



SHIRE OF
MERREDIN
INNOVATING THE WHEATBELT

AGENDA

Audit, Risk and Improvement Committee Meeting

To be held in Council Chambers
Corner King & Barrack Street's, Merredin
Tuesday, 27 May 2025
Commencing 1:30pm



Notice of Meeting



Dear President and Councillors,

The next meeting of the Audit, Risk and Improvement Committee of the Shire of Merredin will be held on Tuesday 27 May 2025 in the Council Chambers, Corner King & Barrack Streets, Merredin. The format will be:

1.30 pm Audit, Risk and Improvement Committee

Craig Watts
CHIEF EXECUTIVE OFFICER
22 May 2025

DISCLAIMER

PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:

Statements or decisions made at this meeting should not be relied or acted on by an applicant or any other person until they have received written notification from the Shire. Notice of all approvals, including planning and building approvals, will be given to applicants in writing. The Shire of Merredin expressly disclaims liability for any loss or damages suffered by a person who relies or acts on statements or decisions made at a Council or Committee meeting before receiving written notification from the Shire.

The advice and information contained herein is given by and to Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

Common Acronyms Used in this Document	
CEO	Chief Executive Officer
EMSC	Executive Manager Strategy and Community
EMDS	Executive Manager Development Services
EMES	Executive Manager Engineering Services
EMCS	Executive Manager Corporate Services
EO	Executive Officer
GO	Governance Officer
MCS	Manager Corporate Services
SFO	Senior Finance Officer
CBP	Corporate Business Plan
SCP	Strategic Community Plan
OAG	Office of the Auditor General

Shire of Merredin
Audit, Risk and Improvement Committee
Meeting
1.30pm Tuesday 27 May 2025



1. Official Opening

2. Record of Attendance / Apologies and Leave of Absence

Councillors:

Cr D Crook	President
Cr R Manning	Deputy President
Cr M McKenzie	Chair
Cr B Anderson	

Staff:

C Watts	CEO
L Boehme	EMCS
M Wyatt	EO
R Cahill	TO

Members of the Public:

Apologies:

Approved Leave of Absence:

3. Public Question Time

Members of the public are invited to present questions about matters affecting the Shire of Merredin and its residents.

4. Disclosure of Interest

5. Confirmation of Minutes of the Previous Meeting

5.1 Audit Committee Meeting held on 29 April 2025
Attachment 5.1A

Voting Requirements

☒ Simple Majority ☐ Absolute Majority

Officers Recommendation

That the minutes of the Audit Committee Meeting held on 29 April 2025 be confirmed as a true and accurate record of proceedings.

6. Officer's Reports

6.1 Risk Dashboard Update – May 2025

<div>Corporate Services</div> <div>SHIRE OF MERREDIN INNOVATING THE WHEATBELT</div>	
Responsible Officer:	Leah Boehme, EMCS
Author:	As above
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Attachment 6.1A - Shire of Merredin Risk Dashboard Report May 2025 (CONFIDENTIAL)

Purpose of Report

☐

Executive Decision



Legislative Requirement

The purpose of this report is to provide the Audit, Risk and Improvement Committee with an update on the Shire's risk management, due to a review of the Risk Management Dashboard being completed by the Executive Team.

Background

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

In December 2022, this review was completed and presented to the Audit Committee and Council. Part of that process included a review of the Shire's Risk Dashboard. Each year the dashboard is reviewed at an Executive level to ensure it remains current.

Comment

With a number of changes to the Executive Leadership Team in the previous twelve months, and a number of changes to the organisational structure occurring, it was considered pertinent to complete reviews each year.

A number of finalised actions have been removed, and a number of new items have been added. The updated Shire of Merredin Risk Dashboard Report for May 2025 can be found at Attachment 6.1A.

Policy Implications

Policy 3.24 – Risk Management applies.

Statutory Implications

Local Government (Audit) Regulations 1996

Strategic Implications

➤ Strategic Community Plan

Theme: 4. Communications and Leadership

Service Area Objective: 4.2 - Decision Making

4.2.3 – The Council is well informed in their decision-making, supported by a skilled administration team who are committed to providing timely, strategic information and advice

4.4.1 – The Shire is continuously working to maintain efficient communication, providing open, transparent and factual information, through a variety of channels

Priorities and Strategies
for Change: Nil

➤ Corporate Business Plan

Theme: 4. Communications and Leadership.

Priorities: Nil

Objectives Nil

Sustainability Implications

Ø Strategic Resource Plan

Nil

Risk Implications

There is a compliance risk associated with this Item as the Shire would be contravening the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if this Item was not presented to the Audit, Risk and Improvement Committee. The risk rating is considered to be Low (4), which is determined by a likelihood of Unlikely (2) and a consequence of Minor (2). This risk will be eliminated by the adoption of the Officer's Recommendation.

The Shire of Merredin Risk Management Framework includes relevant procedures to be followed when assessing and managing risk. The framework provides tools that monitor the Shire's risk profile on a quarterly basis. This framework has been reviewed and is also provided to the Audit, Risk and Improvement Committee today.

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation

That the Audit, Risk and Improvement Committee;

1. **NOTES** the review of the Risk Dashboard Report for May 2025, as presented in Attachment 6.1A.
2. **RECOMMENDS** that Council **NOTES** the review of the Risk Dashboard Report for May 2025, as presented in Attachment 6.1A; and
3. **RECOMMENDS** that Council **ENDORSES** the Risk Dashboard Report for May 2025, as presented in Attachment 6.1A.

6.2 Risk Management Framework – May 2025

Corporate Services



Responsible Officer:	Leah Boehme, EMCS
Author:	As above
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Attachment 6.2A – Shire of Merredin Risk Management Framework – May 2025

Purpose of Report



Executive Decision



Legislative Requirement

The purpose of this report is to provide the Audit, Risk and Improvement Committee with an updated Risk Management Framework for the Shire of Merredin.

Background

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

In December 2022, this review was completed and presented to the Audit Committee and Council. Part of that process included a review of the Shire's Risk Management Framework.

Comment

Due to a number of changes to the Executive Leadership Team and Senior Staff over the past 18 months, the Framework has been reviewed now to reflect these changes, rather than waiting until the end of the year.

The key changes are outlined below:

- Change from Executive Management Team to 'Executive Leadership Team' to match current terminology.
- Change of reference to Audit Committee to 'Audit, Risk and Improvement Committee' as per current Terms of Reference.
- Where 'Managers' listed – changed to Managers/ Supervisors/ Coordinators to ensure that all necessary staff are captured.

- Change of DCEO to 'Executive Manager Strategy & Community' and change of EMES to 'Executive Manager Infrastructure Services' (EMIS), as per current organisation structure. Engineering Services also updated to Infrastructure Services.
- Movement of the Occupation Health and Safety area from Development to Corporate Services (and change to Work Health and Safety as per current Act).
- Movement of Swimming Pool area from the Office of the CEO to Strategy and Community Services.
- Change of font from LT Aroma to Calibri – as per updated branding guidelines

Policy Implications

Policy 3.24 – Risk Management applies.

Statutory Implications

Local Government (Audit) Regulations 1996

Strategic Implications

➤ Strategic Community Plan

Theme:	4. Communications and Leadership
Service Area Objective:	4.2 - Decision Making
	4.2.3 – The Council is well informed in their decision-making, supported by a skilled administration team who are committed to providing timely, strategic information and advice
	4.4.1 – The Shire is continuously working to maintain efficient communication, providing open, transparent and factual information, through a variety of channels
Priorities and Strategies for Change:	Nil

➤ Corporate Business Plan

Theme:	4. Communications and Leadership.
Priorities:	Nil
Objectives	Nil

Sustainability Implications

Ø Strategic Resource Plan

Nil

Risk Implications

There is a compliance risk associated with this Item as the Shire would be contravening the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* if this Item was not presented to the Audit, Risk and Improvement Committee. The

risk rating is considered to be Low (4), which is determined by a likelihood of Unlikely (2) and a consequence of Minor (2). This risk will be eliminated by the adoption of the Officer’s Recommendation.

	Financial Implications
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Nil

	Voting Requirements
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Simple Majority



Absolute Majority

	Officers Recommendation
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That the Audit, Risk and Improvement Committee;

1. **NOTES** the review of the Shire of Merredin Risk Management Framework May 2025, as presented in Attachment 6.2A;
2. **RECOMMENDS** that Council **NOTES** the review of the Shire of Merredin Risk Management Framework May 2025, as presented in Attachment 6.2A; and
3. **RECOMMENDS** that Council **ENDORSES** the updated Shire of Merredin Risk Management Framework May 2025, as presented in Attachment 6.2A.

6.3 Risk and Regulation Action Plan May 2025

Corporate Services



Responsible Officer:	Leah Boehme, EMCS
Author:	As above
Legislation:	<i>Local Government (Audit) Regulations 1996</i>
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Attachment 6.3A – Risk and Regulation Action Plan May 2025

Purpose of Report



Executive Decision



Legislative Requirement

The purpose of this report is to provide the Audit Committee with an update on the Shire of Merredin's (the Shire) progress toward the actions highlighted during the 2023/24 Audit and the Shire's Financial Management Review (FMR), which was presented to the Audit Committee and Council in December 2023.

Actions relating to the Shire of Merredin Risk Dashboard are also incorporated in the document. It should be noted that a full review of the Risk Dashboard has been completed and the Risk and Regulation Action Plan has been amended to include the current information.

The Chief Executive Officer's review of the appropriateness and effectiveness of the financial management systems and procedures of the local government (Regulation 17 review) will occur prior to the end of the current calendar year.

Background

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* directs the Chief Executive Officer (CEO) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews. The FMR for the Shire was undertaken in the last quarter of 2023 and results were presented to the Audit Committee and Council. The previous FMR was completed in 2020.

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 Committee the results of that review and then provide updates on the progress toward identified actions on a regular basis.

The Shire undertook this review in December 2022 and all identified actions have now been closed out. The Shire will look to complete this review again prior to the end of 2025.

Comment

As with the previous action plan presented to Council, works toward the completion of the actions have been outlined throughout the document (Attachment 6.3A).

Policy Implications

Policy 3.24 – Risk Management applies.

Statutory Implications

Regulation 17 of the *Local Government (Audit) Regulations 1996* applies.

Strategic Implications

➤ Strategic Community Plan

Theme:	4. Communications and Leadership
Service Area Objective:	4.2 Decision Making. 4.2.3 The Council is well informed in their decision-making, supported by a skilled administration team who are committed to providing timely, strategic information and advice. 4.4.1 The Shire is continuously working to maintain efficient communication, providing open, transparent and factual information, through a variety of channels.
Priorities and Strategies for Change:	Nil

➤ Corporate Business Plan

Theme:	4. Communications and Leadership.
Priorities:	Nil
Objectives	Nil

Sustainability Implications

Ø Strategic Resource Plan

Nil

Risk Implications

There is a risk to the organisation if regulation and risk items are not regularly reviewed and presented to the Audit Committee. The rating is considered to be Moderate (6), which is determined by a likelihood of Possible (3) and a consequence of Minor (2).

By regularly reviewing the Shire's Risk and Regulation Action Plan, and providing updates to the Audit, Risk and Improvement Committee and Council, the risk to the organisation should decrease.

Financial Implications

Nil

Voting Requirements



Simple Majority



Absolute Majority

Officers Recommendation

That the Audit Committee;

1. **NOTES** the quarterly Risk and Regulation Action Plan for May 2025 as presented in Attachment 6.3A; and
2. **RECOMMENDS** that Council **NOTES** the Risk and Regulation Action Plan, as tabled to the Audit Committee.

7. Closure

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