AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING

MINUTES

**NOTICE IS HEREBY GIVEN that an
Audit, Risk and Improvement Risk Committee Meeting
was held in Council Chambers,
Welcome Road, Karratha,
on Tuesday, 11 August 2026 at 2.00pm**

VMiltrup

**VIRGINIA MILTRUP
CHIEF EXECUTIVE OFFICER**

No responsibility whatsoever is implied or accepted by the City of Karratha for any act, omission or statement or intimation occurring during Council or Committee Meetings. The City of Karratha 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 or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that persons 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 license, any statement or intimation of approval made by any member or Officer of the City of Karratha during the course of any meeting is not intended to be and is not taken as notice of approval from the City of Karratha.

The City of Karratha warns that anyone who has any application lodged with the City of Karratha must obtain and should only rely on **WRITTEN CONFIRMATION** of the outcome of the application, and any conditions attaching to the decision made by the City of Karratha in respect of the application.

These minutes were confirmed by the Audit, Risk and Improvement Committee as a true and accurate record of proceedings at the Ordinary Council Meeting held on Tuesday, 11 August 2026.

Presiding Member ________________________________

Date: ________________________________

VMiltrup

Signed:________________________________

Virginia Miltrup - Chief Executive Officer

DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) ***(updated 13 March 2000)***

A member who has a **Financial Interest** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

(a) In a written notice given to the Chief Executive Officer before the Meeting or;

(b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

(c) Preside at the part of the Meeting, relating to the matter or;

(d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the Local Government Act 1995.

NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have a **Financial Interes**t in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.

2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.

3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.

4. If in doubt declare.

5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.

6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:

   6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the Local Government Act; or

   6.2 Where the Minister allows the Councillor to participate under s5.69 (3) of the Local Government Act, with or without conditions.

INTERESTS AFFECTING IMPARTIALITY

DEFINITION: *An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.*

A member who has an **Interest Affecting Impartiality** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

(a) in a written notice given to the Chief Executive Officer before the Meeting; or

(b) at the Meeting, immediately before the matter is discussed.

IMPACT OF AN IMPARTIALITY CLOSURE

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

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ITEM	SUBJECT	PAGE NO

MINUTES

1 OFFICIAL OPENING

The meeting opened at 2.01pm.

Virginia Miltrup, Chief Executive Officer, acknowledged the traditions of the Ngarluma people, on whose land we are gathered here today.

2 RECORD OF ATTENDANCES AND APOLOGIES

Committee Members:	**Phillip Draber**	**(Presiding Member) [via Teams]**
	David Price	**(Deputy Presiding Member) [via Teams]**
	Cr Jodie Swaffer	
	Cr Geoff Harris	
	Cr Tony Simpson	**(from 2.33pm)**
Staff:	**Virginia Miltrup**	**Chief Executive Officer**
	Chloe Morris	**Director Corporate Services**
	Lee Reddell	**Director Development Services**
	Emma Landers	**Director Community Experience**
	Amol Virkar	**A/Director Strategic Projects & Business**
	Michael Bunting	**Director Infrastructure Services**
	Jasmine Bray	**Manager Governance**
	Christine Palmer	**Chief Financial Officer**
	Rene Brooker	**Coordinator Governance & Compliance**
	Izabella Brandis	**Minute Secretary**
External:	**Nil**	
Apologies:	**Mayor Daniel Scott**	

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETINGS

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Cr Swaffer
SECONDED : Cr Harris
Res No : ARIC20260811-01

That the Minutes of the Audit, Risk and Improvement Meeting held on Wednesday, 3 June 2026, be confirmed as a true and correct record of proceedings.

CARRIED 4/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Harris.
AGAINST: Nil

5 GOVERNANCE

5.1 GOVERNANCE UPDATES

File No:	CM.131
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Manager Governance
Date of Report:	20 July 2026
Disclosure of Interest:	Nil
Attachment(s):	Policy Reporting Update

PURPOSE
To provide an update on Policy Reviews, Local Law Reviews, Local Government Act Reforms and the implementation of the Privacy and Responsible Information Sharing legislation.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Cr Harris
SECONDED : Deputy Chair D. Price
Res No : ARIC20260811-02

That the Audit, Risk and Improvement Committee RECEIVE the Governance updates.

CARRIED 4/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Harris.
AGAINST: Nil

BACKGROUND
This report provides an overview of various Governance activities as they relate to local law reviews, policy development and review and legislative reforms and their implementation.

DISCUSSION
Council Policies
Council policies are made in accordance with section 2.7(2)(b) of the *Local Government Act 1995*. It is good governance to regularly review policies to ensure that they remain relevant and are consistent with legislation.

Council has 66 current policies (excluding Local Planning Policies). Of the 66 Council policies, 39 (59%) have exceeded their review dates.

The following policy reviews have been completed since the June 2026 Audit, Risk and Improvement Committee (ARIC) meeting.

Policy	Review Outcome	Council Adoption Date
CS24 Community and Stakeholder Engagement Policy	Amended	25 May 2026
CS16 Variation to Operating Hours at Community Facilities	Repealed	29 June 2026
CF08 Debt Collection	Amended	27 July 2026
CF18 Self Supporting Loan	Amended	27 July 2026
CF02 Cash Handling	Repealed	27 July 2026
CF07 Corporate Credit Card	Repealed	27 July 2026
CF12 Financial Reporting to Council – Variations and Timing	Repealed	27 July 2026
CF16 Budget Review	Repealed	27 July 2026
CG24 Standards for CEO Recruitment, Performance and Termination	Amended	27 July 2026

The Standards for CEO Recruitment, Performance and Termination was previously included in the overdue policy review count however, as this document is not a Council policy it has now been removed from the policy review status reporting.

The following policy reviews are proposed to be submitted to Council in the coming months. Please note this list is subject to change.

Month	Policies Proposed to be Presented to Council
August	CF13 Asset Management CF17 Disposal of Assets CG13 Confidential Information CG16 Professional Development for Council Members CG20 Electronic Attendance at Meetings CS15 Disability Access and Inclusion Policy (public consultation completed) CS21 Local History Collection Management CS25 Community Leasing of Land Proposed Grants and Sponsorship Policy (public consultation completed) CS06 Community Grants & Contributions Scheme DE01 Take Your Business Online Grant Scheme DE02 Business Development Support Grant Scheme DE03 Major Events Sponsorship and Attraction Program DE04 Economic Development Grant Scheme
September	CG11 Regional Price Preference CG12 Purchasing CH09 Appointment of Acting CEO CH11 Travel and Accommodation Expenses
October	CG10 Execution of Documents CH02 Equal Employment Opportunity in the Workplace

A policy risk assessment matrix and supporting guide have been drafted and will be presented to the Executive Leadership Team for endorsement. Once approved, these tools will be used to assign a risk rating to each policy and inform the prioritisation of overdue policy reviews.

Local Planning Policies

The City of Karratha administers a suite of local planning policies prepared under Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015* (‘the Regulations’). These policies provide guidance on how the City will exercise discretion when determining planning proposals under Local Planning Scheme No. 8 (‘LPS 8’).

The Department of Planning, Lands and Heritage (‘DPLH’) is progressing a package of reforms to improve the consistency and transparency of planning instruments across Western Australia. These reforms include the *Planning and Development Amendment Act 2023*, the draft *Planning and Development Amendment Regulations (Reviews of Planning Instruments) Regulations 2025* (‘draft Regulations’) and updates to the WA Planning Manual including a new chapter on local planning policies.

The reforms introduce requirements for local planning policies to be prepared in a WAPC-approved manner and form, and to be formally reviewed at least every five years. While the draft Regulations have not yet been gazetted, the City has elected to proactively review its policy suite to ensure policies are fit for purpose and capable of transitioning into the emerging State framework.

The following local planning policy reviews have been completed since the June 2026 Audit, Risk and Improvement Committee (ARIC) meeting. These policies were identified as generally operating effectively but required minor updates to structure, terminology and formatting to align with the draft WA Planning Manual.

Local Planning Policy	**Review Outcome**	**Council Adoption Date**
LPP 07 Residential Development Requirements	Amended	27 July 2026
LPP 22 Signage	Amended	27 July 2026
LPP 24 Complex Applications	Amended	27 July 2026
LPP 25 Design Review	Amended	27 July 2026
LPP 26 Requirements for LPS Amendments	Amended	27 July 2026

A program for updating the remainder of the local planning policies is currently being developed.

Local Government Act Reforms

The table below details the status of the City’s implementation of the local government reforms which have commenced.

Subject	Effective Date	Reform Summary and Implementation Status	Target/Date Completed
Local Law Reviews	7 Dec 2024	Timeframe to review local laws increased from eight (8) to 15 years. Transitional provisions included to require local laws due for review when reform was implemented must be reviewed by 6 December 2026 or will be repealed. Council endorsed public advertising of the review on 29 June 2026. The public consultation period closes on 14 August 2026. A report to finalise the review will be submitted to Council in September 2026.	Target date 6 Dec 2026
Mandatory Training Compliance	1 Jan 2026	Council Members must make a formal declaration of completion of mandatory training or exemption from the requirement to complete the mandatory training. Requirement to repay fees if sanctioned for non-completion within statutory timeframes. Council policy CG16 Professional Development for Council Members has been reviewed to include the legislative requirement. This will be presented to Council in August 2026 for consideration. Internal procedure to be developed.	Target date 30 Sep 2026
Legal Expenses	1 Jan 2026	Limitations included for the local government to pay legal expenses for Council Members. Minor updates to Council Policy CG04 Legal Representation and Cost Indemnification should be made to reference the new legislation and ensure compliance. Review to commence in September.	Target date 31 Dec 2026
Code of Conduct (Employees)	1 Jan 2026	Code of Conduct (Employees) must now include a requirement for staff to disclosure of secondary (outside) employment. Clause 9.4 of the Employee Code of Conduct requires employees to disclose secondary employment.	Target date 31 Dec 2026 **Completed**
Audit Reg 17 Reviews	1 Jan 2026	Timeframe for review of Financial Management, Legislative Compliance and Risk Management systems and procedures increased from every three (3) to four (4) financial years. The Financial Management, Legislative Compliance and Risk Management reviews were last undertaken in 2023. The next reviews are scheduled for the 2026/2027 financial year. A request for quotation is currently being prepared.	Target date 30 Jun 2027

Privacy and Responsible Information Sharing Act 2024 (PRIS Act)
The PRIS Act came into effect on 1 July 2026.

To comply with the new PRIS Act, the City has implemented the following:

- An Information Asset Register
- A Privacy Policy, Information Breach Policy and Information Classification Operational Policy
- Updated Privacy Statements across all City websites
- A dedicated SharePoint page for employees providing resources such as FAQs and templates
- City wide employee training (386 employees trained)
- Embedded training into the Induction Program and providing ongoing monthly training for new employees
- A Privacy by Design Guideline
- Prerecorded privacy messaging on main phone lines
- New CCTV signage across City facilities.

The following initiatives are continuing to be rolled out:

- An Information Breach Response Plan and Reporting Form to support the management of privacy incidents
- A PRIS Framework to provide overarching governance and guidance
- Collection notices at collection points and on City forms.

LEVEL OF SIGNIFICANCE
In accordance with Council policy CG-8 Significant Decision Making, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS
Section 2.7(2)(b) prescribes that it's Council's role to determine the local government's policies.

Local planning policies are prepared under Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

The *Local Government Act 1995* requires local laws to be reviewed in accordance with section 3.16 every 15 years (effective from 7 December 2024). Local laws that were overdue for review prior to 7 December 2024 had a grace period of two years to be reviewed. In the event this is not complied with, the overdue local laws will be repealed.

Legislative reforms to the *Local Government Act 1995* and the *Privacy and Responsible Information Sharing Act 2024* are pending announcements by the Department of Local Government, Industry Regulation and Safety and the Department of Premier and Cabinet respectively.

COUNCILLOR/OFFICER CONSULTATION
Officers impacted by policies and local laws are actively working towards addressing the overdue documents.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
This report refers to the review status of Council's policies.

FINANCIAL IMPLICATIONS
There are costs associated with the engagement of a consultant to assist with the implementation of the PRIS legislation. This is provided for in the current budget. Other reforms may have some financial costs in being made ready for implementation.

STRATEGIC IMPLICATIONS
Governance is an enabling service in the delivery of the Council Plan 2025-2035. It supports the delivery of the Plan's goals and ensures that we fulfill our statutory obligations.

RISK MANAGEMENT CONSIDERATIONS
The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil
Service Interruption	Moderate	Failure to maintain corporate documentation that aligns with legislation or Council policy may impact service delivery.
Environment	N/A	Nil
Reputation	Moderate	There is an obligation on the City to ensure that its decision making is based on law or implemented policies approved by Council. Failure to comply can compromise the City's reputation.
Compliance	Moderate	It is important that documentation, policies and procedures are current to ensure that they reflect organisational practices and do not conflict with legislation. Failure to review local laws within stipulated timeframes will impact the legitimacy of applicable law enforcement within the City. The rollout of legislative reforms is being closely monitored to ensure that measures are implemented within agreed timeframes.

IMPACT ON CAPACITY
Governance with collaboration from other work areas is ensuring that capacity is available to address implementation needs. The City has engaged a suitably qualified consultant to assist with the implementation of PRIS legislation due to the complexity of the legislation and the required timeframes.

RELEVANT PRECEDENTS
Nil

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
The Governance Update highlights several key opportunities to strengthen our policy review program. While capacity constraints have impacted timelines for some implementation activities, additional specialist support has been engaged to help progress these time-sensitive works and maintain momentum.

COMMITTEE QUESTION:
Can comparisons to prior periods be added to future reporting on policies to assess progress made?

OFFICER RESPONSE:
Yes, we will do this.

COMMITTEE QUESTION:
Regarding the Regulation 17 review, is the intention to split the three topics over three years with one each year?

OFFICER RESPONSE:
They are all due this financial year. All three reviews will be completed during this period but will be split into three separate reports and one presented at each of the next three ARIC meetings.

COMMITTEE QUESTION:
Is there still a requirement to do Regulation 17 review every year?

OFFICER RESPONSE:
Every four years.

COMMITTEE QUESTION:
Can we instead do one component on a formal basis each year instead of all three every four years?

OFFICER RESPONSE:
If we did this, it would be more frequently than required but that is not an issue.

COMMITTEE QUESTION:
Would the elected members be happy with this approach instead?

COUNCILLOR RESPONSE:
Happy to proceed with this approach.

COMMITTEE QUESTION:
Can we understand why the officers have decided on this approach regarding the Regulation 17 reviews?

OFFICER RESPONSE:
It was decided to undertake all three reviews this year, as this is the final year of the four-year legislative review cycle. The legislation permits the reviews to be completed either separately or collectively within the four financial years. As an Audit Plan is currently being developed, this approach provided an interim assurance measure.

COMMITTEE QUESTION:
What is the 4-year overdue policy noted in the report and is there a reason for it being so overdue?

OFFICER RESPONSE:
This is the Public Art Policy. A minor review was undertaken earlier this year, but it was identified that a significant update was needed. The policy is being held over pending the development of the Arts and Culture Strategy.

Cr Tony Simpson entered the meeting at 2:33pm.

6 RISK MANAGEMENT

6.1 RISK MANAGEMENT REPORT

File No:	CM.131
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Manager Governance
Date of Report:	5 May 2026
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE
To provide an update on the status of risk management and business continuity initiatives.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Cr Simpson
SECONDED : Deputy Chair D. Price
Res No : ARIC20260811-03

That the Audit, Risk and Improvement Committee RECEIVE the Risk Management Report Update.

CARRIED 5/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Harris, Cr Simpson.
AGAINST: Nil

BACKGROUND
As part of the City's commitment to continuous improvement and robust governance, a review of the City's risk management and audit framework is being undertaken. This review aims to strengthen the City's capability to identify, assess, manage and monitor organisational risks, while also recognising and leveraging opportunities that support innovation, improved service delivery and strategic value creation.

DISCUSSION
Below is a status update of key initiatives of the risk management and audit framework projects.

1. Risk Management Framework Project (2025-2026)

Objective

To review and update the existing risk management framework to ensure it reflects current best practices, aligns with ISO 31000:2018, and meets the City's evolving operational and strategic needs, while also enabling the City to identify, capture and leverage opportunities that support improved performance and strategic value creation.

Key Activities

- Gap analysis of the current framework
- Stakeholder engagement
- Elected Member workshops
- Strategic Risk Register and Operational Risk Register
- Establishing risk appetite and tolerance thresholds
- Consideration of a software solution
- Review Business Continuity Plan to align with revised risk management framework
- Updated policies, procedures, and tools

Progress Update
The Strategic Risk Register and Risk Appetite Statement were endorsed by Council at its meeting held 29 June 2026. The Strategic Risks will be reported on at each ARIC meeting and reviewed annually as part of the Annual Operational Planning and Budget Review processes.

Council policy CG01 Risk Management is currently under review with amendments proposed to include the new risk category of Projects & Infrastructure. A full review of the Consequence matrix will also be undertaken to ensure that aligns with the City's current risk appetite. It is proposed to present the updated policy to the December Audit, Risk and Improvement Committee (ARIC) meeting.

Following finalisation of the Risk Management Policy review, a comprehensive review of the City's Operational Risk Register will be undertaken. The table below sets out the plan for risk management activities in 2026/27.

Activity	2026/27			
	Q1	Q2	Q3	Q4
Risk Management Policy review				
Undertake Risk Management Maturity Assessment				
Risk Management Operational Policy/Procedure development				
Risk Management Training – targeting people leaders				
Strategic Risk Register review				
Operational Risk Register review				

The focus for this financial year is to raise the level of maturity of the organisation in risk management. The Compliance team will be upskilling and will engage the support of an external consultant (where necessary) to continue to mature risk management at the City.

2. Strategic Risks

The table below summarises the residual risk, appetite and tolerance levels for each of the City's identified strategic risks.

Risk ID Number	Risk Event	Main Risk Category	Residual Risk	Risk Appetite	Risk Tolerance
SR-01	Insufficient financial sustainability to maintain service delivery and infrastructure over the long term	Financial	**Moderate**	**Low**	**Moderate**
SR-02	Inability to maintain a capable and sustainable workforce	Service Interruption	**Moderate**	**Low**	**Moderate**
SR-03	Loss of community and stakeholder trust	Reputation	**Moderate**	**None**	**Low**
SR-04	Reduced external funding, influence and support required to deliver City priorities	Financial	**Moderate**	**Low**	**Moderate**
SR-05	Major strategic projects, commercial operations or partnerships failing to deliver intended outcomes	Infrastructure & Project Outcomes	**Moderate**	**Low**	**Moderate**
SR-06	Inadequate response and preparedness to extreme weather event	Service Interruption	**High**	**Low**	**Moderate**
SR-07	Cybersecurity breach or compromise of critical IT systems or data	Service Interruption	**High**	**Low**	**Moderate**
SR-08	Breakdown in effective governance and working relationships between Council and the administration	Reputation	**Low**	**None**	**Low**

A scan of the strategic risk environment has revealed no changes to the City's current residual risk ratings.

An update on the progress of development/implementation of risk treatments for the strategic risks will be provided to the December ARIC meeting.

3. Emerging Issues & Risks

Emerging issues or risks are matters that have arisen, or are expected to arise within the next quarter, which could materially impact the City's operations, projects, finances, workforce, compliance obligations, reputation or strategic objectives. These may not yet be reflected in the Strategic or Operational Risk Registers but warrant monitoring or future escalation.

<u>Procurement</u>

In June 2026, a procurement control issue was identified through a second-line review by Centralised Procurement. The review identified a system issue that resulted in policy waiver requests not consistently following the required approval process. Management is undertaking further investigations and will report the findings and any recommended actions to the next ARIC meeting.

The City is rebuilding the requisition workflow using Business Process Automation to enforce the correct approval hierarchy, with testing underway. Once complete, procedures, guidance, training, monitoring and compliance reviews will be introduced to support ongoing policy compliance.

Customer Debt Management & Reconciliation
System limitations and process gaps have resulted in Karratha Leisureplex membership debt not being reconciled appropriately, creating data integrity and financial oversight risks. Debt equates to approximately $150k accrued over 12 years. There is a low risk that similar issues may exist in other systems, including library services, requiring further investigation.

4. Finalise Business Continuity Plan (BCP) (2025)

Objective

To review and implement the draft BCP ensuring it is current, risk-informed and capable of supporting the City's resilience in the face of disruptions.

Key Activities

- Develop new BCP
- Stakeholder engagement
- Testing and simulation of business continuity procedures
- Updating of recovery strategies, dependencies, and resource requirements
- Aligned with risk management framework

Progress Update

The City has engaged Escalate Consulting to review, validate, and update the existing draft BCP. This process will include a comprehensive assessment of the plan's structure, content, and alignment with best practice principles and relevant standards. The outcomes and data gathered from the City's 2025 internal workshops will be integrated into the revised draft to ensure that all critical business functions, key risks, and recovery priorities are accurately captured and reflected.

As part of this engagement, the consultant will also develop an implementation plan outlining recommendations for ongoing maintenance, periodic testing, and continuous improvement to ensure the plan remains effective and current.

The draft BCPs (one per directorate) were received in early May 2026. The documents have been reviewed by Governance and are currently being updated to reflect the organisational realignment. Consultation will occur with each directorate prior to final approval.

The testing exercise has been selected and supporting materials are being prepared by the consultant. Once the BCPs are finalised a date will be selected for the consultant to facilitate the exercise to validate the effectiveness and practicality of the finalised BCPs, test the City's readiness, and identify any areas for improvement. The exercise is expected to occur in the first quarter of 2026/27.

5. Audit Framework Project (2025-2026)

Objective

To ensure that the Audit Framework is aligned with the Risk Management Framework and supports effective oversight and assurance activities.

Key Activities

- Review of audit methodology and planning processes
- Alignment with risk-based auditing principles
- Clarification of roles and responsibilities
- Enhancing audit reporting and follow-up procedures
- Updated procedures, and tools

Progress Update

The Audit Framework project is currently on hold pending the development/review of the City's Risk Management Framework.

Funds have been included in the 2026/27 Annual Budget to engage an external consultant to undertake the Regulation 17 Review. Regulation 17 of the *Local Government (Audit) Regulations 1996* requires the Chief Executive Officer to review the appropriateness and effectiveness of the local government's systems and procedures in relation to financial management, legislative compliance and risk management.

It is proposed to conduct the review in three separate portions across the 2026/27 financial year. This will allow for in depth reviews into each of the areas, financial management, legislative compliance and risk management. These reviews may identify future areas for internal audit which in turn will support the development of an Audit Plan for 2027/28.

LEVEL OF SIGNIFICANCE

In accordance with Council policy CG-8 Significant Decision Making, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS

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

COUNCILLOR/OFFICER CONSULTATION

No Councillor or Officer consultation is required.

COMMUNITY CONSULTATION

No community consultation is required.

POLICY IMPLICATIONS

As part of the risk management project, Council policy CG01 Risk Management will be reviewed and updated.

FINANCIAL IMPLICATIONS

Funds have been set aside in the current budget for the risk management and business continuity projects.

STRATEGIC IMPLICATIONS

Governance is an enabling service in the delivery of the Council Plan 2025-2035. It supports the delivery of the Plan's goals and ensures that we fulfill our statutory obligations.

RISK MANAGEMENT CONSIDERATIONS

The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	Effective risk management supports strong financial outcomes by preventing unnecessary expenditure, improving resource allocation and enabling more informed decision-making.

Category	Risk level	Comments
Service Interruption	Moderate	Strong risk management reduces the likelihood and severity of service interruptions by identifying vulnerabilities in advance, implementing controls and ensuring continuity arrangements are in place to maintain service delivery.
Environment	N/A	Nil
Reputation	Low	Failure to identify and manage risks in a timely manner may allow issues to escalate, resulting in reduced public trust in the administration of the City's operations.
Compliance	Moderate	Effective identification and management of risks supports adherence to legislative and regulatory requirements, helping to safeguard the City from legal, financial, and reputational impacts.

IMPACT ON CAPACITY
There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS
Risk Register reviews are periodically reported to the Committee.

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
The City continues to advance the Risk Management Framework and updated governance arrangements strengthening organisational risk oversight.

COMMITTEE QUESTION:
Is it within the City's delegation to write the customer debt off, once identifying the nature of the issue?

OFFICER RESPONSE:
This would exceed the Chief Executive Officer's delegation. Once the figure is finalised a report will be submitted to Council to write off any debts where it is considered appropriate.

COMMITTEE QUESTION:
Is this debt pre-12 years or cumulative up until now?

OFFICER RESPONSE:
The data that was imported into the Leisure Management System would also incorporate debt pre-12 years, however for each individual the amount would be nominal. It is cumulative up until now. Some instances aren't actually real debt against any individual. This is a result of data that hadn't been cleansed prior to being imported into the system. Debt will be assessed and either go through a debt recovery or be written off.

COMMITTEE QUESTION:
Will ARIC see outcomes from the upcoming BCP exercise?

OFFICER RESPONSE:
Yes, this will come to the next committee meeting in December.

COMMITTEE QUESTION:
Is it possible to look at what other local governments are doing in the space of risk management as an educational piece?

OFFICER RESPONSE:
We will explore this and potentially reach out to Shire of East Pilbara and come back to the committee.

COMMITTEE QUESTION:
What are the key drivers to the City's plan in terms of technology, human resources, finance, external events, environmental effects, etcetera, and doing an external analysis of the broader factors that might give rise to risk?

OFFICER RESPONSE:
We will consider this and include in the next report.

7 AUDIT

7.1 AUDIT RECOMMENDATION STATUS REPORT

File No: FM.1

Responsible Executive Officer: Director Corporate Services

Reporting Author: Manager Governance

Date of Report: 23 July 2026

Disclosure of Interest: Nil

Attachment(s): Confidential Outstanding Audit Recommendations Status Report – July 2026

PURPOSE
To provide a status report update on all outstanding recommendations that have resulted from external and internal audit activity.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Cr Swaffer
SECONDED : Cr Simpson
Res No : ARIC20260811-04

That the Audit, Risk and Improvement Committee:

1. **RECEIVE the Audit Recommendations Update; and**
2. **RECOMMEND that Council CLOSE the outstanding actions from 2021 and 2023 audits and ACCEPT the residual risk which remains within Council's risk tolerance.**

CARRIED 5/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Simpson, Cr Harris.
AGAINST: Nil

BACKGROUND
This report is intended to provide a list of outstanding findings or recommendations raised through internal and external audits.

DISCUSSION
The confidential attachment details recommendations of past audits and provides implementation progress updates.

Matter	Risk rating	Estimated Completion Date
Business Continuity	Moderate	August 2026
Contract Management	Moderate	July 2027
Procurement	Moderate	December 2026
Data Loss Prevention	Moderate	September 2026

Significant effort has been made to reduce the number of outstanding audit actions.

Three of the four remaining actions are dated and have been substantially progressed or are near completion. Given the age of these items, and the City's implied acceptance of the risk, it is recommended these actions be closed.

The December 2025 action relating to data loss prevention will continue to be reported on.

LEVEL OF SIGNIFICANCE
In accordance with Council policy CG-8 Significant Decision Making, this matter is considered to be of moderate significance in terms of Council's ability to perform its role and in ensuring it has sound systems and processes in place.

STATUTORY IMPLICATIONS
The City is required to ensure that it fulfills its obligations in accordance with Part 7 of the *Local Government Act 1995*.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place between affected teams to ensure actions are taken to address audit findings.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
There are no policy implications.

FINANCIAL IMPLICATIONS
The City will be re-engaging the contractor for design and implementation of Microsoft Purview, which covers a facet of Data Loss Prevention. Other works intend to be resourced internally through set project activities.

STRATEGIC IMPLICATIONS
Finance, Governance and Policy are enabling services towards the delivery of the Council Plan 2025-2035. It supports the delivery of the Plan's goals and ensures that we fulfill our statutory obligations.

RISK MANAGEMENT CONSIDERATIONS
The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Low	Audit findings as they relate to financial operations and procurement pose a risk towards and should provide assurance that the community is receiving best value for money.
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Failure to address critical audit recommendations can have an impact on the City's reputation.
Compliance	Low	Failure to comply with audit recommendations in a timely manner can impact future audit reporting or notification to the OAG or Department of Local Government.

IMPACT ON CAPACITY
The City's capacity to address outstanding recommendations is being supplemented by engaging consultancy services where required.

RELEVANT PRECEDENTS
Audit recommendations are tabled and reported on at each Committee meeting.

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
Significant effort has been made to ensure that outstanding recommendations were closed out to reduce aged findings. The four remaining actions are noted as moderate risk and have been substantially progressed or are near completion. Given the age of three of these actions, the City is considered to have accepted the risk pending and is recommending their closure.

COMMITTEE QUESTION:
Some of the audit recommendations appear almost finished, does this mean they will still be looked at but just won't be reported to the committee?

OFFICER RESPONSE:
Correct.

COMMITTEE QUESTION:
Is it possible for the City to bring future reports to the committee in the first instance and suggested next steps for any findings before any actions are put into the register so the committee can have input into shaping what approaches look like?

OFFICER RESPONSE:
Yes, this is the usual process.

7.2 COMPLIANCE AUDIT RETURN 2025

File No:	FM.12
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Governance & Compliance Coordinator
Date of Report:	23 July 2026
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	2025 Compliance Audit Return

PURPOSE
To consider the City's annual Compliance Audit Return (CAR) for the 2025 calendar year.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Deputy Chair D. Price
SECONDED : Cr Simpson
Res No : ARIC20260811-05

That the Audit, Risk, and Improvement Committee:

1. **RECEIVE and REVIEW the 2025 Compliance Audit Return;**
2. **RECOMMEND that Council ADOPT the 2025 Compliance Audit Return.**

CARRIED 5/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Simpson, Cr Harris.
AGAINST: Nil

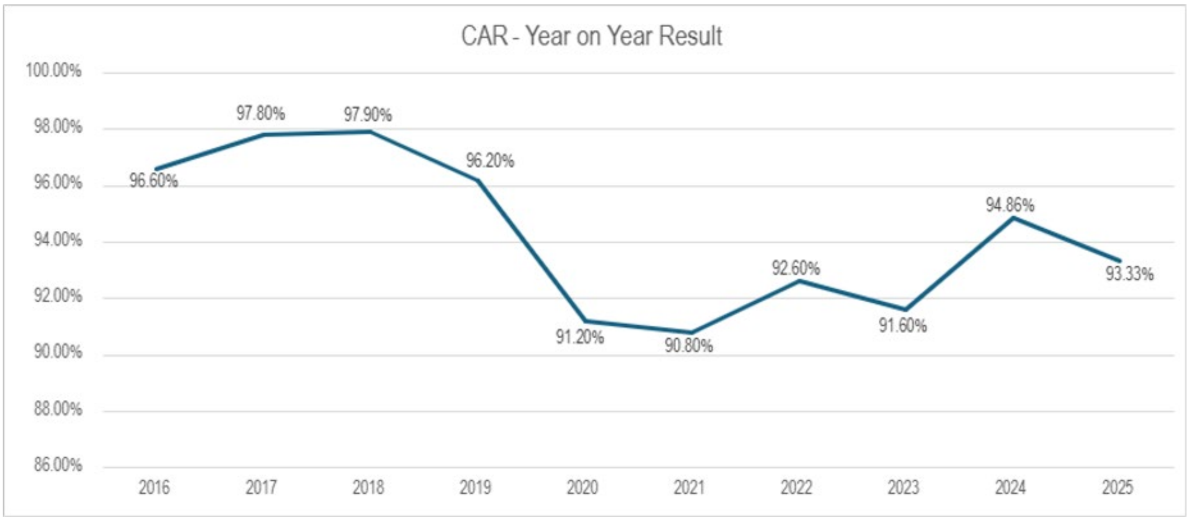
BACKGROUND
Local governments in WA are required to submit a CAR for the preceding calendar year by 31 March, following review by the Audit, Risk, and Improvement Committee (ARIC) and adoption by Council.

The deadline to submit the 2025 CAR was deferred until 30 September 2026 due to significant changes to the compliance audit framework following the establishment of the Local Government Inspectorate and amendments to the *Local Government (Audit) Regulations 1996.*

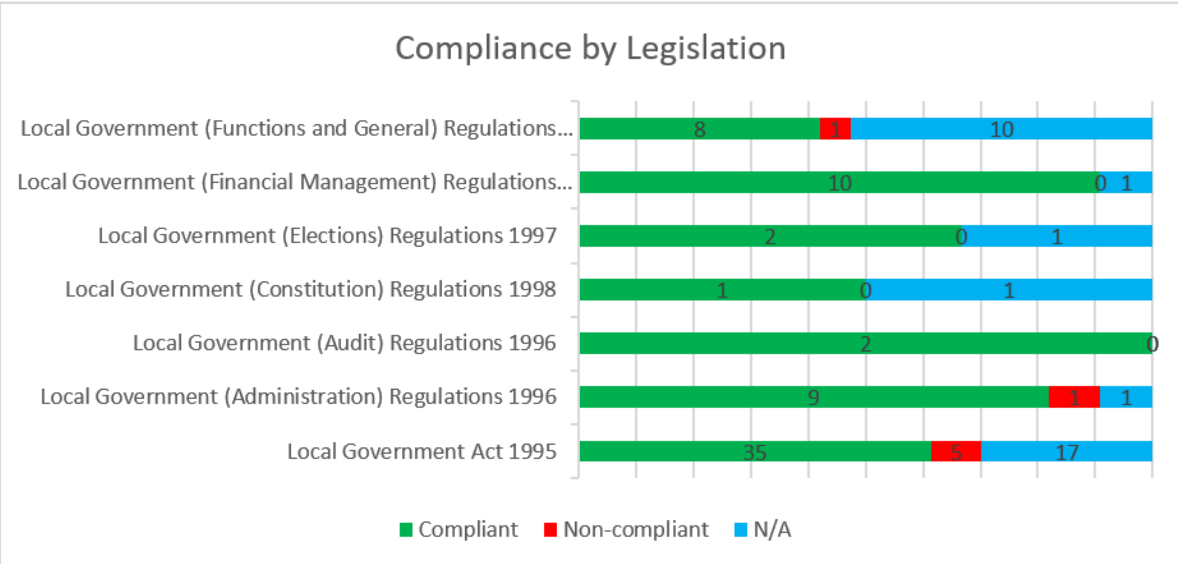
The CAR must now be submitted to the Local Government Inspectorate in the prescribed form and audits the statutory requirements under specific sections of the *Local Government Act 1995* and various regulations as prescribed in regulation 13 of the *Local Government (Audit) Regulations 1996*.

DISCUSSION
Historically the CAR questions have been grouped into relevant topics however, this year the questions are grouped by the relevant legislation, starting with the *Local Government Act 1995* and then relevant supporting regulations.

As detailed in Table 1 below, historically the City has performed well with annual results for the CAR above 90%. In completing the internal review for the 2025 calendar year, seven (7) instances of non-compliance were identified against the 104 questions, resulting in a 93.33% compliance rate.



A summary of this year's CAR results per category is provided in Table 2 below:



The results of the 2025 CAR highlight the City's commitment to compliance with a high degree of adherence to legislative requirements.

All identified instances of non-compliance have been addressed or are actively being resolved. Additionally, the City remains dedicated to continuous improvement, regularly reviewing and refining its systems and processes to further mitigate the risk of future non-compliance.

Regulation 14 of the *Local Government (Audit) Regulations 1996* require the Audit, Risk and Improvement Committee to receive and review the CAR and report to Council, the results of the review. When reporting to Council, the ARIC must make any recommendations that the committee considers appropriate in relation to the compliance audit return.

LEVEL OF SIGNIFICANCE
In accordance with *Council Policy CG-8 Significant Decision Making*, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS
Section 7.13(1)(i) of the *Local Government Act 1995* and Regulations 13 -15A of the *Local Government (Audit) Regulations 1996* apply.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with relevant City officers when preparing responses.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
There are no policy implications.

FINANCIAL IMPLICATIONS
There are no financial implications.

STRATEGIC IMPLICATIONS
This item is in accordance with the City's Council Plan 2025-2035.

RISK MANAGEMENT CONSIDERATIONS
The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Reputation implications are unlikely unless major non-compliances are identified.
Compliance	Moderate	The CAR is a mandatory legislative requirement but also provides an opportunity for self-assessment and review of governance practices.

IMPACT ON CAPACITY
There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS
There are no relevant precedents.

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
The CAR for the period 1 January 2025 to 31 December 2025 indicates a compliance rate of 94.23% for the City. Measures have been taken to rectify non-compliances, and internal controls identify and address non-compliances as they occur. The City's governance systems continue to maintain a high level of compliance and scrutiny.

COMMITTEE QUESTION:
Are the non-compliances going to appear in the recommendations register for follow up?

OFFICER RESPONSE:
Most of these have already been dealt with and are items from the previous calendar year.

COMMITTEE QUESTION:
In relation to the actual CAR results, because the City has reached a reasonable level of maturity, can we set a target compliance rate for future years?

OFFICER RESPONSE:
We are comfortable with setting a target band of 90-95% considering the positive results from previous years.

COMMITTEE QUESTION:
Section 5.50 of the CAR responses mentions an ex-gratia payment, what does this refer to?

OFFICER RESPONSE:
Section 5.50 of the *Local Government Act 1995* requires a local government to adopt a policy regarding employees whose employment is ending, setting out the circumstances in which the local government will pay an employee an additional amount to what they are entitled to under their contract or award.

Council Policy CH-03 Employees Leaving Council Service authorises the Chief Executive Officer to negotiate an ex-gratia payment where the separation is initiated, or would otherwise be initiated, by the City but is treated as a voluntary separation through the employee's resignation. Under the policy, any ex-gratia payment must not exceed the equivalent of six months' salary.

The CAR response relates to one ex-gratia payment made in accordance with the policy. As the payment did not exceed the policy limit, local public notice was not required.

COMMITTEE QUESTION:
Has this been officially submitted yet? Can we change the wording of this response?

OFFICER RESPONSE:
No, the CAR will be submitted following Council's endorsement. The wording can be amended or removed by Council if required.

7.3 INTERNAL SELF-ASSESSMENT – PUBLIC INFORMATION ACCESS AUDIT

File No:	CM.131
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Governance & Compliance Coordinator
Date of Report:	24 July 2026
Disclosure of Interest:	Nil
Attachment(s):	Public Information Access Audit

PURPOSE
To provide a report on a recent internal self-assessment activity conducted by the Governance team.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee RECEIVE the Internal Self-Assessment – Public Information Access Audit.

ALTERNATE RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Deputy Chair D. Price
SECONDED : Cr Swaffer
Res No : ARIC20260811-06

That the Audit, Risk and Improvement Committee

1. **RECEIVE the Internal Self-Assessment – Public Information Access Audit;**
2. **NOTE the non-compliance relating to thoroughfare maps; and**
3. **RECOMMEND to Council that it NOTE the non-compliance relating to thoroughfare maps and ACCEPT the residual risk which remains within Council's risk tolerance.**

REASON FOR CHANGE
To close out the self-assessment.

CARRIED 5/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Simpson, Cr Harris.
AGAINST: Nil

BACKGROUND
There are various requirements under the *Local Government Act 1995* and its supporting regulations to make information available to the community either on the local government's website or by public inspection.

As part of the City's continuous improvement, Governance has conducted an internal self-assessment using the WALGA Public Information Access Guide and Audit Tool (Attachment 1). The tool enables the City to evaluate its level of compliance with public information access requirements, ensures rectification of any unintentional non-compliance and identifies areas of improvement where there is partial or a minimal level of compliance.

DISCUSSION
There are a total of 61 items listed in the audit tool, with eight not being currently applicable to the City. The results of the self-assessment are summarised below. Refer to Attachment 1 for further details.

Exceeds Compliance Standard	Complies	Partially Complies	Does Not Comply	Not Applicable
1	47	4	1	8
90.6%		7.5%	1.9%	

Of the 53 applicable items, the City has 90.6% compliance.

Officers have already taken steps to address the four items of partial compliance and the one item of non-compliance.

LEVEL OF SIGNIFICANCE
In accordance with Council policy CG-8 Significant Decision Making policy, this matter is considered to be of low significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS
The City is required to fully comply with all relevant legislative references listed in the attachment.

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with relevant officers to ensure actions are taken to address audit findings.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
There are no policy implications.

FINANCIAL IMPLICATIONS
There are no financial implications.

STRATEGIC IMPLICATIONS
Governance & Policy is an enabling service towards the delivery of the Council Plan 2025-2035, responsible for internal audits. It supports the delivery of the Plan's goals and ensures that we fulfill our statutory obligations.

RISK MANAGEMENT CONSIDERATIONS
The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	N/A	Nil

Category	Risk level	Comments
Service Interruption	N/A	Nil
Environment	N/A	Nil
Reputation	Low	Failure to comply with expected levels of public information access may impact the City's reputation.
Compliance	Moderate	Failure to comply with mandatory legislative requirements regarding public information access may impact future audit reporting or notification to the OAG or Department of Local Government.

IMPACT ON CAPACITY
There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS
There are no relevant precedents related to this matter.

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
Governance has commenced a series of internal audits in order to evaluate the City's level of compliance with various legislative requirements, ensure rectification of any unintentional non-compliance and identify areas of improvement where there is partial or a minimal level of compliance.

COMMITTEE QUESTION:
What is the difference between complies and exceeds?

OFFICER RESPONSE:
In this case, it means we are advertising in more places or modes than we are required to.

COMMITTEE QUESTION:
Would it be possible in future to get a summary of the results that were either exceeds or non-compliant?

OFFICER RESPONSE:
Yes.

COMMITTEE QUESTION:
Has this been through the Executive Leadership Team (ELT), and will any deficiencies be addressed?

OFFICER RESPONSE:
Yes, ELT have reviewed. All non-compliances have already been rectified except for one which relates to maps of thoroughfares. We do not currently have this available to us.

COMMITTEE QUESTION:
If we can't finalise this last action, can we accept it as sitting within our risk tolerance and accept as a non-compliance?

OFFICER RESPONSE:
Yes, we can do this.

7.4 PROCUREMENT PROBITY REVIEW

File No:	CM.131
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Governance Procurement and Contracts Coordinator
Date of Report:	9 July 2026
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Procurement Probity Review

PURPOSE
To present the Audit, Risk and Improvement Committee with the findings of the independent Procurement Probity Review of five tenders.

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee:

1. RECEIVE the Procurement Probity Review as detailed in Attachment 1; and
2. NOTE that recommendations identified in this review will be included in the Audit Recommendation Status Report presented at each Audit, Risk and Improvement Committee meeting.

ALTERNATE RECOMMENDATION / COMMITTEE RESOLUTION

MOVED : Deputy Chair D. Price
SECONDED : Cr Swaffer
Res No : ARIC20260811-07

That the Audit, Risk and Improvement Committee:

1. **RECEIVE the Procurement Probity Review as detailed in Attachment 1; and**
2. **NOTE that recommendations identified in this review will be included in the Audit Recommendation Status Report presented at each Audit, Risk and Improvement Committee meeting.**
3. **RECOMMEND that Council RECEIVE the Procurement Probity Review as detailed in Attachment 1, and NOTE the recommendations identified in this review will be included in the Audit Recommendation Status Report presented at each Audit, Risk and Improvement Committee meeting.**

REASON FOR CHANGE
To ensure Council is sufficiently aware of the review findings.

CARRIED 5/0

FOR: P. Draber, D. Price, Cr Swaffer, Cr Simpson, Cr Harris.
AGAINST: Nil

BACKGROUND
Two supplier complaints in 2025 regarding the evaluation of RFT0000037 Karratha Cleaning Services, triggered a Preliminary Procurement Review by Governance. The review found inconsistent selection criteria had been issued to tenderers, compromising the evaluation and resulting in no award. Consequently, Governance engaged an independent auditor in November 2025 to undertake a review of the probity, governance and procedural integrity of five selected tender processes.

DISCUSSION
Five tenders were selected for the Procurement Probity Review as they were recent at the time of awarding the contract to Australian Audit and represented a cross section of contract types and risks.

The Procurement Probity Review highlighted nine risks summarised in Table 1 and provided 27 recommendations as detailed in the attached Procurement Probity Review. Thirteen of the 27 recommendations have now been closed.

Table 1

<table>
<tr><th colspan="2">Matter</th><th>Risk Rating</th><th>Completion Date</th></tr>
<tr><td>4.1</td><td>Tender Evaluation Scoring Process</td><td>High</td><td>July 2026</td></tr>
<tr><td>4.2</td><td>Approval & Consistency of Evaluation Criteria</td><td>Medium</td><td rowspan="7">By November 2026</td></tr>
<tr><td>4.3</td><td>Fairness and Equity of Tender Advertising Process</td><td>Medium</td></tr>
<tr><td>4.4</td><td>Attendance at Mandatory Site Briefing / Inspections</td><td>Medium</td></tr>
<tr><td>4.5</td><td>Conflict of Interest and Confidentiality Declarations</td><td>Medium</td></tr>
<tr><td>4.6</td><td>Tender Compliance Checking Process</td><td>Medium</td></tr>
<tr><td>4.7</td><td>Evaluation Process</td><td>Low</td></tr>
<tr><td>4.8</td><td>Clarification Questions from the Evaluation Panel</td><td>Low</td></tr>
<tr><td>4.9</td><td>Acknowledgement of Tender Addendums</td><td>Low</td><td>July 2026</td></tr>
</table>

Many of the Procurement Probity Review recommendations have been addressed through the implementation of Centralised Procurement, which commenced 1 July 2026. This model introduces a partnership approach between Procurement and Business Units, with Procurement administering statutory procurements above $250,000. During 2026/27 a hybrid delivery model has been implemented where Business Units may continue to administer any procurement above $250,000 that were already in progress as at 1 July 2026, while Procurement will administer all new activities above this threshold.

The outstanding recommendations from this review will be included in the audit recommendations register.

LEVEL OF SIGNIFICANCE
In accordance with Council policy CG-8 Significant Decision Making, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

STATUTORY IMPLICATIONS
Tender processes must comply with the requirements of the *Local Government Act 1995* and *Local Government (Functions and General Regulations) 1996.*

COUNCILLOR/OFFICER CONSULTATION
Consultation has taken place with affected teams to inform them of the findings of the review, and seek their feedback of the proposed actions.

COMMUNITY CONSULTATION
No community consultation is required.

POLICY IMPLICATIONS
CG-12 Purchasing Policy, CG-11 Regional Price Preference Policy, Purchasing Guidelines and processes govern the City's tendering and procurement practices.

FINANCIAL IMPLICATIONS
There are no financial implications.

STRATEGIC IMPLICATIONS
Governance is an enabling service towards the delivery of the Council Plan 2025-2035. It supports the delivery of the Plan's goals and ensures that we fulfill our statutory obligations.
RISK MANAGEMENT CONSIDERATIONS
The level of risk to the City is considered to be as follows:

Category	Risk level	Comments
Health	N/A	Nil
Financial	Moderate	Strengthening procurement governance and compliance processes will assist in reducing the risk of financial loss, non-compliance, and procurement inefficiencies.
Service Interruption	Low	Improved and streamlined procurement processes will support more efficient tender administration, stronger procurement outcomes, and timely project and service delivery across the organisation.
Environment	N/A	Nil
Reputation	Moderate	Failure to maintain robust procurement governance and probity practices may impact the City's reputation and stakeholder confidence.
Compliance	Moderate	The recommendations support improved compliance with legislative requirements, procurement policies, and governance obligations relating to statutory tendering processes.

IMPACT ON CAPACITY
There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS
There are no relevant precedents related to this matter.

VOTING REQUIREMENTS
Simple Majority.

CONCLUSION
The Procurement Probity Review identified opportunities to strengthen procurement governance and tender administration practices across the City.

While the review identified areas for improvement, some recommendations have already been implemented, and a few existing processes were considered to be operating effectively. The implementation of Centralised Procurement from 1 July 2026 further supports the recommendations and strengthens procurement oversight, consistency, and compliance across the organisation.

COMMITTEE QUESTION:
In the report there were some values and types of tenders presented, do we know what proportion by value and amount that the total tenders represent?

OFFICER RESPONSE:
Approximately $10-20million as there are a couple of service contracts included.

COMMITTEE QUESTION:
Is this report intended to go to Council?

OFFICER RESPONSE:
The minutes of each committee meeting go to Council as a report for noting. An additional recommendation to Receive the Procurement Probity Report will be included in the Council report for September.

COMMITTEE QUESTION:
Is it possible to set up or investigate setting up a major projects advisory body for projects over a certain cost to give some confidence that correct processes are being followed for larger projects?

OFFICER RESPONSE:
This is something we can explore. The move to a centralised procurement function is already underway and will not only manage tender procurement activities but also provide a second-line assurance review for procurement processes. The function will also be responsible for building procurement capability across the organisation.

8 FINANCE

There are no finance reports.

9 PERFORMANCE

There are no performance reports.

10 INFORMATION TECHNOLOGY

There are no information technology reports.

11 MATTERS BEHIND CLOSED DOORS

There are no matters behind closed doors.

12 CLOSURE & DATE OF NEXT MEETING

The meeting closed at 3.48pm.

The date of the next Audit, Risk and Improvement Committee meeting is to be held on Thursday, 3 December 2026, in Council Chambers, Welcome Road, Karratha.