



SHIRE OF
HARVEY



Audit, Risk, and Improvement Committee Meeting **Agenda**

Harvey Council Chambers

Tuesday, 14 July 2026

2PM

Agenda

Audit, Risk, and Improvement Committee Meeting

Dear Committee Member,

Notice is hereby given that the next meeting of the Audit, Risk, and Improvement Committee Meeting will be held in the Harvey Council Chambers, Young Street, Harvey, on Tuesday, 14 July 2026 commencing at 2pm.

The business to be transacted is shown in the Agenda hereunder.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Annie Riordan', with a stylized flourish at the end.

Annie Riordan
Chief Executive Officer

9 July 2026.

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1. Official Opening**Disclaimer**

Members of the Public are advised that recommendations to Council contained within this Agenda can be subject to changes. Applicants and other interested parties should refrain from taking any action until written advice is received confirming Council's decision with respect to any particular issue.

Acknowledgement of Country

The Shire of Harvey acknowledges the traditional custodians of the land and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities, their cultures, and to Elders past, present and emerging.

2. Record of Apologies and Leave of Absence**3. Declarations of Members' and Officers' Personal Interest****4. Response to Previous Questions Taken on Notice****5. Public Question Time****6. Petitions/Deputations/Presentations/Submissions****7. Confirmation of Minutes**

Audit Committee Meeting – Tuesday, 14 April 2026.

Recommendation

That the Minutes of the Audit Committee Meeting held on Tuesday, 14 April 2026, as published, be confirmed as a true and correct record.

8. Officers Reports

Item No.:	8.1.
Subject:	Audit Regulation 17 Quarterly Report – Quarter Four 2025–2026
Proponent:	Shire of Harvey
Location:	Shire of Harvey
Reporting Officer:	Procurement Officer
Authorising Officer:	Chief Executive Officer
File No.:	F/08/00099
Attachments:	1. Reg 17 Quarterly Report 2025–2026 – Q4 [8.1.1 - 2 pages]

Summary

On Tuesday, 18 July 2023, Officers presented the Audit Regulation 17 Report to the Audit Committee with the intention of reporting on the recommendations quarterly. This Quarterly Report captures the period of Wednesday, 1 April 2026 to Tuesday, 30 June 2026.

The Audit Regulation 17 Quarterly Report, Quarter Four 2025–2026 is presented to Council (refer **Attachment 1**) to be received.

Background

Regulation 17 of the Local Government (Audit) Regulations 1996 requires the Chief Executive Officer (CEO) to review the appropriateness and effectiveness of a Local Government's systems and procedures in relation to risk management, internal control and legislation compliance. Each of these matters must be the subject of a review once in every three financial years, with the CEO to provide a report to the Audit, Risk, and Improvement Committee (ARIC) on the results of each audit.

The risk management functions of the Local Government should manage the creation and protection of value within the Shire of Harvey (the Shire). Effective risk management improves performance, encourages innovation and supports the achievement of objectives.

The Shire engaged AMD Chartered Accountants (AMD) to conduct the Audit Regulation 17 Review in May 2023, identifying nine areas for improvement all with a medium or low risk rating:

1. Risk Management Policies and Procedures – medium risk rating
2. Tender Management – medium risk rating
3. Contract Management – medium risk rating
4. Lease Management – medium risk rating
5. Grant Funding Plan – medium risk rating
6. Software/Application Review – low risk rating
7. Compliance Calendar – low risk rating
8. Audit Committee – medium risk rating
9. Internal Audit – low risk rating.

The ARIC is presented with a quarterly report on each of these areas to ensure accountability and transparency.

Comment

The initial report was presented to the Audit Committee at its meeting held Tuesday, 18 July 2023, where Officers provided a management comment against each of the areas. Each quarterly report presented thereafter provides an update on each of these comments. **Attachment 1** summarises the progress of each area and the Officer's comments.

Contract Management – In Progress

Throughout the review, it was identified that there was no dedicated Contract Manager to oversee Contracts. Along with this, there were multiple procedures missing such as a Contract Management Framework, Contract Registers or Contract Performance Reviews.

It was recommended by AMD that a number of policies and procedures be introduced including; a Contract Management Framework, a more detailed and centralised Contracts Register, Contractor Performance Reviews and a system that notifies Officers when insurances are close to expiry for Shire Contractors. They also recommended designating one employee to oversee Contract Management.

Management Comment:

The Shire has completed the upload of all Contractors into the Altorra Database. The Altorra program captures all the Contractors insurances ensuring that they are compliant and will issue reminders when they are due to expire.

Internal Audit – On Hold.

The Shire does not have a formal documented internal audit program in place. AMD therefore recommended that an internal audit function be established incorporating an internal audit program which is re-assessed annually, in line with the Department of Local Government, Sport and Cultural Industries operational guidelines.

Management Comment:

There is no change to the previous comment made by Officers in relation to this action.

Statutory/Policy Environment

Local Government (Audit) Regulations 1996

- Regulation 17 – sets out the need for the Chief Executive Officer to review certain systems and procedures.

Shire of Harvey Policy 2.1.3 – Risk Management.

Strategic Framework

The Shire's Council Plan 2025–2035, states:

<i>Pillar 5 – Performance:</i>	A representative leadership that is future thinking, transparent and accountable.
<i>Objective 21:</i>	Continue to deliver proactive and responsible leadership and governance.

Community Engagement

Community Participation Goal

Inform: To provide the public with balanced and objective information to assist them in understanding the problems, alternatives and/or solutions.

This report is included in the ARIC Agenda document which is uploaded to the Shire's website for public viewing.

Promise to the Community

Inform: We will keep you informed.

The ARIC resolution will be included in the ARIC Meeting Minutes and the Council resolution will be included in the Ordinary Council Meeting Minutes, which are uploaded to the Shire's website for public viewing.

Risk Management

The Risk Theme Profile identified as part of this report is **Failure to fulfil Compliance Requirements**. The consequence could be **Compliance** if there was a failure to comply with legislative requirements. The Risk Consequence is considered to be **Minor** and the likelihood **Unlikely** resulting in a **Low** risk being present.

Budget Implications

Nil.

Authority/Discretion

Information Purposes: Includes items provided to Council for information purposes only, that do not require a decision of Council (i.e. for 'noting').

Voting Requirements

Simple Majority

Officer's Recommendation

That the Committee receives the Shire of Harvey Audit Regulation 17 Quarterly Report – Quarter Four 2025–2026 at **Attachment 1**.

Item No.:	8.2.
Subject:	Prosecution Report Quarter Four
Proponent:	Shire of Harvey
Location:	Shire of Harvey
Reporting Officer:	Manager Governance and Strategy
Authorising Officer:	Chief Executive Officer
File No.:	C082/00005
Attachments:	Confidential Attachment 1

Reason for Confidentiality

Pursuant to Section 5.23(4)(b) of the *Local Government Act 1995*, portions of this report contained within **Confidential Attachment 1** include information relating to the personal affairs of an individual.

Accordingly, the contents of **Confidential Attachment 1** are provided to the Committee on a confidential basis.

Should the Committee wish to discuss the information contained within the confidential attachment, Council will be required to resolve to close the meeting to members of the public in accordance with Section 5.23 of the *Local Government Act 1995*.

During the closed session, discussion is to be limited to the confidential information contained within the attachment and matters directly relating to the tender evaluation and recommendation.

Summary

The purpose of this report is to provide the Audit, Risk, and Improvement Committee (ARIC) with a quarterly overview of prosecution activity undertaken by the Shire of Harvey in the exercise of its statutory compliance and enforcement responsibilities. The report supports transparency and governance oversight while ensuring that sensitive operational and legally privileged information is managed appropriately.

A confidential Prosecutions Register is attached as **Confidential Attachment 1** to this report and provides detailed information on individual matters, including progress, court status, and enforcement outcomes.

Background

The Shire of Harvey has statutory responsibilities to administer and enforce a broad range of legislation in order to protect public health, safety, amenity, the environment, and orderly development. Compliance and enforcement activities are undertaken across multiple service areas, including planning, building, health, ranger services, and environmental management.

Enforcement tools available to the Shire range from education and advisory actions through to formal notices, infringements, and prosecution. Prosecution is regarded as a serious enforcement measure and is generally pursued where:

- There has been a failure to comply with statutory notices or directions
- The alleged offence is serious or ongoing
- Other enforcement mechanisms have been exhausted or are inappropriate
- It is in the public interest to commence legal proceedings.

All prosecutions are initiated and conducted in accordance with the relevant legislation and the Council's Delegations Register. Council delegates prosecutorial powers to the Chief Executive Officer, who may sub-delegate those powers to appropriately authorised officers in accordance with legislative requirements.

For each prosecution, the register records:

- The relevant delegation number
- The applicable legislative head of power
- The Business Unit responsible for approving the commencement of proceedings
- The date of prosecution where available.

This ensures that all enforcement action is properly authorised, legally valid, and auditable.

The Shire's prosecution process is structured to ensure procedural fairness, consistency, and legal defensibility. Prosecution matters recorded in the register typically progress through the following stages:

- Identification and Investigation: detection of alleged non-compliance and evidence gathering.
- Assessment and Decision-Making: consideration of evidence, legislative thresholds, public interest, and legal advice where appropriate.
- Authorisation: approval to prosecute in accordance with the Delegations Register.
- Commencement of Proceedings: filing of charges and engagement with the court process.
- Court Proceedings: hearings, adjournments, and determination of matters.
- Outcomes and Enforcement: recording of court outcomes, penalties imposed, and post-prosecution compliance actions.

Matters are monitored and reviewed to ensure they are progressed appropriately and remain proportionate to the circumstances.

Comment

During the reporting period, prosecutions were initiated and managed across multiple directorates and business units. Matters recorded in the register include offences relating to planning compliance, local laws, environmental matters, and other statutory obligations.

The Prosecutions Register captures, at a high level for Council to review:

- The nature of each alleged offence
- The responsible directorate and business unit
- The current status of proceedings
- Court jurisdiction and upcoming hearing dates (where applicable)
- External legal representation engaged by the Shire.

To protect legal privilege, personal information, and the integrity of ongoing proceedings, detailed information for individual matters is provided in a **Confidential Attachment 1**.

Statutory/Policy Environment

Local governments in Western Australia derive authority to prosecute offences from specific provisions within State legislation. The prosecutions recorded in the register are undertaken pursuant to legislation including, but not limited to:

- *Local Government Act 1995*
- *Planning and Development Act 2005*
- *Building Act 2011*
- *Health (Miscellaneous Provisions) Act 1911*
- *Food Act 2008*
- *Litter Act 1979*
- *Dog Act 1976 and Cat Act 2011*

Each matter within the Prosecutions Register identifies the relevant Head of Power under which the prosecution is commenced.

Strategic Framework

The Shire's Council Plan 2025–2035, states:

<i>Pillar 1 – People:</i>	A safe, accessible and connected community where everyone has the opportunity to contribute and belong.
<i>Objective 1:</i>	Create a community where people feel safe.
<i>Pillar 2 – Planet:</i>	A natural environment that is highly valued, protected and enjoyed.
<i>Objective 7:</i>	Manage and protect natural habitats and ecosystems.
<i>Pillar 5 – Performance:</i>	A representative leadership that is future thinking, transparent and accountable.
<i>Objective 21:</i>	Continue to deliver proactive and responsible leadership and governance.

Community Engagement

Community Participation Goal

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Promise to the Community

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Risk Management

The Risk Theme Profile identified for this report is **Failure to Fulfil Compliance Requirements**. A failure to appropriately undertake compliance and enforcement actions, including prosecutions where required, could result in non-compliance with legislative obligations. Based on current controls, governance arrangements, and authorised processes, the consequence of this risk is assessed as **Minor**, with the likelihood considered **Unlikely**, resulting in an overall **Low** risk rating. This risk is managed through adherence to statutory requirements, the Delegations Register, structured decision-making processes, and consideration of public interest, evidentiary thresholds, and proportionality when determining whether to commence or progress prosecutions.

Budget Implications

Compliance and enforcement activities, including prosecutions, are funded through a combination of operational budgets across relevant directorates and business units. These budgets support investigative work, authorised officer time, legal services, and court-related costs associated with progressing enforcement action.

Where prosecutions are commenced, the Shire may seek to recover eligible costs through the relevant court processes, including the imposition of fines, court-ordered costs, or other enforcement mechanisms as permitted under the applicable legislation. However, cost recovery outcomes are ultimately determined by the court and are not guaranteed.

Accordingly, there is an inherent financial risk that some prosecution-related costs may not be fully recovered. This risk is recognised and actively considered by Officers when determining whether to initiate or continue prosecution proceedings. Decisions to prosecute are informed by an assessment of the likelihood of success, proportionality, available evidence, and the public interest, and are not based solely on cost recovery considerations.

Authority/Discretion

Information Purposes: Includes items provided to Council for information purposes only, that do not require a decision of Council (i.e. - for 'noting').

Voting Requirements

Simple Majority

Officer's Recommendation

That the Committee notes the Prosecution Register Quarter Four Report as attached at **Confidential Attachment 1**.

Item No.:	8.3.
Subject:	Strategic Risk Register 2025–2026 Quarterly Report Quarter Four
Proponent:	Shire of Harvey
Location:	Shire of Harvey
Reporting Officer:	Council Planning and Reporting Officer
Authorising Officer:	Chief Executive Officer
File No.:	F/27/00017
Attachments:	1. Strategic Risk Quarterly Report Q4 [8.3.1 - 90 pages]

Summary

The Risk Management Framework refers to a quarterly reporting process to measure the progress of risk treatments for strategic risks. The Strategic Risk Register Quarterly Report assists the Audit, Risk, and Improvement Committee (ARIC) and Council to monitor the effectiveness of risk treatment actions undertaken. This Quarterly Report captures the period of 1 April 2026 to 30 June 2026.

The Strategic Risk Register 2025–2026 Quarterly Report, Quarter Four (refer **Attachment 1**) is presented to the Audit, Risk, and Improvement Committee to be received.

Background

Risk management is a key tool in the successful operation of modern-day organisations. The Shire of Harvey (the Shire) aims to implement an effective risk management system that identifies risks relating to its strategic and operational plans, mitigates risk through internal controls and ensures that legislative compliance requirements are continually met. Risk management should create value for the Shire and community and effectively manage business systems and processes to achieve an appropriate balance between realising opportunities for gain while minimising adverse impacts.

Integral to risk management is the Risk Management Framework which provides an overview and approach for the Shire in the design, identification, implementation, assessment, reporting and monitoring of risks for the continual improvement of risk management processes and procedures. A key component of the Risk Management Framework is the Risk Register which categorises risks as either strategic, operational or project.

Risk Summary – How the Risk Report Works

The Shire's Strategic Risk Report provides a consolidated view of the key risks that may impact the delivery of the Council Plan 2025–2035. The report aligns the Shire's strategic risks and themes with the five Council Plan Pillars; People, Planet, Place, Prosperity, and Performance, ensuring that risk management is embedded within strategic planning, service delivery, and performance monitoring. The Strategic Risk Report is produced quarterly to inform Council and the Executive of the current risk profile and progress against treatment.

Integration of Strategic Risks and Themes

Risk Themes are defined in accordance with the Shire's Risk Management Framework and the principles of AS ISO 31000:2018. Risk Themes represent the Shire's highest-level exposures, such as Business Continuity, Compliance, Work Health and Safety, and are directly mapped to the 23 key objectives of the Council Plan.

Each objective in the report is supported by these themes and provide a consistent structure for assessing and monitoring risks across all areas of the organisation, ensuring integration between strategic objectives and service delivery.

This approach ensures that risk management remains embedded within corporate planning, supports informed decision-making, and enables transparent reporting to Council on the effectiveness of current controls and treatments. Within the Risk Report an integrated report comment provides detailed information on the management of the Council Risk.

- Strategic Risk Scenario and Risk Theme: Identifying which risk themes relate to the Strategic Risk Theme.
- Mitigating Services: The Shire's service areas responsible for implementing controls and treatments to manage risk.
- Mitigating Service Outputs: Actions or deliverables undertaken to reduce likelihood or consequence.
- Quarterly Comment summarising performance, changes to risk levels, and recommendations for improvement (if any).
- Risk Ratings and Controls.

Each risk is assessed using a consistent methodology based on consequence and likelihood, producing a Base Risk Rating (before treatment) and a Residual Risk Rating (after treatment).

- **Low** and **Moderate** risks are acceptable with adequate controls and are managed through routine or specific procedures.
- **High** risks are acceptable with excellent controls and are managed by the Executive Leadership Team (ELT).
- **Extreme** risks are only acceptable with all treatments fully implemented and subject to continuous monitoring.

Control effectiveness is classified as:

- Excellent: exceeding what would reasonably be expected.
- Adequate: doing what would reasonably be expected.
- Inadequate: doing less than would reasonably be expected.

The ARIC is presented with a quarterly report on all strategic risks to ensure transparency, consistency, and accountability in the Shire's risk oversight process.

Comment

The Strategic Risk Register Quarterly Report is designed to provide information on the strategic risks and the progress towards completing risk treatments, ultimately aiming to achieve a residual risk that Council is willing to accept.

Each strategic risk is presented with a risk rating and commentary on progress of risk treatments for the quarter. Any matters requiring Council decision will be identified in this commentary section.

Quarter One Summary

Risk Rating	Description	Number	Percentage
Low	Risk is acceptable with adequate controls, managed by routine procedures.	8	35%
Moderate	Risk is acceptable with adequate controls, managed by specific procedures.	12	52%
High	Risk is acceptable with excellent controls, managed by Executive Leadership Team.	3	13%
Extreme	Risk is only acceptable with excellent controls and all treatment plans implemented.	0	0%
Total		23	100%

Of the 23 strategic risks:

- Eight have a Risk Rating of 'Low'.
- 12 have a Risk Rating of 'Medium'.
- Three have a Risk Rating of 'High'.
- There are no Risk Ratings of 'Extreme'.

As at Quarter Four 2025–2026, 22 strategic risks were assessed as having Adequate controls and are operating within the Shire's acceptable risk tolerance, indicating effective management in accordance with the Risk Management Framework and governance standards.

One risk is currently assessed as Inadequate:

Scenario 15 – Failure to ensure Shire facilities, buildings, gardens and grounds are fit for purpose and well maintained.

Statutory/Policy Environment

Council Policy 2.1.3 – Risk Management:

- This Policy documents the commitment and objectives regarding uncertainty that may impact the Shire's strategies, goals and objectives. It is the Council's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2018 Risk Management – Guidelines) in the management of all risks that may affect the Shire in meeting its objectives.

Strategic Framework

The Shire's Council Plan 2025–2035, states:

- Pillar 5 – Performance:* A representative leadership that is future thinking, transparent and accountable.
- Objective 21:* Continue to deliver proactive and responsible leadership and governance.

Community Engagement

Community Participation Goal

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Risk Management

The Strategic Risk Register as at **Attachment 1** identifies 23 strategic risks which have been rated in accordance with the Council's Risk Management Policy and Framework. Varying risk treatments have been developed to manage strategic risk and those treatments integrated with the Shire's strategic planning framework.

Budget Implications

Nil.

Authority/Discretion

Information Purposes: Includes items provided to Council for information purposes only, that do not require a decision of Council (i.e. - for 'noting').

Voting Requirements

Simple Majority

Officer's Recommendation

That the Committee receives the Strategic Risk Register 2025–2026 Quarterly Report, Quarter Four as attached as **Attachment 1**.

Item No.:	8.4.
Subject:	Work Health and Safety Report Quarter Four
Proponent:	Shire of Harvey
Location:	Shire of Harvey
Reporting Officer:	Manager Governance and Strategy
Authorising Officer:	Chief Executive Officer
File No.:	F/27/00001
Attachments:	1. WHS Q4 2025–2026 [8.4.1 - 17 pages]

Summary

The Workplace Health and Safety (WHS) Governance Report is provided quarterly to support Council and the Audit, Risk, and Improvement Committee in fulfilling their governance oversight responsibilities under the *Work Health and Safety Act 2020* (WA).

The report provides a high-level summary of system performance, compliance indicators and assurance ratings across key WHS functional areas. This Quarterly Report captures the period of 1 April 2026 to 30 June 2026 (Quarter Four). The Workplace Health and Safety Update Quarter Four 2025–2026 (refer **Attachment 1**) is presented to Committee to be received.

Background

The Shire of Harvey, as a Person Conducting a Business or Undertaking (PCBU), holds the primary duty of care for work health and safety under the *Work Health and Safety Act 2020* (WA). Officers of the PCBU are required to exercise due diligence to ensure appropriate systems, resources and processes are in place to manage health and safety risks.

Council's role is one of governance oversight, ensuring that strategic direction, resourcing and monitoring arrangements provide assurance that WHS obligations are being met.

The WHS Governance Report provides structured visibility of key assurance areas to support transparency, accountability and continuous improvement.

Comment

The Quarter Four WHS Governance Report provides assurance ratings across seven key performance areas. These ratings reflect the effectiveness of current controls and highlight areas requiring continued focus.

No assurance areas were assessed as “Unacceptable”.

Incident and Hazard Reporting has been identified as requiring corrective action to strengthen reporting consistency, investigation processes and corrective action monitoring.

Areas assessed as “Optimal” demonstrate effective control environments and compliance with legislative requirements. Areas assessed as “Partial” indicate functioning controls with identified opportunities for system strengthening and improvement.

The overall assurance position indicates that WHS systems are operating, with targeted improvement actions underway to enhance reporting consistency, consultation mechanisms and governance alignment.

Quarter Four Assurance Summary:

Key Performance Area	Assurance Status
Governance and Advisory Services	Partial
Incident and Hazard Reporting	Partial
Injury Management and Workers' Compensation	Partial
Health, Wellbeing and Support Programs	Partial
Drug and Alcohol Management	Partial
Training and Education	Optimal
Consultation and Worker Engagement	Partial

Statutory/Policy Environment

- *Work Health and Safety Act 2020 (WA)*
- *Work Health and Safety (General) Regulations 2022 (WA)*

Strategic Framework

The Shire's Council Plan 2025–2035, states:

Pillar 5 – Performance: A representative leadership that is future thinking, transparent and accountable.

Objective 21: Continue to deliver proactive and responsible leadership and governance.

Community Engagement**Community Participation Goal**

Inform: To provide the public with balanced and objective information to assist them in understanding the problems, alternatives and/or solutions.

This report provides balanced and objective information to assist Council and the community in understanding organisational WHS performance and assurance status.

Promise to the Community

Inform: We will keep you informed.

The Shire will keep the community informed through regular governance reporting and transparent disclosure of system performance.

Risk Management

Work Health and Safety remains a defined strategic risk theme within the Shire's Risk Management Framework. Quarterly reporting supports ongoing monitoring of control effectiveness and identification of emerging risks.

Budget Implications

Nil.

Authority/Discretion

Information Purposes: Includes items provided to Council for information purposes only, that do not require a decision of Council (i.e. for 'noting').

Voting Requirements

Simple Majority

Officer's Recommendation

That the Committee receives the Workplace Health and Safety Governance Report Quarter Four 2025–2026 as attached as **Attachment 1**.

9. Matters Behind Closed Doors

Nil.

10. Closure of Meeting