



Shire of Wyalkatchem Audit and Risk Committee (ARC)

Notice of Meeting and Agenda –

To be held on Thursday 16 April 2026,

commencing at 3.00pm in the Council Chambers,

Honour Avenue, Wyalkatchem

Regulation 16 of the Local Government (Audit) Regulations 1996 states that:

“An audit committee —

- a)** is to provide guidance and assistance to the local government —
 - i.** as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
 - ii.** as to the development of a process to be used to select and appoint a person to be an auditor; and**

- b)** may provide guidance and assistance to the local government as to —
 - i.** matters to be audited; and*
 - ii.** the scope of audits; and*
 - iii.** its functions under Part 6 of the Act; and*
 - iv.** the carrying out of its functions relating to other audits and other matters related to financial management; and**

- c)** is to review a report given to it by the CEO under regulation 17(3) (the CEO’s report) and is to —
 - i.** report to the council the results of that review; and*
 - ii.** give a copy of the CEO’s report to the council.”**

Agenda

This Agenda was approved for distribution on 13 April 2026.

Tom Kettle
Chief Executive Officer
Shire of Wyalkatchem

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- 1. DECLARATION OF OPENING**
- 2. PUBLIC QUESTION TIME**
- 3. ATTENDANCE /APOLOGIES/LEAVE OF ABSENCE**
- 4. DECLARATIONS OF INTEREST**
- 5. ANNOUNCEMENT BY THE PRESIDING PERSON WITHOUT DISCUSSIONS**
- 6. CONFIRMATION AND RECEIPT OF MINUTES**
- 6.1. CONFIRMATION OF MINUTES**

6.1.1. AUDIT AND RISK COMMITTEE MEETING – 18 DECEMBER 2025

Minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 December 2025. (Attachment 6.1.1)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION:

That the minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 December 2025 (Attachment 6.1.1) be confirmed as a true and correct record.



Shire of Wyalkatchem Audit and Risk Committee (ARC)

Minutes

held on Thursday 18 December 2025,

commencing at 3.01pm in the Council Chambers,

Honour Avenue, Wyalkatchem

Regulation 16 of the Local Government (Audit) Regulations 1996 states that:

“An audit committee —

- a)** is to provide guidance and assistance to the local government —
 - i.** as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
 - ii.** as to the development of a process to be used to select and appoint a person to be an auditor; and**

- b)** may provide guidance and assistance to the local government as to —
 - i.** matters to be audited; and*
 - ii.** the scope of audits; and*
 - iii.** its functions under Part 6 of the Act; and*
 - iv.** the carrying out of its functions relating to other audits and other matters related to financial management; and**

- c)** is to review a report given to it by the CEO under regulation 17(3) (the CEO’s report) and is to —
 - i.** report to the council the results of that review; and*
 - ii.** give a copy of the CEO’s report to the council.”**

Preface

When the Chief Executive Officer approved these Minutes for distribution they are in essence “*Unconfirmed*” until the following Audit and Risk Management Meeting where the minutes are to be confirmed subject to any amendments.

The “*Confirmed*” Minutes are then signed off by the Presiding Member.

Unconfirmed Minutes

These unconfirmed minutes were approved for distribution on the 19 December 2025



Ian McCabe
Acting Chief Executive Officer

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1. DECLARATION OF OPENING

Cr Stratford declared the meeting open at 3:01pm.

2. PUBLIC QUESTION TIME

Public question time opened at 3:01pm

There were no members of the public.

Public question time closed at 3:01pm

3. ATTENDANCE /APOLOGIES/LEAVE OF ABSENCE

3.1 Attendance

Cr Mischa Stratford

Cr Christy Petchell

Cr Christopher Loton

Cr Tracy Dickson

Cr Rod Lawson Kerr

Cr Justin Begley

Cr Stephen Gamble

Ian McCabe

Claire Trenorden

Acting Chief Executive Officer

Manager Corporate Services

3.2 Apologies

Nil

3.3 Leave of Absence

Nil

4. DECLARATIONS OF INTEREST

Nil

5. ANNOUNCEMENT BY THE PRESIDING PERSON WITHOUT DISCUSSIONS

Nil

6. CONFIRMATION AND RECEIPT OF MINUTES

6.1. CONFIRMATION OF MINUTES

6.1.1. AUDIT AND RISK COMMITTEE MEETING – 18 SEPTEMBER 2025

Minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 September 2025. (Attachment 6.1.1)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION/COMMITTEE RESOLUTION:

(08/2025) Moved: Cr Petchell Seconded: Cr Dickson

That the minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 September 2025 (Attachment 6.1.1) be confirmed as a true and correct record.

CARRIED 7/0

***Voted for: Cr Petchell, Cr Stratford, Cr Begley, Cr Loton, Cr Gamble,
Cr Lawson Kerr, Cr Dickson***

7. MATTERS REQUIRING A COMMITTEE DECISION

7.1. CORPORATE SERVICES REPORTS

7.1.1. ANNUAL REPORT AND FINANCIAL STATEMENTS

Applicant:	Shire of Wyalkatchem
Location:	Shire of Wyalkatchem
Date:	12 December 2025
Reporting Officer:	Claire Trenorden, Manager Corporate Services
Disclosure of Interest:	No interest to disclose
File Number:	12.10.02
Attachment Reference:	Attachment 7.1.1 – 2024 / 25 Annual Report and Financial Statements for the period ending 30 June 2025

SUMMARY

The Audit Committee is requested to endorse and recommend to Council to accept the 2024 / 25 Annual Report and Financial Statements for the period ending 30 June 2025.

BACKGROUND

In accordance with Section 5.54(1) of the *Local Government Act 1995* Council is required to prepare and accept the Annual Report for each financial year no later than 31 December after that financial year.

COMMENT

The final audit of Council's finances and operations commenced 25 September 2025. The final audit report from the Office of the Auditor General was received by the Shire on Friday 28 November 2025.

Council is required to accept the Annual Report and select a date for the Electors meeting that is no more than 56 days from the acceptance of the annual report. The Electors meeting time and date is also required to be advertised for 14 days.

The date of the Electors Meeting has been set for Thursday 12 February 2026 at 6:00pm and Public Notice has been given. This date is 56 days following the proposed acceptance of the Annual Report.

Public Notice of the Annual Electors Meeting and availability of the Annual Report will be displayed on public notice boards, Wylie Weekly and advertised on Council's Website and via social media. In addition, residents can request a copy to be mailed to them or view a copy at the Shire Office.

STATUTORY ENVIRONMENT

Local Government Act 1995 section 5.54(1)

POLICY IMPLICATIONS

There are no direct policy implications in relation to this item.

FINANCIAL IMPLICATIONS

Advertising, printing and posting costs included in the 2025/2026 budget.

COMMUNITY & STRATEGIC OBJECTIVES

The matter before the Council generally accords with the Shire's desired outcome, as expressed in the revised Shire of Wyalkatchem Strategic Community Plan.

Pillar 4 Civic Leadership	Statement of Strategic Outcome: We lead with accountability, connection and openness through best-practice systems, policies and financial controls
Goal No.	GOAL 11. High standard of governance
11.3	Ongoing long term financial planning and transparent financial management

VOTING REQUIREMENT

Absolute Majority

OFFICER'S RECOMMENDATION/COMMITTEE RESOLUTION:

(09/2025) Moved: Cr Begley

Seconded: Cr Petchell

That Audit and Risk Management Committee;

- 1. Accepts the Annual Report and Financial Statements for the year ended 30 June 2025 as provided for in attachment 7.1.1.*

That the Audit and Risk Committee recommends that Council;

- 1. Accepts the Annual Report and Financial Statements for the year ended 30 June 2025.*
- 2. Holds a General Meeting of Electors on the 12 February 2026 commencing at 6pm in the Shire of Wyalkatchem Council Chambers.*

CARRIED 7/0

***Voted for: Cr Petchell, Cr Stratford, Cr Begley, Cr Loton, Cr Gamble,
Cr Lawson Kerr, Cr Dickson***

8. CLOSURE OF THE MEETING

There being no further business, Cr Stratford closed the meeting at 3.04pm.

7. MATTERS REQUIRING A COMMITTEE DECISION

7.1. CORPORATE SERVICES REPORTS

7.1.1. REVISED AUDIT COMMITTEE TERMS OF REFERENCE

Applicant:	Shire of Wyalkatchem
Location:	Shire of Wyalkatchem
Date:	16 April 2026
Reporting Officer:	Tom Kettle, Chief Executive Officer
Disclosure of Interest:	No interest to disclose
File Number:	12.10.02
Attachment Reference:	Attachment 7.1.1 – Revised Terms of Reference

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit, Risk and Compliance Committee:

- 1. Endorse the updated Terms of Reference as presented in Attachment 1.*
- 2. Recommend that the Council adopt the updated Terms of Reference as presented in Attachment 1.*
- 3. Note that the CEO will release an Expression of Interest for a suitably qualified and experienced Independent Presiding Member of the Audit, Risk and Improvement Committee and a report will be provided to the Council to reconstitute the ARIC and appoint members under the Local Government Act 1995.*

BACKGROUND

The purpose of this report is for the Audit, Risk and Compliance (ARC) Committee to endorse the updated Terms of Reference (ToR) which have been updated to reflect recent legislative reforms introduced under the Local Government Amendment Act 2024.

COMMENT

The ARC Committee is a formally constituted committee of the Shire of Wyalkatchem Council, established under Section 7.1A of the Local Government Act 1995. The Committee provides independent oversight of the Shire's financial management systems, audit processes, risk governance, and compliance initiatives.

Recent reforms to the Local Government Act 1995, effective from December 2024, have introduced significant changes to the governance and operation of council committees. These include:

- Reclassification of audit committees as Audit, Risk and Improvement Committees (ARICs) to reflect a broader scope of responsibilities.
- Mandatory appointment of an independent presiding member, who must not be a council member or employee of the local government.

- Clarification of committee structure, including the roles of presiding members, deputy presiding members, and committee members.
- Provisions for shared ARICs among smaller local governments to reduce resource burdens.

The Shire is required to update the ToR and appoint an Independent Presiding Member to achieve compliance with the legislative amendments.

The Shire's ARC Committee ToR (attachment 2) were due for a review and have been updated to incorporate the legislative changes, amend the structure and clarify the responsibilities (attachment 1).

The key changes include the following:

- Legislative (title) – Audit Risk and Management Committee amended to Audit, Risk and Improvement Committee (ARIC).
- Legislative (membership) – amendment for the inclusion of at least one independent member who must be the presiding member. Should the Council resolve to appoint a deputy presiding member, this person must also be independent.
- Legislative (chair) – amendment to the appointment of presiding member and deputy presiding member by absolute majority decision of the Council.
- Clarity and structure amendment – the implementation of a work plan to guide undertaking of tasks and responsibilities for the calendar year.
- Clarity amendment – update of the definition of the oversight responsibilities including improvement, risk management, internal control, external audit, financial reporting and compliance.

The delegated authority and role of the committee remains as provided for in the Shire's delegation register and aligned to relevant legislation.

The ToR have been drafted to provide the Council with the flexibility to appoint a minimum of three and a maximum of seven Councillors to the newly constituted ARIC.

The updated ToR provide scope for the CEO to advertise for a suitably qualified and experienced independent presiding member. The ToR provide the flexibility to seek an independent deputy chair person, should this be deemed necessary in the future.

An independent ARIC member is entitled to a sitting fee under section 5.100(2)(b) of the Local Government Act 1995 and fee may be set within the range outlined at 6.5 of the Local Government CEO and Elected Council Members Determination (SAT Determination). The SAT Determination 2026 was recently released with a range from \$110 to \$1,215. It is recommended that the EOI be released with the range advertised and the fee be set through the consideration of elected member fees in the 2026/27 Annual Budget Process.

A subsequent report will be presented to the Council to endorse the updated ToR, appoint an independent presiding member and appoint Council members to the ARIC.

STATUTORY ENVIRONMENT

Local Government Act 1995 – Section 7.1A
Local Government Amendment Act 2024
Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

There are no direct policy implications in relation to this item.

FINANCIAL IMPLICATIONS

An independent member is entitled to a fee per meeting within the range set by the SAT Determination, \$110 – \$1,215. This will be set by the Council in the 2026/27 Annual Budget.

Independent members may be reimbursed for travel and associated meeting attendance costs demonstrated to the satisfaction of the local government.

COMMUNITY & STRATEGIC OBJECTIVES

The matter before the Council generally accords with the Shire's desired outcome, as expressed in the revised Shire of Wyalkatchem Strategic Community Plan 2024-2034.

Pillar 4 Civic Leadership	Statement of Strategic Outcome: We lead with accountability, connection and openness through best-practice systems, policies and financial controls
Goal No.	GOAL 11. High standard of governance
11.3	Ongoing long term financial planning and transparent financial management



Audit, Risk and Improvement Committee Terms of Reference

1. Purpose

The purpose of this document is to define the Terms of Reference (TOR) for the Audit, Risk and Improvement Committee (the "ARIC" or "Committee").

These TOR describe the Committee's purpose, authority, membership, functions, reporting requirements and responsibilities.

2. ESTABLISHMENT

2.1. The ARIC is a formally appointed committee of the Council for the Shire of Wyalkatchem (the "Shire") pursuant to section 7.1A of the *Local Government Act 1995* ("the Act").

2.2. Appointment of members is by absolute majority of Council in accordance with section 7.1A(2) of the Act.

3. Role

The ARIC is to provide guidance and assistance to Council concerning matters within its Terms of Reference. It assumes a key role in assisting the Shire in fulfilling its governance and oversight obligations related to financial reporting, internal controls, risk management systems, legislative compliance, ethical accountability, and internal and external audit functions.

4. Authority and Independence

The ARIC does not have executive powers or authority to implement actions in areas over which the administration (management) has responsibility. Furthermore, the ARIC does not have any delegated financial responsibility. This ensures that the ARIC can fulfill its function as an impartial advisory body separate from the Shire's management, thereby ensuring objective assessments and guidance.

Under the Shire's Register of Delegated Authority, the ARIC has:

4.1. Authority to meet with the Shire's Auditor at least once every year on behalf of the Council [s.7.12A(2)].

4.2. Authority to:

4.2.1. examine the report of the Auditor and determine matters that require action to be taken by the Shire; and

4.2.2. ensure that appropriate action is taken in respect of those matters [s.7.12A(3)].

4.3. Authority to review and endorse the Shire's report on any actions taken in response to an Auditor's report, prior to it being forwarded to the Minister [s.7.12A(4)].

5. Membership

5.1. The ARIC will comprise five (5) to nine (9) members.

5.2. The Chief Executive Officer and employees of the Shire are not members of the Committee.

5.3. All members shall have full voting rights and will be appointed by an absolute majority decision of the Council (s. 5.10 of the Act).

5.4. The Presiding Member cannot be a Council Member of the local government or of any other local government.

5.5. Any deputy Presiding Member cannot be a Council Member of the local government or of any other local government.

5.6. Council may appoint up to seven (7) Councillors to be members of the Committee.

5.7. Council may appoint up to two (2) independent members and they must fulfill the Presiding Member and Deputy Presiding Member roles.

6. Term

6.1. In Compliance with section 5.11 of the Act, all members will be appointed by the Council and will remain a member until:

- a. The term of the person's appointment as a committee member expires; or
- b. The local government removes the person from the office of committee member, or the office of the committee member otherwise becomes vacant; or
- c. The committee is disbanded; or
- d. The next ordinary elections day.

7. Appointment

7.1. The Presiding Member will be appointed by the Council at a meeting of the Council following an Election.

7.2. The Deputy Presiding Member will be appointed by the Council at a meeting of the Council following an Election should the Council resolve to appoint two (2) independent members.

8. Skills and Experience

8.1. Collectively, the group of Committee members possess a diverse set of skills and expertise encompassing risk management, assurance, business acumen and background in related

fields.

8.2. Members may seek advice from an external independent advisor. The independent advisor must be able to demonstrate expertise and knowledge in at least one of the disciplines of financial risk management, corporate governance, risk management or auditing. The independent advisor will also have demonstrated understanding and/or experience in:

- Accounting Standards (AASB),
- *Local Government Act 1995*,
- Local Government Experience.

8.3. New members will receive relevant information and briefings on their appointment to assist them to meet their committee responsibilities.

9. Declaration of Interest

9.1. Committee members are required by the Act and the Code of Conduct to observe the requirements of declaring any financial, proximity or impartiality interests that relate to any matter to be considered at each meeting.

10. Resignation

10.1. In accordance with regulation 4 of the *Local Government (Administration) Regulations 1996*, a committee member may resign from membership of the Committee by giving the CEO or the Committee's presiding member written notice of the resignation. It is recommended that the committee member provide a notice period of three (3) months.

11. Administration attendance

11.1. The following individuals from the Shire's administration will be present at Committee meetings to offer advice, guidance and undertake the responsibility of recording minutes:

- Chief Executive Officer,
- Manager Corporate Services,
- Governance Coordinator, and
- Other invited officers as required.

12. Meetings

12.1. The Committee shall meet at least quarterly.

12.2. The Presiding Member of the Committee has the authority to convene extra meetings, or such meetings may be convened upon the request of the Chief Executive Officer.

12.3. The Committee meetings are generally open to the public unless the Presiding Member or Chief Executive Officer deem it necessary to proceed behind closed doors pursuant to section 5.23 of the Act.

12.4. All Elected Members are invited to attend each Committee meeting but will not be eligible to vote on any items presented at the meeting.

12.5. As prescribed by section 5.19 of the Act, the quorum for a Committee meeting shall be at least 50% of the number of offices of the Committee (whether vacant or not).

12.6. The Chief executive officer will facilitate the meetings of the Committee and invite members of the management, external auditors or others to attend the meetings as

observers and to provide pertinent information as necessary.

- 12.7. The committee will develop a forward meeting schedule that includes the dates, locations and a proposed work plan for each meeting for the forthcoming year, which covers the responsibilities outlined in these terms of reference.
- 12.8. Meeting agendas will be prepared and provided at least 72 hours in advance to members, along with appropriate briefing materials.
- 12.9. Minutes of the meeting will be taken and presented to the subsequent meeting for confirmation.
- 12.10. Pursuant to regulation 13 of the *Local Government (Administration) Regulations 1996*, the unconfirmed minutes of the Committee meeting will be published within 7 days after the meeting is held.
- 12.11. Voting is in accordance with section 5.21 of the Act.

13. Responsibilities

The Committee will fulfill the following responsibilities:

13.1. Improvement

- Review and advise on the effectiveness of improvement initiatives, including those arising from audits, external reviews and strategic planning processes.
- Monitor the implementation of agreed recommendations to ensure they are actioned appropriately and contribute to enhanced organisational performance.
- Identify systemic issues or trends that require broader organisational attention or policy level responses.

13.2. Risk Management and Fraud Risk Management

- Reviews and advises on the adequacy and appropriateness of the Shire's risk management framework and its capacity to effectively identify, assess, and manage key risks.
- Assesses whether a sound and effective approach has been adopted in managing major risks across the organisation, including those associated with strategic projects, program delivery, and operational activities.
- Reviews the development and implementation of fraud control arrangements and provides assurance that appropriate systems and processes are in place to detect, report, and respond to fraud-related matters.
- Advises on the effectiveness of business continuity and disaster recovery planning, including whether these plans are subject to regular review and testing to ensure organisational resilience.
- Considers emerging risk trends and systemic issues, and reports these to Council where appropriate.

13.3. Internal Control

- Ensure adequate systems of internal control are in place to mitigate key business risks and promote the effectiveness and efficiency of operations.
- Approve and review all audit reports and provide advice to the council on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice.
- Monitor management's implementation of audit recommendations, processes and practices to ensure that the independence of the audit function is maintained.
- Oversee the coordination of planned activities among the four lines of defence, delineating ownership, accountabilities, resources and governance of risk management activities within the Shire.

13.4. External Audit

- Meet with the Office of the Auditor General to discuss the audit plan (audit entrance meeting) and the results of the financial audit (audit exit meeting).
- Consider the findings and recommendations of relevant Performance Audits undertaken by the external auditor and ensure the Shire implements relevant recommendations.
- Meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed privately.
- Annually review and suggest improvements to the performance of external audit including the level of satisfaction with the external audit function.
- Monitor management's implementation of external audit recommendations.

13.5. Financial Reporting

- Review and suggest improvements to significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- Review and suggest improvements to the process for the consolidation of financial information of the Shire related entities into the financial reports of the Shire.
- Review with management and the external auditors all matters required to be communicated to the ARIC under the Australian Auditing Standards and suggest improvements if required.
- Review and suggest improvements (subject to legislation) to the draft Annual Financial Statements (subject to legislation) and recommend the adoption of the Annual Financial Statements to Council.

13.6. Compliance

- Review and suggest improvements to the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Keep informed of the findings of any examinations by regulatory agencies and any

auditor (internal or external) observations and monitor management's response to these findings.

- Obtain updates from management about compliance matters.
- Review and suggest improvements to the annual Compliance Audit Return (subject to legislation) and report to the Council the results of the review.

13.7. Reporting

- Report regularly to the Council on Committee activities, issues and related recommendations through the circulation of minutes.

13.8. Other Responsibilities

- Perform other activities related to these terms of reference as requested by the Council or through audit recommendations.
- Request that the Chief Executive Officer perform a review after an Election, suggest improvements to and assess the adequacy of the Committee terms of reference, request Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.



Audit and Risk Management Committee Charter and Terms of Reference

This charter document defines the membership, authority, purpose, operational guidelines, responsibilities and resources of the Shire of Wyalkatchem Audit and Risk Management Committee, established by Council pursuant to Division A1, Section 7.1A of the *Local Government Act 1995* (the Act) and the *Local Government (Audit) Regulations 1996* and *Local Government Amendment (Auditing) Act 2017* (the Regulations)

1. NAME

The name of the Committee shall be the Shire of Wyalkatchem Audit and Risk Management Committee, hereinafter referred to in its abbreviated form as the Committee.

2. ESTABLISHMENT

The Committee is established pursuant to Section 7.1(A) of the Act.

3. DISTRICT

The Committee shall operate with the local government boundaries of the Shire of Wyalkatchem.

4. GUIDING PRINCIPLES

This Committee is established with the guiding principles in accordance with Division 1, Section 7.1A of the *Local Government Act 1995*, the *Local Government (Audit) Regulations 1996* the *Local Government (Financial Management) Regulations 1996* and the *Local Government Amendment (Auditing) Act 2017*.

5. OBJECTIVES

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

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

The Committee is to facilitate:

- the enhancement of the credibility and objectivity of internal and external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines relative to audit, risk management, internal control and legislative compliance;
- the coordination of the internal audit function with the external audit; and
- the provision of an effective means of communication between the external auditor, internal auditor, the CEO and the Council.

6. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee will be –

- a) Provide guidance and assistance to Council as to carrying out the functions of the local government in relation to auditors;
- b) Meet with the auditor once in a year to provide a report to Council on the matters discussed and outcome of these discussions;
- c) Liaise with the CEO to ensure that the local government does everything in its power to –
 - Assist the auditor to conduct the audit and carry out his or her other duties under the act; and
 - Ensure that audits are conducted successfully and expeditiously;
- d) Examine the reports of the auditor after receiving a report from the CEO on the matters to –
 - Determine if any matters raised require action to be taken by the Shire; and
 - Ensure that appropriate action is taken in respect of those matters;
- e) Review the report prepared by the CEO on any actions taken in respect of any matters raised in the report of the Auditor and presenting the report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest in time;
- f) Review the scope of the audit plan and program and its effectiveness;
- g) Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of Council or CEO;
- h) Review the level of resources allocated to internal audit and the scope of its authority;
- i) Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management reacts to matters raised;
- j) Facilitate liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs;

- a) Monitor the risk exposure of the Shire by determining if management has appropriate risk management processes and adequate management information systems.
- b) Review the CEO's report on the appropriateness and effectiveness of the local government's systems and procedures in regard to risk management, internal control and legislative compliance, required to be provided to the committee, and report the results or their consideration of that review to Council;
- c) Monitor the progress of any major lawsuits facing the Council/Shire;
- d) Monitor ethical standards and related party transactions by determining whether the systems of control are adequate and appropriate;
- e) Review issues relating to national competition policy, financial report by Shire business units and comparative performance indicators;
- f) Review the Shire's draft annual financial report, focusing on –
 - Accounting policies and practices
 - Changes to accounting policies and practices
 - The process used in making significant accounting estimates;
 - Significant adjustments to the finance report (if any) arising from the audit process;
 - Compliance with accounting standards and other reporting requirements; and
 - Significant variance from prior years.
- g) Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise subsequent to any such recommendation but before the annual report is signed;
- h) Address issues brought to the attention of the committee, including responding to requests from Council for advice that are within the parameters of the committee's term of reference;
- i) Seek information or obtain expert advice through the CEO on matters of concern within the scope of the committee's term of reference following authorisation from Council;
- j) Review the annual Compliance Audit Return and report to the Council the results of that review

7. MEMBERSHIP

Membership of the Committee will be appointed by absolute majority decision of Council and can include non-elected members, must include at least 3 Councillors and Councillors must comprise the majority of the Committee.

Neither the Chief Executive Officer nor any other employee of the Local Government can be a member of the Committee.

Membership of the Committee will comprise a total of 7 members consisting of;
7 x Councillors

8. MEETINGS

8.1. Annual General Meeting

Nil

8.2. Committee Meetings

The Audit and Risk Committee shall meet at least once every three months. A schedule of meetings will be developed and agreed to by the members. As a guide, meetings will be arranged to coincide with Council reporting deadlines, for example, in February / March to discuss the Statutory Compliance Return and in October to receive and authorise the draft annual report including the financial statements prior to its submission to the Minister. Additional meetings will be scheduled on an as needed basis.

8.3. Quorum

The Quorum for any meeting of the Committee is at least 50% of the number of member positions prescribed on the Committee, whether vacant or not, which equates to four (4) members being present to constitute a quorum.

8.4. Voting

Shall be in accordance with Sections 5.201 and 7.1C of the Act, with all members of the Committee entitled and required to vote (subject to financial and proximity interest provisions of the Act).

8.5. Minutes

Shall be in accordance with the Act, Section 5.22.

8.6. Presiding Person

The members will elect the Presiding Person and if required, Deputy of the Committee pursuant to the Act, Section 5.12.

8.7. Who acts if no presiding member?

Shall be in accordance with the Act, Section 5.14

8.8. Meetings

Meetings are open to the public pursuant to section 5.23 of the Act as the Committee has delegated power or duty.

8.9. Public Question Time

Public Question Time shall be held in accordance with the section 5.24 of the Act and Regulations 5, 6 and 7 of the Local Government (Administration) Regulations 1996.

8.10. Members Conduct

Members of the Committee are bound by the:

- Provision of Section 5.65 of the Local Government Act 1995;
- Shire of Wyalkatchem Standing Orders Local Laws 1999;
- Shire of Wyalkatchem Code of Conduct (amended from time to time);
- Local Government (Rules of Conduct) Regulations 2007 (Elected Members only): and Clause 34C of the Local Government (Administration) Regulations 1996;

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With respect to their conduct and duty of disclosures of financial, proximity or impartiality interests, to the extent stated, dependent upon whether they are a Councillor, Employee or Local Government or a Community Member (community members are not bound to declare impartiality interest, unlike Councillors and Employees of Local Government nor are they bound by the Rules of Conduct Legislation).

8.11. Secretary

The Governance Executive Officer or that Officer's nominee will fulfil the role of non-voting secretary who will be responsible for preparation and distribution of agendas and minutes.

8.12. Meeting Attendance Fees

Nil.

8.13. Reporting

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its term of reference. This is in order to facilitate informed decision making by Council in relation to the legislative functions and duties of local government that have not been delegated to the CEO.

Decisions of the Committee are to be made by simple majority.

Reports and recommendations of each Committee meeting requiring a resolution of Council shall be presented to the next ordinary meeting of Council or the first ordinary meeting of Council practicable.

9. DELEGATED AUTHORITY TO THE COMMITTEE

Delegation No 1.1.1

FUNCTION

1. Authority to meet with the Shire's Auditor at least once every year on behalf of Council [s7.12A(2)].
2. Authority to:
 - a. Examine the report of the Auditor and determine matters that require action to be taken by the Shire of Wyalkatchem; and
 - b. Ensure that appropriate action is taken in respect to these matters [s.7.12A(3)].
3. Authority to prepare a report on any actions under s7.12A (3) in respect of an audit conducted in respect of a financial year for Council's endorsement, prior to sending the report to the Minister [s.7.12A(4)].

CONDITIONS

Nil

RECORD KEEPING

Audit and Risk Management Committee Minutes shall record and identify each decision made under this delegation in accordance with the requirements of Administration Regulation 19.

10. STRATEGIC ALIGNMENT

The specific tasks and actions undertaken by this committee will assist the Shire of Wyalkatchem in achieving the following aspirations and objectives as contained within the Strategic Community Plan.

Objective: A well-managed and effective Council organisation

Outcome No.	Outcome	Action No.	Actions
5.1	A well-governed, efficient and responsive organisation	5.1.1	Implement effective governance structures
		5.1.2	Embed sound risk management frameworks to mitigate council's strategic and operational risk
		5.1.3	Deliver open and transparent Council decision-making and reporting
		5.1.4	Implement systems and processes to enhance organisational capability

8. CLOSURE OF THE MEETING