information required under section 5.53(2)(g) and (i) and regulation 3A(2), including number of employee's in salary bands over $130,000, remuneration and allowances paid, ordered payments, CEO remuneration, council member meeting attendance, available demographic information about council members, and details of any modifications to the strategic community plan or significant modifications to the corporate business plan?

**Response:** Yes

**r. 19C**

Has the local government adopted by absolute majority a strategic community plan?

**Response:** Yes

Adoption date or the date of the most recent review: 17/11/2022

**r. 19DA**

Has the local government reviewed its corporate business plan in accordance with Admin Regulation 19DA(4)?

**Response:** No

**Comments:** New Strategic Resource Plan Adopted to replace

Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?

**Response:** Yes

**Comments:** Endorsed by Council 17/11/2022

**r. 22**

No response required. This is covered by s5.75.

**r. 23**

No response required. This is covered by s5.76.

**r. 28**

No response required. This is covered by s5.88(1).

**r. 28A**

No response required. This is covered by s5.89A(1).

**r. 29**

No response required. This is covered by s5.94.

**r. 29C**

Does the local government publish all prescribed information on its official website— including up-to-date policies, required details of council member and employee returns, council member fees and allowances, and relevant public notices—within the specified timeframes and in accordance with legislative requirements?

**Response:** Yes

**r. 35**

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?

**Response:** Yes

**r. 36**

Does the local government appropriately identify and document council members who are exempt from the training requirements under section 5.126(1), including verifying that the member:

- has completed an approved course within the specified 5-year period prior to election, or
- completed the LGASS00002 Elected Member Skill Set before 1 July 2019 within the relevant timeframe, or
- qualifies for the transitional exemption applicable to council members in office at the commencement of the 2019 regulatory amendments?

**Response:** N/A

**r. 10**

Was the auditor's report for the financial year ending 30 June 2025 received by the local government within 30 days of completion of the audit?

**Response:** Yes

**r. 17**

Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2025?

**Response:** No

**Comments:** AMD Reg 17 review dated December 2023 adopted by Council 15/02/2024

**r. 11FA**

Did the CEO provide the Minister a report as to the result of the election within 14 days of the declaration and in the form of Form 20 of the Local Government (Elections) Regulations 1997, modified as necessary?

**Response:** Yes

**r. 13**

Were all required oaths, affirmations and declarations under section 2.42 (in relation to Commissioners) made in the correct form (Form 8), before the appropriate authorised person?

**Response:** Yes

**r. 30G**

Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?

**Response:** Yes

Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?

**Response:** Yes

Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?

**Response:** Yes

**r. 5**

Has the CEO ensured efficient systems and procedures are established under provisions set out in Financial Management Regulations 5(1)(a) to (g)?

**Response:** Yes

**r. 6**

Has the local government ensured that any employee delegated responsibility for day-to-day accounting or financial management operations is not also delegated the responsibility for conducting internal audits, reviewing their own duties, or for managing, directing or supervising someone who carries out these functions?

**Response:** Yes

**r. 7**

Did the local government ensure it has regard to the needs of the inhabitants of the district as a whole and not keep separate ward accounts or determine expenditure on the basis of revenue from a ward?

**Response:** Yes

**r. 8**

Does the local government maintain separate accounts with a bank or other financial institution for money to be held in the municipal fund, trust fund and for reserve account purposes?

**Response:** Yes

**r. 9**

Did the local government keep separate financial records for each trading undertaking and each major land transaction?

**Response:** N/A

**r. 11**

Has the local government developed procedures for the authorisation of, and the payment of, accounts in accordance with Local Government (Financial Management) Regulations 11(1), (2) and (3)?

**Response:** Yes

**r. 12**

Were payments made from the municipal fund or trust fund made by the CEO under a delegated authority or authorised, in accordance with regulation 13(2), in advance by a council resolution?

**Response:** Yes

**r. 13**

Can the local government confirm that, where the CEO has been delegated authority to make payments from the municipal or trust fund, the CEO prepared accurate monthly lists that are presented at the next ordinary council meeting and recorded in the minutes?

- includes the payee's name, payment amount, payment date, and sufficient information to identify each transaction where payments have already been made; or
- includes the payee's name, payment amount, sufficient information to identify each transaction, and the date of the council meeting (to which the list will be presented) for accounts requiring council approval.

**Response:** Yes

**r. 13A**

Did the local government prepare a list each month of all payments made using employee-authorised credit, debit or other purchasing cards, and include the payee's name, the amount of the payment, the date of the payment, sufficient information to identify the payment, and present the list at the next ordinary council meeting (and record in the minutes)?

**Response:** Yes

**r. 19**

Has the local government established and documented internal control procedures to enable identification of the nature and location of all investments and any related transactions?

**Response:** Yes

**r. 19C**

Has the local government ensured that all investments made under section 6.14(1) comply with statutory restrictions set out in Financial Management Reg. 19C?

**Response:** Yes

**r. 7**

No response required. This is covered by s3.59(2).

**r. 9**

No response required. This is covered by s3.59(2).

**r. 10**

No response required. This is covered by s3.59(2).

**r. 11A**

Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, $250,000 or less or worth $250,000 or less?

**Response:** Yes

**r. 11**

No response required. This is covered by s3.57.

**r. 12**

Did the local government consider the implications of Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?

**Response:** Yes

**r. 14(1), (3) and (5)**

If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?

**Response:** Yes

**r. 15**

Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?

**Response:** Yes

**r. 16**

No response required. This is covered by r. 15.

**r. 17**

Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?

**Response:** Yes

**r. 18(1) and (4)**

Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?

**Response:** Yes

Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?

**Response:** Yes

**r. 19**

Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?

**Response:** Yes

**r. 21**

Does the local government’s advertising and expression of interest processes for limiting who can tender comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?

**Response:** Yes

**r. 22**

No response required. This is covered by r. 21.

**r. 23**

Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?

**Response:** Yes

Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?

**Response:** Yes

**r. 24**

Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?

**Response:** Yes

**r. 24AD(2), (4) and (6)**

Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?

**Response:** N/A

If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?

**Response:** N/A

**r. 24AE**

No response required. This is covered by r. 24AD(2), (4) and (6).

**r. 24AF**

No response required. This is covered by r. 24AD(2), (4) and (6).

**r. 24AG**

Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?

**Response:** N/A

**r. 24AH(1) and (3)**

Did the local government reject any applications to join a panel of prequalified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?

**Response:** N/A

Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?

**Response:** N/A

**r. 24AI**

Did the CEO send each applicant written notice advising them of the outcome of their application?

**Response:** N/A

**r. 24E**

Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?

**Response:** Yes

**r. 24F**

No response required. This is covered by r. 24E.

I certify this is a true and accurate copy of the 2025 Compliance Audit Return, as adopted by Council at the meeting of ______________________________ 2026.

______________________________ ______________________________

CEO Date

______________________________ ______________________________

Mayor or President Date

## 10.09.26 STATUS TABLE – REGULATION 17

The following table provides an understanding of governance matters identified through annual audits or required by legislation and an update on the progress of addressing relative compliance. The status is presented to satisfy the requirements of Regulation 17 of the Local Government (Audit) Regulations 1996.

Black – No changes from previous reports
Blue – Additions from last Audit & Risk Committee meeting

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|---|---|---|---|---|---|---|---|---|
| 11 | 9-Jul-20 | Review of Workforce Plan | Forms part of the Integrated Planning and Reporting Framework that informs the annual budget - subject to review every two years. | Moderate | **The Workforce Plan was adopted by Council at December 2025 Ordinary Council Meeting** | CEO | Dec-25 | **100%** |
| 15 | 9-Jul-20 | Review of Local Laws | A review of the Shire of Brookton's Local Laws to be conducted. | Moderate | **The Review of most of the existing local laws has been completed.**<br>**The new Bush Fire Brigade Local Laws and Parking Local Laws are to be gazetted in the near future.** | CEO | Oct-26 | **80%** |
| 4.2.2 | Apr-23 | Disaster Recovery Plan and Disposal of IT Equipment Policy | Review and test the Disaster Recovery Plan on a regular basis to identify any deficiencies and update the plan accordingly; and Implement a disposal of IT equipment policy, communicating the policy to staff and ensuring ongoing monitoring of compliance with the policy. | Medium | The Disaster Recovery Plan will be reviewed at the earliest convenience. A quote has been requested from our IT provider to assist with the annual review and expected to be undertaken in the 2023/24 financial year. Implementation of a Disposal of IT Equipment Policy is currently underway and will be presented to Council by December 2023. 04/01/24 Disposal of IT Equipment Policy adopted by council October 23. 09/12/24 No further progress. 27/06/25 Provision included in the 25/26 Draft Budget. 10/12/25 No Progress.<br>**This requirement needs to be reviewed by Shire executive**. | MCC | Jun-26 | 50% |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|---|---|---|---|---|---|---|---|---|
| 7.2.1 | Apr-23 | Human Resources Policies and Procedures | Staff recruitment, staff performance reviews & training and development policies and procedures be prepared, approved, implemented through appropriate communication to employees and regularly monitored; and the code of conduct be reviewed in accordance with stated review date and updated if required | Medium | The Shire does not have a policy or procedure for staff recruitment, staff performance reviews, and training and development. In addition, the code of conduct was not reviewed in accordance with the stated review date of June 2022. Staff will review existing HR policies and document required procedures by 30 September 2023. The CEO will review the Employees Code of Conduct by 30 June 2023.<br>5/7/2023 HR Policies will be reviewed and included in a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections.<br>5/7/2023 The CEO will review the Shire of Brookton Employees Code of Conduct by 30 July 2023.<br>18/1/2024 The CEO will review the Shire of Brookton Employee's Code of Conduct by 30 June 2024. 26/08/24 Recruitment Policy drafted and under review. Staff performance review policy drafted & under review. Training Policy in existence 2.39. Code of conduct under review as part of policy manual. February 2025 Employees Code of Conduct reviewed and adopted. June 2025 Shire policy review completed. **This requirement needs to be reviewed by Shire executive**. | CEO | Jun-26 | 70% |
| 8.2.1 | Apr-23 | Fraud Management Policy | We recommend the Shire develop and implement a Fraud Management Policy and Framework. This Framework would provide a system of detection and prevention of fraud, reporting of any fraud or suspected fraud and appropriate | Medium | The Shire does not have a policy or framework for Fraud management. This will be implemented at the earliest time subject to resources being available. Once adopted it will be communicated to the appropriate staff. 26/08/24 Policy | MCC | **Jun-26** | **100%** |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|---|---|---|---|---|---|---|---|---|
| | | | dealing of issues relating to fraud. Once documented, this Framework should be implemented and appropriately communicated to staff. | | drafted & under review. 09/12/2024 No further progress. 27/06/25 No further progress. December 2025 Fraud & Corruption Control Policy and Fraud & Corruption Control Plan to be reviewed by Council at December 2025 OCM. **Policy 2.25 Fraud and Corruption control Policy in place adopted by Council 2026 Policy Manual full review** | | | |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Public Interest Disclosure (PID) Procedure - procedure does not currently allow for internal or external parties to report concerns anonymously. In addition, the procedure states the person holding the position of Deputy Chief Executive Officer (DCEO) is the designated PID officer, however the Shire of Brookton DCEO position is currently vacant. | Moderate | PID Policy/procedure will be reviewed as part of a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. June 2025 - Review did not include PID Policy or procedure. **Policy 2.25 Fraud and Corruption control Policy in place adopted by Council 2026 Policy Manual full review** | CEO | **Jun-26** | **100%** |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Shire of Brookton Bushfire Risk Management Plan 2021 - 2026 - refers to outdated AS/NZ ISO 31000:2009 Risk Management-Principles and Guidelines. | Moderate | **The Shire of Brookton Bushfire Risk Management Plan 2021 - 2026 will reviewed in October 2026.** | CEO | Dec-26 | **90%** |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | An audit of the Safety Plan has not been conducted - Safety Management System | Moderate | The Safety Management System is scheduled to be reviewed at the new Administration Toolbox Meeting to be held on 13th February 2024 | CEO | Dec-24 | 0% |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | Employee Code of Conduct dated June 2021 does not have a next scheduled review date noted. | Moderate | The CEO will review the Shire of Brookton Employees Code of Conduct by 30 June 2024. 26/08/24 Code of conduct under review as part of policy manual. **February 2025 Employee Code of Conduct review complete.** | CEO | **Feb-25** | **100%** |
| 2.2.1 | Dec-23 | Risk Management Policies and Procedures | No policies or procedures are in place in respect to Fraud Management, Events Management, Specimen signature for officers with delegated authority and Community surveys. | Moderate | 26/08/24 Fraud Management Policy created & under review. 09/12/2024 No further progress. 27/06/25 DKM Workplace Solutions engaged to further assist. December 2025 Draft Fraud & Corruption Policy and Draft Fraud & | CEO/MCC | **Dec-25** | **80%** |

| Item # | Date Initiated | Item Title | Findings or other Statutory Requirements | Risk Factor | Officer Status Update | Assigned to | Estimated Due Date | % Completed |
|---|---|---|---|---|---|---|---|---|
| | | | | | Corruption Plan are to be considered by Council. **Policy 2.25 Fraud and Corruption control Policy in place adopted by Council 2026 Policy Manual full review** | | | |
| 2.2.2 | Dec-23 | Business Continuity Plan | The Shire of Brookton's Business Continuity Plan (Plan) identified the Plan is dated October 2019 and has not been reviewed since this date. Furthermore the Plan contains outdated contacts and the Plan has not been tested. | Moderate | PID Policy/procedure will be reviewed as part of a total review of the Shire of Brookton Policy Manual to be reviewed by Council after the October 2023 Elections. 09/12/2024 No progress. 27/06/25 No progress. 10/12/2025 No Progress. **Business Continuity Plan being reviewed with Executive and LGIS Regional Risk Coordinator for future Council adoption and testing 16/9/2026** | MCC | **Dec-26** | **10%** |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The tender register has not been published on the website | Moderate | 09/12/2024 No progress. 27/06/25 No progress. 10/12/2025 No Progress. **Tender Register now published on Shire Website complete.** | CEO/MCC | Dec-25 | **100%** |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The Shire does not have a contract management framework outlining the consistent approach to be undertaken for all Shire contracts. | Moderate | 09/12/2024 No progress. **December 2026 No progress.** | CEO/GO | **Jun-26** | 0% |
| 2.2.3 | Dec-23 | Tender, Contract and Lease Management | The lease register did not record insurance details of lessees. | Moderate | 09/12/2024 No progress. 27/06/25 No progress. **10/12/2025 No Progress.** | MCC | Dec-24 | 0% |

## 11.09.26 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil at this time.

## 12.09.26 CONFIDENTIAL ITEMS FOR DISCUSSION

Nil at this time.

## 13.09.26 CLOSURE OF MEETING

With no further business, the Presiding Member will declare the meeting closed.