Agenda

Audit, Risk and Improvement Committee
3 September 2026

Notice of Meeting
To the Committee Members
The next Audit Risk and Improvement Committee meeting will be held on Thursday, 03 September 2026 in the Council Chamber, 7 Thomas Street, Halls Creek commencing at 4 PM.

Meeting Agenda Attached

Margaret Glass
A/Chief Executive Officers
31 August 2026

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2026 AUDIT AND RISK COMMITTEE MEETING DATES

The following Audit and Risk Committee Meeting dates and times have been resolved by Committee.

03 September 2026	Council Chamber, Halls Creek	5.00pm
05 November 2026	Council Chamber, Halls Creek	5.00pm

INFORMATION

This information is provided on matters which may affect members of the public. If you have any enquiries on procedural matters, please contact shire@hcshire.wa.gov.au.

QUESTION TIME FOR THE PUBLIC

An opportunity is available at Committee meetings for members of the public to ask a question about any issue relating to the Shire. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible to allow the Shire time to prepare a response.

The Presiding Person may nominate a member of staff to answer the question and may also determine that any complex question requiring research be answered in writing. No debate or discussion can take place on any question or answer.

Any comments made by a member of the public become a matter of public record as they are minuted by Council. Members of the public are advised that they are deemed to be held personally responsible and legally liable for any comments made by them that might be construed as defamatory or otherwise considered offensive by any other party.

To ask a question, please complete the Public Question Time form available on the Shire website https://www.hallscreek.wa.gov.au/council/meetings.

DISCLAIMER

Members of the public should note that in any discussion during a meeting regarding any item, a statement or indication of approval by any council member, committee member or officer of the Shire is not intended to be, and should not be taken as, notice of approval from the Shire. No action should be taken on any item discussed at a meeting of a Committee prior to written advice on the Committee or Council's resolution being received.

DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71
Local Government (Model Code of Conduct) Regulations 2021

This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act 1995 and Local Government (Model Code of Conduct) Regulations 2021	
Name	
Position	
Date of Meeting	
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting / Workshop/ Public Agenda Briefing/ Confidential Briefing
Interest Disclosed	
Item Number and Title	
Nature of Interest	
Type of Interest (please circle one)	Financial / Proximity / Impartiality
Interest Disclosed	
Item Number and Title	
Nature of Interest	
Type of Interest (please circle one)	Financial / Proximity / Impartiality

Signature: _____Date: _____

Important Note:

Should you declare a Financial or Proximity Interest, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an Impartiality Interest, you must state the following prior to consideration of the item:

"With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly."

Order of Business

1. Opening of Meeting

The Presiding Member is to declare the meeting open at 5.00 pm.

2. Acknowledgement of Traditional Owners

3. Record of Attendance

3.1 Attendance

Scheduled Present	
Presiding Member	Baptiste Isambert
Deputy Presiding Member	Duy Vo
Shire President	Cr Brenda Garstone
Shire Deputy President	Cr Raymond Simpson
Councillor	Cr Patricia McKay
Scheduled for Attendance	
A/Chief Executive Officer & Director Governance and Sustainability	Margaret Glass
Principal Governance Officer	Tanay Bulich-Carroll
Financial Services	Travis Bate (RSM)
Local Government Monitor	Jeff Gooding

3.2 Attendance by Telephone / Instantaneous Communications

Nil

3.3 Apologies

Nil

3.4 Approved Leave of Absence

Nil

3.5 Disclosures of Interest

Nil

4. Application for leave of Absence

Nil

5. Public Participation

5.1 Response to questions taken on notice from public

Nil

5.2 Public Question Time

Nil

5.3 Petitions / Deputations / Presentations / Submissions

Nil

5.4 Correspondence

Nil

6. Questions from Members where due Notice has been given

Nil

7. Announcements by Presiding Member without Discussion

Nil

8. Declarations of All Members to have given due consideration to all matters contained in the Business Papers before the meeting

This item requires all Committee Members to declare that they have reviewed and given due consideration to the full set of Business Papers prior to attending the meeting by show of hands.

The declaration confirms that Members have read the agenda, reports, and supporting documentation in advance, enabling informed participation, discussion, and decision-making in accordance with their responsibilities as outlined in the Local Government Act 1995.

The Presiding member is to declare that all Committee members have given due consideration to all matters contained in the agenda by show of hands.

9. Confirmation of Minutes of Previous Meeting

Confirmation of minutes of 13 August 2026 will be considered at the meeting to be held on 03 September 2026.

10. Reports of Officers

10.1 Compliance Audit Return 2025 Implementation Plan and Strategic Risk Review

Author:	Director Governance and Sustainability
Authorising Officers:	Chief Executive Officer
Voting Requirements:	Simple Majority
Disclosure of Interest:	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.
Attachments:	Attachment 1: Management Action Plan and Strategic Risk Q3 Review

Matters for Consideration

1. To provide the Audit, Risk and Improvement Committee (ARIC) with an update on the Shire's consolidated governance, audit and compliance improvement program through the integrated Management Action Plan Risk Register.
2. The Risk Register centralises findings and improvement actions arising from the 2025 Compliance Audit Return, outstanding 2023/24 external audit findings and the Regulation 17 review.
3. This report also provides assurance to the Committee on the progress being made to strengthen the Shire's governance, risk management, legislative compliance and internal control environment.

Recommendation

That Audit Risk and Improvement Committee:

1. **notes** the Management Action Plan Risk Register at Attachment 1;
2. **notes** the integration of the 2025 Compliance Audit Return findings, outstanding 2023/24 external audit findings and Regulation 17 review outcomes into the Shire's centralised risk management framework;
3. **notes** the controls, treatment actions, mitigation measures, responsible officers and review timeframes established to address identified risks and control weaknesses; and
4. **notes** that progress against the Management Action Plan Risk Register will continue to be monitored and reported quarterly to the Audit, Risk and Improvement Committee as part of the Shire's ongoing governance, risk and assurance framework.

Background

4. To provide the ARIC with a consolidated update on the Shire's governance, risk, compliance and internal control improvement program.
5. The report brings together matters previously managed through separate audit, compliance and governance processes into a single Management Action Plan Risk Register. This enables ARIC to monitor the Shire's overall improvement program through one centralised assurance framework.

6. The report also provides assurance on the Shire's progress in addressing historical governance and compliance deficiencies and establishing sustainable systems, controls and accountability arrangements to reduce the likelihood of recurrence.

Comments

7. The Management Action Plan Risk Register provides a single, consolidated framework for monitoring governance, audit, compliance and organisational improvement actions. It incorporates matters arising from the 2025 Compliance Audit Return, outstanding 2023/24 external audit findings, the Regulation 17 review and other identified governance and operational risks.
8. The Register covers risks and improvement actions across governance and legislative compliance, financial sustainability and internal controls, procurement and contract management, grants management, risk management, ICT and cyber security, business continuity, human resources governance, elected member obligations, strategic and corporate planning, and audit and assurance.
9. Each risk is assigned an accountable owner and is progressively supported by an initial and current risk assessment, identified controls, control effectiveness assessment, treatment and mitigation actions, implementation or review dates, and an auditable record of management review. This provides Administration, ARIC and Council with clear visibility of identified deficiencies, the associated organisational risk, corrective actions and the effectiveness of controls implemented.
10. The current Management Action Plan Risk Register contains 46 risks, with the current position summarised below:

Current Rating	Active	Closed	Total
Medium	12	5	17
Low	8	21	29
High / Extreme	0	0	0
Total	**20**	**26**	**46**

11. Of the 46 risks, 26 (57%) have been closed, leaving 20 (43%) under active management. The remaining active profile comprises 12 Medium-rated and 8 Low-rated risks. There are currently no High or Extreme-rated risks within the Management Action Plan.
12. The closure of 26 risks reflects substantial progress during 2026 in addressing historical audit, governance and compliance findings. Improvements include policy and delegation reforms, strengthened risk governance, digital management of statutory returns and delegations, procurement and ICT controls, improved legislative compliance oversight and the introduction of more structured and auditable governance processes.
13. The movement in risk scores also demonstrates improvement in the Shire's overall control environment. Of the 46 risks, 18 (39%) have reduced in score, 28 (61%) remain unchanged and no risks have increased.

14. Risk Movement

	Number of risks	% of register	Position
Risk score reduced	18	39%	Demonstrable improvement
Risk score unchanged	28	61%	Includes risks already at Low and risks still requiring treatment
Risk score increased	0	0%	No deterioration
Risks closed	26	57%	Corrective actions completed/control established
Risks remaining active	20	43%	Continue to be treated and monitored
Current High / Extreme	0	0%	No current MAP risks at these levels
Total risks	46	100%	

15. The risk profile also demonstrates significant movement from the Shire's original exposure, including risks initially assessed at the upper end of the risk framework that have been materially reduced following implementation of treatment actions and strengthened controls. The current Management Action Plan contains no risks assessed as High or Extreme.
16. The principal Medium-rated risks requiring continued management attention relate to fraud and misconduct governance, organisational risk capability, internal and transactional financial controls, grants management, creditor and debt management, human resources policy maturity, statutory review of local laws, corporate business planning and annual audit compliance.
17. The remaining Low-rated active risks relate primarily to statutory website publication requirements, strategic planning, electoral governance, manual processes, legislative compliance frameworks and procedure and document control.
18. An unchanged risk score does not necessarily indicate that no improvement activity has occurred. In some instances, controls or treatment actions have been implemented but further time, evidence or testing is required before Administration can demonstrate sustained control effectiveness or justify a reduction in the residual risk assessment.
19. Similarly, completion of a corrective action does not automatically result in closure of a risk. Risks are closed where Administration is satisfied that the identified deficiency has been addressed and an appropriate control has been established. Recurring statutory and operational obligations continue to be monitored through the Shire's broader risk, compliance and assurance framework after the original Management Action Plan item is closed.
20. The consolidation of the Compliance Audit Return, FY 23/24 external audit, Regulation 17 and other governance improvement actions into a single risk-based framework represents a significant improvement in organisational oversight. It provides a clear audit trail and enables ARIC to focus its oversight on outstanding risk exposure, overdue actions, control effectiveness and areas requiring further management attention.

21. The 2024–25 audit findings and associated implementation plans are currently being finalised with the external auditors. Once agreed, the findings and treatment actions will be incorporated into the Risk Register and presented to ARIC in November 2026.

Strategic, Legislation and Policy Implications

Strategic Pillar	
Objective	4. Civic: Working together to strengthen leadership and effective governance.
Outcome:	Civic - 4.1 A local government that is respected and accountable
Strategy:	Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

Legislation and Policy	
Legislation:	*Local Government Act 1995* *Local Government (Audit) Regulations 1996* *Local Government (Administration) Regulations 1996* *Local Government (Financial Management) Regulations 1996* *Local Government (Functions and General) Regulations 1996* *Local Government (Constitution) Regulations 1998* *Local Government (Elections) Regulations 1997* *Related Legislation: Local Government Amendment Act 2024*
Policy:	Risk Management Policy Relevant governance and operational policies identified through the Management Action Plan.

Financial Implications

22. There are no immediate financial implications arising directly from the Committee's consideration of this report. Implementation of individual treatment actions will primarily be undertaken within existing operational resources and approved budgets.
23. Where individual improvement actions require additional expenditure, specialist support, systems development or other resources outside existing budget allocations, these will be considered through the Shire's normal budget and procurement processes or separately presented to Council where additional authority is required.
24. The proposed 2026/27 Budget includes additional governance resources to strengthen the Shire's capacity to implement the Management Action Plan and accelerate improvements in governance, risk, compliance, internal controls and organisational capability. The proposed resourcing is intended to support an initial two-year organisational improvement program focused on addressing historical deficiencies and embedding sustainable systems, controls and organisation-wide compliance practices.

Sustainability Implications

Sustainability	
Environmental:	There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.
Economic:	Strengthened governance, risk management and internal controls support improved financial stewardship and organisational efficiency and reduce exposure to financial loss, adverse audit findings, regulatory intervention and the financial consequences of non-compliance.
Social:	Improved governance, accountability and transparency support community confidence in the Shire. Stronger organisational systems and clearly defined responsibilities also support an improved organisational culture, better decision-making and more consistent service delivery.
Risk Type:	Governance / Compliance
Risk Category:	Governance, Compliance and Regulatory
Cause:	Historical governance and control deficiencies, fragmented management of audit and compliance actions, reliance on manual processes and individual knowledge, and insufficient centralised monitoring of statutory and organisational obligations.
Effect:	Failure to address identified deficiencies may result in legislative non-compliance, recurring audit findings, ineffective internal controls, financial loss, regulatory intervention, reputational damage and reduced confidence in the Shire's governance arrangements.
Risk Treatment:	Treat
Maintain the integrated Management Action Plan Risk Register as the central framework for managing audit, compliance and governance improvement actions. Continue implementation and monitoring of assigned treatment and mitigation actions, strengthen automated controls through RAPID, assess control effectiveness, escalate overdue or deteriorating risks, and provide regular assurance reporting to the Audit, Risk and Improvement Committee. Administration are currently working at populating strategic and operational risk to ensure organisational performance	

Further information

25. Nil

Risk ID	Risk Name	Risk Type	Category	Status	Initial Risk Score	Current Risk Score	Rating	Risk Owner	Last Reviewed	Next Review	Last Modified	Control Count	Control Effectiveness
68	No consolidated fraud and misconduct control framework	Management Action Plan	Governance	Active	12	12	Medium	CEO	18/08/2026	18/02/2027	18/08/2026	1	100%
43	Variable risk capability across the workforce	Management Action Plan	Governance	Active	9	9	Medium	CEO	18/08/2026	18/02/2027	18/08/2026	1	0%
45	No formally adopted Internal Control Policy	Management Action Plan	Governance	Active	9	9	Medium	CEO	18/08/2026	01/10/2026	18/08/2026	1	100%
47	Weaknesses in transactional controls across purchasing, cash, and stock	Management Action Plan	Financial Sustainability	Active	9	9	Medium	CEO	18/08/2026	01/10/2026	18/08/2026	1	0%
62	Unclear grant ownership causing reporting delays	Management Action Plan	Financial Sustainability	Active	12	9	Medium	CEO	27/08/2026	31/10/2026	27/08/2026	2	0%
65	Outdated creditor procedures increase payment error risk	Management Action Plan	Financial Sustainability	Active	9	9	Medium	CEO		08/06/2026	09/06/2026	1	0%
66	Outdated HR policies risk industrial relations breaches	Management Action Plan	People, Health and Safety	Active	9	9	Medium	CEO	18/08/2026	01/10/2026	18/08/2026	1	0%
74	Statutory review of local laws overdue	Management Action Plan	Compliance and Regulatory	Active	9	9	Medium	Neroli Logan		04/09/2026	28/08/2026	1	0%
44	Key governance policies outdated or incomplete	Management Action Plan	Compliance and Regulatory	Closed	12	8	Medium	Sue Leonard	18/08/2026	18/02/2027	18/08/2026	1	0%
57	Outdated ICT Disaster Recovery Plan may fail during a major incident	Management Action Plan	Technology and Cyber Security	Closed	8	8	Medium	CEO	18/08/2026	01/12/2026	18/08/2026	2	0%
61	Missed grant acquittals risk fund repayment	Management Action Plan	Financial Sustainability	Active	12	8	Medium	CEO	28/08/2026	31/10/2026	28/08/2026	1	0%
63	Weak debt control processes impacting cash flow	Management Action Plan	Financial Sustainability	Active	8	8	Medium	CEO		08/06/2026	09/06/2026	0	
88	Regulation 17 review not completed within statutory review period	Management Action Plan	Governance	Closed	8	8	Medium	Margaret Glass		31/10/2026	28/08/2026	1	100%
58	Non-compliant procurement practices	Management Action Plan	Compliance and Regulatory	Closed	8	6	Medium	CEO	18/08/2026	01/10/2026	18/08/2026	1	0%
85	Corporate Business Plan not reviewed during the required cycle	Management Action Plan	Governance	Active	6	6	Medium	Margaret Glass		28/02/2027	28/08/2026	1	0%
86	Council Member Essentials training not completed within statutory timeframe	Management Action Plan	Compliance and Regulatory	Closed	6	6	Medium	Margaret Glass		28/02/2027	28/08/2026	1	0%
87	Auditor's report not received within the required timeframe	Management Action Plan	Compliance and Regulatory	Active	6	6	Medium	Margaret Glass		28/02/2027	28/08/2026	1	0%
48	No tested Business Continuity or Disaster Recovery Plan	Management Action Plan	Governance	Closed	6	4	Low	CEO	18/08/2026	01/11/2026	18/08/2026	1	100%
54	Inadequate user access controls over ICT systems	Management Action Plan	Technology and Cyber Security	Closed	20	4	Low	CEO	08/07/2026	01/12/2026	08/07/2026	0	
56	No formal ICT change management process	Management Action Plan	Technology and Cyber Security	Closed	6	4	Low	CEO	18/08/2026	18/08/2027	18/08/2026	1	0%
60	Insufficient procurement training increases non-compliance risk	Management Action Plan	Compliance and Regulatory	Closed	6	4	Low	CEO	26/08/2026	26/08/2027	26/08/2026	1	100%
73	Prescribed information not published on the Shire's website	Management Action Plan	Compliance and Regulatory	Active	4	4	Low	Margaret Glass		30/09/2026	28/08/2026	1	0%
84	Strategic Community Plan review and adoption requirements not met	Management Action Plan	Governance	Active	4	4	Low	CEO		28/08/2027	28/08/2026	1	100%
89	Electoral Gift Register not maintained and published	Management Action Plan	Compliance and Regulatory	Active	4	4	Low	Margaret Glass		28/08/2027	28/08/2026	1	0%
64	Manual processes increase error risk and operational inefficiency	Management Action Plan	Technology and Cyber Security	Active	5	3	Low	CEO	26/08/2026	01/12/2026	26/08/2026	1	100%
39	Risk Management Policy not aligned to ISO 31000:2018	Management Action Plan	Governance	Closed	4	2	Low	CEO	26/08/2026	26/08/2027	26/08/2026	0	100%

49	No consolidated Legislative Compliance Policy	Management Action Plan	Compliance and Regulatory	Active	2	2	Low	CEO	27/08/2026	31/10/2026	27/08/2026	0	
50	Compliance obligations managed manually and in silos	Management Action Plan	Compliance and Regulatory	Active	3	2	Low	CEO	27/08/2026	30/09/2026	27/08/2026	1	0%
51	No routine compliance reporting to ARIC or Council	Management Action Plan	Compliance and Regulatory	Closed	2	2	Low	CEO	27/08/2026	27/08/2027	27/08/2026	0	100%
53	CAR process not used to inform compliance risk profiling	Management Action Plan	Compliance and Regulatory	Closed	4	2	Low	CEO	27/08/2026	27/08/2027	27/08/2026	1	0%
40	No formally endorsed risk appetite statement	Management Action Plan	Governance	Closed	4	1	Low	CEO	26/08/2026	26/08/2027	26/08/2026	1	0%
41	Strategic Risk Register not fully formalised	Management Action Plan	Governance	Closed	4	1	Low	CEO	18/08/2026	18/08/2027	18/08/2026	0	100%
42	No central operational risk register	Management Action Plan	Governance	Closed	4	1	Low	CEO	27/08/2026	27/08/2027	27/08/2026	0	100%
46	Procedures not consistently documented; no change control process	Management Action Plan	Governance	Active	4	1	Low	CEO	27/08/2026	27/08/2027	27/08/2026	1	0%
52	Compliance systems remain manual; limited auditability	Management Action Plan	Technology and Cyber Security	Active	3	1	Low	CEO	27/08/2026	27/08/2027	27/08/2026	0	100%
55	No formal ICT governance framework	Management Action Plan	Technology and Cyber Security	Closed	4	1	Low	CEO	27/08/2026	27/08/2027	27/08/2026	1	100%
59	Delegation structure limits oversight and operational efficiency	Management Action Plan	Governance	Closed	1	1	Low	CEO	27/08/2026	27/08/2027	27/08/2026	0	0%
75	Senior employee advertisements did not specify fixed-term contract duration	Management Action Plan	Compliance and Regulatory	Closed	1	1	Low	CEO	28/08/2026	28/08/2027	28/08/2026	0	100%
76	CEO Model Standards not updated	Management Action Plan	Governance	Closed	1	1	Low	Margaret Glass	28/08/2026	28/08/2027	28/08/2026	0	100%
77	Employee delegation instruments not issued promptly	Management Action Plan	Governance	Closed	1	1	Low	CEO		28/08/2027	28/08/2026	0	100%
78	Primary returns lodged after statutory deadline	Management Action Plan	Compliance and Regulatory	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%
79	Annual returns lodged after statutory deadline	Management Action Plan	Compliance and Regulatory	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%
80	Written acknowledgments of returns not consistently issued	Management Action Plan	Compliance and Regulatory	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%
81	Attendance at Events Policy not adopted	Management Action Plan	Governance	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%
82	Model Code of Conduct not maintained in current form	Management Action Plan	Governance	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%
83	Council Member Continuing Professional Development Policy not adopted	Management Action Plan	Governance	Closed	1	1	Low	Margaret Glass	28/08/2027	28/08/2026		0	100%

10.2 Privacy and Responsible Information Sharing (PRIS) Readiness and Implementation Update

Author:	Director Governance and Sustainability
Authorising Officers:	Chief Executive Officer
Voting Requirements:	Simple Majority
Disclosure of Interest:	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.
Attachments:	CONFIDENTIAL Attachment 1: PRIS Readiness Action Plan

Matters for Consideration

1. To provide the Audit, Risk and Improvement Committee (ARIC) with an update on the Shire's preparations for the staged implementation of the *Privacy and Responsible Information Sharing Act 2024 (PRIS)* and present the Shire's PRIS Readiness Action Plan for review and ongoing oversight.

Recommendation

That Audit Risk and Improvement Committee:

1. **notes** the legislative requirements and staged commencement of the *Privacy and Responsible Information Sharing Act 2024*;
2. **receives** the PRIS Readiness Action Plan contained in Attachment 1;
3. **notes** that the Administration has commenced implementing the actions necessary to strengthen the Shire's privacy and information-sharing governance arrangements; and
4. **requests** that progress against the PRIS Readiness Action Plan, including any material information breaches, overdue actions or emerging risks, be reported to the Committee as part of its ongoing assurance program.

Background

2. The *Privacy and Responsible Information Sharing Act 2024* (PRIS Act) received Royal Assent on 6 December 2024 and establishes a comprehensive privacy and responsible information-sharing framework for Western Australian public authorities, including local governments.
3. Historically, Western Australia did not have dedicated whole-of-government privacy legislation applying consistently across State and local government authorities. Privacy obligations were instead managed through a combination of records management, freedom of information, confidentiality, information security and agency-specific requirements.
4. The PRIS Act introduces a more comprehensive and consistent framework governing how public authorities collect, hold, use, disclose, secure and share personal information. The legislation also establishes formal Information Privacy Principles and requirements for the responsible sharing of government-held information.

5. The legislation is commencing in stages. The substantive privacy and responsible information-sharing requirements commenced from 1 July 2026, with mandatory information-breach notification requirements scheduled to commence from January 2027.
6. The Shire holds personal, sensitive and operational information relating to employees, elected members, residents, ratepayers, customers, contractors and community stakeholders. It also delivers services and undertakes information-sharing activities that may directly affect Aboriginal people and communities. Accordingly, implementation of the PRIS Act requires a coordinated, whole-of-organisation approach rather than reliance on a standalone privacy policy.
7. Administration has commenced developing a structured PRIS readiness program based on State Government guidance. Responsibility for coordinating the program has been allocated across the Governance, Information and Communications Technology and Records Management functions.

Comments

8. The PRIS Act represents a significant change to the way the Shire must govern personal information and information-sharing activities.
9. Compliance will require privacy considerations to be embedded across the organisation, including:
    a. corporate governance and risk management;
    b. records and information management;
    c. information and communications technology;
    d. procurement and contract management;
    e. human resources and recruitment;
    f. complaints and customer service;
    g. community engagement;
    h. service delivery and program management;
    i. information sharing with government agencies and external organisations; and
    j. incident and information-breach management.
10. The PRIS Readiness Action Plan at Attachment 1 provides the foundation for coordinating and monitoring the Shire's implementation activities. The Action Plan identifies the principal governance, policy, systems, operational and workforce actions required to progressively strengthen the Shire's privacy maturity.
11. Key areas of work include:
    a. Governance and oversight
        i. appointing an organisational PRIS lead and executive champion;
        ii. establishing clear roles, responsibilities and escalation arrangements;
        iii. incorporating PRIS implementation into the Shire's governance, risk and assurance frameworks;
        iv. providing progress reports to the Executive Leadership Team and the Audit, Risk and Improvement Committee; and
        v. maintaining an auditable record of completed, outstanding and overdue actions.
    b. Information assets and registers
        i. identifying information assets that contain personal or sensitive information;
        ii. developing an Information Asset Register;

iii. identifying the purpose, location, ownership, accessibility and security classification of relevant information;
iv. documenting authorised information-sharing arrangements; and
v. establishing and maintaining an Information Breach Register.

c. Policy and procedural development
i. reviewing existing policies, procedures and practices relating to privacy, records, confidentiality, ICT security and information sharing;
ii. developing a Privacy and Responsible Information Sharing Policy;
iii. developing an Information Breach Response Procedure;
iv. establishing processes for assessing, containing, recording, escalating and reporting information breaches; and
v. aligning operational documentation with the Information Privacy Principles established under the PRIS Act.

d. Contracts and third-party arrangements
i. identifying contracts and service arrangements under which external parties collect, access, store or process personal information on behalf of the Shire;
ii. reviewing contract templates and procurement documentation;
iii. incorporating appropriate privacy, security, breach-notification and information-return requirements; and
iv. strengthening oversight of third-party information-handling practices.

e. Workforce capability
i. developing staff awareness and training;
ii. incorporating privacy responsibilities into staff induction processes;
iii. providing targeted training for employees with higher-risk information-handling responsibilities; and
iv. communicating individual responsibilities for preventing, identifying and reporting information breaches.

12. Information-breach readiness
    a. The Shire must be able to promptly identify, contain, assess, document and escalate suspected information breaches. Preparations for the mandatory breach-notification framework will include:
        i. establishing internal reporting and escalation pathways;
        ii. clarifying decision-making responsibilities;
        iii. maintaining an Information Breach Register;
        iv. documenting containment and remediation actions;
        v. assessing whether a breach meets the threshold for external notification;
        vi. maintaining evidence of decisions and notifications; and
        vii. undertaking post-incident reviews to identify control improvements.
13. Current Readiness Snapshot - The initial Action Plan contains 29 actions across five maturity levels. The current position reflects the Shire's early implementation stage, with foundational governance, compliance and information-breach readiness activities receiving priority.

Maturity level	Completed	In progress	Not started	Overdue	Total
1. Initial	0	2	3	0	5
2. Developing	0	0	11	0	11
3. Defined	0	0	8	0	8
4. Managed	0	0	4	0	4
5. Optimised	0	0	1	0	1
Total	**0**	**2**	**27**	**0**	**29**

14. The snapshot establishes the Shire's initial reporting baseline. It is expected that the maturity profile will progressively move from the Initial and Developing levels toward Defined and Managed as policies, registers, procedures, training and assurance mechanisms are implemented.
15. Priority Implementation Activities – Administration immediate priorities are:
    a. confirming accountability and oversight arrangements;
    b. completing the baseline readiness assessment;
    c. incorporating all PRIS obligations into the Shire's automated compliance calendar;
    d. establishing the Information Breach Register and response arrangements;
    e. developing the Privacy and Responsible Information Sharing Policy;
    f. identifying information assets containing personal or sensitive information;
    g. reviewing access controls and credential-management practices; and
    h. preparing for mandatory information-breach notification requirements.
16. The Action Plan will remain a living document and will be updated following completion of the baseline assessment and as further regulations, guidance and implementation resources become available.

Strategic, Legislation and Policy Implications

Strategic Pillar	
Objective	4. Civic: Working together to strengthen leadership and effective governance.
Outcome:	Civic - 4.1 A local government that is respected and accountable
Strategy:	Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

Legislation and Policy	
Legislation:	*Privacy and Responsible Information Sharing Act 2024* *Freedom of Information Act 1992* *State Records Act 2000* *Local Government Act 1995* *Local Government (Audit) Regulations 1996* *Local Government (Administration) Regulations 1996*
Policy:	The Shire does not currently have a consolidated policy specifically addressing the requirements of the PRIS Act. A Privacy and Responsible Information Sharing Policy and

	supporting Information Breach Response Procedure will be developed as part of the Readiness Action Plan. Existing policies and procedures relating to records management, ICT security, employee conduct, complaints, procurement and risk management will also be reviewed for alignment with the PRIS Act.

Financial Implications

17. Initial implementation will be undertaken using existing operational resources wherever practicable.
18. Future expenditure may be required for:
    a. specialist legal, privacy or information-security advice;
    b. development or configuration of RAPID registers and supporting systems;
    c. staff training and awareness activities;
    d. review of contracts and information-sharing arrangements;
    e. ICT security and access-control improvements; and
    f. independent assurance or internal audit activities.
19. Any material expenditure that cannot be accommodated within the adopted budget will be presented through the Shire's normal budget review or annual budget process.

Sustainability Implications

Sustainability	
Environmental:	There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.
Economic:	Effective privacy governance may reduce the financial consequences of information breaches, regulatory non-compliance, legal claims, remediation activities and service disruption.
Social:	Appropriate handling of personal and sensitive information supports community trust, individual privacy, cultural safety and confidence in the Shire's services and decision-making.
Risk Type:	Strategic and operational
Risk Category:	Governance, compliance, information management and cyber security
Cause:	Inadequate policies, systems, workforce capability, information controls or oversight arrangements for the collection, storage, use, disclosure and sharing of personal information.
Effect:	Legislative non-compliance, unauthorised access or disclosure, harm to affected individuals or communities, regulatory action, financial loss, service disruption, reputational damage and loss of community confidence.
Risk Treatment:	Treat

Implement and monitor the PRIS Readiness Action Plan; establish clear accountability and reporting arrangements; develop appropriate policies, procedures and registers; review information assets and third-party contracts; strengthen access and information-security controls; provide workforce training; and report material risks and breaches through the Shire's assurance framework.

Further information

20. Please refer to Confidential Attachment 10.2, provided as a separate document.

10.3 2027 Forward Work Plan

Author:	Director Governance and Sustainability
Authorising Officers:	Chief Executive Officer
Voting Requirements:	Simple Majority
Disclosure of Interest:	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.
Attachments:	Attachment 1: Forward Planning Template

Matters for Consideration

1. To provide the Audit, Risk and Improvement Committee (ARIC) with an opportunity to reflect on its first 12 months of operation and provide direction on the development of its 2027 Forward Work Plan.
2. In particular, the Administration is seeking advice from the Committee's members on the proposed audit, risk, internal control, compliance and improvement priorities for 2027.

Recommendation

That Audit Risk and Improvement Committee:

1. **reviews** the Committee's activities, achievements and areas for improvement during 2026;
2. **provides** direction to the Administration on the priorities, reports, assurance activities and areas of focus to be incorporated into the 2027 ARIC Forward Work Plan; and
3. **requests** the Chief Executive Officer to prepare the draft 2027 ARIC Forward Work Plan, reflecting the Committee's direction, for consideration at the November 2026 meeting.

Background

1. The Audit, Risk and Improvement Committee (ARIC) provides independent oversight and advice to Council on matters relating to external and internal audit, risk management, internal controls, legislative compliance, financial management and organisational improvement.
2. The Committee has now been operational for approximately 12 months. During that period, it has considered a broad range of matters relating to governance, audit, risk, compliance, financial controls, information technology, business continuity and organisational improvement.
3. The Committee's first year of operation has also provided an opportunity to better understand the Shire's assurance needs, reporting capacity, emerging risks and areas requiring further development.
4. Before preparing the 2027 Forward Work Plan, it is appropriate for the Committee to reflect on its 2026 activities and provide guidance on:
    a. matters that should continue as standing agenda items;
    b. areas requiring deeper or more frequent oversight;
    c. internal audit and assurance priorities;

d. emerging strategic risks;
e. training and professional development requirements;
f. the timing and frequency of scheduled reports; and
g. opportunities to improve the quality, relevance and timeliness of information presented to the Committee.

Comments

5. A structured Forward Work Plan supports the Committee to discharge its responsibilities in a planned and systematic manner. It also assists the Administration to schedule reports, allocate responsibility and provide timely and meaningful information to the Committee.
6. During 2026, the Committee's work program focused on establishing core governance and assurance arrangements and addressing identified audit, compliance and risk-management gaps. Key areas of activity included:
    a. implementation of the Management Action Plan and monitoring of external audit findings;
    b. completion and implementation of the 2025 Compliance Audit Return;
    c. development of the Strategic and Operational Risk Registers;
    d. adoption and implementation of the Risk Management Framework;
    e. strengthening internal controls and financial management practices;
    f. staged implementation of the Rapid governance, risk and compliance platform;
    g. development of business continuity and disaster recovery arrangements;
    h. strengthening ICT governance and cybersecurity controls;
    i. records-management and Recordkeeping Plan improvements; and
    j. fraud, corruption, privacy and legislative compliance readiness.
7. The proposed 2027 Forward Work Plan should build on this foundation and provide an appropriate balance between:
    a. recurring statutory and financial reporting;
    b. monitoring outstanding audit and management actions;
    c. strategic and operational risk oversight;
    d. testing the effectiveness of newly implemented controls;
    e. targeted reviews of higher-risk business areas;
    f. organisational performance and continuous improvement; and
    g. Committee development and effectiveness.
8. The experience and independent perspective of the Committee's external members will be particularly valuable in determining whether the current reporting arrangements provide sufficient assurance and identifying any additional areas that should be incorporated into the 2027 program.
9. Matters that may be considered for inclusion in the 2027 Forward Work Plan include:
    a. standing reviews of the ARIC Action Register and internal and external Audit Action Register;
    b. quarterly Strategic and Operational Risk Register updates;
    c. financial reporting and external audit entry and exit meetings;
    d. internal audit priorities and progress reports;
    e. annual review of risk appetite and tolerance;
    f. development of governance and internal control framework;
    g. internal control and financial management health checks;

h. procurement, grants and contract-management assurance;
i. ICT governance, cybersecurity and privacy readiness;
j. business continuity and disaster recovery testing;
k. legislative compliance and Compliance Audit Return implementation;
l. fraud and corruption control;
m. records governance and implementation of the 2026 Recordkeeping Plan;
n. Integrated Planning and Reporting performance;
o. targeted risk deep-dives;
p. private sessions with internal and external auditors where appropriate; and
q. annual Committee self-assessment, training and professional development.

10. Following the Committee's discussion and direction, Administration will prepare a draft 2027 Forward Work Plan for formal consideration at the November 2026 meeting.

Strategic, Legislation and Policy Implications

Strategic Pillar	
Objective	4. Civic: Working together to strengthen leadership and effective governance.
Outcome:	Civic - 4.1 A local government that is respected and accountable
Strategy:	Civic - 4.1.1 Provide strong, effective and functional governance and leadership in the Shire

Legislation and Policy	
Legislation:	*Local Government Act 1995* *Local Government (Audit) Regulations 1996* *Local Government (Administration) Regulations 1996* *Local Government (Financial Management) Regulations 1996* *other legislation relevant to matters included in the Committee's work program.*
Policy:	Audit, Risk and Improvement Committee Terms of Reference Risk Management Policy and Framework Fraud and Corruption Control Policy other relevant Council policies and administrative frameworks.

Financial Implications

11. There are no direct financial implications arising from the officer's recommendation.
12. The development of the 2027 Forward Work Plan will be undertaken within existing administrative resources. Any proposed internal audits, external reviews, training or assurance activities requiring additional expenditure will be separately identified for consideration through the annual budget or a subsequent report.

Sustainability Implications

Sustainability	
Environmental:	There are no significant identifiable environmental impacts arising from adoption of the officer's recommendation.
Economic:	Effective audit, risk and internal-control oversight supports responsible financial management, organisational efficiency and long-term financial sustainability.
Social:	Strong governance and independent oversight support transparency, accountability, service continuity and community confidence in the Shire.
Risk Type:	Governance and compliance
Risk Category:	Audit, risk management, internal control and legislative compliance
Cause:	The Committee's work program is not informed by reflection on its previous activities, emerging risks or the independent advice of its external members.
Effect:	Priority assurance matters may not be scheduled or adequately monitored, reducing the Committee's effectiveness and increasing exposure to control failures, non-compliance and adverse audit findings.
Risk Treatment:	Treat
eek the Committee's direction on the 2027 priorities and prepare a structured Forward Work Plan for consideration in November 2026.	

Further information

13. Nil

ATTACHMENT 1

2027 ARIC Forward Work Plan Development Template

Committee reflection on 2026 and direction for the 2027 work program

Meeting date	Committee member	Position

Purpose

This template supports the Shire of Halls Creek Audit, Risk and Improvement Committee (ARIC) to reflect on its 2026 activities and provide direction on the priorities, reporting program and assurance activities to be included in the 2027 Forward Work Plan.

1. Review of the 2026 Work Program

Review area	Committee observations	Recommended improvement for 2027
Quality and relevance of reports		
Timeliness of agenda reports		
Monitoring of Committee actions		
External audit oversight		
Internal audit and assurance		
Strategic and operational risk reporting		
Internal control oversight		
Legislative compliance reporting		
Financial management oversight		
ICT, cybersecurity and privacy oversight		

Review area	Committee observations	Recommended improvement for 2027
Business continuity and disaster recovery		
Committee training and development		
Other observations		

2. Proposed Standing Items for 2027

Indicate whether each item should be included at every ordinary meeting and record any proposed change or Committee direction.

Proposed standing item	Include	Proposed change or Committee direction
Review and update of the ARIC Forward Work Plan	☐ Yes ☐ No	
Actions arising from previous meetings	☐ Yes ☐ No	
Internal and external Audit Action Register	☐ Yes ☐ No	
Management Action Plan progress	☐ Yes ☐ No	
Internal audit activity and progress	☐ Yes ☐ No	
Strategic and Operational Risk Register update	☐ Yes ☐ No	
High, Extreme and emerging risks	☐ Yes ☐ No	
Significant legislative compliance matters	☐ Yes ☐ No	
Chief Executive Officer strategic briefing	☐ Yes ☐ No	
Committee training or development session	☐ Yes ☐ No	
Other:	☐ Yes ☐ No	

3. Proposed 2027 Priorities

Rate each area as High, Medium or Low priority and identify the preferred timing or frequency.

Category	Proposed report or assurance activity	Priority	Timing / frequency	Committee direction
Committee Operations	Annual member independence and conflict declaration	☐ H ☐ M ☐ L	Annual	
Committee Operations	ARIC self-assessment and improvement plan	☐ H ☐ M ☐ L	Annual	
Committee Operations	Training and professional development	☐ H ☐ M ☐ L	As scheduled	
Financial Reporting and External Audit	OAG audit entry meeting and audit plan	☐ H ☐ M ☐ L	Annual	
Financial Reporting and External Audit	Annual Financial Report	☐ H ☐ M ☐ L	Annual	
Financial Reporting and External Audit	OAG exit meeting and management letter	☐ H ☐ M ☐ L	Annual	
Financial Reporting and External Audit	Private session with external auditor	☐ H ☐ M ☐ L	Annual	

Category	Proposed report or assurance activity	Priority	Timing / frequency	Committee direction
Internal Audit	Internal audit plan and proposed scopes	☐ H ☐ M ☐ L	Annual	
Internal Audit	Internal audit progress and completed reports	☐ H ☐ M ☐ L	Quarterly	
Internal Audit	Private session with internal auditor	☐ H ☐ M ☐ L	Six-monthly	
Risk Management and Internal Control	Strategic Risk Register review	☐ H ☐ M ☐ L	Annual	
Risk Management and Internal Control	Operational Risk Register review	☐ H ☐ M ☐ L	Quarterly	
Risk Management and Internal Control	Risk appetite and tolerance review	☐ H ☐ M ☐ L	Annual	
Risk Management and Internal Control	Internal Control Health Check	☐ H ☐ M ☐ L	Six-monthly	
Risk Management and Internal Control	Procurement compliance and exceptions	☐ H ☐ M ☐ L	Quarterly	

Category	Proposed report or assurance activity	Priority	Timing / frequency	Committee direction
Risk Management and Internal Control	Grants and contracts assurance	☐ H ☐ M ☐ L	Six-monthly	
Ethics and Compliance	Compliance Audit Return	☐ H ☐ M ☐ L	Annual	
Ethics and Compliance	Regulation 17 review and action plan	☐ H ☐ M ☐ L	Quarterly	
Ethics and Compliance	Legislative Compliance Obligations Calendar	☐ H ☐ M ☐ L	Quarterly	
Ethics and Compliance	Fraud and Corruption Control Framework	☐ H ☐ M ☐ L	Annual	
Ethics and Compliance	Confidential and anonymous reporting arrangements	☐ H ☐ M ☐ L	Annual	
Ethics and Compliance	Privacy and Responsible Information Sharing readiness	☐ H ☐ M ☐ L	Six-monthly	
Other Matters	ICT Roadmap and cybersecurity	☐ H ☐ M ☐ L	Six-monthly	
Other Matters	Business Continuity and Disaster Recovery testing	☐ H ☐ M ☐ L	Annual	

Category	Proposed report or assurance activity	Priority	Timing / frequency	Committee direction
Other Matters	Recordkeeping Plan implementation	☐ H ☐ M ☐ L	Six-monthly	
Other Matters	Integrated Planning and Reporting performance	☐ H ☐ M ☐ L	Six-monthly	
Other Matters	Major project assurance	☐ H ☐ M ☐ L	As required	

4. Proposed Risk Deep-Dive Reviews

Identify areas that would benefit from detailed review by ARIC during 2027.

Proposed deep-dive topic	Reason for review	Preferred meeting	Information or assurance required

5. Additional Priorities or Emerging Matters

Matter	Why Committee oversight is required	Proposed timing	Responsible area
Chart of Accounts	ERP Review and Improvements	May 2027	

6. Meeting Structure

Question	Committee direction
Are four ordinary ARIC meetings sufficient for 2027?	
Should additional workshops or briefing sessions be scheduled?	
Which matters should be presented through dashboards rather than full reports?	
Which reports require independent assurance or external advice?	
Are private sessions with internal and external auditors required? If so, how frequently?	
What information should be provided between meetings?	

7. Overall Committee Direction

Priority	Recommended priority for 2027
1	
2	
3	
4	
5	

Item	Matter to be reduced, deferred or removed
1	
2	
3	

Other comments

Administrative Follow-Up

Action	Responsible officer	Due date	Status
Consolidate Committee feedback	Director Governance and Sustainability		
Prepare draft 2027 Forward Work Plan	Director Governance and Sustainability	November 2026 ARIC meeting	
Review draft with CEO and ARIC Presiding Member	Director Governance and Sustainability		
Present final draft to ARIC	Chief Executive Officer	November 2026	

11. Motions of Which Previous Notice has been given

Nil

12. Matters for Which Meeting May be Closed (Confidential Matter)

In accordance with section 5.23(2)(c) of the Local Government Act 1995, Item 10.2 attachment is confidential as they contain detailed information regarding the Shire's financial, information technology and internal control systems, the disclosure of which could reasonably be expected to compromise the security of the Shire's systems, information and property.

10.2 Attachment PRIS Action Plan

In accordance with section 5.23(2)(c) of the Local Government Act 1995, Item 12.2 report and attachment is confidential as they contain detailed information regarding the Shire's financial, information technology and internal control systems, the disclosure of which could reasonably be expected to compromise the security of the Shire's systems, information and property.

12.1 2024-25 External Audit Findings

13. Closure

13.1 Date of Next Meeting

The next **Audit Risk and Improvement Committee** will be held on 05 November commencing at 5.00 pm.

13.2 Closure

Presiding Member declared the meeting closed.

In accordance with clause 3.1 of the Shire of Halls Creek Standing Orders Local Law 2015, only business specified in the published agenda may be considered, unless otherwise approved by the Presiding Member a decision of the Council. Members wishing to raise another matter should submit it by email to the Chief Executive Officer and Shire President for consideration and appropriate action.