



Shire of  
**CARNARVON**  
catch a *taste* of the great life



**SHIRE OF CARNARVON**  
**AGENDA**  
**AUDIT, RISK & IMPROVEMENT COMMITTEE**

17 February 2026

Shire Council Chambers,  
Stuart Street Carnarvon,  
West Australia  
Phone: (08) 9941 000  
Fax: (08) 9941 1099  
Website – [www.carnarvon.wa.gov.au](http://www.carnarvon.wa.gov.au)

*The Shire of Carnarvon acknowledges and respects the Yinggarda (Carnarvon) and Baiyungu (Coral Bay) as the traditional custodians of the lands where we live and work. We pay our respects to Elders, past, present and emerging. The Shire of Carnarvon is committed to honouring the traditional custodians' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.*

## NOTICE OF MEETING

Notice is hereby given

Shire of Carnarvon  
Audit and Risk Management Committee Meeting  
will be held  
on Tuesday 17 February 2026  
at the Shire Council Chambers, Stuart Street  
Carnarvon,  
commencing at 1.30pm.

Amanda Dexter  
**CHIEF EXECUTIVE OFFICER**

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#### DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Carnarvon for any act, omission or statement or intimation occurring during Council/Committee Meetings or during formal/informal conversations with Staff or Councillors. The Shire of Carnarvon disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee Meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Carnarvon during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Carnarvon. The Shire of Carnarvon warns that anyone who has an application lodged with the Shire of Carnarvon must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Carnarvon in respect of the application.

## TERMS OF REFERENCE

OCTOBER 2025

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### **Objectives of the Audit and Risk Committee**

The primary objective of the Audit and Risk Committee (the Committee) is to accept responsibility for the annual external audit and liaise with the Shire's auditor and CEO so that Council can be satisfied with the performance of the Shire of Carnarvon (the Shire) in managing its financial affairs and risk matters.

Reports from the Committee will assist Council in discharging its legislative responsibilities of controlling the Shire's affairs, determining the Shire's policies, overseeing the allocation of its finances and resources and mitigating risk where possible. The Committee will ensure openness in the Shire's financial reporting and will liaise with the CEO to ensure the efficient and effective management of the Shire's financial and accounting systems, risk management systems and compliance with legislation.

The Committee is to:

- facilitate the enhancement of the credibility and objectivity of internal and external financial reporting; effective management of financial and other risks and the protection of Council assets;
- oversee compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal controls, and legislative compliance;
- oversee the internal control functions in conjunction with the CEO;
- oversee the coordination of the internal audit (if required) and external audit and
- provide an effective means of communication between the external auditor, internal auditor, the CEO and Council.

### **Legislative Considerations**

The Committee has been established by Council according to Division 1A of the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*.

The Committee is a formally appointed committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility but does have delegated authority to meet with the external Auditor.

The Committee does not have any management functions and cannot involve itself in management processes or procedures.

### **Membership**

The Committee will consist of a minimum of five (5) members, including one independent person who will be the Chair of the Committee, plus four Elected Members of Council. All members shall have full voting rights.

Appointment of Elected Members will be reviewed biennially immediately following Local Government elections unless, by a decision of Council, an interim appointment is required.

Appointment of an Independent Chair shall be for a maximum of (2) two years endorsed by the Council following public advertisement, and recruitment. Council will take into consideration the recommendation of the Audit and Risk Committee regarding suitable candidates but will not be bound by any recommendation.

The term of the appointment of the Independent Chair should be arranged to ensure continuity of membership despite potential changes to the Council's elected representatives at each Local Government Election.

The Independent Chair will have advanced accounting, business, or financial management/reporting knowledge and experience and be conversant with the financial and other reporting requirements. The recruitment of the Independent Chair will be conducted by the Committee. The Committee will make a recommendation to Council for the appointment of the preferred candidate. Recommendations will take into consideration the candidate's work experience and their likely ability to apply appropriate analytical, strategic financial, and management skills.

The nature of independence regard to an Independent Chair is a person with no operating responsibilities or associations with the Shire. Associations refer to commitment and paid services to the Shire, directly or indirectly, for example, sporting clubs, regional committees, and participation on other Council committees. The exclusion does not include candidates who are associated only by virtue of being a ratepayer.

The Committee can seek advice from external sources when required.

The CEO and Deputy CEO or their nominees are to attend all meetings to provide advice and guidance to the Committee. Other Shire officers will attend where required. The CEO, Deputy CEO, and officers are not members of the Committee.

### **Meetings**

The Committee shall meet at least four times a year in accordance with a schedule adopted and published by the Council. The schedule will be developed to coincide with Council reporting deadlines. In addition, the Committee Chairperson (or presiding person) may call such additional meetings as may be necessary to address any matters referred to the Committee or in respect of matters that the Committee wishes to pursue.

In the setting of the Committee agenda, there will be an emphasis on the most significant risk and threats to Council and the ongoing evaluation of what is being done to mitigate such risks.

A quorum shall consist of at least three members.

As far as practicable, decisions of the Committee shall be regarded as its collective decision or advice. However, where there is material dissension to a decision, a minority view may be placed before Council.

### **Reporting**

Reports and recommendations of each Committee meeting shall be presented to the next Ordinary Meeting of the Council.

The Committee shall report annually to the Council summarising its activities during the previous financial year.

### **Duties and Responsibilities**

The duties and responsibilities of the Committee will be to:

- a) Provide guidance and assistance to Council as to the carrying out the functions of the local government in relation to audits and matters related to financial management;
- b) Meet with the auditor at least once each year and provide a report to Council on the matters discussed and the outcome of those discussions;

- c) Liaise with the CEO to ensure that the local government does everything in its power to
  - assist the auditor to conduct the audit and carry out his or her other duties under the Local Government Act 1995; and
  - ensure that audits are conducted successfully and expeditiously;
- d) Examine the reports of the auditor after receiving a report from the CEO on the matters to:
  - determine if any matters raised require action to be taken by the local government; and
  - ensure that appropriate action is taken in respect of those matters;
- e) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the auditor and present the report to the Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditors is received, whichever is the latest time;
- f) Review the appropriateness of any special internal audit assignments undertaken at the request of Council or CEO;
  - g) Review the level of resources allocated to internal audit and the scope of its authority;
- h) Review reports of internal audits, oversee the implementation of recommendations made by the audit, and review the extent to which Council and management react to matters raised;
  - i) Review the local government's draft annual financial report, focusing on:
    - accounting policies and practices;
    - changes to accounting policies and practices;
    - the process used in making significant accounting estimates;
    - significant adjustments to the financial report (if any) arising from the audit process;
    - compliance with accounting standards and other reporting requirements; and
    - significant variances from prior years;
- j) Consider and recommend the adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual financial report is signed;
- k) Review the annual Compliance Audit Return and report to Council the results of that review, and
  - l) Consider the CEO's reviews of the appropriateness and effectiveness of the Shire's systems and procedures in regard to risk management, internal control, and legislative compliance (Regulation 17 Review), required to be provided to the committee, and report to the Council.
- m) Review the Shires Risk Management framework, policies, and processes and their fitness for purpose including, IT provisions, Business continuity, and Internal controls.

#### **Code of Conduct and Ethical Practices**

Members of the Committee acknowledge that they are subject to the Shire of Carnarvon Code of Conduct for Elected Members, Committee Members and Candidates, and will in the discharge of their duties and responsibilities, exercise honesty, objectivity and probity and not engage knowingly in acts or activities that have the potential to bring discredit to Council.

#### **Expiry and Review**

The Committee will operate as per these Terms of Reference for two years at which time the Committee's functions and Terms of Reference will be reviewed unless, by decision of Council, the Terms of Reference are amended prior to the expiry.

## INFORMATION ON PUBLIC QUESTION TIME

The following information is provided should you wish to ask a question of Council at the Ordinary Meetings held on a monthly basis.

Please note that questions that have not been filled out on the Submission Form will not be accepted.

- The Local Government Act 1995 allows members of the public to ask questions in regard to any issue relating to the Shire.
- A maximum of 15 minutes will be allowed for public question time and the Presiding Member will allow a maximum of three (3) verbal/written questions per person.
- Prior to asking a question, the speaker must state his/her name and address.
- Members of the public are discouraged from asking questions which contain defamatory remarks, offensive language or questioning the competency of staff or Council members.
- The Presiding Member may nominate a member or officer to answer the question and may also determine that any complex questions requiring research be taken on notice and answered in writing.
- No debate or discussion is allowed to take place on any question or answer.
- A summary of each question asked and the response given will be included in the minutes of the meeting –

### *Local Government (Administration) Regulations 1996 – Pt 2, r.11 – (in part reads - )*

#### *11. Minutes, content of (Act s.5.25(1)(f))*

*The content of minutes of a meeting of a council or a committee is to include –*

*(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question.*

Responses to questions that are taken on notice will be responded to as soon as possible.

- If you wish to ask a question, please complete the Public Question Time Submission Form at the back of this information sheet. Alternatively, questions can be submitted in writing to the Shire of Carnarvon 3 days prior to the meeting.

## SPECIAL MEETINGS OF COUNCIL

Members of the public are welcome to attend a Special Meeting of Council if open, and ask questions of the Council within the allotted public question time *subject to the questions being asked only relating to the purpose of the Special Meeting (s5.23 of the Act and regulation 12 (4) of the Local Government (Administration) Regulations 1996, the Department of Local Government and Communities Guide to Meetings and Governance Bulleting April 2014 and Guideline No. 3 Managing Public Question Time.)*

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## **1 ATTENDANCE AND APOLOGIES**

(The Local Government Act 1995 Section 2.25 provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. The leave cannot be granted retrospectively and an apology for non-attendance at a meeting is not an application for leave of absence.)

## **2 PUBLIC QUESTION TIME**

(In accordance with Section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them. All questions are to be provided on the Public Question Time Submission Form.)

## **3 DECLARATIONS OF INTEREST**

(Elected Members and Officers are reminded of the requirements of Section 5.65 of the Local Government Act 1995, to disclose any interest during the meeting or when the matter is to be discussed.)

## **4 CONFIRMATION OF MINUTES**

4.1 Minutes of the Audit and Risk Management Committee Meeting - 16 December 2025

## 5 REPORTS

### 5.1 GOVERNANCE AND COMPLIANCE - RECORDKEEPING PLAN RKP 2025020

File No:	ADM0053
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	Shire of Carnarvon
Author(s):	Caroline Ballard, Governance & Information Coordinator Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	1. Amended Recordkeeping Plan (RKP) 2025020 2. Approval RKP 2025020

#### Authority/Discretion:

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
- Legislative** Includes adopting local laws, town planning schemes and policies.
- Information** Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
- Quasi-judicial** When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

#### Summary of Report

This report provides an update on the Shire of Carnarvon's (the Shire) Recordkeeping Plan (**Schedule1**) which was amended in July 2025, in line with *State Records Act 2000*.

#### Background

This report outlines the actions undertaken by the Shire to maintain legislative compliance in accordance with Section 28(5) of the *State Records Act 2000* (the Act). The Act requires that no more than 5 years must elapse between approval of a government organisation's Recordkeeping Plan and a review of it. The Shire last reviewed its Recordkeeping Plan (RKP) in March 2020, which was endorsed by the State Records Commission on 6 August 2020, the next review was then due prior to 6 August 2025.

The initial review of the Shire's RKP 2020 showed that business information was now being held in three new software systems (HR Partner, Cooee and AVCRM). This was deemed a more complex change to the Shire's record keeping practices that would require an *Amended RKP*. The new systems impacted sections of the *Act* under *Principle 2* for listing business information systems (BIS), *Principle 4: Preservation* (particularly sections covering data storage and back-ups), and requirements under SRC Standard 6 (Appendix 1 and Section 7 of the RKP).

As part of this review the Records Management Policy was also reviewed and amended (OCM June 2025) to give further clarity and direction to staff, contractors and Elected members, ensuring they act in accordance with the Act and its associated Standards.

### **Stakeholder and Public Consultation**

State Records Office

### **Statutory Environment**

#### *STATE RECORDS ACT 2000 - 16. Content of plans*

(1) *A record keeping plan in respect of a government organisation is a record setting out —*  
(a) *the matters about which records are to be created by the organisation; and*  
(b) *how the organisation is to keep its government records.*

(2) *A government organisation's record keeping plan must —*  
(a) *comply with principles and standards established by the Commission under section 61; and*  
(b) *ensure that the government records kept by the organisation properly and adequately record the performance of the organisation's functions; and*  
(c) *be consistent with any written law to which the organisation is subject when performing its functions.*

(3) *Without limiting subsection (1), a record keeping plan must set out —*  
(a) *those government records that will be State archives; and*  
(b) *those State archives that will be restricted access archives and the ages at which they will cease to be restricted access archives; and*  
(c) *the retention period for those government records that are not State archives; and*  
(d) *the systems to ensure the security of government records and compliance with the record keeping plan.*

#### *STATE RECORDS ACT 2000 – SECT 19. Government organisations to have plans*

*Every government organisation must have a record keeping plan that has been approved by the Commission under [section 23](#).*

#### *STATE RECORDS ACT 2000 - SECT 28*

##### *28 . Review of plans*

(1) *A government organisation may review its record keeping plan at any time.*

(2) *A government organisation must review its record keeping plan whenever there is any significant change to the organisation's functions.*

(3) *The Commission may require a government organisation, other than a Schedule 3 organisation, to review its record keeping plan.*

(4) *The relevant Minister may require a Schedule 3 organisation to review its record keeping plan.*

(5) *Not more than 5 years is to elapse between the approval of a government organisation's record keeping plan and a review of it or between one review and another.*

(6) *When a government organisation, other than the Commission or a Schedule 3 organisation, has reviewed its record keeping plan it must submit a report of the review to the Commission.*

(7) *When a Schedule 3 organisation has reviewed its record keeping plan it must submit a report of the review to its relevant Minister.*

### **Relevant Plans and Policy**

EME009 – Records Management Policy

### **Financial Implications**

Nil

## Risk Assessment

Consequence	STEP 3 – Risk Tolerance Chart Used to Determine Risk				
	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood	A	High	High	Extreme	Extreme
Almost certain	B	Moderate	High	High	Extreme
Likely	C	Low	Moderate	High	Extreme
Possible	D	Low	Low	Moderate	High
Unlikely	E	Low	Low	Moderate	High
Rare					High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	Non-compliance with Legislation	C2-Moderate	Continue to build and monitor internal procedures and to train/manage staff on the importance of recordkeeping
Service disruption	N/A	N/A	N/A
Compliance	Non-compliance with Legislation	C-2-Moderate	Continue to build and monitor internal procedures and to train/manage staff on the importance of legislative compliance
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

## Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

### OBJECTIVES

In 2040 Carnarvon is a place where:

- N/A

### ADDITIONAL FOCUS AREAS:

- N/A

### BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

## Comments

This review of the Shire's RKP reflects the important role of recordkeeping and demonstrates best practice for the organisation. The RKP and its appendices provide guidance to staff, contractors and Elected Members regarding the handling, storage, access and destruction of corporate records.

The RKP and appendices include guidance on:

- Creation, capture and control of Records – to provide evidence of all business transactions;
- Security and Protection of Records – to ensure all the Shire's information is maintained securely;
- Access to Records – access to information according to roles and responsibilities; and
- Training and Education – to outline training provided in recordkeeping practices.

These documents allow the Shire to continue to effectively manage all necessary business information received and generated during the course of its operations.

The amended RKP 2025020 was received and approved by the State Records Commission (the Commission) at their meeting of 25 November 2025 (**schedule2**). The Commission noted that the Plan included the Shire's ongoing review and update of contractor record keeping responsibilities and practices (Standard 6 Outsourcing).

**OFFICER'S RECOMMENDATION**

***That the Audit and Risk Improvement Committee***

- 1. Recommends that Council note the Shire of Carnarvon Recordkeeping Plan – November 2025 report; and***
- 2. Confirms that the Committee is satisfied that appropriate systems and controls are in place to support compliant and effective recordkeeping practices.***

## **5.2 COMPLIANCE REPORTS - COUNCILLOR MEETING ATTENDANCE**

File No:	ADM1737
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Jasper Benthien, Executive Services Coordinator
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	1. Councillor Meeting Attendance Register - July 2025 to January 2026

### **Authority/Discretion:**

<input type="checkbox"/>	<b>Advocacy</b>	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input type="checkbox"/>	<b>Executive</b>	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
<input type="checkbox"/>	<b>Legislative</b>	Includes adopting local laws, town planning schemes and policies.
<input checked="" type="checkbox"/>	<b>Information</b>	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	<b>Quasi-judicial</b>	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

### **Summary of Report**

This report provides the Audit and Risk Improvement Committee with the Councillor Meeting Attendance Register for the period July 2025 to January 2026 (Schedule 1).

The report supports oversight of compliance with:

- Section 2.25 of the Local Government Act 1995 (attendance and disqualification provisions); and
- Regulation 14D of the Local Government (Administration) Regulations 1996 (electronic meeting attendance requirements and 50% cap provisions).

The purpose of this report is to provide assurance that Councillor attendance — including electronic participation — is being monitored in accordance with statutory requirements.

## Background

Section 2.25 of the Local Government Act 1995 establishes the framework for:

- Leave of absence
- Disqualification for non-attendance
- Recording of leave decisions in minutes

A Councillor who is absent without leave for three consecutive ordinary meetings (subject to statutory time thresholds) is disqualified from office.

Regulation 14D of the Local Government (Administration) Regulations 1996 provides the framework for:

- Meetings conducted entirely by electronic means
- Electronic attendance at in-person meetings
- The 50% cap within a rolling 12-month period
- Confidentiality declarations during closed sessions

The Shire monitors these requirements to ensure:

- Legislative compliance
- Proper authorisation processes
- Maintenance of confidentiality obligations
- Transparency and evidentiary record-keeping

## Stakeholder and Public Consultation

Internal consultation has been undertaken with relevant areas to collate information.

## Statutory Environment

### *Local Government Act Section 2.25*

#### *2.25. Disqualification for failure to attend meetings*

*(1) A council may, by resolution, grant leave of absence, to a member.*

*(2) Leave is not to be granted to a member in respect of more than 6 consecutive ordinary meetings of the council without the approval of the Minister, unless all of the meetings are within a period of 3 months.*

*(3A) Leave is not to be granted in respect of —*

*(a) a meeting that has concluded; or*

*(b) the part of a meeting before the granting of leave.*

*(3) The granting of the leave, or refusal to grant the leave and reasons for that refusal, is to be recorded in the minutes of the meeting.*

*(4) A member who is absent, without obtaining leave of the council, throughout 3 consecutive ordinary meetings of the council is disqualified from continuing his or her membership of the council, unless all of the meetings are within a 2 month period.*

*(5A) If a council holds 3 or more ordinary meetings within a 2 month period, and a member is absent without leave throughout each of those meetings, the member is disqualified if he or she is absent without leave throughout the ordinary meeting of the council immediately following the end of that period.*

*(5) The non-attendance of a member at the time and place appointed for an ordinary meeting of the council does not constitute absence from an ordinary meeting of the council —*

*(a) if no meeting of the council at which a quorum is present is actually held on that day; or*

*(b) if the non-attendance occurs —*

*(i) while the member has ceased to act as a member after written notice has been given to the member under section 2.27(3) and before written notice has been given to the member under section 2.27(5); or*

*(ii) while proceedings in connection with the disqualification of the member have been commenced and are pending; or*

*(iii) while the member is suspended under section 5.117(1)(a)(iv) or Part 8; or*

*(iv) while the election of the member is disputed and proceedings relating to the disputed election have been commenced and are pending.*

*(6) A member who before the commencement of the Local Government Amendment Act 2009 section 5 was granted leave during an ordinary meeting of the council from which the member was absent is to be taken to have first obtained leave for the remainder of that meeting.*

*[Section 2.25 amended: No. 49 of 2004 s. 19(1); No. 17 of 2009 s. 5; No. 31 of 2018 s. 5.]*

## **Local Government Act 1995 – Local Government (Administration) – Amendment Regulations 2022**

Regulation 7 inserts additional provisions for meetings that are conducted entirely by electronic means under regulation 14D. Regulation 14D provides for a meeting of council or committee to be conducted by electronic means outside of a declared state of emergency. Regulation 14D(1) defines a relevant period in relation to the backward-looking test used to calculate how many electronic meetings a local government has conducted over the previous 12 months relative to the proposed meeting, and the 50% cap provided by regulation 14D(2A). Subsection 14D(2)(a)(ii) is amended to require the mayor, president or council to consider the requirements under subregulation 14D(2B) in deciding whether to conduct an electronic meeting.

Regulation 14D(2B) requires the local government to consider the suitability of a person's location and their equipment with respect to effective communication and confidential matters during a meeting. Regulation 14D(2A) applies the 50% cap to the number of electronic meetings that a local government (council) may authorise outside of an emergency situation under subregulation (2)(c) over a 12-month period. The backward-looking test used to determine how many meetings have already been held by electronic means in the preceding 12 months applies in the same way it does for electronic attendance at in-person meetings.

Regulation 14D(2B) inserts the criteria that the authorising authority (the mayor, president or council) are required to consider before deciding to hold an electronic meeting. The authorising authority is required to consider each council or committee member's ability to maintain confidentiality during closed parts of the meeting and the suitability of each person's intended location and equipment to enable effective engagement in council deliberations. The authorising authority must have regard to these matters when deciding to hold and authorise electronic meetings. Electronic meetings held outside of emergency circumstances under subregulation 2(c) may only be approved by council.

Subregulations 14D(5)(a) and (b) insert subsections (6) to (8) that apply to closed parts of electronic meetings. Subsection (6) requires each member in attendance to make a declaration that they can maintain confidentiality during the closed part of the meeting. Subsection (7) requires that if a member makes a confidentiality declaration but is unable to maintain confidentiality subsequent to the declaration, they are

required to leave prior to the closed part of the meeting. Subsection (8) requires a member's declaration to be recorded in the meeting minutes

### Relevant Plans and Policy

EME0365 – Elected Members Electronic Attendance at Meetings

### Financial Implications

Nil

### Risk Assessment

Failure to properly monitor Councillor attendance, leave approvals and electronic participation limits may expose the Shire to statutory breach, disqualification events and reputational risk. Structured reporting to ARIC ensures compliance is actively monitored and defensible.

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5	
Likelihood						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A		
Health & Safety	N/A		
Reputation	Public confidence may be impacted if attendance obligations are not met	C2 Moderate	Transparent reporting and formal statutory oversight
Service disruption	N/A		
Compliance	Failure to comply with attendance requirements could result in disqualification or regulatory scrutiny	C2 Moderate	Bi-monthly reporting to ARIC; centralised attendance register; formal leave recording; monitoring of 50% electronic cap
Property	N/A		
Environment	N/A		
Fraud	N/A		

### Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

**OBJECTIVES**

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

- *N/A*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

**Comments**

Regular reporting of Councillor attendance strengthens governance transparency and reinforces compliance with statutory attendance and electronic meeting provisions. The monitoring framework ensures early identification of potential non-compliance and protects both the integrity of Council decisions and individual member standing.

For the reporting period:

- Attendance records have been maintained in accordance with legislative requirements.
- Electronic attendance approvals have been assessed against Regulation 14D criteria.
- The 50% cap provisions have been monitored.
- No disqualification triggers have arisen.
- No compliance concerns have been identified.

**OFFICER'S RECOMMENDATION**

That the Audit and Risk Improvement Committee:

1. **Receives** the Councillor Meeting Attendance Register for the period July 2025 to January 2026 (Schedule 1); and
2. **Provides** assurance to Council that Councillor attendance and electronic participation requirements are being monitored in accordance with legislative obligations.

### **5.3 POLICY REVIEW**

File No:	ADM0124
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	
Previous Report:	
Schedules:	1. Policy Review Matrix

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#### **Authority/Discretion:**

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
- Legislative** Includes adopting local laws, town planning schemes and policies.
- Information** Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
- Quasi-judicial** When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

#### **Summary of Report**

To update Council on the status of the ongoing Policy Review Program delivered through a structured and proactive work plan and to reaffirm the governance framework that ensures Council policies remain current, compliant with legislation, operationally aligned, and consistent with best-practice standards in local government.

#### **Background**

The Shire last undertook a comprehensive review of its policy framework in June 2024. Since that time, a number of legislative amendments, regulatory updates, audit observations, and internal operational refinements have occurred. These changes create potential compliance, operational and reputational risks if not appropriately reflected within Council's policy settings.

In response, a structured Policy Review Program is currently underway to ensure policies remain contemporary, compliant with applicable legislation, aligned with current operational practice, and consistent with best-practice local government governance standards. The review is being conducted in a staged and risk-prioritised manner, with higher-risk and legislatively sensitive policies addressed first. Each

policy is subject to governance review, version control, and documented assessment prior to being presented to Council for determination.

This report is provided for information to advise Council of progress to date and to provide assurance to the Audit & Risk Improvement Committee that a systematic and risk-based approach is being applied to strengthen policy integrity, reduce compliance exposure, and support continuous governance improvement.

### Stakeholder and Public Consultation

No public consultation has been undertaken, as the policy review is an internal governance process. Internal consultation is occurring with relevant officers to assess operational applicability and legislative compliance.

External consultation has been undertaken with the Governance Team at WALGA, Industry Specialists and the Department of Local Government to ensure the review approach aligns with contemporary local government governance standards, legislative requirements, and sector best practice.

### Statutory Environment

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Relevant subsidiary legislation and regulatory guidance

Governance best practice guidance issued by sector bodies

### Relevant Plans and Policy

Council Policy Framework

Risk Management Framework

Integrated Planning and Reporting Framework

### Financial Implications

There are no direct financial implications arising from this report. Any future financial impacts associated with individual policy amendments will be identified and reported to Council at the time those policies are presented for consideration.

### Risk Assessment

		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
Consequence	→	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Risk that outdated or misaligned policies may result in inappropriate expenditure, contractual	Moderate	Structured, staged policy review program; legislative compliance checks; alignment with financial delegations and internal controls; Council oversight prior to adoption.

	exposure, or inefficient resource allocation		
Health & Safety	Risk that unclear or outdated governance direction may create ambiguity in accountability or decision-making responsibilities.	Low	Clarification of policy intent and governance boundaries; alignment with current WHS obligations and operational procedures; executive review prior to Council consideration.
Reputation	Risk of diminished community confidence or stakeholder trust arising from outdated, inconsistent or non-compliant policies.	Moderate	Transparent review process; risk-based prioritisation of high-impact policies; formal Council endorsement; alignment with best-practice governance standards.
Service disruption	Risk of operational inefficiencies, inconsistent service delivery, or decision delays due to unclear or outdated policy direction.	Moderate	Legislative review; policy simplification and consolidation where appropriate; clear implementation guidance; governance oversight through Executive and ARIC reporting.
Compliance	Risk of non-compliance with statutory obligations, regulatory standards or audit expectations.	Moderate	Systematic legislative review; version control and documentation management; scheduled review cycles; monitoring through governance and compliance systems.
Property	N/A		
Environment	N/A		
Fraud	Risk that outdated or unclear policy controls may weaken segregation of duties, delegations or financial oversight mechanisms.	Moderate	Strengthened policy framework; alignment with internal control systems; periodic review of delegations and financial authorities; Audit & Risk oversight.

## Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

### OBJECTIVES

In 2040 Carnarvon is a place where:

#### ADDITIONAL FOCUS AREAS:

- *Monitor the implementation of our Community Strategic Plan*

#### BIG IDEAS FOR THE FUTURE OF CARNARVON:

## Comments

The Policy Review Program is being implemented through a structured, staged, and risk-informed process, with policies reviewed individually rather than as a single combined package. This approach has been deliberately chosen to strengthen governance oversight and support informed decision-making.

The stepped process provides:

- A clear and deliberate focus by Councillors on each policy.
- Sufficient time for questions, clarification, and governance scrutiny.
- Reduced decision fatigue and prevention of concentrated policy risk within a single meeting cycle.
- Effective workload management, ensuring each policy receives a consistent legislative, operational, and governance assessment before presentation.

Policies are only submitted to Council for determination once the full review process is completed, including internal consultation, external Consultation when appropriate, legislative compliance checks, alignment with operational practice, and necessary governance oversight.

This ensures Council's attention remains on strategic intent, risk considerations, and policy outcomes, rather than administrative drafting.

The staged methodology supports sound governance by balancing timeliness with quality assurance, internal control strength, and organisational capacity. It minimises the likelihood of oversight gaps and reinforces the Shire's overall control environment.

To enhance transparency and monitoring, the Policy Review Register uses colour-coding to indicate required review frequencies—annual, biennial, or triennial—based on statutory requirements, regulatory expectations, and best-practice standards. This improves compliance tracking and aids Executive and ARIC oversight.

The Annual Policies schedule will be presented at the March Council Workshop to maintain alignment with legislative obligations, governance standards, and operational priorities.

## OFFICER'S RECOMMENDATION

***That the Audit & Risk Improvement Committee recommends that Council:***

1. Notes the Policy Review Program currently underway, including the structured and risk-based methodology being applied to strengthen the Shire's internal control environment, ensure legislative and regulatory compliance, and support continuous governance improvement; and

2. Notes that policies will be presented to Council progressively using a staged approach designed to enhance governance oversight, reduce compliance risk exposure, maintain regulatory assurance, and support informed and effective decision-making while managing organisational capacity.

## **5.4 GOVERNANCE AND COMPLIANCE - INTERNAL CONTROLS**

File No:	ADM0011
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	Shire of Carnarvon
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	ARIC 16.12.2025
Schedules:	1. Compliance Calendar Internal Controls (Dec 2025 - Jan 2026)

### **Authority/Discretion:**

<input type="checkbox"/>	<b>Advocacy</b>	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input type="checkbox"/>	<b>Executive</b>	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
<input type="checkbox"/>	<b>Legislative</b>	Includes adopting local laws, town planning schemes and policies.
<input checked="" type="checkbox"/>	<b>Information</b>	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	<b>Quasi-judicial</b>	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

### **Summary of Report**

This report provides an update to the Audit and Risk Improvement Committee on the Shire's internal control framework and compliance monitoring for January 2026 (Schedule 1), in accordance with Regulation 16 of the Local Government (Audit) Regulations 1996.

The report supports the Committee's oversight responsibilities in relation to legislative compliance, internal controls and governance assurance.

### **Background**

Regulation 16 of the Local Government (Audit) Regulations 1996, outlines the functions of Audit Committee. At its meeting of 28 November 2023, Council confirmed that the Audit & Risk Improvement Committee (ARIC) is responsible for:

- Oversight of compliance with legislation and regulatory obligations
- Oversight of risk management and internal control systems
- Monitoring governance frameworks and audit processes
- Supporting the CEO in strengthening internal assurance mechanisms

Internal control effectiveness remains a key governance focus across WA local government. A structured compliance monitoring framework reduces exposure to regulatory breach, audit findings, reputational risk and service disruption.

Internal audit and compliance monitoring deliver the following governance benefits:

- Improved organisational performance and accountability
- Reduced person-dependency through system-based controls
- Early identification of compliance gaps
- Strengthened evidentiary basis for external audit and Compliance Audit Return (CAR)
- Increased transparency and governance assurance

### **Compliance Monitoring Framework**

The Shire utilises ATTAIN compliance software as its central statutory monitoring system.

The Compliance Calendar:

- Identifies legislated and high-risk operational obligations
- Allocates responsibility for completion
- Schedules due dates
- Provides oversight of status and completion
- Maintains evidence records for audit verification

This system forms the primary governance control for managing cyclical statutory obligations, including:

- Legislative reporting requirements
- Annual returns and regulatory lodgements
- Policy review timeframes
- Governance and risk reporting
- Operational compliance functions

Records maintained within ATTAIN provide the evidentiary foundation for preparation of the annual Compliance Audit Return (CAR).

### **Stakeholder and Public Consultation**

Nil

### **Statutory Environment**

#### *Local Government Act 1995 – Section 2.7 (Role of Council)*

*This section sets out the role of council as the governing body responsible for the performance of the local government's functions. It confirms Council's responsibilities for strategic planning, policy setting, determining services and facilities, allocating resources, and appointing and reviewing the CEO. It also requires Council to make evidence based and lawful decisions, respect the separation between governance and administration, and foster a respectful organisational culture.*

#### *Local Government Act 1995 – Section 5.41 (Functions of CEO)*

*This section defines the role of the CEO as the head of the local government's administration, responsible for managing day-to-day operations, implementing Council decisions, and overseeing service delivery. The CEO is tasked with establishing administrative systems and procedures, managing employees, maintaining records and providing timely and informed advice to Council to support decision making.*

#### *Local Government Act 1995 – Section 7.1A (Audit Committee)*

*This section requires the establishment of an Audit Committee with at least three members, the majority being Council members. It specifies that the CEO and employees cannot be members or representatives on the Committee. The Audit Committee is to carry out the functions and responsibilities prescribed under the Act in relation to audit, risk and governance oversight.*

**Relevant Plans and Policy**

Nil

**Financial Implications**

Nil

**Risk Assessment**

Consequence	STEP 3 – Risk Tolerance Chart Used to Determine Risk				
	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
Likelihood	A	High	High	Extreme	Extreme
Almost certain	A	High	High	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme
Possible	C	Low	Moderate	High	Extreme
Unlikely	D	Low	Low	Moderate	High
Rare	E	Low	Low	Moderate	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	Adverse media and lack of community confidence	C2-Moderate	Continue to build and monitor internal procedures and to train/manage staff on the importance of legislative compliance
Service disruption	N/A	N/A	N/A
Compliance	Non-compliance with Legislation	C-2-Moderate	Continue to build and monitor internal procedures and to train/manage staff on the importance of legislative compliance
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	N/A	N/A	N/A

**Community and Strategic Objectives**

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

**OBJECTIVES**

In 2040 Carnarvon is a place where:

- N/A

**ADDITIONAL FOCUS AREAS:**

- N/A

**BIG IDEAS FOR THE FUTURE OF CARNARVON:**

- N/A

**Comments**

Failure to maintain effective compliance controls exposes the Shire to regulatory breach, audit findings, reputational damage and potential service disruption. The structured use of ATTAIN and ARIC oversight

materially reduces this risk through documented monitoring, assigned accountability and timely remediation of issues.

This report demonstrates active management of statutory obligations and reinforces the Shire's commitment to system-based compliance rather than person-dependent processes. Regular ARIC oversight strengthens governance maturity, supports clean audit outcomes and enhances organisational resilience.

**OFFICER'S RECOMMENDATION**

***That the Audit and Risk Improvement Committee:***

1. **Recommends** that Council note the Shire of Carnarvon Internal Controls – January 2026 report (Schedule 1); and
2. **Confirms** that the Committee is satisfied that appropriate compliance monitoring and internal control mechanisms are in place to support legislative and governance obligations.

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## **5.5 STRATEGIC RISK REGISTER REVIEW**

File No:	N/A
Location/Address:	Shire of Carnarvon
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Racheal King, Corporate Assurance and Finance Advisor
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	
Previous Report:	ARIC 5.7 Strategic Risk Register Review 16 December 2025
Schedules:	<ol style="list-style-type: none"> <li>1. Strategic Risk Register 2025-26 Audit 2023</li> <li>2. Strategic Risk Register 2025-26 Audit 2024</li> <li>3. Strategic Risk Register 2025-26 Audit 2025</li> <li>4. Strategic Risk Register 2025-26 Regulation 5 -2023</li> <li>5. Strategic Risk Register 2025-26 Financial Department Review LG</li> </ol>

### **Authority/Discretion:**

<input type="checkbox"/>	<b>Advocacy</b>	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input type="checkbox"/>	<b>Executive</b>	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
<input type="checkbox"/>	<b>Legislative</b>	Includes adopting local laws, town planning schemes and policies.
<input checked="" type="checkbox"/>	<b>Information</b>	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	<b>Quasi-judicial</b>	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

### **Summary of Report**

To present the Operational and Strategic Risk Registers to the Audit & Risk Improvement Committee for formal review and assurance, providing a consolidated overview of the Shire's key strategic and operational risk exposures, associated mitigation controls, treatment plans, and any material movements or emerging risks since the previous reporting period.

This report supports the Committee's oversight role in monitoring the effectiveness of the Shire's risk management framework, control environment, and alignment with the Corporate Risk Register and organisational objectives.

### **Background**

The Shire maintains both Strategic and Operational Risk Registers as core components of its Risk Management Framework, providing a structured mechanism to identify, assess, monitor and treat risks that

may impact the achievement of Council's strategic objectives, financial sustainability and service delivery outcomes.

The Strategic Risk Register captures high-consequence risks with potential long-term implications for organisational performance, community confidence, financial viability and regulatory compliance. The Operational Risk Register addresses risks arising from day-to-day activities, service delivery functions and internal processes, ensuring that operational exposures are appropriately controlled and monitored.

Consistent with contemporary governance standards and better practice risk management principles, the registers are subject to periodic review to ensure they remain current, responsive to emerging risks, and reflective of changes in the Shire's internal control environment and broader regulatory, economic and environmental context.

This report provides the Audit & Risk Improvement Committee with the opportunity to:

- Review the organisation's current risk profile,
- Assess movements in inherent and residual risk ratings
- Monitor Mitigation progress
- Provide independent oversight regarding the adequacy and effectiveness of controls

### **Stakeholder and Public Consultation**

No public consultation has been undertaken, as the policy review is an internal governance process. Internal consultation is occurring with relevant officers to assess operational applicability and legislative compliance.

External consultation has been undertaken with the Governance Team at WALGA to ensure the review approach aligns with contemporary local government governance standards, legislative requirements, and sector best practice.

### **Statutory Environment**

Local Government Act 1995  
Local Government (Audit) Regulations 1996

### **Relevant Plans and Policy**

Risk Management Policy and Framework  
Strategic Community Plan 2022–2032  
Corporate Business Plan

### **Financial Implications**

There are no direct financial implications arising from this report. The identification and management of risks supports the Shire's financial sustainability and informed decision-making.

## Risk Assessment

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5	
Likelihood						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Risk of inadequate financial sustainability, reduced revenue streams, cost overruns, misstatement of financial information, or ineffective financial management impacting long-term service delivery.	Moderate	Compliance with Financial Management Regulations and Local Government Act 1995; Delegations framework; Monthly and annual financial reporting; Internal audit program; Reconciliations; Segregation of duties; Budget review and variance monitoring.
Health & Safety	Workplace and public safety risks arising from operational activities or infrastructure.	Moderate	WHS management systems; Safety policies; Incident reporting and monitoring; Executive oversight.
Reputation	Risks impacting community confidence, stakeholder trust or public perception.	Moderate	Governance oversight; Transparent reporting; Media and stakeholder communication controls; Policy framework alignment.
Service disruption	Interruption to critical services due to operational, environmental or system failures.	Moderate	Business Continuity planning and Emergency Response planning, Operational monitoring and review
Compliance	Legislative and regulatory non-compliance	Moderate	Policy framework; Legislative monitoring; ATTAIN compliance tracking; Governance oversight; CEO compliance reporting
Property	Asset failure, infrastructure deterioration or inadequate asset lifecycle management.	Moderate	Asset Management Plans; Capital works programming; Condition assessments; Long-term financial planning.
Environment	Environmental compliance and impact risks associated with operations and infrastructure.	Moderate	Environmental management controls; Monitoring and reporting; Legislative compliance.
Fraud	Fraud, corruption or misconduct risk arising from control weaknesses or unethical behaviour.	Moderate	Code of conduct and fraud control policies. Segregation of duties and delegated financial authorities. Procurement and contract management controls. Internal and external audits.

## Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

### OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our sustainable livelihoods create a community that can flourish into the future*

### ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

### BIG IDEAS FOR THE FUTURE OF CARNARVON:

## Comments

The review of the Strategic Risk Register supports the Audit & Risk Improvement Committee's oversight role by providing assurance that key risks have been identified, assessed and are being actively managed. Any significant changes or emerging risks will continue to be reported through governance and reporting processes.

Risks contained within the Strategic and Operational Risk Registers have been identified through structured executive workshops, operational management reviews, internal and external audit findings, legislative monitoring, incident reporting, asset condition assessments and sector intelligence.

Each risk is assessed using the Shire's adopted risk matrix, considering likelihood and consequence to determine inherent risk exposure. Existing controls are evaluated for effectiveness, and a residual risk rating is assigned accordingly.

High and Extreme residual risks are supported by documented mitigation action plans, with responsible officers assigned and review timeframes established.

Quarterly review by the Audit & Risk Improvement Committee provides independent oversight and assurance regarding the adequacy of the Shire's risk management framework.

The Strategic Risk Register have been reviewed and updated to reflect current organisational and sector risks.

- Supports compliance with Regulation 5
- Provides evidence toward the CEO's Regulation 17 obligations
- Strengthens governance oversight and continuous improvement

The following provides a brief progress update on risks previously identified and reported to the Audit & Risk Improvement Committee. Further information can be found in the attached schedules on all risks identified.

- **Accounts Payable Suspense Account Reconciliation** – Investigations into the suspense account have commenced. A number of previously unreconciled items have been resolved, resulting in an account reduction of \$8,183.34. The suspense account currently has a balance of \$3,515.16 and is expected to be resolved prior to the end of the 2025/26 financial year.
- **Unclaimed Monies** – Advice is being sought regarding Local Government obligations in relation to unclaimed monies to ensure legislative compliance.
- **Bank Signatories not updated** – Action completed. Monthly review of authorised bank users has been implemented. This control is now embedded in ATTAIN to support ongoing monitoring.

- **WALGGC Information Return** – An extension has been secured. Submission was achieved on the 13 February 2026. The reporting obligation has been incorporated into ATTAIN to prevent recurrence.
- **Internal Audit** – LG Best Practice has been engaged to undertake the internal audit. The majority of fieldwork has been completed, with the audit expected to be finalised by 20 February 2026. The draft findings and recommendations are anticipated thereafter.

#### **OFFICER'S RECOMMENDATION**

***That the Audit & Risk Improvement Committee recommends that Council:***

1. **Notes** the Strategic and Operational Risk Registers as presented;
2. **Acknowledges** that, based on the information provided and oversight undertaken, the registers present a comprehensive and current representation of the Shire's risk environment, and that appropriate mitigation strategies and control measures are identified and monitored to manage risks within the organisation's accepted risk tolerance levels; and
3. **Notes** that the structured maintenance, periodic review and reporting of the registers support compliance with Regulation 5 of the Local Government (Audit) Regulations 1996, provide evidence toward the CEO's obligations under Regulation 17, and strengthen the Shire's overall governance framework and internal control environment.

## **5.6 CARNARVON AERODROME - AERODROME TECHNICAL INSPECTION AND COMPLIANCE UPDATE**

File No:	ADM1805
Location/Address:	3 Francis Street, Carnarvon WA 6728
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Jamie Bone, Executive Business Manager
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	
Previous Report:	N/A
Schedules:	1. Carnarvon Airport - August 2025 ATI Corrective Action Plan

### **Authority/Discretion:**

<input type="checkbox"/>	<b>Advocacy</b>	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input type="checkbox"/>	<b>Executive</b>	The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets
<input type="checkbox"/>	<b>Legislative</b>	Includes adopting local laws, town planning schemes and policies.
<input checked="" type="checkbox"/>	<b>Information</b>	Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting).
<input type="checkbox"/>	<b>Quasi-judicial</b>	When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses

### **Summary of Report**

This report provides an assurance update on the compliance and governance status of Carnarvon Aerodrome following the August 2025 Aerodrome Technical Inspection.

### **Background**

Carnarvon Aerodrome operates as a Certified aerodrome, supporting Regular Public Transport services. This operational profile requires the aerodrome to meet the requirements of Part 139 of the Civil Aviation Safety Regulations and associated Manual of Standards.

Passenger and aircraft activity has remained stable over recent years:

Financial Year	Passengers	Aircraft Movements
2023/24	26,493	1,228
2024/25	26,217	1,193

*Source: Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Airport Traffic Data.*

Because the aerodrome supports Regular Public Transport services, the Shire must operate and maintain the facility in accordance with national aviation safety standards under Part 139 of the Civil Aviation Safety Regulations.

A key requirement is that certified aerodromes undergo an independent Aerodrome Technical Inspection (ATI) each year. The ATI is undertaken by an external aviation specialist, and provides an objective assessment of infrastructure condition, operational practices, safety systems, staff competency and compliance of documentation.

The most recent ATI was conducted on 5-6 August 2025.

The ATI categorises findings based on the level of risk and urgency:

- Immediate Action Required
  - A condition that may present a safety risk and requires urgent action.
- Action Required
  - A deficiency that must be rectified but does not present an immediate safety risk.
- Action Recommended
  - An observation or opportunity to improve compliance, safety or operational performance.

The inspection identified a total of 48 findings:

Category	Total	Resolved	In Progress (Job Assigned)	Open
Immediate Action Required	2	1	1	0
Action Required	40	23	4	13
Action Recommended	6	3	0	3
<b>Total</b>	<b>48</b>	<b>27</b>	<b>5</b>	<b>16</b>

A Corrective Action Plan outlining the proposed actions and implementation timeframes was submitted to the Civil Aviation Safety Authority on 26 November in accordance with regulatory requirements. The Corrective Action Plan register is provided in Schedule One to this report.

### Stakeholder and Public Consultation

Engagement has occurred with the Civil Aviation Safety Authority as part of their regulatory oversight, including submission of the Aerodrome Technical Inspection report and associated Corrective Action Plan.

Aerodrome Management Services was engaged as the independent specialist to undertake the Aerodrome Technical Inspection and provide professional advice on compliance and corrective actions.

Operational coordination also occurs with Airservices Australia in relation to aerodrome information and published operational data.

Public consultation is not required as this report relates to operational compliance and governance matters.

### Statutory Environment

Carnarvon Aerodrome is a Certified aerodrome and is therefore regulated under Commonwealth aviation legislation. The Shire, as the aerodrome operator, must comply with the requirements that apply to certified aerodromes, including ongoing safety assurance, documentation, operational procedures and regulatory reporting.

#### Civil Aviation Act 1998 (Cth)

Establishes the national civil aviation safety framework and the Civil Aviation Safety Authority's regulatory functions.

*Civil Aviation Safety Regulations 1998 (Cth) - Part 139 – Aerodromes*

Part 139 sets the operating requirements for certified aerodromes. This is the core regulatory framework that drives:

- Certification obligations and ongoing compliance expectations.
- Maintenance of aerodrome facilities and movement areas (runway, taxiway, apron and associated infrastructure).
- Operational procedures and competency arrangements.
- Documentation requirements (including the Aerodrome Manual).
- Regular independent inspection and reporting.

*Part 139 Manual of Standards (MOS)*

The MOS is the detailed technical standard that certified aerodromes must meet. It is the framework used by the Civil Aviation Safety Authority and independent inspectors when assessing compliance. Relevant obligations for this report include:

- Requirement for an independent Aerodrome Technical Inspection to be undertaken annually for certified aerodromes.
- Requirement that the Aerodrome Technical Inspection report is provided to the Civil Aviation Safety Authority within the required timeframe.
- Requirement that a Corrective Action Plan is provided to CASA within the required timeframe and includes a timeframe for implementation of corrective actions.

These obligations are central to why the Aerodrome Technical Inspection must occur each year and why the Shire must maintain a corrective action register and demonstrate progress against findings.

*Civil Aviation Safety Regulation 1998 (Cth) – Part 99 – Drug and Alcohol Management Plans*

Part 99 establishes requirements for drug and alcohol management for safety sensitive aviation activities. This is the basis for maintaining a Drug and Alcohol Management Plan and ensuring relevant training and compliance activities are in place.

*Aviation Transport Security Act 2004 (Cth) and Aviation Transport Security Regulations 2005 (Cth)*

These establish security obligations for aviation industry participants, including regulated airports. This framework drives the requirement to maintain and comply with a Transport Security Program (including review triggers and audit requirements), and to ensure appropriate security governance, training and documentation.

*Airservices Australia – Aeronautical Information Responsibilities*

Airservices Australia manages the publication of aerodrome information for aviation users through the En Rout Supplement Australia (ERSA) and associated aeronautical information systems. Where published, information requires amendment (for example, changes to aerodrome facilities or operational details), the aerodrome operator must submit requests through the relevant Airservices process to ensure published information remains accurate.

*Work Health and Safety Act 2020 (WA)*

While aviation is regulated federally, the Shire's workforce safety obligations remain under Western Australia Work Health and Safety legislation. This supports the aerodrome's risk management framework, competency expectations and safe systems of work for Shire staff and contractors.

*Local Government Act 1995 (WA)*

The Shire must manage public assets and services responsibility, ensure appropriate governance and risk oversight, and maintain proper records. Reporting to the Audit, Risk and Improvement Committee supports

these governance obligations, including transparency of regulatory compliance and management of asset related risks.

### **Relevant Plans and Policy**

- Aerodrome Manual (Version 1.0 – January 2026)
- YCAR August 2025 ATI Corrective Action Plan
- Aerodrome Risk Management Plan
- Aerodrome Emergency Preparedness Plan
- Transport Security Program
- Drug and Alcohol Management Plan
- YCAR Induction Package

### **Financial Implications**

The annual Aerodrome Technical Inspection is a routine regulatory compliance activity and is funded within the Carnarvon Aerodrome operational budget.

The cost of the August 2025 Aerodrome Technical Inspection was \$9,186 excl GST.

No additional or unbudgeted expenditure is required as a result of this report.

Corrective actions arising from the inspection are being managed within existing operational resources or through the Shire's forward asset planning and annual budget processes where capital works are required.

### **Risk Assessment**

The Carnarvon Aerodrome Technical Inspection and Compliance Update demonstrates a substantial uplift in governance, documentation control and regulatory assurance following the recent technical inspection. The Aerodrome Team has implemented a structured Corrective Action Plan addressing identified findings, with all controlled operational documents now formally managed within the Shire's corporate records system and AVCRM.

Statutory review cycles are embedded and monitored through the ATTAIN compliance management system, providing automated review alerts and enabling transparent compliance reporting to Executive, Council and the Civil Aviation Safety Authority.

Collectively, these measures materially strengthen operational control, reduce regulatory risk exposure, and provide improved oversight assurance to the Audit & Risk Improvement Committee.

STEP 3 – Risk Tolerance Chart Used to Determine Risk						
Consequence	Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5	
Likelihood						
Almost certain	A	High	High	Extreme	Extreme	Extreme
Likely	B	Moderate	High	High	Extreme	Extreme
Possible	C	Low	Moderate	High	Extreme	Extreme
Unlikely	D	Low	Low	Moderate	High	Extreme
Rare	E	Low	Low	Moderate	High	High

Risk Category	Description	Rating	Mitigating Action/s
Financial	Future capital expenditure required to address aerodrome pavement condition and other infrastructure items identified through the ATI.	C2 - Moderate	Pavement-related risks are being addressed through the Carnarvon Aerodrome Pavement Upgrade Project, with remaining infrastructure requirements incorporated into forward asset planning, Long Term Financial Plan considerations and annual budget processes.
Health & Safety	Potential safety risk associated with aerodrome infrastructure condition or operational deficiencies.	D1 - Low	No outstanding Immediate Action Required items presenting operational safety risk. Daily serviceability inspections undertaken by Aerodrome Reporting Officers. All defects recorded and managed through AVCRM.
Reputation	Non-compliance with aviation regulatory requirements may impact the Shire's reputation and stakeholder confidence.	D1 - Low	Annual independent Aerodrome Technical Inspection completed. Corrective Action Plan submitted to CASA and acknowledged. Aerodrome governance framework fully rewritten and implemented.
Service disruption	Deterioration of pavement or aerodrome infrastructure may impact aircraft operations if not managed.	C1 - Low	Condition monitored through daily inspections and periodic technical assessment. Long-term rectification planned through the Carnarvon Aerodrome Pavement Upgrade Project and forward capital works programming.
Compliance	Failure to meet CASA regulatory requirements may result in enforcement action or operational restrictions.	D1 - Low	Aerodrome Manual fully rewritten and submitted to CASA. All findings tracked through AVCRM, with statutory review periods monitored through ATTAIN and ongoing engagement with CASA.
Property	Progressive deterioration of	C2 - Moderate	Asset condition identified through ATI and managed through ongoing

	aerodrome assets over time.		inspection, maintenance planning and capital renewal through the pavement upgrade and future works planning.
Environment	Environmental risk associated with aerodrome operations.	D1 - Low	Environmental risks managed through operational procedures and existing Shire controls. No specific environmental issues identified through the ATI.
Fraud	Fraud risk associated with aerodrome operations or contracts.	D1 - Low	Standard Shire procurement, financial controls and governance processes apply.

### Community and Strategic Objectives

The proposal aligns with the following desired objectives as expressed in the *Community Strategic Plan 2022-2032*:

#### OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our infrastructure, housing and amenities are high quality and accessible*

#### ADDITIONAL FOCUS AREAS:

- *Improve the trust between citizens and the Shire of Carnarvon*

#### BIG IDEAS FOR THE FUTURE OF CARNARVON:

### Comments

All Aerodrome Technical Inspection findings are recorded and managed within the aerodrome management system, AVCRM. This system is used to register defects, allocate responsibility, schedule works, track progress and retain evidence of completion. Each item remains active in the system until the corrective action has been completed and verified.

The status of actions reflects the stage of delivery:

- Resolved
  - The required action has been completed and evidence recorded.
- Job Assigned
  - Resources have been secured and the work has been formally scheduled or allocated for delivery.
- Open
  - The issue has been assessed and accepted, however delivery is dependent on funding, project timing, external advice or operational priorities. These items remain visible and monitored within the system until progressed.

There are no outstanding Immediate Action Required items presenting an operational safety risk. The remaining immediate item relates to a regulatory matter awaiting external advice from CASA.

Of the 16 open items, the majority relate to pavement conditions across the runway, taxiways and aircraft parking areas. These findings were assessed by the independent inspection as not immediately safety critical. Current risk is managed through daily aerodrome serviceability inspections undertaken by the Shire's Aerodrome Reporting Officers.

Permanent rectification of these items is planned through:

- The Carnarvon Aerodrome Upgrade Project; and
- Forward Capital works and budget planning processes.

The comments included within the attached register outline the specific reason each item remains open, including where actions are linked to capital projects, future financial years, operational programming or external dependencies.

In addition to the physical works program, the August 2025 inspection identified a number of governance and documentation improvements. Between December 2025 and January 2026, the aerodrome's operational document suite was comprehensively reviewed and where required, fully rewritten and reissued:

Document	Status	Review Requirement
Aerodrome Manual (Version 1.0 – January 2026)	Fully rewritten and reissued. Submitted to CASA and acknowledged.	Annual review or earlier if operational or regulatory changes occur.
Risk Management Plan	Fully rewritten and reissued. Aligned with the Shire's corporate risk and Work Health and Safety framework.	Annual review.
Aerodrome Emergency Preparedness Plan	Fully rewritten and reissued. Provides aerodrome emergency coordination and integration with the Local Emergency Management Arrangements and the LEMC (a formal Aerodrome Emergency Plan is not required for the operational profile)	Annual review.
Cyclone Contingency Plan	Fully rewritten and reissued. Hazard specific operational plan supporting the Aerodrome Emergency Preparedness Plan.	Annual review prior to cyclone season (September).
Transport Security Program	Fully rewritten and reissued in accordance with Aviation Transport Security legislation.	Reviewed as required by legislative triggers. Annual internal and biennial independent audit.
Drug and Alcohol Management Plan	Fully rewritten and reissued for safety sensitive aviation activities.	Five year regulatory review period or earlier if operational changes occur.
Carnarvon Airport Induction Package	Fully rewritten and reissued for staff and contractors.	Reviewed as required or when operational changes occur.

This work represents a significant uplift in compliance, clarity of operational control and regulatory assurance, with all controlled documents are stored within the Shire's corporate records system and AVCRM.

Statutory review periods for all aerodromes documents are now scheduled and monitored through ATTAIN. This system provides automated review reminders and enables reporting of compliance status to Council, management and external regulators, including the Civil Aviation Safety Authority.

The Civil Aviation Safety Authority has acknowledged receipt of the Corrective Action Plan in November 2025, and have not raised any compliance concerns.

Overall, the August 2025 inspection has resulted in a substantial strengthening of governance, documentation and operational control at Carnarvon Aerodrome. Remaining actions are largely associated with long-term infrastructure improvements rather than operational or regulatory risk.

**OFFICER'S RECOMMENDATION**

***That the Audit & Risk Improvement Committee recommends that Council:***

1. **Notes** the information contained in the *Carnarvon Aerodrome – Aerodrome Technical Inspection and Compliance Update* report;
2. **Notes** the *Aerodrome Technical Inspection Corrective Action Plan* attached to the report;
3. **Acknowledges** the significant body of work undertaken by the Aerodrome Team to address inspection findings and strengthen regulatory compliance, resulting in a substantial uplift in operational control, documentation integrity and regulatory assurance; and
4. **Notes** that:
  - a. All controlled aerodrome documents are now formally captured and maintained within the Shire's corporate records management system and AVCRM;
  - b. Statutory review periods for all aerodrome documentation are scheduled and monitored through the ATTAIN compliance management system; and
  - c. ATTAIN provides automated review notifications and enables transparent reporting of compliance status to Council, Executive, and external regulators, including the Civil Aviation Safety Authority.

**6 DATE OF NEXT MEETING**

**7 CLOSE**