SHIRE OF CARNARVON

AUDIT, RISK & IMPROVEMENT COMMITTEE

MINUTES

TUESDAY 25 AUGUST 2026

CONFIRMATION OF MINUTES
These minutes were confirmed by the Committee on
Type date here
as a true and accurate record

Presiding Member

Shire Council Chambers
Stuart Street Carnarvon,
West Australia
Phone: (08) 9941 0000
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1 ATTENDANCES AND APOLOGIES

The Presiding Member declared the meeting open at 09.00am

Members
Ms Leah Horton ..... Independent Chair *(Electronic)*
Mr Stephen Brown ..... Deputy Chair/Independent Member *(Electronic)*
Cmm Martin Aldridge .....Commissioner

Executive Administration
Mrs Amanda Dexter .....Chief Executive Officer
Mrs Amanda Leighton ..... Executive Manager, Corporate Strategy & Performance
Mrs Stephaine Leca ..... Executive Manager, Lifestyle & Community

Staff in Attendance
Miss Racheal King .....Governance, Risk & Compliance Manager *(Electronic)*
Miss Denika Sweetman ..... People, Culutre & Wellbeing Manager *(Electronic)*
Miss Billie O'Sullivan .....Executive Services Officer, Corporate Strategy & Performance
Mr Jasper Benthien.....Executive Services Coordinator

Apologies
Nil

Leave of Absence
Nil

Press ..... Nil
Public ..... Nil

2 PUBLIC TIME

No public were in attendance, the presiding member declared public time closed at 09.01am.

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.)

Ms Leah Horton – Independent Chair - Impartiality interest – Item 5.7 ‘Overview of Grant Funding 2025/2026'

4 CONFIRMATION OF MINUTES

4.1 Minutes of the Audit, Risk and Improvement Committee Meeting - 16 June 2026

COMMITTEE RESOLUTION ARIC 01/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the minutes of Audit, Risk and Improvement Committee Meeting held on 16 June 2026 be confirmed as a true record of proceedings subject to amending motions under items 5.2 and 5.3.

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5 REPORTS

5.1 POOL SAFETY ASSESSMENT REPORT 2026 - CARNARVON AQUATIC CENTRE

File No:	ADM0203
Location/Address:	21 Babbage Island Rd, Morgantown WA 6701
Name of Applicant:	Carnarvon Aquatic Centre
Name of Owner:	Shire of Carnarvon
Author(s):	Stephanie Leca, Executive Manager, Lifestyle & Community
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	1. Pool Safety Assessment & Recommend Remediation Actions - April 2026 2. Pool Safety Assessment and Improvement Plan - March 2021

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 presents the outcomes of the 2026 Pool Safety Assessment undertaken by Royal Life Saving Western Australia (RLSWA) at the Carnarvon Aquatic Centre and outlines the actions being undertaken to address the remaining recommendations.

Background

The Carnarvon Aquatic Centre is a Shire-owned community facility currently managed and operated by BTX Contracting under Contract RFT 02/2022 – Aquatic Centre Management.

The contract was awarded following a public tender process in 2022 and, in accordance with the extension provisions contained within the contract and the relevant CEO delegation, was extended for a further three-year term commencing 1 September 2025.

Under Contract RFT 02/2022 – Aquatic Centre Management, responsibilities for the operation and maintenance of the Carnarvon Aquatic Centre are shared between BTX Contracting and the Shire.

BTX Contracting is responsible for:

- day-to-day management and operation of the Carnarvon Aquatic Centre;
- operating the Centre in accordance with Royal Life Saving Society Australia guidelines and the Department of Health's Code of Practice for the Design, Construction, Operation, Management and Maintenance of Aquatic Facilities;
- appointment, supervision and training of staff;
- ensuring staff hold the required qualifications and competencies;
- maintaining staff records, including rosters, qualifications and training records; and
- complying with reasonable instructions and directions issued by the Shire.

The Shire is responsible for:

- maintaining the buildings and plant at the Carnarvon Aquatic Centre in reasonable order and condition;
- providing specified plant and equipment required for the operation and maintenance of the Centre; and
- managing significant asset renewal, infrastructure upgrades and capital works associated with the facility.

This division of responsibilities is relevant to the 2026 Pool Safety Assessment, as several of the outstanding operational and record-keeping actions relate to BTX Contracting's responsibilities, while recommendations requiring significant modification to buildings, plant or infrastructure will require action by the Shire.

The Pool Safety Assessment Program

The Pool Safety Assessments are undertaken by RLSWA to provide pool owners and operators with an independent assessment of aquatic safety performance against relevant legislation, standards and industry guidelines. The assessment reviews the physical condition of the facility together with its operational systems, procedures and supporting documentation.

The assessment is evidence-based and reflects what can be demonstrated at the time of inspection. Where sufficient evidence is not available, assessment criteria cannot be validated. Facilities are provided with a 60-day review period to submit additional evidence and address identified findings before the assessment is finalised.

The previous Pool Safety Assessment of the Carnarvon Aquatic Centre was undertaken in March 2021, with the Centre achieving an overall score of 96.24%. The 2021 assessment is provided at Schedule 2 for reference. The 2021 and 2026 assessment results are not directly comparable, as the scope and assessment framework have changed considerably since the previous assessment. The 2026 assessment is more comprehensive and includes a broader assessment of operational, safety and compliance requirements.

RLSWA undertook the 2026 Pool Safety Assessment on the 21 April 2026, with the Centre achieving an initial score of 64.49%.

The initial score was significantly affected by the availability of supporting documentation at the time of inspection. BTX Contracting was unable to provide sufficient records and evidence onsite for RLSWA to validate several assessment criteria. This did not necessarily indicate that the corresponding operational practices were not occurring; however, it identified a need to improve record keeping and ensure relevant procedures and supporting evidence are maintained and readily available at the facility.

During RLSWA's eight-week review period, Shire officers worked directly with BTX Contracting to review the findings, consolidate records and procedures and provide the required evidence. Where evidence alone was not sufficient to address a finding, the Shire and/or contractor undertook operational, compliance and minor works to address the identified requirements.

Additional evidence was submitted to RLSWA on the 19 June 2026, resulting in the Centre's final assessment score increasing from 64.49% to 91.69%.
The final assessment results by category were:

- Work Health and Safety – 97.22%;
- Emergency Planning – 91.56%;
- Qualifications and Training – 91.18%;
- Aquatic Programs – 90.00%;
- Supervision – 85.00%;
- First Aid – 90.13%;
- Plant and Chemical Areas – 98.82%;
- Changing Facilities – 95.83%;
- 50m Lap and Lane Pool – 95.20%;
- Toddler Leisure Pool – 98.75%;
- Inflatable Equipment – 100%;
- WA Administration – 77.55%;
- WA Plant Rooms – 85.71%; and
- WA Pools and Features – 86.67%.

Following the review period, 24 assessment items remain identified by RLSWA as requiring further action and/or evidence for close-out, comprising:

- 1 Critical-rated item;
- 19 High-rated items; and
- 4 Moderate-rated items.

RLSWA's risk criteria recommends immediate action for Critical-rated findings, action within 90 days for High-rated findings and action within 12 months for Moderate-rated findings.

The outstanding items relate to operational and procedural requirements, compliance and verification matters, and infrastructure improvements requiring further investigation. The detailed findings, risk ratings and recommended remediation actions are provided at Schedule 1.

Stakeholder and Public Consultation

The Pool Safety Assessment was undertaken in consultation with Royal Life Saving Western Australia, Shire officers and representatives of BTX Contracting as the contracted operator of the Carnarvon Aquatic Centre.

No public consultation was required as the assessment relates to the operational management, safety and compliance of an existing Shire facility.

Statutory Environment

The operation and management of the Carnarvon Aquatic Centre is subject to the following legislative and regulatory framework:

- Health (Miscellaneous Provisions) Act 1911 (WA);
- Health (Aquatic Facilities) Regulations 2007 (WA);
- Code of Practice for the Design, Construction, Operation, Management and Maintenance of Aquatic Facilities; and
- Work Health and Safety Act 2020 (WA) and associated regulations.

The Health (Aquatic Facilities) Regulations 2007 apply to aquatic facilities available for public use, with public aquatic facilities required to comply with applicable regulatory requirements and the Department of Health's Code of Practice.

The Code of Practice establishes requirements relating to the design, operation, management and maintenance of aquatic facilities, including water treatment and quality, chemical safety, management and supervision, operational requirements and facility safety.

The Pool Safety Assessments are undertaken every four years by Royal Life Saving Western Australia. The assessment reviews the legislative, regulatory and industry requirements applicable to aquatic facilities and provides a framework for local governments to collectively monitor compliance with these requirements.

Relevant Plans and Policy

Strategic Community Plan 2022 – 2032
Asset Management Plan 2024 – 2034

Financial Implications

There are no financial implications associated with receiving this report.

The Pool Safety Assessment is funded through the Local Government Insurance Scheme, with the Shire responsible for the assessor's travel and accommodation costs. For the 2026 assessment, the Shire incurred $1,463.97 in travel and accommodation expenses.

As a result of the assessment and the intensive work undertaken during the eight-week review period, the Shire incurred a further $7,102.68 in expenditure to address identified maintenance, safety and compliance requirements. This included accessibility improvements, electrical testing, safety equipment, signage and other minor works required to address assessment findings. This expenditure was accommodated within the Shire's adopted 2025/26 Aquatic Centre Maintenance and Operational Budget.

The total Shire expenditure associated with the 2026 assessment and subsequent remediation work was $8,566.65.

Several remaining recommendations relate to operational and procedural matters and will be addressed through existing resources and the contractual responsibilities of BTX Contracting.

Recommendations requiring significant capital works or modifications to existing infrastructure have not yet been fully scoped or costed. These works will be further investigated, with any future funding requirements presented to Council for consideration through the Shire's budget and asset management planning processes.

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	Potential future financial impact where identified remediation actions require capital works or facility upgrades.	2-C Moderate	No immediate financial implications arise from this report. Any capital works identified will be investigated, costed and considered through future budget and asset planning processes.
Health & Safety	Failure to address outstanding safety recommendations may increase the risk of injury to patrons, employees or contractors.	3-C High	Officers will work with BTX Contracting to implement outstanding actions, prioritising operational and procedural improvements and higher-risk items
Reputation	Failure to appropriately respond to an independent aquatic safety assessment may impact community confidence in the management of the Carnarvon Aquatic Centre.	3-C High	Maintain documented oversight of the PSA action plan and work collaboratively with BTX Contracting to demonstrate continuous improvement and appropriate management of identified risks.
Service disruption	Failure by the contracted operator to address or comply with identified safety and audit requirements may result in restrictions to operations or, where significant safety or compliance concerns remain unresolved, temporary closure of the Carnarvon Aquatic Centre.	3-C High	Officers will work with BTX Contracting to monitor and progress outstanding remediation actions, with priority given to higher-risk and operational requirements. Regular contract management and monitoring will assist in ensuring actions are addressed within appropriate timeframes and minimise the risk of disruption or closure of the facility.
Compliance	Outstanding items may result in the facility not fully meeting applicable regulatory requirements, standards or recognised aquatic industry guidelines.	2-C Moderate	Implement and monitor the outstanding remediation actions in consultation with BTX Contracting and Royal Life Saving WA, with actions prioritised according to risk and compliance requirements.
Property	Some recommendations relate to the existing design and condition of facility infrastructure and may require future modification or capital improvement.	1-C Low	Assess infrastructure-related recommendations through the Shire's asset management and capital works planning processes and undertake works subject to priority and available funding.

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 infrastructure, housing and amenities are high quality and accessible*

ADDITIONAL FOCUS AREAS:

- *N/A*

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The 2026 Pool Safety Assessment has provided the Shire with an independent review of the safety, compliance and operational management of the Carnarvon Aquatic Centre. While the initial assessment identified several gaps, particularly in the availability of records and supporting evidence, the subsequent review process resulted in the overall assessment score increasing from 64.49% to 91.69%.

The assessment has provided an opportunity for the Shire and BTX Contracting to strengthen procedures, record keeping and compliance documentation and to identify infrastructure matters requiring further investigation. The remaining actions are detailed in Schedule 1 and will continue to be progressed according to their risk, responsibility and required timeframe.

Since receiving the final assessment, Shire officers have used the RLSWA assessment framework to incorporate the Pool Safety Assessment actions into Safety Champion, the Shire's internal system used to monitor hazards and safety risks and undertake ongoing facility audits. This provides a structured process to allocate responsibility, monitor progress, record corrective actions and retain evidence of completion.

The Carnarvon Aquatic Centre is scheduled to reopen for the 2026/27 season on 1 September 2026. Prior to reopening, officers will undertake a comprehensive internal review against the RLSWA assessment framework, including a review of relevant procedures, registers, staff qualifications, inspection records and supporting documentation. Officers will work with BTX Contracting to ensure operational matters requiring action are addressed and the required evidence is available.

Following reopening, ongoing facility audits and compliance checks will be undertaken through Safety Champion. This will enable the Shire to regularly monitor the facility against the RLSWA framework and provide ongoing oversight of BTX Contracting's responsibilities under RFT 02/2022, rather than relying solely on the periodic external Pool Safety Assessment.

Recommendations requiring significant infrastructure or capital works will be further investigated, scoped and costed through the Shire's asset management and future budget planning processes.

Overall, the 2026 Pool Safety Assessment has established a clear framework for the Shire to monitor the safe and compliant operation of the Carnarvon Aquatic Centre. The actions undertaken since the initial assessment have resulted in a significant improvement in the final assessment outcome, while the incorporation of the remaining actions into Safety Champion provides an ongoing mechanism for officers to monitor progress, contractor performance and evidence of compliance.

A further progress update will be presented to the Audit, Risk and Improvement Committee at its October 2026 meeting to demonstrate progress against the outstanding actions following the commencement of the 2026/27 aquatic season.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee:

1. ***Receives the Pool Safety Assessment and Recommended Remediation Actions – Carnarvon Aquatic Centre, April 2026, prepared by Royal Life Saving Western Australia;***
2. ***Notes that Shire officers will continue to work with BTX Contracting to address the outstanding recommendations and monitor the implementation of the required remediation actions;***
3. ***Notes that any recommendations requiring significant capital works will be further investigated and considered through future budget and asset management planning processes; and***
4. ***Notes that an internal review of the Carnarvon Aquatic Centre will be undertaken following the commencement of the 2026/27 aquatic season, with a further progress update to be presented to the Audit, Risk and Improvement Committee at its October 2026 meeting to demonstrate progress against the outstanding actions.***

COMMITTEE RESOLUTION ARIC 02/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the Audit, Risk and Improvement Committee:

1. ***Receives the Pool Safety Assessment and Recommended Remediation Actions – Carnarvon Aquatic Centre, April 2026, prepared by Royal Life Saving Western Australia;***
2. ***Notes that Shire officers will continue to work with BTX Contracting to address the outstanding recommendations and monitor the implementation of the required remediation actions;***
3. ***Notes that any recommendations requiring significant capital works will be further investigated and considered through future budget and asset management planning processes; and***
4. ***Notes that an internal review of the Carnarvon Aquatic Centre will be undertaken following the commencement of the 2026/27 aquatic season, with a further progress update to be presented to the Audit, Risk and Improvement Committee at its October 2026 meeting to demonstrate progress against the outstanding actions.***

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.2 DISABILITY ACCESS AND INCLUSION PLAN - ANNUAL PROGRESS REPORT 2025 - 2026

File No:	ADM0012
Location/Address:	Nil
Name of Applicant:	Shire of Carnarvon
Name of Owner:	Nil
Author(s):	Stephanie Leca, Executive Manager, Lifestyle & Community
Authoriser:	Amanda Dexter, Chief Executive Officer
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	OCM 24/02/2024
Schedules:	1. DAIP Progress Report - 2025-2026 - Final Report

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 presents the annual progress report for the Shire of Carnarvon's Disability Access and Inclusion Plan (DAIP) 2024–2029, which has been submitted to the Department of Communities in accordance with the requirements of the Disability Services Act 1993 (WA).

Background

The Disability Services Act 1993 (WA) requires all Western Australian local governments and public authorities to develop, implement and maintain a Disability Access and Inclusion Plan (DAIP). The purpose of a DAIP is to ensure that people with a disability have equitable access to facilities, services, information and opportunities provided by the organisation.

In accordance with the Act, public authorities are also required to submit an annual progress report to the Department of Communities detailing the actions undertaken to implement their DAIP and progress made against its outcomes.

The Shire of Carnarvon Disability Access and Inclusion Plan 2024–2029 was endorsed by Council at the Ordinary Council Meeting held on Tuesday, 27 February 2024.

The DAIP is structured around seven legislated outcome areas, which aim to ensure that people with disability have the same opportunities as other members of the community to:

1. Access the services and events provided by the Shire.
2. Access the Shire's buildings and facilities.
3. Receive information from the Shire in a format that meets their needs.
4. Receive the same level and quality of service from Shire staff.
5. Make complaints to the Shire using accessible feedback and grievance mechanisms.
6. Participate in public consultation undertaken by the Shire.
7. Obtain and maintain employment with the Shire.

The annual progress report in the Schedules outlines the actions completed during the 2025/2026 reporting period against each of these outcome areas and demonstrates the Shire's ongoing commitment to creating an inclusive and accessible community. Submission of the annual progress report satisfies the Shire's statutory reporting obligations to the Department of Communities under the Disability Services Act 1993 (WA).

Stakeholder and Public Consultation

No specific public consultation was required in preparing the 2025/2026 annual progress report, as the report provides an update on implementation of the Council-endorsed Disability Access and Inclusion Plan 2024–2029.

However, implementation of the DAIP throughout the reporting period has included ongoing engagement with people with disability, community members, service providers and other stakeholders.

Community members with lived experience of disability were involved in shaping the Carnarvon All Abilities Festival and associated access and inclusion initiatives. The Shire has also continued engagement with disability and NDIS service providers through initiatives including the National Disability Insurance Agency information session and Connected Carnarvon.

Feedback received through these activities continues to inform the Shire's approach to improving accessibility and inclusion.

Statutory Environment

The Disability Services Act 1993 (WA) requires Local Governments to develop and implement a Disability Access and Inclusion Plan and report annually on progress in achieving the outcomes of the Plan.

28. Disability access and inclusion plans

(1) Each public authority must have a disability access and inclusion plan to ensure that in so far as its functions involve dealings with the general public, the performance of those functions furthers the principles in Schedule 1 and meets the objectives in Schedule 2.

(2) A disability access and inclusion plan must meet any prescribed standards.

(3) A public authority must lodge its disability access and inclusion plan with the Commission —

(a) if the authority was established before the commencement of the Disability Services Amendment Act 2004, without delay;

(b) if the authority is established after the commencement of the Disability Services Amendment Act 2004, within 12 months after the day on which it is established.

29. Report about disability access and inclusion plan

(1) A public authority that has a disability access and inclusion plan must, if required to report under Part 5 of the Financial Management Act 2006, include in such report, a report about the implementation of the plan.

(2) A local government or regional local government that has a disability access and inclusion plan must include in its annual report prepared under section 5.53 of the Local Government Act 1995 a report about the implementation of the plan.

(3) A public authority that —

(a) has prepared or amended a disability access and inclusion plan in a year ending 30 June; and

(b) is not required to report under subsection (1) or (2),
must make a report about the implementation of the plan to the Commission within 2 months after the end of that year.

(4) The regulations may prescribe information that must be included in a report under subsection (1), (2) or about the implementation of a disability access and inclusion plan.

29B. Public authorities to ensure implementation of disability access and inclusion plan

A public authority that has a disability access and inclusion plan must take all practicable measures to ensure that the plan is implemented by the public authority and its officers, employees, agents or contractors.

Relevant Plans and Policy

Disability Access and Inclusion Plan 2023 – 2029
Strategic Community Plan 2022 - 2032

Financial Implications

There are no direct financial implications associated with receiving and noting the 2025/2026 DAIP Progress Report.

Actions identified through implementation of the DAIP may have future financial implications, particularly where improvements to Shire buildings, facilities, footpaths and other infrastructure are required. These works will be considered through the Shire's annual budget, capital works planning and external grant funding opportunities as appropriate.

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	Future accessibility improvements may require additional capital or operational expenditure.	E-1 Low	Prioritise works through annual budget processes and actively pursue external funding opportunities.
Health & Safety	Inaccessible buildings, facilities or public infrastructure may create safety or access barriers for people with disability.	B-2 Moderate	Continue regular facility inspections, accessibility audits and progressive rectification of identified barriers.
Reputation	Failure to demonstrate progress towards access and inclusion may negatively impact community confidence in the Shire.	C-2 Moderate	Continue implementation of the DAIP, engagement with people with lived experience and annual reporting on progress.

Service disruption	N/A		
Compliance	Failure to implement and report against the DAIP may result in non-compliance with the Disability Services Act 1993 (WA).	C-2 Moderate	Maintain annual monitoring and reporting processes and submit the required progress report to the Department of Communities.
Property	Some existing Shire buildings and facilities have identified accessibility limitations requiring future improvement.	C-2 Moderate	Continue accessibility inspections and incorporate priority improvements into asset and capital works planning.
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 equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701*
- *Our sustainable livelihoods create a community that can flourish into the future*
- *Our infrastructure, housing and amenities are high quality and accessible*
- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

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

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The 2025/2026 reporting period demonstrates continued progress in implementing the Shire's Disability Access and Inclusion Plan 2024–2029, with actions progressing across all seven outcome areas.
While several actions remain ongoing and will continue to be progressed over the life of the Plan, notable achievements during the past 12 months include:

- Carnarvon All Abilities Festival – delivered on 30 November 2025 and developed with input from community members with lived experience of disability. The event provided an inclusive community activity focused on raising awareness, encouraging participation and celebrating people of all abilities.
- Exquisite Bodies exhibition – delivered in partnership with ART ON THE MOVE, the Art Gallery of Western Australia and *Healthway* at the Carnarvon Library and Art Gallery. Young artists with disability were employed as Creative Facilitators, providing meaningful representation and employment within the exhibition. Across 99 exhibition days, Exquisite Bodies attracted 838 visitors, six school groups and 142 students.
- Improved accessibility planning for Shire infrastructure – an accessibility audit was completed in February 2026, identifying priority improvements across Shire facilities and infrastructure. This included recommendations for future footpath works, accessibility improvements at the Library and Art Gallery, and securing *Lotterywest* funding for an accessible entry ramp as part of the planned Camel Lane Theatre upgrades.

- Disability Awareness Training – 56 Shire employees completed Disability Awareness Training during 2025/2026. The training has also been incorporated into the Shire's recruitment and induction processes, helping to embed disability awareness across the organisation.
- Growth in inclusive employment – 6 people with disability are now employed across the Shire. This has been supported by the development of the Shire's Disability Employment Pathways Framework, which establishes a more flexible and person-centred approach to recruitment, workplace adjustments, mentoring and ongoing employment support.
- Accessible information – the Shire continues to provide its DAIP in an Easy Read format and is progressing actions to improve the accessibility of Shire information and websites.
- Ongoing engagement and consultation – people with lived experience of disability have been involved in shaping Shire initiatives, while the Shire has continued to engage with disability and NDIS service providers through activities including the National Disability Insurance Agency information session and Connected Carnarvon.

Overall, the progress made during 2025/2026 demonstrates that access and inclusion is increasingly being incorporated into the Shire's community programs, workforce practices, infrastructure planning and service delivery.

The annual reporting process also provides an opportunity to identify areas requiring continued attention, particularly accessibility improvements to existing Shire buildings and infrastructure, which will require progressive investment and consideration through future budgets and external funding opportunities.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee:

1. ***Receives the Shire of Carnarvon Disability Access and Inclusion Plan 2024–2029 Annual Progress Report for the reporting period 1 July 2025 to 30 June 2026, as presented in the Schedules; and***
2. ***Notes the progress made by the Shire in implementing actions across the seven Disability Access and Inclusion Plan outcome areas during the 2025/2026 reporting period***

COMMITTEE RESOLUTION ARIC 03/08/26

Moved: Mr Stephen Brown
Seconded: Cmm Martin Aldridge

That the Audit, Risk and Improvement Committee:

1. ***Receives the Shire of Carnarvon Disability Access and Inclusion Plan 2024–2029 Annual Progress Report for the reporting period 1 July 2025 to 30 June 2026, as presented in the Schedules; and***
2. ***Notes the progress made by the Shire in implementing actions across the seven Disability Access and Inclusion Plan outcome areas during the 2025/2026 reporting period.***

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.3 COMPLIANCE AUDIT RETURN 2025

File No:	ADM0011
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Caroline Ballard, Governance & Information Coordinator
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple
Previous Report:	7.1.3 Compliance Audit Return 2024
Schedules:	1. Draft Compliance Audit Return 2025

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

The purpose of this report is to present to the Audit and Risk Improvement Committee (ARIC) the 2025 Compliance Audit Return (CAR) for review and to request that the ARIC recommend that Council adopt the 2025 CAR as presented in **schedule 1** for submission to the Department of Local Government, Industry Regulation and Safety (DLIRS) by 30 September 2026.

The 2025 CAR comprises of 98 questions which require a response of YES, NO or N/A.

Yes – indicates compliance
No – indicates non-compliance
N/A – indicates that this function was not required to be performed this year or is not a requirement for this Local Government.

Background

Under Regulation 14 of the Local Government (Audit) Regulations 1996 Local Governments are required to carry out a Compliance Audit for the period 1 January to 31 December of each year. The Compliance Audit functions as a comprehensive checklist, evaluating a local government's adherence to the stipulations outlined in the Act and its accompanying regulations, covering various area of compliance. The audit is undertaken using questions provided by the Local Government Inspectorate. The relevant officer responses are collated internally in preparation for review by the Governance & Information Coordinator before submission to the ARIC.

In accordance with Regulation 14 of the *Local Government (Audit) Regulations 1996* the ARIC is to review the CAR and is to report to Council the results of that review.

The CAR should then be:

1. Presented to an Ordinary Meeting of Council;
2. Adopted by Council; and
3. Recorded in the minutes of the meeting at which it is adopted.

Following the adoption of the CAR by Council a certified copy of the return, along with the relevant section of the minutes and any additional information detailing the contents of the return is formally endorsed through the signatures of both the Commissioner and the Chief Executive Officer (CEO) before being submitted to the Department via an online portal, no later than 30 September 2026.

Stakeholder and Public Consultation

Nil

Statutory Environment

The annual CAR is required under the provisions of s.7.13(1)(i) of the *Local Government Act 199*5 and r.14 & 15 of the *Local Government (Audit) Regulations 1996.* Regulations 14 and 15 are set out below:

14. Compliance audits by local governments

(1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.

(2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.

(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

(3) After the audit committee has reported to the council under sub regulation (3A), the compliance audit return is to be —

(a) presented to the council at a meeting of the council; and

(b) adopted by the council; and

(c) recorded in the minutes of the meeting at which it is adopted.

15. Certified copy of compliance audit return and other documents to be given to Departmental CEO

(1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —

(a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and

(b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.

(2) In this regulation —

certified *in relation to a compliance audit return means signed by —*

(a) the mayor or president; and

(b) the CEO.

Relevant Plans and Policy

Nil

Financial Implications

Nil

Risk Assessment

Consequence → / Likelihood ↓		STEP 3 – Risk Tolerance Chart Used to Determine Risk				
		Insignificant 1	Minor 2	Major 3	Critical 4	Extreme 5
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	N/A	N/A
Health & Safety	N/A	N/A	
Reputation	There is a reputational risk should the CAR not be completed on time or if significant non-compliance is reported	2-D Low	Pending the ARIC decision, this item can be presented to Council in time to meet the statutory deadline for submission and to note any areas of non-compliance.
Service disruption	N/A	N/A	N/A
Compliance	Non-compliance should the CAR not be completed on time	2-D Low	Pending the ARIC decision, this item can be presented to Council in time to meet the statutory deadline for submission.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A
Fraud	The CAR responses are fraudulent	2-D Moderate	The officers' responses are validated by the Governance & Information Coordinator

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*

Compliance Audit 2025 findings

The full list of audit questions and responses are uploaded to the Department online portal and are currently in draft (**schedule 1**). The full list of responses are then referred to Council for formal adoption; certified by the CEO and Commissioner and submitted along with a copy of that resolution to the Department via the online portal no later than 30 September 2026.

No. of questions in 2025 CAR	Non-Compliance	Compliance Rating
98	**7**	**93%**

Any responses noted for non-compliance (NO) in the CAR are listed below:

Local Government Act 1995

s. 5.37(2) Did the CEO inform council of each proposal to employ or dismiss senior employee?
Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?
NO - EMIS Recruitment 2025 Council were not informed via OCM, however Council were informed by the CEO via a Corporate Information Session in March 2025 of their intent to appoint the successful candidate along with the rationale for the position being appointed without the requirement of being designated a senior employee – aligns with more contemporary governance practices. No senior employee was dismissed throughout 2025.

s. 5.46 Did all persons exercising a delegated power or duty under the Act keep on all occasions, a written record in accordance with *Local Government (Administration) Regulations 1996,* regulation 19?
NO - Written records were not kept by all persons exercising a delegated power or duty in accordance with *Local Government (Admin) Regulations 1996, Reg19*.

s. 5.76 Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?
NO - Due date was missed by 3 Elected members and 2 staff - CCC notified on 23 September 2025.

s. 5.88 Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?
s5.88(1) & (2)(a) NO - Financial interests register maintained in hard copy format and on Shire website, however, they do not include those that were submitted late.

Local Government (Administration) Regulations 1996

Reg 19DA - Has the local government reviewed its corporate business plan in accordance with *Admin Regulation 19DA(4)* ? If yes, provide date of review.
NO - Corporate Business Plan 2023-2027 (CBP) last endorsed OCM 28 May 2024. The CBP was last reviewed by Administration in June 2025 and presented to Council via Corporate Information Session and OCM in June 2025, Council subsequently requested changes and the item was represented at the August 2025 OCM, however Council declined to formally endorse either reviews.

Reg 29C - Does the local government publish all prescribed information on its official website— including up-to-date policies, required details of council member and employee returns, council member fees and allowances, and relevant public notices—within the specified timeframes and in accordance with legislative requirements?
NO - the Shire has published all the prescribed information on its website, except for: *LG (Admin) Regs REG 29C(5)(b)* - it has not published the Elected Member and employee returns that missed the deadline for submission of those forms

Reg 35 - Has every local government council member completed and passed the Council Member Essentials course, consisting of the five required modules and delivered by an approved provider, within 12 months of being elected?

NO - One Elected Member (EM) - missing 3 modules, one EM - missing 1 module, one EM - 2 modules not completed within 12 months timeframe, (N/A - two EM's were elected in October 2025.

Comments

The process for gathering responses to the 98 questions includes forwarding relevant officers the questions that relate to their duties and responsibilities. The officer is required to review relevant records, registers, minutes of meetings, advertisements, policies etc and provide an informed response to the question. Their responses were checked and validated by the Governance & Information Coordinator for accuracy and to ensure that a high quality, verified CAR was completed.

Corrective Actions

1. Employment and dismissal of senior employees – section 5.37(2)
   The Shire's relevant policy is currently being reviewed and will be presented to the Audit, Risk and Improvement Committee for consideration. The proposed amendment will remove all designated senior employee positions and reinforce that Council is responsible for employing and managing the performance of the CEO, with the CEO responsible for the employment, management and dismissal of all other employees. If adopted, this will provide clearer separation between Council's governance responsibilities and the CEO's administrative employment responsibilities.

2. Records of delegated decisions – section 5.46 and regulation 19
   The Shire currently maintains a centralised delegations register and associated compliance tasks through Attain. However, the CAR process identified that some employees exercising delegated authority require further training and awareness regarding the scope of their delegations and the legislative recordkeeping requirements applying to delegated decisions. Targeted training and guidance will be provided, with periodic monitoring undertaken to confirm that delegated powers and duties are being exercised and recorded appropriately.

3. Annual returns – section 5.76
   The Department of Local Government has advised that future non-compliance with annual return requirements may result in financial penalties being imposed on the individuals who fail to comply. This information has been communicated to all affected elected members and employees. The Shire will continue to monitor compliance, advise relevant persons of their individual obligations and issue weekly reminders through Attain in the lead-up to the 31 August statutory deadline. Outstanding returns will be escalated to the CEO before the deadline.

4. Financial interests register – section 5.88
   The financial interests register will be reconciled against all primary and annual returns received, including returns lodged after the statutory deadline. The late returns identified through the CAR process will be incorporated into the register and published where required. A documented reconciliation will be completed following each annual return period to confirm that the Shire's internal register and the information published on its website are complete and consistent.

5. Corporate Business Plan review – regulation 19DA
   The Corporate Business Plan and Strategic Community Plan were reviewed by Administration in consultation with Council during the reporting period. However, the revised documents were ultimately not formally endorsed by Council. Following the December 2026 local government election, it is anticipated that the newly elected Council will participate in a comprehensive review and rewrite of the Strategic Community Plan and Corporate Business Plan. This process will include a high level of community engagement and will provide the incoming Council with the opportunity to establish the Shire's strategic direction and priorities for the new planning period.
6. Publication of prescribed information – regulation 29C
   The relevant Attain compliance task will be reviewed and updated to make the legislative publication requirements, required information, responsible officers and applicable timeframes clearer. The annual returns lodged after the statutory deadline will be published where required, subject to the legislative requirements concerning excluded information. Periodic checks of the Shire's website will also be undertaken to confirm that prescribed information remains complete and current.
7. Council member training – regulation 35
   Following the December 2026 election and appointment of the new Council, Administration will establish a structured monitoring process for the completion of Council Member Essentials training. This will include confirming each elected member's training and exemption status, maintaining a central record of completed modules, undertaking regular progress checks and providing reminders and appropriate administrative assistance throughout the 12-month completion period. Any outstanding requirements will be escalated sufficiently early to support completion within the statutory timeframe.

Progress against these corrective actions will be maintained through Attain and reported to the Executive Management Team and the Audit, Risk and Improvement Committee until completed. Where appropriate, follow-up compliance testing will be undertaken to confirm that the revised controls and processes are operating effectively.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee, by simple majority pursuant to Regulation 14 and 15 of the Local Government (Audit) Regulations 1996, resolves to:

1. ***Review the Shire of Carnarvon's 2025 Compliance Audit Return and reports and presents the results to Council at its Ordinary Meeting 22 September 2026 via the minutes of the Audit and Risk Improvement Committee.***
2. ***Recommends that Council, adopts the Shire of Carnarvon's 2025 Compliance Audit Return.***

COMMITTEE RESOLUTION ARIC 04/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the Audit, Risk and Improvement Committee, by simple majority pursuant to Regulation 14 and 15 of the Local Government (Audit) Regulations 1996, resolves to:

1. ***Review the Shire of Carnarvon's 2025 Compliance Audit Return and reports and presents the results to Council at its Ordinary Meeting 22 September 2026 via the minutes of the Audit and Risk Improvement Committee.***
2. ***Recommends that Council, adopts the Shire of Carnarvon's 2025 Compliance Audit Return.***

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.4 POLICY REVIEW

File No:	ADM0124
Location/Address:	N/A
Name of Applicant:	N/A
Name of Owner:	N/A
Author(s):	Racheal King, Governance, Risk & Compliance Manager
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Absolute Majority
Previous Report:	ARIC 16 June 2026
Schedules:	1. Current Policy with Tracked Changes - CEO Leave and Appointment of Acting or Temporary 2. Final Policy Version for Endorsement - CEO Leave and Appointment if Acting CEO 3. Current Policy with Tracked Changes - Designated Senior Employees 4. Final Policy Version for Endorsement - Designated Senior Employee 5. Current Policy with Tracked Changes - Investments 6. Final Policy Version for Endorsement - Investment Policy 7. Current Policy with Tracked Changes - External Grants - Procurement & Grants 8. Final Policy Version for Endorsement - External Grants - Procurement & Grants Policy 9. Current Policy with Tracked Changes - Rate Charges 10. Final Policy Version for Endorsement - Rate Charges 11. Current Policy with Tracked Changes - Loans & Borrowings 12. Final Policy Version for Endorsement - Loans & Borrowings 13. Current Policy with Tracked Changes - Financial Hardship 14. Final Policy Version for Endorsement - Financial Hardship Policy

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 presents seven governance policies for Council consideration and adoption:

1. CEO Leave and Appointment of Acting or Temporary;
2. Designated Senior Employees;
3. Investments Policy;
4. Financial Hardship;
5. Rate Charges;
6. Loans & Borrowings;
7. External Grants;

The policies have been reviewed as part of the Shire's ongoing Policy Review Program and form part of Council's broader governance and risk management framework.

The review has been undertaken to ensure both policies remain contemporary, aligned with legislative requirements, reflect current best practice and support the effective management of organisational risks.

The revised policies strengthen the Shire's governance framework by reinforcing Council's commitment to sound decision-making, accountability, ethical conduct, risk awareness and continuous improvement.

Adoption of the revised policies will support good governance, strengthen organisational resilience and ensure the Shire's governance framework remains aligned with contemporary local government standards**.**

Background

As part of a comprehensive review of its policy framework commenced in February 2026, Council identified the need to progressively assess its policies for legislative currency, governance effectiveness and alignment with contemporary operational practices.

Since that time, a number of legislative amendments, governance developments, regulatory updates and internal operational refinements have occurred. These changes create potential compliance, governance, operational and reputational risks if not appropriately reflected within Council's policy framework.

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 undertaken in a staged and risk-prioritised manner, with governance, compliance and legislatively sensitive policies being reviewed as a priority.

At the last review cycle for ARIC, Administration presented following policies:

Policy	Presented to ARIC	Presented to OCM
Code of Conduct	June 2026	July 2026
Risk Management	June 2026	July 2026

Stakeholder and Public Consultation

The following stakeholders were consulted as part of the policy review process:

Western Australian Local Government Association (WALGA)

- WALGA policy guidance, model documents and governance resources were reviewed to ensure alignment with contemporary local government governance practices and risk management principles.

Internal Management

- Feedback was incorporated to ensure the policies remain practical, relevant and consistent with organisational objectives.

No external community consultation was undertaken as the proposed amendments relate to internal governance and administrative matters and do not materially alter service delivery to the community.

Statutory Environment

The review and adoption of these policies is supported by the following legislation and governance frameworks:

- Local Government Act 1995
- Local Government (Administration) Regulations 1996
- Local Government (Financial Management) Regulations 1996
- Local Government (Functions and General) Regulations 1996
- Local Government (Audit) Regulations 1996
- applicable Australian Accounting Standards;
- the Shire's adopted Strategic Community Plan and Corporate Business Plan;
- the Shire's Long Term Financial Plan and broader Integrated Planning and Reporting Framework; and
- Council's adopted governance, financial management, procurement, risk management and internal control frameworks.

The proposed policies support Council's obligations to maintain appropriate governance and financial management practices, establish clear decision-making responsibilities, maintain effective internal controls and appropriately manage organisational, financial and compliance risk.

Relevant Plans and Policy

The policies considered as part of this review operate within, and should be read in conjunction with, the Shire's broader governance and strategic framework, including:

- Strategic Community Plan;
- Corporate Business Plan;
- Long Term Financial Plan;
- Annual Budget;
- Delegations and Authorisations Register;
- Risk Management Framework;
- Procurement Policy;
- Debt Collection Policy;
- relevant financial management procedures and internal controls; and
- other Council policies and administrative procedures applicable to the subject matter of each policy.

The review has sought to improve alignment between related policies and reduce unnecessary duplication. Where matters are more appropriately addressed through another Council policy, operational procedure or established reporting mechanism, appropriate cross-references have been incorporated.

Financial Implications

The proposed amendments primarily relate to governance, financial management, administrative controls and alignment of Council's policy framework with the Shire's current organisational structure and operational practices.

There are no material direct financial implications associated with the adoption of the revised policies. Some amendments may have indirect financial implications when applied. In particular, decisions relating to external grants, borrowings, investments, payment arrangements and financial hardship may affect the

Shire's financial position depending on the individual circumstances. These matters will continue to be assessed through the applicable budget, delegation, procurement and Council decision-making processes.

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	Outdated, unclear or ineffective policies may contribute to financial loss, inefficient resource allocation, inappropriate expenditure or ineffective financial decision-making.	2-C Moderate	Regular policy reviews ensure appropriate financial controls, responsibilities and decision-making requirements remain current and fit for purpose.
Health & Safety	Outdated or ineffective policies may result in unclear responsibilities or inadequate controls for managing health, safety and workplace risks.	3-C High	Policies are reviewed to ensure responsibilities and controls remain appropriate and align with applicable organisational and legislative requirements.
Reputation	Outdated, inconsistent or ineffective policies may contribute to poor governance outcomes and reduce community confidence in the Shire.	3-C High	Regular policy review strengthens accountability, transparency and consistency in organisational decision-making and governance practices.
Service disruption	Policies that do not reflect current organisational structures or operational practices may create unclear responsibilities, inefficient processes or disruption to service delivery.	2-C Moderate	Policies are reviewed to align with current organisational structures, responsibilities and operational requirements.
Compliance	Failure to comply with legislative requirements relating to governance, conduct and risk management may result in audit findings, regulatory action or adverse compliance outcomes.	3-C High	Policies are progressively reviewed against applicable legislative, regulatory and governance requirements, with identified amendments incorporated through the Policy Review Program.

Property	Outdated or inadequate policy controls may contribute to ineffective management, protection or use of Shire assets and property.	2-C Moderate	Relevant policies are reviewed to ensure appropriate responsibilities and controls for the management and protection of Shire assets remain in place.
Environment	Policies that do not appropriately recognise environmental obligations may contribute to adverse environmental outcomes or regulatory non-compliance.	2-C Moderate	Environmental obligations and risks are considered where relevant to the scope and operation of each policy.
Fraud	Outdated, unclear or inadequate policies may weaken internal controls and increase opportunities for fraud, corruption, conflicts of interest or misuse of Shire resources.	3-C High	Policy reviews consider governance, accountability, authorisation and internal control requirements to ensure appropriate safeguards remain in place.

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 economy fosters investment and productivity in industries befitting Carnarvon's physical and natural environment and that grows our horizons*

ADDITIONAL FOCUS AREAS:

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

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The policies presented as part of this review have been assessed against the Shire's current organisational structure, operational practices, legislative obligations and governance framework. Amendments range from minor administrative updates through to more substantive changes intended to clarify decision-making responsibilities, strengthen internal controls and ensure appropriate separation between Council's governance functions and the CEO's operational responsibilities.

The key changes and rationale are outlined below.

Policy	Rating of Change	Summary of Changes
CEO Leave and Appointment of Acting or Temporary	Moderate	• Removes mention of DCEO as role doesn't exist in organisation chart; • Clarifies Authority under which Acting or Temporary CEO can act; • Addresses Vacancy of Position.
Designated Senior Employee	Major	• Removes designation of other Senior Designated Officers due to organisational chart structure; • To maintain clear separation between Council's governance role and the CEO's operational management responsibilities. • Executive Managers will remain as part of the CEO's operational management structure and remain directly accountable to the CEO. • Where an Executive Manager is required to perform the functions of the CEO, this is appropriately addressed through the CEO Leave and Appointment of Acting or Temporary CEO Policy, rather than through designation as a senior employee.
Investment Policy	Minor	• Removed special monthly report to Council, as already reported in Monthly Financial Report each month to Council. Includes interest rate, maturity date and total portfolio.
External Grants	Moderate	• Adjusted limit of $5k expenditure requiring Council decision to $10k; • Addressed Grant Register requirement (per Interim Audit findings); • Included requirement to still adhere to procurement policy.
Rate Charges	Minor	• Minor wording changes; • Changed responsible officer as the DCEO position does not exist anymore; • Included provision for debt collection to be addressed through Debt Collection Policy.
Loans & Borrowing	Moderate	• Included LTFP to be considered when proposing borrowings; • Minor wording changes on operating expenditure; • Rewording on borrowing considerations; • Removed reference to DCEO position.
Financial Hardship	Moderate	• Includes provision for second party to review if ratepayer unhappy; • Removes reference to DCEO position; • Address payment arrangement criteria.

CEO Leave and Appointment of Acting or Temporary CEO – Moderate Change

The policy has been updated to reflect the Shire's current organisational structure, including removal of references to the Deputy Chief Executive Officer (DCEO), as this position no longer exists within the organisational structure.

Further amendments clarify the authority under which an Acting or Temporary CEO performs the functions of the CEO. This provides greater certainty regarding the powers and responsibilities applying during periods of CEO leave or absence and ensures appropriate continuity of executive authority.

The policy has also been expanded to address circumstances where the CEO position becomes vacant, rather than only dealing with temporary periods of absence. This provides a clearer governance framework for Council and Administration should a substantive vacancy arise.

Designated Senior Employee – Major Change
The most significant amendment is the removal of the designation of positions other than the CEO as designated senior employees.

The existing policy reflected a previous organisational structure and is no longer considered necessary for the Shire's current management model. Executive Managers remain accountable to the CEO and form part of the CEO's operational management structure.

Removing these positions from the designation framework maintains a clearer separation between Council's governance responsibilities and the CEO's responsibility for the management and administration of the organisation.

Where an Executive Manager is required to perform the functions of the CEO, this is appropriately addressed through the CEO Leave and Appointment of Acting or Temporary CEO Policy, rather than through designation as a senior employee.

Investment Policy – Minor Change
The policy has been streamlined by removing the requirement for a separate monthly investment report to Council.

Investment information is already incorporated within the Monthly Financial Report presented to Council, including relevant information such as investment balances, interest rates, maturity dates and the total investment portfolio.

The amendment therefore removes duplication while maintaining Council's existing level of financial oversight and transparency.

External Grants – Moderate Change
The policy has been updated to improve the governance and administration of external grant funding.

The threshold requiring a Council decision where expenditure associated with a grant is not otherwise budgeted has been increased from $5,000 to $10,000. This provides greater operational flexibility for small lower-value grant opportunities, while retaining Council oversight where a more material financial commitment is required.

Requirements relating to maintenance of the Shire's Grant Register have also been strengthened. This amendment responds to matters identified through the 2025/26 Interim Audit and provides clearer expectations regarding the recording and monitoring of grant applications, agreements, funding obligations and associated reporting requirements.

The policy also expressly confirms that expenditure funded through grants remains subject to the Shire's procurement requirements. Receipt of external funding does not override purchasing thresholds, quotation requirements, tender requirements or other procurement controls.

Rate Charges – Minor Change
Minor wording and administrative amendments have been made to improve clarity and align the policy with the Shire's current organisational structure. References to the DCEO have been removed and the responsible officer updated accordingly.

The policy has also been amended to clarify that recovery of overdue rates and charges is governed through the Shire's Debt Collection Policy. This avoids duplication between policies and provides a clearer distinction between the administration of rates and charges and the subsequent recovery of outstanding debts.

Loans and Borrowing – Moderate Change
The policy has been strengthened to require consideration of the Shire's Long Term Financial Plan (LTFP) when new borrowings are proposed.

Borrowing decisions can have financial implications extending over a number of financial years. Explicit consideration of the LTFP assists Council to assess proposed debt within the context of projected cash flows, existing and future debt commitments, capital requirements and the Shire's longer-term financial sustainability.

The considerations applying to proposed borrowings have also been reworded to provide greater clarity, including amendments relating to the use of borrowings for operating expenditure. References to the DCEO have also been removed to reflect the current organisational structure.

Financial Hardship – Moderate Change
The Financial Hardship Policy has been amended to provide greater clarity around the assessment and administration of hardship applications and payment arrangements.

Payment arrangement criteria has been strengthened to provide a more consistent framework for determining appropriate arrangements while recognising individual circumstances.

A secondary review mechanism has also been introduced where a ratepayer is dissatisfied with the initial assessment or decision. This provides an additional level of procedural fairness and internal oversight without unnecessarily escalating routine operational decisions.

References to the DCEO have also been removed and responsibilities aligned with the Shire's current organisational structure.

Overall Impact of the Review
Collectively, the amendments seek to ensure the policy framework reflects the Shire's current organisational structure and contemporary governance practices. In particular, the review:

- removes obsolete references to positions that no longer exist;
- strengthens the distinction between Council's governance role and the CEO's operational management responsibilities;
- reduces unnecessary or duplicated reporting requirements;
- strengthens financial and grant management controls;
- incorporates matters identified through the interim audit process;
- improves consistency between related Council policies; and
- provides clearer administrative and decision-making frameworks for officers.

The changes classified as Major or Moderate represent substantive governance or operational improvements, while those classified as Minor primarily relate to administrative updates, removal of duplication and alignment with current organisational arrangements.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommends that Council endorse the "Final Policy Version for Endorsement" as attached as schedules for the following policies:

- CEO Leave and Appointment of Acting or Temporary;
- Designated Senior Employees;
- Investments Policy;
- Financial Hardship;
- Rate Charges;
- Loans & Borrowings;
- External Grants.

Note to the minutes: Before the Officer's Recommendation was moved, the Presiding Member permitted Committee Members to consider each policy individually, ask questions of officers and participate in discussion concerning the agenda item in accordance with Parts 7 and 8 of the Shire of Carnarvon Meeting Procedures Local Law 2021.

COMMITTEE RESOLUTION ARIC 05/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the Audit, Risk and Improvement Committee recommends that Council endorse the "Final Policy Version for Endorsement" as attached as schedules for the following policies:

- Financial Hardship; - As presented
- Rate Charges; - As presented

That the Audit, Risk and Improvement Committee recommends that Council endorse the "Final Policy Version for Endorsement" attached as schedules with amendments for the following policies:

- CEO Leave and Appointment of Acting or Temporary; - With amendments that clarify "Base Salary"
- Investments Policy; - With amendments to the paragraph in the Objectives section to clarify.

That the Audit, Risk and Improvement Committee recommends that Council repeal the following policies:

Designated Senior Employees;

That the Audit, Risk and Improvement Committee recommends that Administration workshop the following policies further, incorporating feedback provided from the ARIC Committee and re-present at the next meeting of ARIC:

- Loans & Borrowings;
- External Grants.

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.5 INTERIM AUDIT REPORT 2026/27

File No:	ADM1737
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	Shire of Carnarvon
Author(s):	Racheal King, Governance, Risk & Compliance Manager
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	ARIC 9 December 2025
Schedules:	1. Interim Management Letter 30 June 2026 2. Interim Management Letter - CEO

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 presents to the Audit, Risk and Improvement Committee the findings arising from the Office of the Auditor General's interim audit of the Shire of Carnarvon for the financial year ended 30 June 2026.

The interim audit forms an important component of the annual external audit process and provides an opportunity for identified control weaknesses, compliance matters and financial reporting issues to be addressed prior to completion of the final audit.

The report also provides the Committee with management's response to each finding, including corrective actions undertaken or proposed and the anticipated timeframe for resolution.

Background

Section 6.4(3) of the *Local Government Act 1995* requires the Shire to submit its accounts and annual financial report for audit.

The Office of the Auditor General undertakes an interim audit prior to the final annual audit, with the interim process primarily examining key financial controls, systems, processes and areas of audit risk.

The Shire's 2024/25 interim audit results were presented to the Audit and Risk Management Committee on 26 August 2025. At that time, one finding remained relating to the absence of documented evidence of independent review of the grant register.

The 2025/26 interim audit has now been completed and the resulting findings and management responses are presented to the Committee for review and oversight.

Stakeholder and Public Consultation

Shire Administration
Office of the Auditor General
William Buck – Appointed Auditors

Statutory Environment

Local Government Act 1995
Local Government (Audit) Regulations 1996
Local Government (Financial Management) Regulations 1996

Relevant Plans and Policy

Internal Control Framework and relevant financial management procedures.
Risk Management Policy

Financial Implications

There are no direct material financial implications arising from receiving the interim audit findings. Implementation of individual management actions may require allocation of existing organisational resources.

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	Inadequate oversight or treatment of identified risks may result in unplanned financial impacts, losses or inefficient allocation of resources.	2-C Moderate	Maintain appropriate financial controls, monitoring and reporting, with identified risks and treatments incorporated into operational and budget processes where required.
Health & Safety	Failure to identify and manage relevant operational risks may contribute to health and safety incidents.	2-D Low	WHS risks are managed through established safety systems, procedures, incident reporting and risk controls.

Reputation	Failure to appropriately identify, monitor and respond to organisational risks may adversely affect stakeholder and community confidence in the Shire.	2-C Moderate	Regular risk monitoring, transparent reporting to ARIC and Council, and timely implementation of agreed treatments.
Service disruption	Unmanaged or inadequately controlled risks may result in interruption or reduced delivery of Shire services.	2-C Moderate	Business continuity arrangements, operational controls and risk treatment actions are maintained and reviewed.
Compliance	Failure to maintain effective risk management and oversight may result in non-compliance with legislative, regulatory or governance obligations.	2-C Moderate	Maintain the Shire's risk management framework, compliance systems and regular reporting to ARIC and Council.
Property	Identified risks may result in damage, loss or inadequate protection of Shire assets and infrastructure.	2-D Low	Asset management, insurance arrangements, maintenance programs and relevant operational controls are maintained.
Environment	Operational activities may result in environmental harm where risks are not appropriately identified and controlled.	2-D Low	Environmental obligations and controls are incorporated into relevant operational practices, projects and risk treatments.
Fraud	Weak or ineffective controls may increase exposure to fraud, corruption, misuse of resources or inappropriate transactions.	2-C Moderate	Maintain segregation of duties, delegations, internal controls, financial oversight, audit processes and mechanisms for reporting suspected misconduct.

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:

- *N/A*

Comments

The 2025/26 interim audit identified three findings relating to the Shire's financial systems and internal control environment. Of these, one finding was rated Significant and two were rated Moderate. Importantly, the Office of the Auditor General has identified that none of the three findings have a potential impact on the audit opinion.

While the findings identify areas requiring improvement, management has already undertaken corrective action in relation to the super user access and bank reconciliation findings. Further work is being undertaken to formalise the grant register review process and address the repeat finding.

Index of Findings	Potential impact on audit Opinion	Rating	Year first raised
1. Excessive super user access	No	Significant	FY2025
2. Untimely review of bank reconciliations	No	Moderate	FY2026
3. No Evidence of review on grant register	No	Moderate	FY2024

Finding 1 – Excessive Super User Access
The audit identified that six user accounts had been assigned super user privileges within the Synergy Soft financial management system during the financial year. Two accounts related to the Shire's external IT provider and were considered appropriate by the auditors due to their system administration and support responsibilities.

The remaining four accounts related to Shire employees. While the number of super users had reduced from the previous year, the auditors considered the level of privileged access remained broader than would ordinarily be expected under the principle of least privilege.

This finding was rated Significant and was also rated Significant in 2025.

Management undertook a further review of super user access following the audit. As part of this review, the Accountant's super user privileges were removed following the conclusion of the temporary higher duties arrangement that had been implemented during the Finance Manager vacancy.

The Shire now retains three internal super users comprising the relevant Executive Manager, responsible Manager and internal IT Officer. Management considers this to be the minimum level required to maintain appropriate operational coverage during periods of leave or unplanned absence and to provide timely support for critical system administration requirements.

To strengthen the control going forward, super user access will be formally reviewed at least annually to confirm that privileged access remains appropriate to each officer's position and operational responsibilities.

Management action in response to this finding was completed on 4 August 2026.

Finding 2 – Untimely Review of Bank Reconciliations
The audit identified that the January 2026 bank reconciliation, which was prepared on 5 February 2026, was not independently reviewed until 14 May 2026.

The finding was rated Moderate and represents a new finding for the 2025/26 financial year.

The delay occurred during the Finance Manager vacancy when resourcing and competing priorities affected the timely preparation and independent review of reconciliations. Importantly, the control weakness had also been independently identified internally by the Manager Governance, Risk and Compliance during a control review undertaken in April 2026 and was escalated to the relevant Executive Manager for immediate attention.

Since identification of the issue, additional training and support has been provided to the responsible employee and monthly review meetings have been established to monitor the preparation and independent review of bank reconciliations.

The Shire has also transitioned its bank reconciliation process from the previous manual process to the reconciliation functionality within ALTUS. This provides a more structured and transparent process, including clearer evidence of preparation, completion and independent review.

These measures strengthen both the preventative and monitoring controls surrounding bank reconciliations and provide management with greater visibility of any future delays.

Management action in response to this finding was completed on 4 August 2026.

Finding 3 – Grant Register Review
The audit again identified that there was insufficient documented evidence of independent review of the Shire's complete grant register. The auditors also noted that the register was not yet fully updated at the time of audit testing.

The finding has been rated Moderate and is a repeat finding, having first been raised in FY2024.

Management acknowledges that this finding has remained unresolved longer than intended. Grant application status reports were presented to ARIC in December 2025 and May 2026; however, these reports did not constitute documented independent review of the complete grant register.

To address the finding, Administration is strengthening the existing process so that the complete grant register is regularly updated and subject to documented independent review. The review will extend beyond grant application status and include reconciliation to the financial system together with review of:

- grant funding received;
- revenue recognised;
- outstanding grant funding; and
- unspent grant funding and contract liability balances, where applicable.

This distinction is important as the purpose of the control is not only to provide governance oversight of grant applications and projects, but also to provide assurance over the completeness and accuracy of grant-related financial information reported within the Shire's accounts.

Formalising the process and retaining evidence of independent review will strengthen the existing oversight provided through ARIC reporting and directly address the control deficiency identified by the auditors.

Overall Management Response
Management acknowledges the importance of addressing audit findings promptly and ensuring that corrective actions result in sustainable improvements to the Shire's internal control environment.

Of particular concern is the finding relating to the timely completion and independent review of bank reconciliations. Administration considers this a significant internal control matter due to the fundamental role bank reconciliations play in maintaining the integrity of the Shire's financial records and in the timely detection of errors, irregularities or potentially fraudulent transactions.

The lapse in the bank reconciliation process was identified internally by the Manager Governance, Risk and Compliance in March 2026. While corrective action was initiated following its identification, resourcing constraints and the Finance Manager vacancy meant that rectification was not immediate, resulting in reconciliations and/or their independent review remaining outstanding for a number of subsequent months. This prolonged the period of reduced control effectiveness and increased the Shire's exposure to financial misstatement, undetected errors and fraud risk.

Administration therefore considers the bank reconciliation finding to be a major issue requiring strong and sustainable corrective action, notwithstanding that the control failure was identified internally prior to the

interim audit. The bank reconciliation process has subsequently transitioned to ALTUS, replacing the previous manual process, with processes established to support timely preparation and independent review.

Two of the three interim audit findings have now had corrective actions implemented, with processes established to support ongoing compliance. The remaining finding relating to the grant register requires continued focus, particularly given that this matter has been reported in successive audits.

Progress against all outstanding audit actions will continue to be monitored by Administration and reported through the Audit, Risk and Improvement Committee. This will provide appropriate governance oversight and assurance that corrective actions are not only implemented, but remain effective and embedded within the Shire's internal control environment.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee:

1. ***RECEIVES the Interim Audit Management Letter for the financial year ending 30 June 2026, including the findings and recommendations identified by the auditor;***
2. ***NOTES Administration's responses, proposed corrective actions and nominated completion timeframes for each finding.***

COMMITTEE RESOLUTION ARIC 06/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the Audit, Risk and Improvement Committee:

1. ***RECEIVES the Interim Audit Management Letter for the financial year ending 30 June 2026, including the findings and recommendations identified by the auditor;***
2. ***NOTES Administration's responses, proposed corrective actions and nominated completion timeframes for each finding.***

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.6 STRATEGIC REVIEW OF WORKSAFE-NOTIFIED INCIDENTS AND SAFETY IMPROVEMENT ACTIONS

File No:	TBA
Location/Address:	NA
Name of Applicant:	NA
Name of Owner:	Shire of Carnarvon
Author(s):	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple
Previous Report:	Nil
Schedules:	Nil

Authority/Discretion:

☐	**Advocacy**	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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☐	**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 the Audit, Risk and Improvement Committee (ARIC) with strategic oversight of two serious work health and safety matters at the Shire Works Depot and the organisation's response to the systemic issues identified. It addresses incident learnings, the maturity of the Shire's safety culture, ageing plant and maintenance governance, workforce capability, and the resources required to provide a safe workplace.

The incidents demonstrate that safety improvement cannot be achieved through individual corrective action alone. The investigations identify common organisational themes, including reliance on informal work practices, inconsistent task risk assessment, gaps in task-specific procedures and competency verification, inadequate supervisory assurance, and weaknesses in plant inspection and preventative maintenance. These findings require a coordinated, organisation-wide response led by the CEO and Executive and supported by appropriate Council oversight and resourcing.

The Shire has commenced a significant improvement program. This includes engaging an experienced, cross industry-trained WHS Coordinator on a direct contract basis, increasing alcohol and other drug testing, improving review and visibility of safety documentation, implementing a 12-month Safety Excellence Program, establishing a grant funded People and Safety Trainee position, and strengthening leadership training and accountability.

Background

Incident INC0248 - Vehicle Hoist Failure

On 9 June 2026, a Shire vehicle fell in an uncontrolled manner from a mobile vehicle hoist while two employees were attempting to use a light vehicle lifting kit for the first time. No injury was sustained. The incident was notified to WorkSafe as a dangerous incident because of the potential for serious injury.

The completed ICAM investigation found that the incident was preventable and identified the following principal issues:

- the lifting kit was used without manufacturer instructions, formal training or a task-specific Safe Work Instruction (SWI);
- a pre-task risk assessment was not undertaken for the non-routine lift;
- there was no formal verification of competency for the unfamiliar plant attachment;
- workers relied on experience and informal knowledge rather than documented task controls;
- supervisory arrangements did not verify that hazard identification and controls had been implemented; and
- the procurement and commissioning process did not ensure that operating instructions, risk assessment and training were in place before the equipment was used.

WorkSafe advised on 4 August 2026 that, having regard to the Shire's commitment to implement the ICAM recommendations, its acknowledgement of the need to improve safety culture and the CEO's commitment to implement a clear and effective risk management framework, WorkSafe was satisfied to conclude its investigation at that stage.

WorkSafe noted that its Plant and Engineering team may separately contact the Shire regarding the hoist attachment. Accordingly, any future regulator enquiry must continue to be managed promptly and transparently.

Incident INC0254 – Forklift Assisted Asphalt Loading

On 29 June 2026, an employee sustained fractures to the right foot requiring surgery after a one-tonne bulk bag of asphalt tore during a forklift assisted loading of a patching truck. A sudden discharge of asphalt struck the employee and pinned the employee's foot against the truck body. The incident was notified to WorkSafe as a dangerous incident because of the serious injury. The employee remains away from the workplace and the matter remains subject to investigation and injury management processes.

The internal ICAM investigation was completed internally and forwarded to WorkSafe for their investigation. Findings relevant to strategic oversight include:

- the loading method placed workers adjacent to, or beneath, a suspended load and no exclusion zone was established;
- no task-specific SWI, SOP, JSA or SWMS existed for loading asphalt or similar road maintenance material into the patching truck;
- no new task risk assessment or Take 5 was completed when work changed from drainage activity to asphalt loading;
- forklift and truck pre-start inspections were not completed and broader completion was reported as inconsistent;
- the forklift was operated by a worker who did not hold a current High Risk Work Licence, demonstrating a failure in licence verification and supervisory controls;
- training and task knowledge were transferred informally, without an effective verification-of-competency process;
- the patching truck had no documented routine preventative maintenance for more than two years; and
- unsafe work practices had become normalised over time and were regarded as the accepted method of completing the task.

Immediate action included removing the patching truck from service pending redesign of the loading method, review of procedures, training, risk controls and plant condition. The investigation recommendations also include a fleet-wide maintenance review, an audit of High-Risk Work Licences and authorisations, formal verification-of-competency (VOC) arrangements, improved pre-start compliance and regular management assurance audits.

This incident is still currently under investigation by WorkSafe.

Safety Improvement and Resourcing Response
The CEO and Executive have commenced or planned the following controls:

Specialist WHS Capability: An experienced and cross industry-trained WHS Coordinator has been engaged on a direct contract basis to review systems, train, coach and mentor employees, and support the organisation to embed sustainable safety practices.

People and Safety Trainee: A funded trainee position will work closely with the WHS Coordinator while undertaking formal studies, building internal capability and supporting succession and continuity.

AOD Program: Internal alcohol and other drug testing has increased from random quarterly activity to weekly testing. Breath testing in higher-risk operational areas is currently undertaken before shift on three randomly selected days each week, with an intended progression to daily pre-shift testing. Since the increased schedule commenced, there have been no non-negative results. This is one indicator that tested employees have presented fit for work; it does not replace broader fitness-for-work, fatigue, medication, psychosocial and impairment controls.

Safety Documentation and Assurance: Safety documents are being made more visible and accessible. Take 5s, Pre-Starts, JSAs, SWMSs and SWIs are subject to more regular review, with an increased focus on whether documents reflect the work actually being performed.

12-Month Safety Excellence Program: The program creates a consistent monthly safety rhythm through operational and administrative safety conversations, Executive safety walks, positive recognition, communication and monthly focus campaigns. Its stated goal is to move from compliance-based activity to visible leadership, employee ownership and continuous improvement.

Leadership Development: All employees with leadership or management responsibilities will undertake face-to-face WHS leadership training appropriate to their role. Content will include statutory duties, officer due diligence where applicable, consultation, hazard and risk management, supervision, incident response, contractor and plant governance, and practical safety assurance.

Plant and Fleet Governance: The organisation will strengthen preventative maintenance, daily pre-start requirements, defect escalation, plant isolation, licence and competency verification, procurement/commissioning controls and long-term plant replacement planning.

Stakeholder and Public Consultation

Internal consultation has occurred through the incident investigation processes, including interviews with affected employees and witnesses, site inspections, and review of work practices, training, plant, maintenance and safety documentation. The CEO, Executive, infrastructure leadership, supervisors, the WHS Coordinator and relevant employees are key stakeholders in implementing corrective actions. Consultation with workers and elected HSRs must continue when hazards are identified and when controls, procedures, plant or work methods are developed or changed.

WorkSafe has been consulted through the statutory notification and subsequent investigation. The Shire must continue to cooperate with any WorkSafe enquiries concerning either incident.

LGIS have been notified and provided with updates on both incidents and WorkSafe Investigations.

No public consultation is recommended. The report concerns internal operational risk, confidential employee information, health information and active investigation/injury-management matters.

Statutory Environment

Work Health and Safety Act 2020 (WA)

- Section 19 - the Shire, as the person conducting a business or undertaking (PCBU), must ensure, so far as is reasonably practicable, the health and safety of workers and other persons. This includes safe work environments, safe plant and structures, safe systems of work, and necessary information, training, instruction and supervision.
- Sections 20 and 21 - a person with management or control of a workplace, fixtures, fittings or plant must ensure, so far as is reasonably practicable, that these are without risks to health and safety.
- Section 27 - an officer must exercise due diligence to ensure the PCBU complies with its duties. Due diligence includes maintaining current WHS knowledge, understanding operational hazards and risks, ensuring appropriate resources and processes, ensuring incident and hazard information is acted upon, and verifying that these resources and processes are used.
- Sections 28 and 29 - workers and other persons at the workplace also have duties to take reasonable care, comply with reasonable instructions and cooperate with notified policies and procedures.
- Sections 38 and 39 - notifiable incidents must be notified to the regulator and incident sites preserved, subject to the statutory exceptions.

Work Health and Safety (General) Regulations 2022 (WA)

- Part 3.1 - hazards must be identified and risks eliminated so far as is reasonably practicable, or otherwise minimised using the hierarchy of control; controls must be maintained and reviewed.
- Regulation 39 - information, training and instruction provided to workers must be suitable and adequate, having regard to the work, risks and controls.
- Regulation 81 and the high-risk work licensing provisions - a person must not carry out prescribed high-risk work unless appropriately licensed, subject to limited exceptions.
- Regulation 213 - plant must be maintained, inspected and, where necessary, tested by a competent person in accordance with manufacturer recommendations or, if unavailable, the recommendations of a competent person.

Local Government Act 1995 and Local Government (Audit) Regulations 1996

- Regulation 16 of the Local Government (Audit) Regulations 1996, ARIC may receive and review reports on the appropriateness and effectiveness of the Shire's risk-management and legislative-compliance systems and recommend improvements to Council.
- Regulation 17 requires the CEO to review the appropriateness and effectiveness of systems and procedures for financial management, legislative compliance and risk management at least once in every four financial years and report the results to ARIC. This report supports ARIC's risk and improvement oversight but is not a substitute for the formal regulation 17 review.

Relevant Plans and Policy

- Shire of Carnarvon Strategic Community Plan 2022-2032 - supports accountable governance, organisational capability and the safe, sustainable delivery of services.
- Shire of Carnarvon Corporate Business Plan - includes effective asset management and implementation of a 10-year Plant and Equipment Replacement Program.
- Shire of Carnarvon Asset Management Plan and associated plant/fleet replacement planning.
- Shire of Carnarvon Risk Management Policy and Framework.
- Shire of Carnarvon Work Health and Safety policy, procedures and supporting safe work documents.

- Shire of Carnarvon Code of Conduct - includes responsibilities to contribute to a safe and supportive workplace.
- 12-Month Safety Excellence Program - Our Shire. Our People. Our Safety.

Financial Implications

Implementation will require both operational and capital resources. Current commitments include the direct-contract WHS Coordinator, training, testing, procedural review, assurance activity and the grant funded People and Safety Trainee. The trainee position is externally funded; however, supervision, mentoring and organisational participation require employee time.

Further expenditure may arise from plant inspection and repair, redesign of work methods, technical advice, replacement or retirement of unsafe or uneconomic plant, formal competency verification, licence and training requirements, and delivery of the 12-month program. These costs should be prioritised through the 2026/27 budget, long-term financial planning, Asset Management Plan and the 10-year Plant and Equipment Replacement Program. Where expenditure is not included in the adopted budget or exceeds authorised allocations, a separate report must be presented to Council in accordance with the Local Government Act 1995 and the Shire's delegations and purchasing requirements.

Failure to invest carries potentially greater direct and indirect costs, including injury and workers' compensation costs, lost time, relief and overtime, legal and regulatory expense, plant downtime, service interruption, recruitment and retention impacts, and damage to employee trust and organisational reputation. Exact costs are not quantified in this report and will be reported through the budget and corrective-action governance processes as they become known.

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	Unplanned injury, investigation, workers' compensation, remediation, training and accelerated plant replacement costs.	3-B High	Budget prioritisation; insurance and LGIS engagement; staged corrective-action costing; long-term plant replacement planning; Council approval where required.
Health & Safety	Serious injury or fatality may occur if unsafe loading, lifting, plant, competency and supervisory controls are not corrected and verified.	4-B Extreme	Remove unsafe plant/tasks from service; redesign work; exclusion zones; SWIs/SWMSs; daily pre-starts; VOC and licence checks; competent supervision; audits; worker consultation.
Reputation	Loss of workforce, regulator and community confidence if known safety deficiencies are not addressed openly and effectively.	3-B High	Transparent governance reporting; demonstrated leadership; timely action closure; de-identified communication; positive and learning-focused safety engagement.

Service disruption	Plant isolation, employee absence, investigation activity and training may temporarily reduce operational capacity.	3-B High	Prioritise critical services; alternative safe plant/methods; workforce planning; staged training; cross-skilling; realistic work programming.
Compliance	Potential non-compliance with WHS duties, notification requirements, licensing, training, risk management and plant maintenance requirements.	4-C Extreme	Legal and specialist advice; statutory notification and cooperation; compliance register; accountable action owners; due dates; evidence-based verification; quarterly ARIC reporting.
Property	Further damage to vehicles, hoists, attachments, forklifts or other plant through unsafe use or inadequate maintenance.	3-B High	Tag-out/isolation; competent inspections; preventative maintenance program; defect escalation; procurement and commissioning controls; replacement of unserviceable assets.
Environment	Plant failure or unsafe material handling may cause spills or release of fuels, oils, asphalt or other substances.	2-C Moderate	Plant maintenance; task-specific environmental controls; spill response equipment; SDS access; safe storage and handling procedures.
Fraud	No direct fraud issue identified; however, inaccurate licence, training, inspection or maintenance records could undermine assurance.	2-D Low	Centralised verified registers; document controls; supervisor sign-off; periodic data validation and management 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 community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

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

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

The WorkSafe closure of INC0248 is a positive acknowledgement of the Shire's stated commitment, but it must not be interpreted as confirmation that all risks have been resolved or that the improvement work is complete. The credibility of the response will depend on closing each corrective action, retaining evidence, testing whether controls are effective in practice and reporting exceptions to Executive, ARIC and Council.

The Shire's ageing plant profile is a material WHS and service-continuity issue. Age alone does not make plant unsafe, risk arises where condition, maintenance history, suitability for the task, availability of instructions and parts, operator competency or design no longer provide reliable control. Plant decisions must therefore be risk-based and supported by lifecycle information, competent inspection and a funded replacement program.

AOD testing is one component of fitness-for-work assurance. Between 1 July and 13 August 2026, the People, Culture and Wellbeing Team administered 330 alcohol and other drug tests internally, representing an average of approximately 53 tests per week. No non-negative results were recorded during the reporting period. This outcome provides a positive indication of employee compliance with the Shire's Alcohol and Other Drugs requirements and demonstrates the increased level of monitoring being undertaken across the organisation.

The 12-month program is designed to strengthen participation and positive safety behaviours. It should operate alongside, and not in place of, critical compliance controls. Program effectiveness should be measured using both leading indicators (training, inspections, action closure, safety interactions, verified competencies and maintenance compliance) and lag indicators (injuries, lost time, workers' compensation, repeat events and regulator action).

Proposed quarterly assurance measures

Measure	Example evidence
Corrective actions	% completed by due date; overdue high-risk actions; evidence of effectiveness review
Plant and fleet	% pre-starts completed before use; preventative maintenance compliance; overdue critical defects; assets removed/replaced
Competency	% relevant workers with verified current HRWL; VOC completion; supervisor and leadership training completion
Risk controls	Take 5/JSA/SWMS quality audit results; SWI review completion; high-risk task observations
Culture and consultation	Executive safety walks; workforce safety discussions; hazards/near misses reported; employee suggestions and close-out feedback
Incident outcomes	Recordable injuries; lost-time injuries; repeat incident themes; days lost; WorkSafe notices or enquiries
Fitness for work	Testing activity and trends reported in aggregated, confidential form; fatigue and psychosocial control activity

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommends that Council:

1. ***RECEIVES the Work Health and Safety Incidents, Organisational Risk and Safety Improvement Program report;***
2. ***NOTES the findings and status of Incident INC0248, including that WorkSafe advised on 4 August 2026 that it was satisfied to conclude its investigation at that stage, while retaining the ability for its Plant and Engineering team to make further enquiries regarding the hoist attachment;***
3. ***NOTES the serious injury arising from Incident INC0254, that the employee remains away from the workplace, and that investigation, injury-management and corrective-action processes remain ongoing;***
4. ***ACKNOWLEDGES that the incidents identify material system-level risks relating to safety culture, high-risk work, supervision, competency and licence verification, task risk assessment, plant inspection, preventative maintenance, procurement and ageing plant;***

5. ***SUPPORTS the CEO's organisation-wide safety improvement program, including strengthened AOD and fitness-for-work arrangements, the 12-Month Safety Excellence Program, leadership WHS training, HSR training, improved safety-document assurance and strengthened plant and fleet governance;***
6. ***SUPPORTS the prioritisation of reasonably practicable WHS controls and associated operational and capital resourcing through the 2026/27 Annual Budget, Long-Term Financial Plan, Asset Management Plan and 10-year Plant and Equipment Replacement Program, subject to separate Council approval where required; and***
7. ***REQUESTS that the CEO provide quarterly progress reports to ARIC on high-risk corrective actions, plant and maintenance assurance, competency and licence verification, safety leadership activity, key safety performance indicators and any material WorkSafe action or enquiry.***

COMMITTEE RESOLUTION ARIC 07/08/26

Moved: Mr Stephen Brown
Seconded: Cmm Martin Aldridge

That the Audit, Risk and Improvement Committee recommends that Council:

1. RECEIVES the Work Health and Safety Incidents, Organisational Risk and Safety Improvement Program report;

2. NOTES the findings and status of Incident INC0248, including that WorkSafe advised on 4 August 2026 that it was satisfied to conclude its investigation at that stage, while retaining the ability for its Plant and Engineering team to make further enquiries regarding the hoist attachment;

3. NOTES the serious injury arising from Incident INC0254, that the employee remains away from the workplace, and that investigation, injury-management and corrective-action processes remain ongoing;

4. ACKNOWLEDGES that the incidents identify material system-level risks relating to safety culture, high-risk work, supervision, competency and licence verification, task risk assessment, plant inspection, preventative maintenance, procurement and ageing plant;

5. SUPPORTS the CEO's organisation-wide safety improvement program, including strengthened AOD and fitness-for-work arrangements, the 12-Month Safety Excellence Program, leadership WHS training, HSR training, improved safety-document assurance and strengthened plant and fleet governance;

6. SUPPORTS the prioritisation of reasonably practicable WHS controls and associated operational and capital resourcing through the 2026/27 Annual Budget, Long-Term Financial Plan, Asset Management Plan and 10-year Plant and Equipment Replacement Program, subject to separate Council approval where required; and

7. REQUESTS that the CEO provide quarterly progress reports to ARIC on high-risk corrective actions, plant and maintenance assurance, competency and licence verification, safety leadership activity, key safety performance indicators and any material WorkSafe action or enquiry.

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

5.7 OVERVIEW OF GRANT FUNDING 2025/2026

File No:	ADM1737
Location/Address:	N/A
Name of Applicant:	Shire of Carnarvon
Name of Owner:	N/A
Author(s):	Caroline Ballard, Governance & Information Coordinator
Authoriser:	Amanda Leighton, Executive Manager, Corporate Strategy & Performance
Declaration of Interest:	Nil
Voting Requirement:	Simple Majority
Previous Report:	Nil
Schedules:	Nil

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

An initial overview report to ARMC May 2025 provided a financial year-to-date (FYTD) overview of funding opportunities that have been investigated, applied for, and managed by Shire Officers. This report outlines the outcomes of grant applications submitted over a four-month period from 10 April 2026 to 10 August 2026.

The purpose of this report is to provide the Audit and Risk Improvement Committee with oversight of how external funding supports the delivery of Shire projects and services, and how associated funding risks are being monitored and managed by Officers. This includes assessment of dependencies on grant funding for key operational and capital programs, and measures in place to mitigate non-award or delayed award of grant income.

Annual and recurrent funding sources—such as the Financial Assistance Grants, Roads to Recovery, and LGGS allocations—are tracked separately through the Shire's financial systems and are not included in this report.

Background

External funding plays a critical role in enabling the Shire of Carnarvon to deliver a wide range of infrastructure and community initiatives that may not otherwise be financially feasible within the constraints of municipal revenue alone. Grant funding is increasingly competitive and often subject to tight timeframes, co-contribution requirements, and performance-based reporting conditions.

As part of good financial governance, it is important that the Shire maintains clear oversight of its external funding activities, including applications made, funding secured, and obligations arising from grant agreements. This supports effective forward planning, ensures funding conditions are met, and assists in identifying and mitigating risks associated with grant dependency, project delays, or potential non-compliance.

The Audit and Risk Improvement Committee has an advisory role in overseeing the Shire's financial management practices and ensuring appropriate risk controls are in place. Providing a financial year-to-date report on funding applications and outcomes promotes transparency and enables the Committee to assess the extent to which grant funding activities align with the Shire's strategic objectives and risk appetite.

This report consolidates funding activity undertaken between 10 April 2026 and 10 August 2026, and includes details of:

- New Applications submitted (including purpose, value, and funding body), and
- Outcomes of applications (successful, unsuccessful, pending).

Stakeholder and Public Consultation

No formal public consultation has been undertaken in the preparation of this report.

Internal consultation has occurred with relevant Shire officers, cross-departmental collaboration ensures that funding opportunities are aligned with the Shire's Strategic Community Plan, Corporate Business Plan, and Long-Term Financial Plan.

The Strategic Community Plan serves as the guiding framework for identifying priority projects and services for the community. Grant applications are assessed for their alignment with the SCP objectives to ensure the Shire is pursuing external funding that directly supports the aspirations and outcomes identified by the community.

From time to time, ad hoc funding opportunities may arise that fall outside the scope of existing strategic documents. In such cases, Officers undertake a preliminary review of the opportunity to assess feasibility, risks, and potential community benefit. Where deemed suitable, these applications may proceed with the direction or endorsement of Council.

Where required under specific grant programs, stakeholder engagement has been or will be undertaken in accordance with funding body requirements. This may include letters of support, project partnerships, or community consultation to demonstrate need and local benefit.

Statutory Environment

-Local Government Act 1995 (WA) – Part 6: Financial Management
Provides the overarching legislative framework for the proper management of financial resources by local governments, including the responsibility to apply sound financial practices and pursue external funding to support operational and capital activities.

-Local Government (Financial Management) Regulations 1996 – Regulation 5
Requires local governments to establish and maintain financial management systems and procedures that ensure the proper recording, control and accountability of the Shire's financial operations, including grants received.

-Local Government (Audit) Regulations 1996 – Regulation 16
Outlines the role of the Audit and Risk Committee, including its function to review the effectiveness of the Shire's risk management, internal control and legislative compliance — which encompasses risks associated with grant dependency and funding obligations.

-Integrated Planning and Reporting Framework (IPRF) – Department of Local Government, Sport and Cultural Industries (DLGSC)
Requires that all financial planning, including the pursuit of grant funding, is aligned with the Shire's Strategic Community Plan and Corporate Business Plan, ensuring resources are directed towards community-endorsed priorities.

-Individual Grant Funding Agreements
Operate as legally binding contracts that outline specific financial, governance and reporting obligations the Shire must meet. Failure to comply with these obligations may result in funding being withheld, recovered, or reputational damage to the Shire.

Relevant Plans and Policy

Strategic Community Plan.
Corporate Business Plan.
Long Term Financial Plan.
CD006 External Grants – Procurement and Grants.

Financial Implications

External grant funding forms a critical component of the Shire's overall funding strategy and significantly contributes to the delivery of key community, economic and infrastructure initiatives. While these funds support the expansion of services and capital projects beyond the capacity of municipal revenue alone, they also introduce financial considerations that require ongoing management.

Key financial implications include:

- **Budget Amendments**
  Where successful grant applications are not included in the adopted Annual Budget; formal budget amendments are required in accordance with the Shire's Budget Amendment and Review Policy (FIN002). This ensures compliance with the *Local Government Act 1995* and *Financial Management Regulations 1996*.
- **Matching Contributions**
  Some grant programs require a co-contribution from the Shire; these obligations are assessed at the application stage and considered in the context of available reserves, operational capacity, and alignment with the Long-Term Financial Plan.
- **Cash Flow and Timing Risk**
  Delays in funding announcements or payments can affect project delivery schedules and cash flow forecasting. Officers monitor these closely and seek to mitigate impacts through appropriate phasing of expenditure and regular financial reporting.
- **Unsuccessful Applications**
  Where funding is not awarded, projects reliant on external funding may be deferred, reduced in scope, or reprioritised. This has downstream implications for asset renewal programs, service delivery and strategic outcomes.
- **Grant Acquittals and Compliance**
  Failure to meet reporting or acquittal obligations may result in grant funds being withheld or reclaimed. Financial and project staff work collaboratively to ensure all grant-related expenditures are documented and acquitted in accordance with funding agreements.
- **Audit and Financial Reporting**
  Grant income and associated expenditure are captured in the Shire's financial records and subject to annual audit. Proper documentation and controls ensure accountability and reduce the risk of audit qualification.

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 funding shortfalls, delayed payments, or the need for unbudgeted co-contributions.	2-C Moderate	Applications are assessed for financial viability; budget amendments are submitted to Council; cash flow is monitored and matched to project milestones.
Health & Safety	Risk to officer health and safety when implementing grant-funded works or community programs.	2-D Low	Projects are planned in accordance with the Shire's WHS procedures; risk assessments are completed prior to project commencement.
Reputation	Risk of reputational damage if grant obligations are not met, or projects are not delivered.	2-C Moderate	Internal procedures ensure compliance with grant terms; project progress is reported to Council and funding bodies; communication with stakeholders is maintained.
Service disruption	Delays in funding decisions or acquittal processes may impact service delivery timelines.	3-D Moderate	Projects are sequenced and contingency plans developed; officers monitor grant timelines and maintain flexibility in delivery schedules.
Compliance	Risk of non-compliance with funding agreements or statutory reporting.	3-C High	CD006 External Grants Policy and internal controls guide grant management; regular reporting and acquittals are overseen by Finance and project teams.
Property	Potential damage to Shire assets if projects are not appropriately scoped or delivered.	2-D Low	Project scopes and risk assessments include asset impact considerations; works are supervised by technical officers.
Environment	Risk of environmental harm if infrastructure projects are poorly scoped or regulated.	2-D Low	Environmental approvals and assessments are undertaken where required; projects are aligned with applicable legislative and environmental standards.
Fraud	Misuse or misreporting of grant funds.	2-C Moderate	All financial transactions are subject to internal controls, dual authorisations, and audit review; grant acquittals require supporting documentation.

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 equitable community is actively involved in and are responsible for developing innovative, local solutions that transcend our region for a safe and unified 6701*

ADDITIONAL FOCUS AREAS:

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

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- *N/A*

Comments

To support the delivery of its strategic objectives, the Shire of Carnarvon actively seeks funding from a range of sources including State and Federal government agencies, not-for-profit organisations, and philanthropic foundations. These funding arrangements are critical in enabling the Shire to deliver a combination of core community services and additional value-adding programs that respond to community expectations.

A significant portion of grant funding directly supports the Shire's essential operations—particularly in areas such as infrastructure, community development, and environmental management. Other grants enable the Shire to undertake enhanced or pilot initiatives that would not otherwise be financially viable. In many cases, the ability to proceed with a project or program is contingent upon securing external funding.

Officers apply a rigorous process to assess the suitability of each funding opportunity in terms of strategic alignment, financial implications, delivery capacity, and compliance obligations. Successful grants are incorporated into the budget through formal amendment processes, and all grant-funded activities are tracked to ensure conditions are met and acquittals are completed within required timeframes.

With the appointment of a dedicated Accountant and the establishment of a Special Projects Team, the Shire has strengthened its internal financial oversight and project delivery capacity. The Grants Register is actively maintained and regularly reviewed; funding milestones, project progress, and acquittal status checks are added to the Attain Compliance calendar to enhance their tracking and ensure continued compliance.

A summary grant activity for the period 10 April 2026 to 10 August 2026 is provided in the table below:

NAME OF FUNDING BODY	NAME OF PROJECT	STATUS / FUNDING PERIOD	AMOUNT APPLIED FOR	FUNDING RECEIVED
DFES - SOCIAL, ECONOMIC & ENVIRONMENTAL RECOVERY GRANTS	CARNARVON FLOODPLAIN RECOVERY, RESPONSIBILITY & RESILIENCE PROJECT	SUBMITTED	$ 50,000	PENDING OUTCOME
DFES - LOCAL GOVERNMENT RECOVERY SUPPORT	STC NARELLE COMMUNITY RECOVERY OFFICER AND RECOVERY DELIVERY CAPACITY	SUBMITTED	$ 150,000	PENDING OUTCOME
DFES - LOCAL GOVERNMENT RECOVERY SUPPORT	FUTURE READY INDUSTRIES - SHIRE OF CARNARVON	SUBMITTED	$ 150,000	PENDING OUTCOME
DFES	DISASTER READY FUND (DRF) ROUND 4 STATEWIDE DRONE CAPTURE PROGRAM	SUBMITTED	$ 15,000	PENDING OUTCOME

CARER'S WA	CELEBRATING CARNARVON'S CARERS	SUBMITTED	$ 500	PENDING OUTCOME
REGIONAL & REMOTE AIRPORT SUPPORT PROGRAM	REX DEBT – FINANCIAL RELIEF TO OPERATORS (REGIONAL/REMOTE)	SUCCESSFUL FY 25/26	$ 390,707	$ 355,188
REGIONAL ECONOMIC DEVELOPMENT GRANTS (RED GRANTS)	TOURISM PRODUCT DEVELOPMENT & INCUBATOR PROJECT	SUCCESSFUL FY 26/27	$ 115,000	$ 115,000
LOTTERYWEST	EOI – ARTS AND CULTURE INFRASTRUCTURE GRANT PROGRAM	SUCCESSFUL FY 26/27	$ 497,000	$ 497,000
KEEP AUSTRALIA BEAUTIFUL COUNCIL	CARNARVON LITTER LEGENDS REGATTA	SUCCESSFUL FY 26/27	$ 6,043	$ 6,043
DEPARTMENT CREATIVE INDUSTRIES, TOURISM AND SPORT	ACTIVE REGIONAL COMMUNITIES: WINNING OFF THE FIELD: GOVERNANCE & GRANT WRITING FOR SPORTING CLUBS	SUCCESSFUL FY 26/27	$ 4,360	$ 4,360
CBCA CHILDREN'S BOOK COUNCIL OF AUSTRALIA WA BRANCH	CHILDREN'S BOOK WEEK EVENTS	SUCCESSFUL FY 26/27	$ 1,009	$ 1,009
DFES	DISASTER READY FUND (DRF) 2025-26 MITIGATE THE RISK OF INUNDATION OF SOUTH CARNARVON DRF2626-001	SUCCESSFUL FY 26/27	$ 5,582,831	$ 5,582,831
NATIONAL INDIGENOUS AUSTRALIAN AGENCY	REMOTE JOBS AND ECONOMIC DEVELOPMENT PROGRAM	SUCCESSFUL FY 26/27	$ 2,505,546	$ 1,489,431
ROAD SAFETY COMMISSION	BOLLARDS TO BELONGING: SAFER STREETS FOR OUR PEOPLE MARCH APPLICATION	UNSUCCESSFUL	$ 25,000	N/A
INSPIRING WA	SEEDS FOR SCIENCE, NURTURING KNOWLEDGE FOR ALL ON YINGGARDA COUNTRY	UNSUCCESSFUL	$ 10,000	N/A

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee resolves to receive the summary of grant applications.

COMMITTEE RESOLUTION ARIC 08/08/26

Moved: Cmm Martin Aldridge
Seconded: Mr Stephen Brown

That the Audit, Risk and Improvement Committee resolves to receive the summary of grant applications.

FOR: Ms Leah Horton, Mr Stephen Brown and Cmm Martin Aldridge
AGAINST: Nil

CARRIED 3/0

6 DATE OF NEXT MEETING

The next meeting will be held on Tuesday 20 October 2026 at Shire Council Chambers, Stuart Street Carnarvon commencing at 1.30pm

7 CLOSE

The Presiding Member declared the meeting closed at 10:05am.