



SHIRE OF
MERREDIN
INNOVATING THE WHEATBELT

MINUTES

Audit, Risk and Improvement Committee Meeting

To be held in Council Chambers
Corner King & Barrack Street's, Merredin
Tuesday, 16 December 2025
Commencing 1:30pm



Common Acronyms Used in this Document	
ARIC	Audit, Risk and Improvement Committee
CEO	Chief Executive Officer
EMSC	Executive Manager Strategy and Community
EMIS	Executive Manager Infrastructure Services
EMCS	Executive Manager Corporate Services
EO	Executive Officer
GO	Governance Officer
MCS	Manager Corporate Services
SFO	Senior Finance Officer
CP	Council Plan 2025-2035
OAG	Office of the Auditor General

Shire of Merredin
Audit, Risk & Improvement Committee Meeting
1.30pm Tuesday 16 December 2025



1. Official Opening

The Interim Chair welcomed those in attendance and declared the meeting open at 1:32pm.

2. Record of Attendance / Apologies and Leave of Absence

Councillors:

Cr D Crook
Cr R Manning
Cr L O'Neill
Cr P Boehme

Shire President
Deputy Shire President (Interim Chair)

Staff:

C Watts
L Boehme
M Hussey

CEO
EMCS
EO

Members of the Public:

Apologies: C Brindley-Mullen

Approved Leave of Absence:

3. Election of Chair

As the previous Audit, Risk and Improvement Committee an Interim Chair was appointed until such time as all members were in attendance and a permanent chair could be elected. It is necessary to appoint a Permanent Chair until such time as an Independent Chair is required to be appointed via amendments to the Local Government Act 1995. Interim Chair of the meeting will hand to the Chief Executive Officer to conduct the election.

The Chief Executive Officer will call for nominations and undertake a ballot if more than one nomination is received.

Once completed, the CEO will hand the meeting over to the Permanent Chair.

Voting Requirements



Simple Majority



Absolute Majority

Resolution

Moved:

Cr Manning

Seconded: Cr O'Neill

00000 **That the Audit, Risk and Improvement Committee nominate Cr Crook to be Chair of the Committee to be endorsed at the December Ordinary Council Meeting.**

CARRIED 4/0

For: Cr Crook, Cr Manning, Cr O'Neill, Cr Boehme

Against: Nil

4. Public Question Time

Nil

5. Disclosure of Interest

Nil

6. Confirmation of Minutes of the Previous Meeting

6.1 Audit, Risk and Improvement Committee Meeting held on 25 November 2025
Attachment 6.1A

Voting Requirements



Simple Majority



Absolute Majority

Resolution

Moved: Cr Manning **Seconded:** Cr O'Neill

00000 **That the minutes of the Audit, Risk and Improvement Committee Meeting held on 25 November 2025 be confirmed as a true and accurate record of proceedings.**

CARRIED 4/0

For: Cr Boehme, Cr O'Neill, Cr Manning, Cr Crook

Against: Nil

7. Officer's Reports

7.1 Shire of Merredin Annual Report 2024/25

Corporate Services



Responsible Officer:	Leah Boehme, EMCS
Author:	As above
File Reference:	Nil
Disclosure of Interest:	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.
Attachments:	Attachment 7.1A – Annual Report for the Shire of Merredin 2024/25

Purpose of Report



Executive Decision



Legislative Requirement

For the Audit, Risk and Improvement Committee to consider the Shire of Merredin (the Shire) Annual Report 2024/25.

Background

Section 5.53 of the *Local Government Act 1995* (the Act) states:

- (1) The local government is to prepare an annual report for each financial year.

Section 5.54 of the Act states:

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.

Previously the adoption of the Annual Financials and the Annual Report has occurred simultaneously in December. Due to the audited financials being completed in November for the last two years, the Annual Report has been presented separately in December.

Comment

Local governments are required to adopt the Annual Report prior to 31 December each year and conduct an Annual Electors Meeting (AEM) no more than 56 days after adopting that report.

Considering the above legislative timeline, if the 2024/25 Annual Report is adopted at the 16 December 2025 Ordinary Council Meeting, the AEM must be held on or prior to Tuesday, 10 February 2025.

The date for the Annual Electors Meeting was set during the October 2025 Ordinary Council Meeting. It will be held on Tuesday 10 February 2026 at 6:00pm.

Consultation

Councillor/Officer Consultation

Executive staff have collaborated on the development of the Annual Report document. No Councillor consultation is required.

Community Consultation

No community consultation is required. The date and time of the Annual Electors Meeting will be advertised in late January/early February 2026.

Policy Implications

There are no policy implications.

Statutory Implications

As per the *Local Government Act 1995*.

Division 5 — Annual reports and planning

5.53. Annual reports

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
 - (a) a report from the mayor or president; and
 - (b) a report from the CEO; and
 - [(c), (d) deleted]*
 - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
 - (f) the financial report for the financial year; and
 - (g) such information as may be prescribed in relation to the payments made to employees; and
 - (h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
 - (ha) a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993*; and
 - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - (i) the number of complaints recorded in the register of complaints; and
 - (ii) how the recorded complaints were dealt with; and

- (iii) any other details that the regulations may require;
- and
- (i) such other information as may be prescribed.

[Section 5.53 amended: No. 44 of 1999 s. 28(3); No. 49 of 2004 s. 42(4) and (5); No. 1 of 2007 s. 6; No. 5 of 2017 s. 7(1).]

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.

** Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

[Section 5.54 amended: No. 49 of 2004 s. 49.]

5.55. Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.55A. Publication of annual reports

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

[Section 5.55A inserted: No. 5 of 2017 s. 8.]

Strategic Implications	
Ø	Council Plan 2025-2035
Theme:	4 Communication and Leadership
Strategic Objective:	4.2 Decision Making 4.5 Communication
Priorities Actions:	4.2.1 Support the Shire President and Councillors by working in partnership with the Executive to deliver leadership and oversight of the Shire, providing advice, information and guidance to support sound, informed decision making. 4.5.1 Deliver accurate, effective and timely information to internal and external stakeholders.

Sustainability Implications	
Ø	Strategic Resource Plan
There is no impact on capacity, resourcing or asset management to carry out the Officer's recommendation.	

Risk Implications

Council would be contravening the *Local Government Act 1995* if this Item was not considered by the Audit Committee and Council.

There is a compliance risk associated with this Item as the Shire would be contravening the *Local Government Act 1995* and *Local Government (Audit) Regulations 1996* if this Item was not presented to the Audit, Risk and Improvement Committee. The risk rating is considered to be moderate (6), which is determined by a likelihood of unlikely (2) and a consequence of moderate (3). This risk will be eliminated by the adoption of the Officer's Recommendation.

Financial Implications

The financial implications associated with adopting this are nil.

Voting Requirements



Simple Majority



Absolute Majority

Resolution

Moved:

Cr Boehme

Seconded:

Cr O'Neill

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That the Audit, Risk and Improvement Committee:

1. RECEIVE the Shire of Merredin Annual Report 2024/25, presented as Attachment 7.1A; and
2. RECOMMEND Council ADOPT the Shire of Merredin Annual Report 2024/25 (Attachment 7.1A), subject to design amendments, and AUTHORISE the CEO to approve any minor changes that may be required before the document is finalised for publishing.

CARRIED 4/0

For: Cr Crook, Cr Boehme, Cr O'Neill, Cr Manning

Against: Nil

7.2 CEO's Review of Risk Management, Internal Control and Legislative Compliance

Corporate Services



Responsible Officer:	Craig Watts, CEO
Author:	Leah Boehme, EMCS
File Reference:	Nil
Disclosure of Interest:	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.
Attachments:	Attachment 7.2A (Confidential) – CEO's Review of Risk Management, Internal Control and Legislative Compliance (Regulation 17 Review)

Purpose of Report



Executive Decision



Legislative Requirement

For the Audit, Risk and Improvement Committee to note the Chief Executive Officer's (CEO's) review of Risk Management, Internal Control and Legislative Compliance. Completion of this review is a legislative requirement and is monitored by the Compliance Audit Return.

Background

Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the CEO to review the appropriateness and effectiveness of the local government systems and procedures in relation to risk management, internal control and legislation compliance.

The review may relate to any or all of the matters referred to the sub-regulation (1) (a), (b) and (c), but each of those matters is to be the subject of a review at least once every three (3) financial years.

The CEO is to report to the Audit, Risk and Improvement Committee the results of that review.

Comment

The last Regulation 17 Review took place in 2022, with the Audit Committee being presented the report at its December meeting. As it has now been three years since the last review, a new review is required.

To assist with the review process, the Shire of Merredin has a Risk Management Framework which includes relevant procedures to be followed when assessing and managing risk. There is also a policy (Policy 3.24 – Risk Management), within the Shire of Merredin Policy Manual, which gives further direction. A review of this policy is being presented to Council at its Ordinary Council Meeting being held today.

The following statements outline the outcome of the Regulation 17 Review:

An internal review of the organisation through the Regulation 17 lens has been invaluable in understanding the current state and needs of the organisation. Annual reviews of the Shire of Merredin Risk Dashboard by the Executive Leadership Team has meant that these risks are regularly discussed and actions identified, with quarterly updated presented to the Audit, Risk and Improvement Committee.

The Shire of Merredin has developed an effective risk management system with a number of strategies in place to assist the Shire in managing potential risks. Currently, the Shire has a risk management model that includes a Risk Management Framework and Risk Management Policy, with controls being reviewed annually. This is an improvement from the previous review in 2022.

In the previous 12 months, various actions have been completed to monitor and manage risk across the organisation. These have included Audits, completion of the Compliance Audit Return (CAR), submission of required documents to the Department of Local Government, Industry Regulation and Safety (LGIRS) as well as a review of a number of policies and the Register of Delegated Authority. Quarterly Risk and Regulation Reviews have also been presented to the Audit Risk and Improvement Committee since 2023.

A Financial Management Review (FMR) was also completed since the last Regulation 17 review, outlining further items for improvement across the organisation. These actions were added to the Risk and Regulation Review document and have been reported on quarterly.

It has been highlighted that there has been an improvement in the timing of reviews of Shire documents, however there are still a number of Policy reviews outstanding.

The CEO's Review of Risk Management, Internal Control and Legislative Compliance (Regulation 17 Review) is attached as Attachment 6.2A.

Consultation

Councillor/ Officer Consultation

The Chief Executive Officer and Executive Manager Corporate Services completed this review. No Councillor consultation was required.

Community Consultation

No Community consultation was required.

Policy Implications

The following policy applies:

- 3.24 – Risk Management Policy

Statutory Implications

As outlined in the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and *Local Government (Audit) Regulations 1996*.

Strategic Implications

Ø Council Plan 2025-2035

Theme: 4 Communication and Leadership

Strategic Objective: 4.2 Provide accountable leadership, transparent decision making and good governance.
4.8 Financial Management

Priorities Actions: 4.2.1 Support the Shire President and Councillors by working in partnership with the Executive to deliver leadership and oversight of the Shire, providing advice, information and guidance to support sound, informed decision making.
4.8.1 Maintain strong fiscal and financial management of Council's budget

Sustainability Implications

Ø Strategic Resource Plan

There is no impact on capacity, resourcing or asset management to carry out the Officer's recommendation.

Risk Implications

There is a compliance risk associated with this item. The risk rating is considered to be moderate (6), which is determined by a likelihood of possible (3) and a consequence of minor (2). This risk will be eliminated by the adoption of the Officer's Recommendation.

Financial Implications

There are no financial implications associated with this report including within the Long-Term Financial Plan.

Voting Requirements



Simple Majority



Absolute Majority

Resolution

Moved:

Cr O'Neill

Seconded:

Cr Boehme

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That the Audit, Risk and Improvement Committee;

1. NOTE the CEO's Review of Risk Management, Internal Control and Legislative Compliance, as presented in Attachment 7.2A;
2. NOTE that action items from within the Review will be added to the Risk and Regulation Action Plan for quarterly review; and
3. RECOMMENDS Council ADOPT the CEO's Review of Risk Management, Internal Control and Legislative Compliance, as presented in Attachment 7.2A.

CARRIED 4/0

For: Cr Crook, Cr Boehme, Cr O'Neill, Cr Manning

Against: Nil

Closure

There being no further business, the Presiding Member thanked those in attendance and declared the meeting closed at 1:38pm.

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