



SHIRE OF
DOWERIN
TIN DOG TERRITORY

MINUTES

Audit, Risk and Improvement
Committee Meeting

Held in Council Chambers
13 Cottrell Street, Dowerin WA 6461
Friday, 20 February 2026

UNCONFIRMED

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Shire of Dowerin
Audit, Risk and Improvement Committee Meeting
20 February 2026



1. Official Opening

The Chair welcomed those in attendance and declared the Meeting open at 12:11pm.

2. Record of Attendance / Apologies / Leave of Absence

Committee Members:

| | |
|---------------|-------------------------|
| Ms TA Jones | Independent Chairperson |
| Cr DP Hudson | Deputy (Councillor) |
| Cr JA Graffin | <i>Via Teams</i> |

Staff:

| | |
|----------------|--|
| Ms M Barthakur | Chief Executive Officer |
| Ms K Rose | Manager of Governance and Community Services |

Apologies:

| | |
|-------------|--------------------------------------|
| Ms M Shirt | Acting Manager of Corporate Services |
| Cr RI Trepp | |

Approved Leave of Absence: Nil

3. Public Question Time

Nil

4. Disclosure of Interest

Nil

5. Confirmation of Minutes of the Previous Meeting(s)

5.1 Audit, Risk, and Improvement Committee Meeting held on 19 December 2025.
[Attachment 5.1A](#)

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution - 5.1

Moved: Cr Hudson

Seconded: Cr Graffin

1266 That, in accordance with Sections 3.18 and 5.22(2) of the *Local Government Act 1995*, the Minutes of the Audit, Risk, and Improvement Committee Meeting held on 19 December 2025, as presented in Attachment 5.1A, be confirmed as a true and correct record of proceedings.

CARRIED 3/0

For: Ms T Jones, Cr Graffin, Cr Hudson

6. PRESENTATIONS

Nil

7. OFFICER'S REPORTS

7.1 Risk Dashboard Review

| | | |
|---|---|---|
| <h1>Corporate & Community Services</h1> | |  SHIRE OF DOWERIN TIN DOG TERRITORY |
| Date: | 17 February 2026 | |
| Location: | Not applicable | |
| Responsible Officer: | Manisha Barthakur, Chief Executive Officer | |
| Author: | Kahli Rose, Manager of Governance and Community Services | |
| Legislation: | <i>Local Government Act 1995;</i> <i>Local Government (Audit) Regulations 1996</i> | |
| SharePoint Reference: | Organisation/Governance/Committees | |
| Disclosure of Interest: | Nil | |
| Attachments: | Attachment 7.1A - February Risk Dashboard Action List | |

Purpose of Report

Executive Decision

Legislative Requirement

Summary

This Item presents the Risk Dashboard Quarterly Report to the Audit, Risk, and Improvement Committee for consideration and, if satisfactory, recommendation to Council for adoption. The report highlights numerous risks that are not adequately managed and require attention.

Background

The Shire maintains a Risk Dashboard to monitor the implementation and effectiveness of controls across operational, governance, compliance, and strategic functions.

The Dashboard focuses on:

- Identifying areas where controls are operating effectively
- Highlighting gaps where controls are incomplete or not yet implemented
- Supporting prioritisation of management actions and oversight by Council and the Audit, Risk, and Improvement Committee

The Risk Dashboard applies a three-tier risk rating framework (Low, Moderate, High), reflecting the maturity and effectiveness of controls rather than incident severity.

Comment

The Risk Dashboard demonstrates that while many controls are operating effectively, several areas require continued focus and prioritised action.

Asset Management Practices

Key Risks:

- Incomplete or outdated asset valuations and management plans
- Misalignment between asset plans, long-term financial planning, and the ISP
- Potential misinformed capital and maintenance decision-making

Actions Required:

- Complete outstanding asset reviews and valuations
- Finalise and align AMP, LTFP, and ISP
- Implement scheduled reviews and ongoing monitoring processes

Business & Community Disruption

Key Risks:

- Insufficient testing of emergency, business continuity, and disaster recovery arrangements
- Reduced organisational resilience during major incidents or service interruptions

Actions Required:

- Undertake scheduled emergency exercises and BCP testing
- Finalise and implement IT disaster recovery planning
- Ensure annual review and testing cycles are embedded

Failure to fulfill Compliance Requirements (Statutory and Regulatory)

Key Risks:

- Non-compliance with legislative, regulatory, and audit obligations
- Increased exposure to adverse audit findings and reputational damage

Actions Required:

- Progress and adopt governance, HR, and information management frameworks
- Address outstanding audit findings within agreed timeframes
- Maintain training and induction programs for Councillors and staff

Document Management Processes

Key Risks:

- Non-compliance with record keeping and information management requirements
- Inability to locate, retain, or dispose of records appropriately

Actions Required:

- Review and implement the Information Management Framework
- Finalise SharePoint and record keeping system reviews
- Deliver staff training aligned with PRIS requirements

Employment Practices

Key Risks:

- Inconsistent workforce planning and capability development
- Gaps in staff wellbeing, training, and performance management processes

Actions Required:

- Implement the Workforce Plan and training program
- Progress health and wellbeing initiatives
- Maintain regular review of induction and performance processes

Engagement Practices

Key Risks:

- Inconsistent handling of complaints, feedback, and community engagement
- Reduced community confidence and transparency

Actions Required:

- Review and update community engagement policies and frameworks
- Improve complaint handling processes and registers
- Undertake regular community feedback and satisfaction activities

Environment Management

Key Risks:

- Non-compliance with environmental and waste management obligations
- Legacy infrastructure and systems creating long-term liability

Actions Required:

- Progress waste management planning and compliance reviews
- Address sewage system audit and valuation requirements
- Finalise closure and remediation planning where required

Errors, Omissions and Delays

Key Risks:

- Inconsistent procedures and undocumented controls
- Increased likelihood of operational errors and delays

Actions Required:

- Centralise and document key procedures and controls
- Review and update internal checklists and guidance material
- Embed review cycles to ensure ongoing accuracy

External Theft and Fraud (Incl. Cyber)

Key Risks:

- Weak access controls and incomplete asset and security registers
- Increased exposure to fraud, cyber incidents, or data loss

Actions Required:

- Review and update access control and key registers
- Improve asset recording and photographic registers

Management of Facilities/Venues/Events

Key Risks:

- Inconsistent inspection, maintenance, and event management practices
- Potential safety and compliance issues at public facilities

Actions Required:

- Develop and implement an event management framework
- Complete inspections and maintenance schedules
- Undertake community facilities reviews

IT or Communications Systems and Infrastructure

Key Risks:

- Insufficient documentation of IT systems and replacement planning
- Reduced system resilience and business continuity capability

Actions Required:

- Document IT frameworks, services, and replacement programs
- Maintain regular review of IT service agreements
- Progress internal documentation and asset management improvements

Misconduct

Key Risks:

- Inadequate documentation of controls and oversight mechanisms
- Reduced ability to detect, prevent, or respond to misconduct

Actions Required:

- Document organisational controls and systems
- Complete Regulation 17 and FMR reviews (currently in progress), and present findings to ARIC

Project/Change Management

Key Risks:

- Inconsistent project delivery and change implementation
- Lack of standardised methodologies and documentation

Actions Required:

- Develop and document a project management framework
- Review communication and engagement practices for change initiatives
- Embed standard templates and reporting processes

Safety and Security Practices

Key Risks:

- Potential workplace safety incidents if controls are not maintained
- Security vulnerabilities across Shire facilities

Actions Required:

- Continue regular inspections, audits, and hazard reviews
- Maintain WHS committee oversight and reporting
- Monitor and update security systems and procedures

Supplier/Contract Management

Key Risks:

- Inconsistent contract oversight and monitoring

Actions Required:

- Implement a centralised contract management system
- Maintain standardised contract templates and controls
- Continue review and improvement of financial and reporting tools

Consultation

Manisha Barthakur, Chief Executive Officer

Kahli Rose, Manager of Governance and Community Services

Ben Forbes, Manager of Infrastructure and Projects

Ciara Skinner, Compliance Officer

Policy Implications

Council Policy 2.2 – Risk Management Policy

Strategic Implications

Strategic Community Plan

| | |
|---------------------|--|
| Community Priority: | Our Organisation |
| Objective: | Deliver a high standard of governance and administration |
| Outcome: | 4.1 |
| Reference: | 4.1 |

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Local Government Act 1995

Section 5.41 – Functions of CEO

(1) The CEO is responsible for the day-to-day operations of the local government.

Local Government (Audit) Regulations 1996

Regulation 17 – Review of systems and procedures

A local government is to review the appropriateness and effectiveness of its systems and procedures

Risk Implications

| | |
|--------------------------------------|--|
| Risk Profiling Theme | Failure to fulfil statutory regulations or compliance requirements |
| Risk Category | Compliance |
| Risk Description | Short term non-compliance but with significant regulatory requirements imposed |
| Consequence Rating | Moderate (3) |
| Likelihood Rating | Possible (3) |
| Risk Matrix Rating | Moderate (6) |
| Key Controls (in place) | Governance Management Framework, Staff Training Plan |
| Action (Treatment) | Document Governance Management Framework |
| Risk Rating (after treatment) | Adequate |

Financial Implications

Risk management actions will require ongoing allocation in annual budgets to facilitate resources and staff support where necessary.

Voting Requirements



Simple Majority



Absolute Majority

Officer's Recommendation/Resolution - 7.1

Moved: Cr Graffin

Seconded: Cr Hudson

1267

That, in accordance with Regulations 16 and 17 of the Local Government (Audit) Regulations 1996, the Audit, Risk, and Improvement Committee:

1. Receives the Risk Dashboard Quarterly Report - February 2026, as presented in Attachment 7.1A, detailing significant risks and required mitigation actions; and
2. Recommends to Council that it adopts the Risk Dashboard Quarterly Report - February 2026, with ongoing allocation of resources and budget to address them effectively.

CARRIED 3/0

For: Ms T Jones, Cr Graffin, Cr Hudson

Please note: the Audit, Risk and Improvement Committee has limited authority to make decisions. All recommendations of the Committee are presented to Council for ratification.

| 7.2 Terms of Reference Update - ARIC | |
|--|---|
| <h2>Corporate & Community Services</h2> | |
|  SHIRE OF DOWERIN TIN DOG TERRITORY | |
| Date: | 17 February 2026 |
| Location: | Not applicable |
| Responsible Officer: | Kahli Rose, Manager of Governance and Community Services |
| Author: | Kahli Rose, Manager of Governance and Community Services |
| Legislation: | <i>Local Government Act 1995;</i> <i>Local Government (Audit) Regulations 1996</i> |
| SharePoint Reference: | Organisation/Governance/Committees |
| Disclosure of Interest: | Nil |
| Attachments: | Attachment 7.2A - Draft ARIC TOR |

Purpose of Report

- Executive Decision
 Legislative Requirement

Summary

To present a recommendation from the Audit, Risk, and Improvement Committee to Council to amend the Committee's Terms of Reference to align with recent amendments to the *Local Government Act 1995*, including the appointment of a Deputy Presiding Member and the setting of an allowance for that role.

Background

Section 7.1A of the *Local Government Act 1995* requires local governments to establish an Audit, Risk, and Improvement Committee.

Recent legislative reforms strengthen the governance framework for audit committees, including requirements relating to committee leadership and continuity. In particular, the reforms require the appointment of an independent Deputy Presiding Member to act in the absence of the Presiding Member.

The Shire's current ARIC Terms of Reference provide for an independent Presiding Member but do not provide for a Deputy Presiding Member.

Comment

To ensure compliance with the amended legislative requirements and to strengthen continuity of committee operations, it is proposed to amend the ARIC Terms of Reference to:

- provide for the appointment of a Deputy Presiding Member, who must be an independent member (not a Councillor or employee);
- clarify the role and authority of the Deputy Presiding Member when acting in the absence of the Presiding Member; and
- provide that the Deputy Presiding Member is entitled to an allowance for attending meetings, set at the same rate as the meeting attendance allowance payable to Councillors, determined by Council under section 5.100 of the *Local Government Act 1995*.

These changes do not alter the requirement that a majority of committee members be Councillors, nor do they affect the existing delegation framework or functions of the Committee.

A copy of the amended Terms of Reference is provided at Attachment 7.2A.

Consultation

Manisha Barthakur, Chief Executive Officer

Kahli Rose, Manager of Governance and Community Services

Policy Implications

Council Policy 2.2 - Risk Management Policy

Strategic Implications

Strategic Community Plan

Community Priority: Our Organisation

Objective: Deliver a high standard of governance and administration

Outcome: 4.1

Reference: 4.1

Asset Management Plan

Nil

Long Term Financial Plan

Nil

Statutory Implications

Local Government Act 1995

Section 7.1A — Audit, Risk, and Improvement Committee

- (1) A local government is to establish an Audit, Risk, and Improvement committee.
- (2) The committee is to consist of at least 3 members, a majority of whom are councillors.
- (3) At least one member of the committee is to be an independent person.
- (4) The independent person is to be the presiding member of the committee.
- (5) The committee is to have a deputy presiding member who is an independent person.

Local Government Act 1995

Section 5.100 — Fees and allowances

- (1) A local government may pay a fee or allowance to a person who is a member of a committee established by the local government.

Risk Implications

| | |
|--------------------------------------|--|
| Risk Profiling Theme | Failure to fulfil statutory regulations or compliance requirements |
| Risk Category | Compliance |
| Risk Description | Short term non-compliance but with significant regulatory requirements imposed |
| Consequence Rating | Major (4) |
| Likelihood Rating | Unlikely (2) |
| Risk Matrix Rating | Moderate (8) |
| Key Controls (in place) | Policy Development Engagement practices with external stakeholders |
| Action (Treatment) | Scheduled policy review Updated Terms of Reference |
| Risk Rating (after treatment) | Effective |

Financial Implications

The proposed allowance for the Deputy Presiding Member will be set at the same rate as the meeting attendance allowance payable to Councillors for committee meetings. Any cost will be accommodated within existing budget allocations for committee allowances.

Voting Requirements

Simple Majority Absolute Majority

Officer's Recommendation/Resolution - 7.2

Moved: Cr Hudson **Seconded:** Cr Graffin

1268 That, in accordance with Regulations 16 and 17 of the Local Government (Audit) Regulations 1996, the Audit, Risk, and Improvement Committee:

1. Receive and note the recommendation to amend its Terms of Reference to align with amendments to the *Local Government Act 1995*, including the establishment of an Independent Deputy Presiding Member; and
2. Approve the payment of an allowance to the Deputy Presiding Member, set at the same rate as the meeting attendance allowance payable to Councillors for committee meetings, in accordance with section 5.100 of the *Local Government Act 1995*.

CARRIED 3/0

For: Ms T Jones, Cr Graffin, Cr Hudson

Please note: the Audit, Risk and Improvement Committee has limited authority to make decisions. All recommendations of the Committee are presented to Council for ratification.

8. Questions from Members

- 8.1 Interim Audit Findings – Update on outstanding items
1. Journal Entries
 - a. Process now in place for two-person review of any journals being raised. Major journals from EOFY will be signed off by the CEO
 2. Account reconciliation
 - a. Ongoing payroll system issues (historical from 2020 era.), ongoing system failures being identified. Balancing between bank account and the accounting system have been identifying multiple issues and the systems are not syncing together.
 3. Policies – Credit Card and IT Security
 - a. C/card policy has been updated. MGCS working with IT provider regarding security policy.
 4. Cancelled receipts
 - a. When issuing a cancellation to a receipt, no secondary approver or signatory has been part of the standard process. Step has been implemented.
 5. Amendments to Supplier and Payroll Master Files
 - a. Process has been implemented for an audit trail report to be included with every creditor batch and pay run.

9. Urgent Business Approved by the Person Presiding or by Decision

10. Date of the Next Meeting

- 18 May 2026
- Earlier meeting may be required once the FMR & R17 reports are received.

11. Closure

The Chair thanked those in attendance and declared the Meeting closed at 12:35pm