



SHIRE OF CARNARVON

AGENDA

AUDIT & RISK MANAGEMENT COMMITTEE

TUESDAY 26 AUGUST 2025

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

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

NOTICE OF MEETING

Notice is hereby given

Shire of Carnarvon
Audit and Risk Management Committee Meeting
will be held
on Tuesday 26 August 2025
at the Shire Council Chambers, Stuart Street
Carnarvon,
commencing at 10.30am.

Amanda Leighton
A/CHIEF EXECUTIVE OFFICER

DISCLAIMER

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

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

TERMS OF REFERENCE

NOVEMBER 2023

Objectives of the Audit and Risk Committee

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

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

The Committee is to:

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

Legislative Considerations

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

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

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

Membership

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

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

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

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

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

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

The Committee can seek advice from external sources when required.

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

Meetings

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

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

A quorum shall consist of at least three members.

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

Reporting

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

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

Duties and Responsibilities

The duties and responsibilities of the Committee will be to:

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

discussed and the outcome of those discussions;

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

Code of Conduct and Ethical Practices

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

Expiry and Review

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

INFORMATION ON PUBLIC QUESTION TIME

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

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

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

Local Government (Administration) Regulations 1996 – Pt 2, r.11 – (in part reads -)
11. Minutes, content of (Act s.5.25(1)(f))

The content of minutes of a meeting of a council or a committee is to include –
(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question.

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

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

SPECIAL MEETINGS OF COUNCIL

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

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1 ATTENDANCE AND APOLOGIES

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

2 PUBLIC QUESTION TIME

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

3 DECLARATIONS OF INTEREST

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

4 CONFIRMATION OF MINUTES

4.1 Minutes of the Audit and Risk Management Committee Meeting - 24 June 2025

5 REPORTS

5.1 GOVERNANCE AND COMPLIANCE - INTERNAL CONTROLS

| | |
|--------------------------|---|
| File No: | ADM0011 |
| Location/Address: | N/A |
| Name of Applicant: | N/A |
| Name of Owner: | Shire of Carnarvon |
| Author(s): | Jamie Bone, Executive Business Manager |
| Authoriser: | Amanda Leighton, Acting CEO |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | OCM 23.11.23 |
| Schedules: | 1. Shire of Carnarvon Internal Controls - July 2025 |

Authority/Discretion:

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

Summary of Report

This report provides an update on the status and effectiveness of the Shire's internal control management, in line with regulation 16 of the Local Government (Audit) Regulations 1996, to support Council's governance and risk oversight responsibilities.

Background

Local Government (Audit) Regulations 1996, outline the functions of a local government audit committee. Council at its meeting dated 28 November 2023 confirmed the purpose of the current Audit Committee, which included amongst others the following:

- Oversee compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal controls and legislative compliance; and
- Oversee the internal control functions in conjunction with the CEO.

Due to an increased focus on the accountability of local governments, a review of the effectiveness of all business processes is becoming best practice. Internal auditing is one way to reduce risk and identify improvements in internal controls. There are many benefits to conducting internal audits, such as:

- Improving the performance of the organisation;
- Making the organisation process dependent instead of person-dependent;

- Identifying redundancies in operational and control procedures and the provision of recommendations to improve the efficiency and effectiveness of procedures;
- Serving as an early warning system, enabling deficiencies to be identified and remediated on a timely basis (i.e prior to external, regulatory or compliance audits); and
- Increasing accountability within the organisation.

Compliance Calendar

The Shire has a compliance Calendar which is used to track activities and action due dates to ensure compliance is met with critical legislative compliance requirements, operational requirements and also reduce risk of non-compliance. Data entered into this system throughout the year supports completion of the annual Compliance Audit Return. This is a requirement from State Government and is reported to the February Audit and Risk Committee meeting prior to being submitted for Council endorsement.

Stakeholder and Public Consultation

Nil

Statutory Environment

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

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

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

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

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

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

Relevant Plans and Policy

Nil

Financial Implications

Nil

Risk Assessment

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

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

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

- N/A

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

This report outlines the actions undertaken by the Chief Executive Officer to maintain legislative compliance, strengthen internal controls and minimise organisations risks. It also reinforces officers understanding of Council's strategic risk and compliance expectations, supporting informed decision making and community confidence.

OFFICER'S RECOMMENDATION

That the Audit and Risk Committee recommends that Council note the information contained in the Shire of Carnarvon Internal Controls – July 2025 report.

5.2 INTERIM ANNUAL AUDIT REPORT

| | |
|--------------------------|--|
| File No: | ADM1737 |
| Location/Address: | N/A |
| Name of Applicant: | Shire of Carnarvon |
| Name of Owner: | N/A |
| Author(s): | Sarah Driscoll, Finance Manager Amanda Leighton, Acting CEO |
| Authoriser: | Amanda Leighton, Acting CEO |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | 30 October 2024 |
| Schedules: | 1. Interim Management Letter to CEO 2. Interim Management Letter 30 June 2025 |

Authority/Discretion:

| | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| <input checked="" type="checkbox"/> | 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 |
| <input type="checkbox"/> | Legislative | Includes adopting local laws, town planning schemes and policies. |
| <input type="checkbox"/> | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |
| <input type="checkbox"/> | 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 and Risk Management Committee the Interim Audit Management Letter from the Office of the Auditor General (OAG) outlining findings identified during their interim audit of the Shire of Carnarvon's financial balances for the year ended 30 June 2025.

The number of audit findings has significantly reduced from four findings in 2023/2024 to one finding in 2024/2025. This improvement reflects the Shire's commitment to strengthening internal controls and governance processes, with most prior-year issues now fully addressed.

Background

Section 6.4(3) of the *Local Government Act 1995* requires the Shire to submit to its auditor the accounts balanced up to the last day of the preceding financial year and to submit the annual financial report by 30 September.

An interim audit provides early advice of any findings, enabling management to take timely remedial action before the final audit is completed. Interim Management Letters are regarded as working documents until they are incorporated into the final audit report.

| Year | Number of Findings | Finding Details | Status in 2025 |
|-----------|--------------------|--|--|
| 2023/2024 | 4 | 1. No evidence of review on daily rates reconciliations 2. Incorrect recognition of GST 3. No review of termination payments 4. No evidence of review on grant register | Findings 1–3 resolved. Finding 4 remains. |
| 2024/2025 | 1 | No evidence of review on grant register | In progress – process now formalised and documented. |

As at the 2024/2025 interim audit, only the grant register review finding remains.

Stakeholder and Public Consultation

William Buck

Statutory Environment

Local Government (Audit) Regulations

Relevant Plans and Policy

N/A

Financial Implications

N/A

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 for inaccurate grant revenue or unspent revenue reporting if the grant register is not independently reviewed and documented. | 2-D Low | Implement monthly independent review and sign-off of the grant register, with biannual reporting to the Audit and Risk Management Committee. |
| Health & Safety | No direct health and safety impacts identified from the interim audit finding. | N/A | N/A |
| Reputation | Risk of reduced public confidence in the Shire's governance if audit findings | 2-C Moderate | Communicate improvements made and demonstrate compliance through transparent reporting to the Committee and in future audits. |

| | | | |
|--------------------|---|----------|---|
| | are repeated without clear corrective actions. | | |
| Service disruption | No direct risk of operational disruption identified from the interim audit finding. | N/A | N/A |
| Compliance | Risk of non-compliance with audit recommendations and governance best practice if the grant register review is not formally documented. | 2-B High | Formalise and embed grant register review process in monthly budget review meetings, with independent sign-off and Committee oversight. |
| Property | No property-related risks identified from the interim audit finding. | N/A | N/A |
| Environment | No environmental risks identified from the interim audit finding. | N/A | N/A |
| Fraud | Without documented review, there is a potential (though low) risk of undetected misappropriation or misstatement of grant funds. | 2-D Low | Maintain independent monthly review by a staff member not directly responsible for grant processing, with clear audit trail and sign-off. |

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

- N/A

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

The remaining finding relates to no documented evidence of independent review on the grant register. While the register was reviewed as part of the 2025/2026 budget preparation process and incorporated into the adopted budget, a formal documented review during the year was inadvertently overlooked due to turnover in key leadership positions.

Despite this, the Coordinator of Governance and Systems had been independently reviewing the grant register monthly between December 2024 and June 2025, with evidence (screenshots) available to confirm these checks.

To address this finding and ensure compliance going forward, the Shire has:

- Implemented a formal process where the grant register is reviewed by the Leadership Team as a standing agenda item during monthly budget review meetings, with minutes and the register signed off by an independent officer.
- Established a biannual review of the grant register by the Audit and Risk Management Committee, with the most recent review occurring in May 2025.

These measures create a robust, transparent, and accountable process for ongoing grant register management and are expected to resolve this finding in future audits.

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting recommends that Council:

- 1. Receives the information contained in the report, including the interim Audit Management Letter from the Office of the Auditor General for the year ended 30 June 2025;*
- 2. Notes the significant reduction in audit findings from four in 2023/2024 to one in 2024/2025, demonstrating improvement in internal controls and governance practices; and*
- 3. Supports management's ongoing actions to embed these processes, ensuring the finding is fully resolved prior to the 2025-2026 final audit.*

5.3 COMPLIANCE REPORT - COUNCILLOR MEETING ATTENDANCE

| | |
|--------------------------|---|
| File No: | ADM1737 |
| Location/Address: | N/A |
| Name of Applicant: | N/A |
| Name of Owner: | N/A |
| Author(s): | Dannielle Hill, Senior Executive Officer |
| Authoriser: | Amanda Leighton, Acting CEO |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | Nil |
| Schedules: | 1. Meeting Attendance Register - July 2024 to June 2025 |

Authority/Discretion:

| | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| <input type="checkbox"/> | 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 |
| <input type="checkbox"/> | Legislative | Includes adopting local laws, town planning schemes and policies. |
| <input checked="" type="checkbox"/> | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |
| <input type="checkbox"/> | 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

For the Committee to monitor Councillor attendance at Ordinary Meetings of Council and Special Council Meetings to oversee compliance with the Local Government Act.

In accordance with regulation 14D of the Local Government (Administration) Regulations 1996 Council may approve the holding of any Ordinary or Special Council Meeting by electronic means (vis. telephone, video conference or other means of instantaneous communication).

Council cannot authorise more than half of its Council meetings, to be held electronically, in any rolling 12 months period.

A Councillor may attend Council or Committee Meetings by electronic means if the member is authorised to do so by the President or the Council. Electronic means attendance can only be authorised for up to half of the Shire's in-person meetings they have attended in total, in any rolling 12 months prior period. Authorisation can only be provided if the location and the equipment to be used by the Councillor are suitable to enable effective, and where necessary confidential, engagement in the meeting's deliberations and communications.

Background

The Councillor Meeting Attendance Reports provides Council with accurate meeting attendance register and allows the Administration to monitor attendance by Councillors to ensure compliance with the Local Government Act 1995 and Local Government (Administration) – Amendment Regulations 2022.

Stakeholder and Public Consultation

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

Statutory Environment*Local Government Act Section 2.25**2.25. Disqualification for failure to attend meetings*

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

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

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

(a) a meeting that has concluded; or

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

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

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

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

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

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

(b) if the non-attendance occurs —

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

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

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

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

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

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

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

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

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

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

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

Relevant Plans and Policy

EME0365 – Elected Members Electronic Attendance at Meetings

Financial Implications

Nil

Risk Assessment

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

| Risk Category | Description | Rating | Mitigating Action/s |
|--------------------|--|--------|--|
| Financial | N/A | | |
| Health & Safety | N/A | | |
| Reputation | N/A | | |
| Service disruption | N/A | | |
| Compliance | Disqualification could result if Councillor does not comply with meeting attendance regulations. | | Bi Monthly reporting to the Audit Committee for awareness and direction where required |
| Property | N/A | | |
| Environment | N/A | | |
| Fraud | N/A | | |

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

There are no compliance concerns noted for this reporting period.

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting receives the information contained in the report detailing Councillor meeting attendance (including via electronic means).

5.4 SWIMMINIG POOL BARRIER INSPECTIONS

| | |
|--------------------------|---|
| File No: | ADM |
| Location/Address: | Multiple parcels |
| Name of Applicant: | N/A |
| Name of Owner: | Multiple owners |
| Author(s): | Stefan Louw, Executive Manager, Community Planning and Sustainability |
| Authoriser: | Amanda Leighton, Acting CEO |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | 11 December 2024 |
| Schedules: | Nil |

Authority/Discretion:

- | | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| <input type="checkbox"/> | 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 |
| <input type="checkbox"/> | Legislative | Includes adopting local laws, town planning schemes and policies. |
| <input checked="" type="checkbox"/> | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |
| <input type="checkbox"/> | 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 agenda report is to inform Council of the mandatory requirement for private swimming pool barrier inspections to be reported to the Department of Local Government, Industry Regulation and Safety (LGIRS) formerly Department of Energy, Mines, Industry Regulation and Safety (DMIRS).

Background

Local governments are required to report annually to the Building Commissioner to demonstrate progress with the four-yearly safety barrier inspection program for the preceding financial year, with the data required to be provided before 1 August each year.

The Department of Local Government, Industry Regulation and Safety monitors trends in the data and publishes a report each year to be tabled in Parliament. The 2023 to 2024 state annual report is provided as schedule 1.

New Regulation 53B of the Building Regulations introduces a mandatory reporting obligation on local governments, formalising the current voluntary arrangement of the past six years.

Stakeholder and Public Consultation

Consultation is not required.

Statutory Environment

The Building Amendment Regulations 2023 made various reforms to the swimming pool and safety barrier requirements in the Building Regulations 2012 (the Building Regulations).

- Spa-pools are specifically included in the definition, ensuring they continue to be subject to the swimming pool and safety barrier regulatory requirements.
- New regulations implement a specific and separate manner for local governments to appoint a contractor (private practitioners and employees of other local governments) as an authorised person for the purpose of conducting safety barrier inspections.
- Regulation 4A of the Building Regulations prescribes the manner of authorisation in which these persons (contractors) can be appointed for the purpose of section 93(2)(d) of the Building Act 2011 (the Building Act), and regulation 4B of the Building Regulations provide for identity cards to be issued to these persons (aligned with the existing authorised person provisions of Part 8 Division 2 of the Building Act).
- New sub-regulation 53(2)(a) of the Building Regulations requires an initial inspection within 30 calendar days of the local government becoming aware of a new swimming pool or one that has never had a safety barrier inspection. This could be following receipt of a Notice of Completion for a swimming pool (or barrier, where applicable), notification by the owner, or by some other means.
- A new sub-regulation 53(2)(c) in the Building Regulations prescribes a requirement to reinspect non-compliant safety barriers. Where a safety barrier does not comply, a reinspection is to be arranged within a maximum period of 60 calendar days. The local government must continue to reinspect the safety barrier until compliant.

The 60-day timeframe is a maximum, and it is expected that local governments will continue to reinspect at intervals determined by their risk assessment of the circumstances of the non-compliance and in accordance with their enforcement strategy. The cost of reinspecting is to be factored into the local government's inspection charging model and is not an additional separate charge to pool owners.

Relevant Plans and Policy

Nil

Financial Implications

There are no financial implications as part of this report.

The Shire adopts the annual budget and allocates resources and funds to ensure that legislative requirements such as these can be achieved.

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 | N/A | | |
| Health & Safety | Without inspections, safety barriers may deteriorate and significantly raising the risk of drowning incidents. | A-3 Major | The Shire has a list of private swimming pools and regular inspections are conducted as per legislative requirements. |
| Reputation | N/A | | |
| Service disruption | N/A | | |
| Compliance | Poor record keeping by not having a list of private swimming pool barriers that are due for inspection on an ongoing basis as required by regulation 4A of the Building Regulations 2012. | D-2 Low | The Shire has an existing list of private swimming pool barriers which is available to officers responsible and reporting agencies. The list is used to schedule inspections when they are due i.e. every four years. |
| Property | N/A | | |
| Environment | N/A | | |
| Fraud | N/A | | |

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

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

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

The table below outlines the current inspection status of swimming pools registered with the Shire of Carnarvon. At present, these registered pools are only located within Carnarvon.

With inspections for registered pools now up to date, the next phase will involve identifying, registering, and inspecting private swimming pools and spas that are currently unregistered within Carnarvon, Coral Bay and remote stations.

Pool Inspection Report 2024-25

| | |
|--|----|
| The number of private swimming pools in your district that were subject to part 8 division 2 of the regulations as of 30 June 2025 | 75 |
|--|----|

| | |
|---|----|
| The number that was inspected between 1 July 2024 and 30 June 2025 | 39 |
| The number that was not inspected by an authorised person, at an inspection arranged under regulation 53(2)(b) of the regulations, within four years of its previous inspection | 0 |

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting notes the response to the Building Commissioner for the status of Private Swimming Pools, as submitted by the CEO.

5.5 OUTSTANDING DEBT REPORT - JULY 2025

| | |
|--------------------------|--|
| File No: | ADM |
| Location/Address: | N/A |
| Name of Applicant: | Shire of Carnarvon |
| Name of Owner: | N/A |
| Author(s): | Jamie Bone, Executive Business Manager |
| Authoriser: | Amanda Leighton, Acting CEO |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | N/A |
| Schedules: | Nil |

Authority/Discretion:

| | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| <input type="checkbox"/> | 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 |
| <input type="checkbox"/> | Legislative | Includes adopting local laws, town planning schemes and policies. |
| <input checked="" type="checkbox"/> | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |
| <input type="checkbox"/> | 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 Audit and Risk Committee receive the outstanding rates and outstanding sundry debtors report to provide strategic direction as required.

Reportable Financial Year: 2024/2025

Reportable Month: July 2025

Background

The Audit and Risk Committee will ensure compliance with the Shire's financial reporting and will liaise with the Chief Executive Officer to ensure the effective and efficient management to meet statutory requirements.

Stakeholder and Public Consultation

- Finance Department
- Local Government Best Practices

Statutory Environment

Local Government Act 1995

Subdivision 4 – Payment of rates and service charges

6.43. Rates and service charges are a charge on a land

6.44. Liability for rates or service charges on land

6.50. Rates or service charges due and payable

6.53. Land becoming or ceasing to be rateable land

Subdivision 5 – Recovery of unpaid rates and service charges

6.55. Recovery of rates and service charges

6.56. Rates or service charges recoverable in court

6.16. imposition of fees and charges

Relevant Plans and Policy

Shire of Carnarvon Policy Manual

- CF007 Debt Collection
- CF011 Recovery of Rates
- CF006 Financial Hardship

Financial Implications

Outstanding debtors can negatively impact a shire's cash flow, limiting its ability to fund services and projects. They may lead to increased administrative costs, affect budget accuracy, and reduce the funds available for investment or emergencies. If not managed effectively, they can also result in higher bad debt write-offs and raise concerns in audits about financial governance.

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 | Non-recovery of debts will impact the type and level of services provided to the Shire's community | B3 – High | Be proactive with collection process and recovery outstanding debt |
| Health & Safety | N/A | N/A | N/A |
| Reputation | N/A | N/A | N/A |
| Service disruption | N/A | N/A | N/A |
| Compliance | N/A | N/A | N/A |
| Property | N/A | N/A | N/A |
| Environment | N/A | N/A | N/A |
| Fraud | N/A | N/A | N/A |

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

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

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments**1. Rates and Service Charges**

For the 2024/2025 financial year, the Shire levied \$9,630,359 in rates, services and charges. When added to the opening outstanding balance from prior years of \$1,241,828, the total collectible amount for the year was \$10,872,187.

As at 30 June 2025, receipts totalled \$8,786,341, leaving a closing outstanding balance of \$2,085,846 (19.19% of total collectible). This includes \$113,317 in Pensioner Deferred Rates, which are recoverable only upon sale of the property or change of ownership. Excluding these deferrals, the net recoverable outstanding balance is \$1,972,529. The collection rate for the year was 80.81%.

Table one – Summary of 2024/2025 Rates Position

| Item | Amount | Notes |
|------------------------------------|---------------------|---|
| Opening Balance (Prior Years) | \$1,241,828 | Outstanding at 1 July 2024 |
| Rates levied 2024/2025 | \$9,630,359 | Current year billings |
| Total Collectible | \$10,872,187 | Opening balance + Current Year |
| Receipts during the year | \$8,786,341 | Payments received |
| Closing balance at 30 June 2025 | \$2,085,846 | 19.19% of total collectible |
| Less: Pensioner Deferred Rates | (113,317) | Recoverable only upon sale/ownership change |
| Net recoverable outstanding | \$1,972,529 | |

Table Two – Breakdown by Years (position prior to July 2025 Council write-offs)

| Reporting Period | Outstanding Rates Levied | Percentage |
|--------------------------|--------------------------|-------------|
| Current Year (2024/2025) | \$1,026,653 | 50% |
| One Year Overdue | \$500,307 | 24% |
| Two Years Overdue | \$197,704 | 9% |
| Three Years Overdue | \$361,182 | 17% |
| Total | \$2,085,846 | 100% |

Transparency Note: For transparency and alignment with Council's formal decisions, this report also reflects the updated position following the Ordinary Council Meeting of 5 July 2025 (Resolution OCM 05/07/25), at which Council resolved to write off several unrecoverable rate charges. Showing both pre- and post-write-off positions ensures that the report provides an accurate view of recoverable debt while still recording the original balances.

Table Three – Breakdown by Years (post OCM 05/07/25 write-offs)

| Reporting Period | Outstanding Value | Percentage |
|------------------|-------------------|------------|
|------------------|-------------------|------------|

| | | |
|-----------------------------|--------------------|-------------|
| Current Year (2024/2025) | \$1,022,721 | 52% |
| One Year Overdue | \$500,307 | 25% |
| Two Years Overdue | \$197,704 | 10% |
| Three Years Overdue | \$248,432 | 13% |
| Total | \$1,969,164 | 100% |

While the proportion of current year debt is encouraging, the level of aged debt remains a concern and will be addressed through targeted recovery action.

Recoverable VS Non-Recoverable Debt

Certain portions of the outstanding debt cannot be recovered immediately due to legislative restrictions, including:

- Pensioner deferrals and rebates under the *Rates and Charges (Rebates and Deferments) Act 1992*
 - Eligible pensioners and seniors may legally defer payment of their rates, or receive a rebate, until the property is sold or ownership changes. The Shire cannot compel payment before that time.
- Hardship arrangements under the *Local Government Act 1995*
 - Allows payment arrangements for ratepayers experiencing genuine financial hardship. While an arrangement is in place and being met, recovery action is paused.
- Properties where sale procedures cannot yet be initiated due to legislative timelines
 - Prescribes specific timeframes and notice requirements before a property can be sold for unpaid rates. Until these are met, sale cannot proceed.

Non recoverable or legislatively restricted debt is not as a result of Shire inaction, but rather statutory requirements.

Specific Areas of Concern

- Non-current properties: There are 18 properties with either outstanding amounts owing or overpayments (credits). Each will be reviewed to ensure reminders are issued for amounts owing, and any overpaid balances are either refunded or transferred to the appropriate successor property account.
- Domestic pensioner waste charges: \$9,455.23 outstanding. Follow-up letters will be issued immediately after 10 September for any unpaid balances. Approved payment arrangements can help maintain rebate eligibility.
- Commercial waste charges: \$70,474 outstanding. A review is progressing to determine circumstances, with immediate payment demands to be issued where appropriate, along with a review of whether waste collection services can be suspended for persistent non-payment, subject to legal and operational considerations.
- Three year debt: \$248,432 outstanding. A review is progressing to determine if recovery action can commence under *Local Government Act 1995*, s.6.64, which permits the sale of a property where rates have been unpaid for three or more years, following the required statutory process.

Current Legislative Recovery Options

Under Western Australian legislation, the Shire's recovery options include:

- Issuing Final Notices and General Procedure Claims
- Entering payment arrangements
- Applying the three year sale process for unpaid rates
- Engaging debt collection agencies for formal recovery steps

Limitations include mandatory acceptance of reasonable payment offers (if ordered by a Magistrate), and the inability to recover certain statutory concessions or deferred rate.

Rates Officer Context

Due to the inability to recruit a technically qualified Rates Officer, the service has been outsourced to LG Best Practices. This reflects increasing compliance obligations under the *Local Government Act 1995*, the *Rates and Charges (Rebates and Deferments) Act 1992*, and other subsidiary legislation.

The specialist nature of the role demands accuracy, up-to-date legislative knowledge, and consistent application of complex rating provisions, including exemptions, concessions, pensioner deferrals, minimum payments, and differential rates. Non-compliance in any of these areas can result in significant financial and reputational risk for the Shire.

The Shire will continue using LG Best Practices for specialist rates and debt recovery support, including:

- Staff training
- Monitoring recovery progress
- Assistance with reporting to this Committee and Council to maintain oversight

2. Sundry Debtors (Fees and Charges)

Fees and charges raised between 1 July 2024 and 31 July 2025 total \$4,094,717, with \$3,687,992 in payments and adjustments applied during the same period. This results in an outstanding balance of \$406,725 and does not include amounts raised prior to this reporting period.

The aged trial balance as at 31 July 2025 shows a total of \$708,292 in outstanding amounts, broken down as follows:

- Current (less than 14 days): \$255,615
- Greater than 30 days: \$29,267
- Greater than 60 days: \$24,451.18
- Greater than 90 days: \$402,128

A significant portion (\$390,707) of the >90-day category relates to Regional Express (REX) Holdings, which has entered administration, delaying recovery. Of the total outstanding, \$495,906 (approximately 70%) is attributable to REX. The administration period for REX Holdings has been extended to December 2025.

The Shire has lodged a claim for the outstanding debt and will continue to hold this amount on record. Pending the conclusion of the administration process, proactive measures will continue to be taken to recover outstanding fees where possible.

In addition, outstanding accounts totalling \$15,953.63 have been referred to legal for recovery. As at 31 July 2025, the balance remaining for these matters is \$9,247.12, relating to two debtors. The Shire will continue to pursue legal advice and appropriate enforcement pathways to recover all outstanding amounts.

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting;

Recommends that Council receive the information contained in the report detailing outstanding rates and sundry debtors as at 31 July 2025; and2. Supports the continued engagement of LG Best Practices to provide specialist rates and debt recovery services until a qualified Rates Officer can be appointed.

5.6 CONFIDENTIAL HR REPORT FOR 2024/2025

File No: ADM
 Location/Address: N/A
 Name of Applicant: Shire of Carnarvon
 Name of Owner: N/A
 Author(s): Amanda Leighton, Acting CEO
 Denika Sweetman, Manager People, Culture & Wellbeing
 Authoriser: Amanda Leighton, Acting CEO
 Declaration of Interest: Nil
 Voting Requirement: Nil
 Previous Report: N/A
 Schedules: 1. Confidential Human Resources Report 2024-2025 - Confidential

Authority/Discretion:

- | | | |
|-------------------------------------|-----------------------|--|
| <input type="checkbox"/> | Advocacy | When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency. |
| <input type="checkbox"/> | 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 |
| <input type="checkbox"/> | Legislative | Includes adopting local laws, town planning schemes and policies. |
| <input checked="" type="checkbox"/> | Information | Includes items provided to Council for information purposes only that do not require a decision of Council (i.e. – for noting). |
| <input type="checkbox"/> | 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 agenda item is to formally provide Council with an overview of current and emerging human resource matters within the organisation. The attached report has been prepared for Councillors' information and awareness, enabling them to remain informed on workforce developments, without seeking or requiring a formal decision of Council at this time.

Background

Council has an important oversight role in ensuring that the organisation is effectively managed in accordance with relevant legislation, policies, and strategic objectives. The Chief Executive Officer (CEO) and Executive Management Team are responsible for operational implementation, including the management of human resources, workforce planning, and organisational capability.

This confidential report has been prepared to provide Councillors with an update on:

- Key staffing movements and changes;
- Matters relating to employee relations and workplace environment;
- Progress against workforce planning initiatives; and
- Any notable operational HR matters that are of significance to Council's governance role.

Providing Council with this information supports transparency in leadership reporting while respecting the operational responsibilities of the CEO and maintaining the confidentiality owed to individual employees.

Stakeholder and Public Consultation

Internal

Statutory Environment

- *Local Government Act 1995* – Section 5.23(2) (Closing meetings to the public).
- *Local Government (Administration) Regulations 1996*.

These legislative provisions outline Council's ability to receive information of a confidential nature in closed session, particularly when the matters concern employees of the local government.

Relevant Plans and Policy

Nil direct policy implications. The matters outlined in the report are managed in accordance with existing Shire human resource policies and procedures.

Financial Implications

Nil direct financial implications at this stage. Any future matters requiring financial consideration will be brought to Council through separate agenda items or the budget process, 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 | Potential financial exposure arising from unplanned staffing changes, recruitment delays, or increased use of agency/temporary staff. | 2-C (High) | Monitor workforce planning closely; maintain contingency staffing budgets; prioritise early recruitment processes for critical roles. |
| Health & Safety | Risk of physical or psychological harm to employees if workplace conflicts, stress, or fatigue are not effectively managed. | 2-C (High) | Ensure proactive application of WHS policies; provide Employee Assistance Program (EAP) access; conduct regular wellbeing checks and safety audits. |

| | | | |
|--------------------|---|--------------|---|
| Reputation | Damage to the Shire's public reputation and community trust if HR matters become public without context or resolution. | 2-C (High) | Maintain confidentiality; ensure consistent communication protocols; manage HR matters in compliance with legislation and policy. |
| Service Disruption | Loss or reduction of service delivery capability due to key staff vacancies, extended absences, or workplace disputes. | 2-C (High) | Cross-train staff to build role redundancy; implement interim backfilling arrangements; maintain a workforce succession plan. |
| Compliance | Breach of legislative requirements (e.g., Fair Work Act 2009, Local Government Act 1995, WHS laws) due to incorrect handling of HR matters. | 2-C (High) | Regular compliance training for management; seek legal/HR specialist advice where required; implement policy review schedule. |
| Property | Risk to Shire assets (physical or intellectual property) through employee misconduct, negligence, or unauthorised access. | 3-D (Medium) | Maintain strict access controls; conduct IT security monitoring; ensure exit procedures recover all Shire property. |
| Environment | Minimal environmental risk arising from HR matters, unless related to staff actions impacting Shire operations with environmental responsibilities. | 4-E (Low) | Ensure relevant staff receive environmental responsibility training; maintain incident reporting protocols. |
| Fraud | Potential for financial or data fraud by | 2-C (High) | Enforce segregation of duties; conduct regular audits; maintain whistleblower reporting mechanisms. |

| | | | |
|--|----------------------------------|--|--|
| | employees in positions of trust. | | |
|--|----------------------------------|--|--|

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

The report is intended to ensure that elected members are kept appropriately briefed on human resource matters that may have strategic, financial, or reputational implications for the Shire, even where no immediate action or resolution is required.

While the CEO retains delegated authority for operational staff management, it is considered good governance to keep Council apprised of significant HR developments that may influence service delivery, workforce capacity, or future planning considerations.

The information provided is for noting only and should not be construed as requiring Council to make or influence operational staffing decisions.

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting receives the Confidential Human Resources Report as presented.

5.7 SHIRE OF CARNARVON WEBSITE - ANNUAL STATUS REPORT

| | |
|--------------------------|--|
| File No: | ADM0007 |
| Location/Address: | Shire of Carnarvon |
| Name of Applicant: | Shire of Carnarvon |
| Name of Owner: | Shire of Carnarvon |
| Author(s): | Giana Covella, Strategic Communications & Economic Development Manager |
| Authoriser: | Amanda Dexter, Chief Executive Officer |
| Declaration of Interest: | Nil |
| Voting Requirement: | Simple Majority |
| Previous Report: | 11 December 2024 |
| Schedules: | Nil |

Authority/Discretion:

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

Summary of Report

To provide Council with the current status of the Shire of Carnarvon website in terms of accuracy and accessibility of information. This report provides the annual update on the Shire's website.

Background

The Shire of Carnarvon website is a key communication and compliance tool, requiring continual monitoring to ensure all information provided is accurate and current. Under the Local Government Act 1995 and associated regulations, the Shire is required to provide public access to a range of documents including registers, minutes and agendas, elections information, and budget documents. Ensuring this information is readily available, true, and accurate is a core responsibility.

With the new staff commencing, a full audit of the Shire website has been undertaken in the new financial year (2025/26) to identify areas requiring improvement, including updates, additions, and removal of outdated content. This audit has supported a renewed focus on the accuracy and presentation of information, ensuring the website continues to meet legislative requirements and community expectations.

Over the past 12 months, the website recorded 181,000 page views, reflecting its importance as a key communication platform for the community. Significant updates include the upload of new and revised documents, and the adoption of the Shire's refreshed logo across the website to align with the updated corporate identity.

As part of the audit, consideration was also given to compliance with WCAG 2.1 accessibility standards, mobile responsiveness, and overall ease of navigation. This ensures the Shire's website is inclusive, forward-thinking, and accessible to the widest possible audience.

The website is being continuously monitored and updated as part of regular business operations, with a structured audit process scheduled annually.

Stakeholder and Public Consultation

Nil

Statutory Environment

Local Government Act 1995

Relevant Plans and Policy

Refer Shire of Carnarvon Policy Manual – several policies require associated information to be published on the Council website.

Financial Implications

Nil

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 | N/A | | |
| Health & Safety | N/A | | |
| Reputation | Risk of inaccurate or outdated information being publicly available. | C-2 Moderate | Ongoing monitoring and scheduled audits |
| Service disruption | N/A | | |
| Compliance | Risk of non-compliance with legislative obligations if information is not provided or updated. | C-2 - High | Regular audits and updates by staff. |
| Property | N/A | | |
| Environment | N/A | | |
| Fraud | N/A | | |

Community and Strategic Objectives

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

OBJECTIVES

In 2040 Carnarvon is a place where:

- *Our community is engaged, inclusive and supportive*

ADDITIONAL FOCUS AREAS:

- N/A

BIG IDEAS FOR THE FUTURE OF CARNARVON:

- N/A

Comments

The commencement of new staff has provided an opportunity to conduct a comprehensive website audit in the 2025/26 financial year. Identified updates are currently being implemented, and the website will continue to be actively monitored and refreshed on an ongoing basis.

Looking forward, the Shire is planning a refresh of website pages to improve readability and navigation, alongside improvements to the events calendar, which will feature an easier-to-use search bar. These initiatives aim to increase community engagement and drive higher visitation to the website.

A formal audit process is scheduled annually, with the next audit update to be presented to the Audit and Risk Management Committee in August 2026.

OFFICER'S RECOMMENDATION

That the Audit and Risk Management Committee Meeting recommends that Council –

1. *Receives the Shire of Carnarvon Website – Annual Status Report for the 2025/26 financial year, noting the outcomes of the comprehensive website audit undertaken;*
2. *Acknowledges the actions implemented to ensure compliance with the Local Government Act 1995 and associated regulations, including ongoing monitoring, updating of statutory information and alignment with accessibility standards; and*
3. *Endorses the continuation of annual website audits, with the next report to be presented to the Audit and Risk Committee in August 2026.*

6 DATE OF NEXT MEETING

7 CLOSE