Audit, Risk and Improvement Committee

Agenda – Monday 24 August 2026

Please be advised that an **Audit, Risk and Improvement Committee** will be held at **5.30 PM** on **Monday 24 August 2026** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

Mr Carl Askew – Chief Executive Officer
20 August 2026

Table of contents

1 Declaration of opening

Acknowledgement of Country

Ngany djerapiny Wadjak – Noongar boodja-k yaakiny, nidja bilya bardook.

I am honoured to be standing on Whadjuk - Nyungar country on the banks of the Swan River.

Ngany kaaditj Noongar moort keny kaadak nidja Wadjak Noongar boodja. Ngany kaaditj nidja Noongar birdiya – koora, ye-ye, boorda, baalapiny moorditj Noongar kaadijtin, moort, wer boodja ye-ye.

I acknowledge the traditional custodians of this land and respect past, present and emerging leaders, their continuing cultural heritage, beliefs and relationship with the land, which continues to be important today.

Ngany youngka baalapiny Noongar birdiya wer moort nidja boodja.

I thank them for the contribution made to life in the Town of Victoria Park and to this region.

2 Attendance

Presiding Member	Mr Jonathan Seth
Mayor	Mayor Karen Vernon
Banksia Ward	Cr Scott Ingram
Jarrah Ward	Cr Daniel Minson
Independent Committee Members	Ms Caroline Parry
Chief Executive Officer	Mr Carl Askew
A/Chief Financial Officer	Ms Nana McIntosh
Manager Governance and Risk	Mr Brett Douglas
Audit, Risk and Assurance Advisor	Mr Mark Sully
Meeting Secretary	Ms Laine Cooke

2.1 Apologies

2.2 Approved leave of absence

3 Declarations of interest

3.1 Declarations of financial interest

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees can continue to provide advice to the Council in the decision-making process if they have disclosed their interest.

3.2 Declarations of proximity interest

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are to declare an interest in a matter if the matter concerns: a) a proposed change to a planning scheme affecting land that adjoins the person's land; b) a proposed change to the zoning or use of land that adjoins the person's land; or c) a proposed development (as defined in section 5.63(5)) of land that adjoins the persons' land.

Land, the proposed land adjoins a person's land if: a) the proposal land, not being a thoroughfare, has a common boundary with the person's land; b) the proposal land, or any part of it, is directly across a thoroughfare from, the person's land; or c) the proposal land is that part of a thoroughfare that has a common boundary with the person's land. A person's land is a reference to any land owned by the person or in which the person has any estate or interest.

3.3 Declarations of interest affecting impartiality

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

4 Confirmation of minutes

5 Presentations

6 Method of dealing with agenda business

7 Reports

7.1 Compliance Audit Return 2025

Location	**Town-wide**
Reporting officer	Manager Governance and Strategy
Responsible officer	Manager Governance and Strategy
Voting requirement	Simple majority
Attachments	1. Compliance Audit Return 2025 [**7.1.1** - 7 pages]

Summary

The Town is required to conduct an annual audit of statutory compliance (Compliance Audit Return) in accordance with Regulation 14 of the Local Government (Audit) Regulations 1996. The completed 2025 Compliance Audit Return (CAR) is presented to the Audit and Risk Committee prior to adoption by Council. The adopted CAR must be submitted to the Department of Local Government, Industry Regulation and Safety by 30 September 2026.

Recommendation
That the Audit and Risk Committee recommends to Council that: 1. The Department of Department of Local Government, Industry Regulation and Safety Audit Return for the period 1 January 2025 to 31 December 2025 as contained in Attachment 1 be adopted. 2. Authorises the certification to be jointly completed by the Mayor and Chief Executive Officer in accordance with Regulation 15 of the Local Government (Audit) Regulations 1996.

Background

1. Regulation 14 of the Local Government (Audit) Regulations 1996 (Regulations) requires that a CAR be completed and submitted to the Department by 31 March 2025. However, this has been changed to 30 September 2026 due to changes to the format of submission, which will now be completed through an online portal.
2. The 2025 CAR contained the following compliance categories:
   (a) Commercial Enterprises by Local Governments;
   (b) Delegation of Power/Duty;
   (c) Disclosure of Interest;
   (d) Disposal of Property;
   (e) Elections;
   (f) Finance;
   (g) Integrated Planning and Reporting;
   (h) Local Government Employees;
   (i) Official Conduct;

(j) Optional Questions; and
(k) Tenders for Providing Goods and Services.

3. Regulation 15 of the Regulations requires a joint certification to be completed by the Mayor and Chief Executive Officer. The document is to be forwarded to the Department via its online portal.

Discussion

4. In accordance with Regulation 14 of the Audit Regulations, the Town is required to carry out an annual audit of statutory compliance in the form determined by the Department.
5. The 2025 CAR deals with the period 1 January 2025 to 31 December 2025 and focuses on those areas considered high risk in accordance with the Local Government Act 1995 (Act) and associated regulations.
6. Of the questions asked, the Town was compliant in all categories.

Category	2023 Audit Questions	Compliance Rating	2024 Audit questions	Compliance rating	2025 Audit questions	Compliance rating
Commercial Enterprises by Local Governments	5	100%	5	100%	5	100%
Delegation of Power/Duty	13	100%	13	100%	13	100%
Disclosure of Interest	21	1 non compliance 95.2%	21	100%	21	100%
Disposal of Property	2	100%	2	100%	2	100%
Elections	3	100%	3	N/A	3	100%
Finance	7	100%	7	100%	7	100%
Integrated Planning and Reporting	3	100%	3	100%	3	100%
Local Government Employees	5	100%	5	100%	5	100%

Official Conduct	4	100%	4	100%	4	100%
Optional Questions	9	3 non compliance 66.7%	9	100%	9	100%
Tenders for Providing Goods and Services	22	1 non compliance 95.5%	22	100%		100%
TOTAL	**94**	**96.1%**	**94**	**100%**		**100%**

7. Following adoption of the CAR by the Audit and Risk Committee and Council, the CAR is to be certified by both the Mayor and Chief Executive Officer.
8. Once certified, the completed CAR must be submitted to the Department of Local Government, Sport and Cultural Industries by 30 September 2026.

Relevant documents

Not applicable.

Legal and policy compliance

Regulation 14 of the Local Government (Audit) Regulations 1996

Regulation 15 of the Local Government (Audit) Regulations 1996

Financial implications

Current budget impact	Nil.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial		High	Low	
Environmental			Medium	
Health and safety			Low	

Data, Information Technology and Cyber			Medium	
Assets			Medium	
Compliance Breach	Not completing the CAR will result in non-compliance with the Towns statutory reporting obligations	High	Low	Treat risk by submitting the attached CAR to the Department by 31 March 2025.
Reputation			Low	
Service delivery interruption			Medium	

Engagement

Internal engagement	
Stakeholder	Comments
Business unit managers	The 2025 CAR was circulated to the relevant Business Unit Managers for comment.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	

7.2 Annual Work Plan Review

Location	**Town-wide**
Reporting officer	Manager Governance and Strategy
Responsible officer	Manager Governance and Strategy
Voting requirement	Simple majority
Attachments	1. Audit, Risk and Improvement Committee Annual Work Plan Template [**7.2.1** - 1 page]

Summary

The purpose of this report is to present the proposed Audit, Risk and Improvement Committee (ARIC) Annual Work Plan 2027 Calendar year template for the Committee's consideration.

The Annual Work Plan will be developed for the 2027 Calendar year to support the Committee in fulfilling its responsibilities under the Local Government Act 1995, the Audit, Risk and Improvement Committee Terms of Reference, and the Town's governance framework.

The Work Plan will be a working document to outline the activities for the 2027 Calendar year and it is envisaged that it will work as a circular document between ARIC and the administration (Governance and C-Suite) so it can be updated accordingly as needs invariably change.

Recommendation
That the Audit, Risk and Improvement Committee: 1. Notes the template Annual Work Plan; 2. Notes that it will be amended throughout the year to accommodate legislative requirements, emerging risks, audit outcomes, or other matters requiring consideration by the Committee.

Background

1. Section 7.1A of the Local Government Act 1995 requires local governments to establish an Audit, Risk and Improvement Committee to perform the functions prescribed by legislation.
2. The Committee provides independent oversight and advice to Council regarding:
   (a) Financial management and reporting;
   (b) Internal and external audit activities;
   (c) Compliance matters;
   (d) Organisational risk management; and
   (e) Continuous improvement initiatives.
3. The Committee's Annual Work Plan will assist in ensuring key governance responsibilities are considered in a planned and systematic manner throughout the financial year.

Discussion

4. The proposed Annual Work Plan provides a structured schedule of matters to be considered by the Committee between January through to December in 2027.
5. Key components of the Work Plan include:

Governance and Committee Responsibilities

6. The Work Plan will include annual review of the Committee's Terms of Reference, the Annual Work Plan itself, and periodic evaluation of Committee performance to ensure the Committee remains effective and compliant with legislative requirements.

Financial Reporting and Audit Oversight

7. The Committee will continue to review the Town's annual audited financial statements, management reports, external audit findings, and progress on implementing audit recommendations. This supports Council's oversight of financial governance and accountability.

Risk Management and Compliance

8. The Work Plan incorporates will assist in reviews of the towns risk management framework and other risk activities in line with the Terms of Reference, including the Town’s internal audit program.

Improvement Function

9. The workplan is designed to assist in the Committee’s improvement function.

Relevant documents

Local Government Act 1995.

Local Government (Audit) Regulations 1996.

Audit, Risk and Improvement Committee Terms of Reference.

Legal and policy compliance

Local Government Act 1995.

Local Government (Audit) Regulations 1996.

Financial implications

Current budget impact	Nil.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Failure to work with an Annual Work Plan may result in inadequate oversight of financial reporting, audit findings and financial controls, increasing the risk of errors, fraud, or undetected control weaknesses.	Medium	Low	TREAT risk by acknowledging the Annual Work Plan document.
Environmental	Nil	Low	Medium	Nil
Health and safety	Work health and safety risks may not be appropriately escalated or monitored through the Town's governance framework.	Low	Low	TREAT risk by incorporating regular reviews of appropriate risk management.
Data, Information Technology and Cyber	Inadequate oversight of ICT and cyber security risks may result in emerging threats, control deficiencies or audit findings not being identified and addressed in a timely manner.	Medium	Medium	TREAT risk by providing scheduled oversight of risks.
Assets	Insufficient governance oversight may reduce assurance regarding the management, maintenance and protection of Town assets and infrastructure.	Medium	Medium	TREAT risk by appropriate oversight of risks through ARIC.
Compliance Breach	Legislative and regulatory compliance obligations may not be reviewed in a structured manner,	High	Low	TREAT risk by adopting an Annual Work Plan that includes review of the Compliance Audit Return, Regulation 17 requirements,

	increasing the likelihood of non-compliance or missed reporting requirements.			external audit findings and legislative compliance matters.
Reputation	Failure to adequately oversee governance, risk and audit functions may reduce stakeholder confidence in the Town's accountability and decision-making processes.	Medium	Low	TREAT risk by creating a program of governance, audit and risk oversight through the Annual Work Plan.
Service delivery interruption	Weak governance oversight may result in risks, control issues or audit recommendations not being addressed, potentially affecting service delivery outcomes.	Medium	Medium	TREAT risk by regularly monitoring risk management activities, internal audit outcomes and organisational improvement initiatives throughout the year.

Engagement

Nil.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	The work plan template provides a basis for identifying the work of the Committee over the financial year consistent with the functions of the group outlined in the Terms of Reference.

8 Motion of which previous notice has been given

9 Meeting closed to the public

9.1 Matters for which the meeting may be closed

9.2 Public reading of resolutions which may be made public

10 Closure