Western Metropolitan Regional Council
Managing waste wisely

Minutes

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING (AC 01/26)

10 September 2026
Commenced at 5:04 pm

Held at: 2/317 Churchill Avenue, Subiaco

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1. DECLARATION OF OPENING

Meeting opened at 5:04pm

2. RECORD OF ATTENDANCE AND APOLOGIES

Committee Member

Mr. D. Ashton	Presiding Member	Independent Member
Mr. P. Zhou	Deputy Presiding Member	Independent Member
Cr. P. Kelly	Member	Town of Claremont
Cr. R. Jones	Member	City of Subiaco

Staff

S. Devenish	Chief Executive Officer	WMRC
B. McInnes	Chief Operating Officer	WMRC
J. Fenlon	Finance Lead	WMRC
L. Eustance	Strategy and Corporate Lead	WMRC

Apologies

Cr. P. Macintosh	Member	Shire of Peppermint Grove

3. DISCLOSURES OF INTERESTS

Nil

4. CONFIRMATION OF PREVIOUS MINUTES

4.1 CONFIRMATION OF PREVIOUS MINUTES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE MEETING

Responsible Officer:	**CEO**
Date:	**10 September 2026**
Attachment:	**Nil**

Minutes of the Audit and Risk Management Committee meeting which was held on 6 March 2025 were circulated previously under a separate cover and are to be found at this link.

Moved: Cr P. Kelly Seconded: Mr. P. Zhou

RECOMMENDATION AND COMMITTEE RESOLUTION

4.1.1 The Audit and Risk Management Committee confirm the minutes of the WMRC Audit and Risk Management Committee meeting held on 6 March 2025 as a true and correct record.

CARRIED: 4/0

5. REPORTS OF OFFICERS

5.1 2025 COMPLIANCE AUDIT RETURN

Responsible Officer:	**CEO**
Date:	**10 September 2026**
Attachment:	**5.1A 2025 Compliance Audit Return**

PURPOSE

This report presents the 2025 Compliance Audit Return for consideration and referral to Council for adoption.

BACKGROUND

Each calendar year, local governments are required to undertake a compliance audit and submit a Council-approved Compliance Audit Return (CAR) to the Department of Local Government.

The Audit, Risk and Improvement Committee is required to review the completed 2025 CAR and, in doing so, consider any recommendations it considers appropriate in relation to the return. The Council must then consider both the CAR and any recommendations made by the Committee.

Following its consideration of the Committee's recommendations, the Council must determine whether any matters raised require further action and either adopt the CAR as presented or adopt it subject to amendments.

Ordinarily, the CAR must be submitted by 31 March each year. However, the Local Government Inspector extended the submission deadline for the 2025 return to 30 September 2026, in recognition of changes to the statutory requirements subject to compliance auditing.

The 2025 CAR comprises questions relating to the prescribed statutory requirements set out in Regulation 13 of the *Local Government (Audit) Regulations 1996*. The return covers the period from 1 January to 31 December 2025.

DETAILS

The proposed return is included at Attachment 5.1A. The on-line return pro-forma requires statements of compliance or otherwise in relation to obligations set out in Acts and Regulations as follows:

- *Local Government Act 1995*
- *Administration Regulations 1996*
- *Audit Regulations 1996*
- **Constitution Regulations 1998*
- **Elections Regulations 1997*
- *Financial Management Regulations 1996*
- *Functions and General Regulations 1996*

It should be noted that as a regional Council, provisions of those regulations with asterisks do not apply.

When considering the CAR, attention is drawn to the following points:

> *Local Government Act 1995* – s5.88 – Register of Financial Interests
> The return records compliance with the requirements on the basis of the established practice of recording interests within meeting minutes. It is noted there were no financial interests in the reporting period.
>
> *Local Government (Administration) Regulations 1996* – r19DA
> The regulation requires the plan to be reviewed each year. While the review was commenced in 2025, the actual adoption of an amended plan did not occur until May 2026.

Noting the above clarifications, the return submits all applicable requirements have been met.

RISK MANAGEMENT

The CAR is a self-assessment that aids in managing the following risks as set out in the WMRC Risk Register:

Governance;
- SG5 – failure to fulfill duty
- OG4 – compliance with regulations
- OG6 – compliance risk

Financial;
- OF5 – fraud and corruption

Reputational;
- SR2 – perception of poor executive leadership
- OR8 – public criticism

COMMUNICATION AND CONSULTATION

Nil

REPORT IMPLICATIONS

Legislation and Policy Alignment

Local Government (Audit) Regulation 14 and 15 requires each Local Government to conduct a Compliance Audit Return for the previous calendar year and to submit it to the DLGSC by 31 March of that year unless extension is otherwise provided.

Business and Strategic Alignment

Compliance with statutory requirements supports theme 6 of the Council Plan 2026 as follows:

> *Maintain a capable, adaptable and resilient organisation that can sustainably deliver services, manage risk and support long-term strategic objectives.*

Financial and Resource Implications

Nil

COMMENTS

The CAR return is recommended for adoption and forwarding to the Department of Local Government Industry Regulation and Safety.

VOTING REQUIREMENT

Simple majority

Moved: Cr P. Kelly Seconded: Cr. R. Jones

RESPONSIBLE OFFICER RECOMMENDATION

5.1.1 That the Audit, Risk and Improvement Committee recommend to Council that the draft Compliance Audit Return 2025 be adopted by Council pursuant to *Local Government (Audit) Regulations 1996* r14(6) and submitted to the Department of Local Government, Industry Regulation and Safety by 30 September 2026.

CARRIED: 4/0

5.2 INTEGRITY FRAMEWORK

Responsible Officer:	**CEO**
Date:	**10 September 2026**
Attachment:	**5.2A WMRC Integrity Framework**

PURPOSE

To present the WMRC Integrity Framework to the Audit, Risk and Improvement Committee as a consolidated statement of the organisation's integrity management arrangements.

BACKGROUND

The WMRC is committed to maintaining high standards of integrity, accountability and ethical conduct in all aspects of its operations.

The Audit, Risk and Improvement Committee has an important role in overseeing governance, risk management, compliance and integrity matters. While WMRC has a range of policies, procedures and statutory obligations that support integrity, these arrangements have not previously been documented in a single framework.

The proposed Integrity Framework has been prepared to provide a consolidated overview of the governance structures, policies, reporting mechanisms, cultural expectations and monitoring activities that collectively support integrity across the organisation.

DETAILS

The Integrity Framework describes the instruments, structures and cultural factors that guide how WMRC practices, manages and accounts for integrity. It also sets out respective roles and responsibilities. The Framework is organised around six key elements:

- Governance and Leadership
- Risk and Audit Oversight
- Integrity Policies
- Reporting and Accountability
- Culture and Capability
- Monitoring and Continuous Improvement

The Framework draws together existing legislative obligations, governance arrangements, policies and operational practices including:

- Codes of Conduct for Council Members, employees, volunteers and contractors;
- conflict of interest management processes;
- risk management systems aligned with AS ISO 31000:2018;
- public interest disclosure and whistleblower protections;
- audit and assurance processes;
- financial and compliance reporting obligations; and
- organisational values and behavioural expectations.

The Framework does not create any new obligations. Rather, it provides a reference document that assists Council Members, Committee Members, employees and stakeholders to understand how integrity is supported and monitored across the organisation.
The Framework will be reviewed periodically to ensure it remains current and reflects any changes to legislation, governance arrangements or organisational practices.

RISK MANAGEMENT

The Integrity Framework supports management of the following risks contained within the WMRC Risk Register:

Governance;
- SG5 – failure to fulfill duty
- OG4 – compliance with regulations
- OG6 – compliance risk

Reputational;
- SR2 – perception of poor executive leadership
- OR8 – public criticism

Financial;
- OF5 – fraud and corruption

The Framework strengthens organisational integrity by clearly documenting controls, responsibilities and assurance mechanisms that mitigate governance, compliance and corruption-related risks

COMMUNICATION AND CONSULTATION

Nil

REPORT IMPLICATIONS

Legislation and Policy Alignment

The Framework supports compliance with relevant provisions of the *Local Government Act 1995*, *Public Interest Disclosure Act 2003*, *Corruption, Crime and Misconduct Act 2003* and associated regulations and policies relating to governance, ethics and accountability.

Business and Strategic Alignment

The Integrity Framework supports Council Plan 2026 theme 6 as follows:

> *Maintain a capable, adaptable and resilient organisation that can sustainably deliver services, manage risk and support long-term strategic objectives.*

Financial and Resource Implications

Nil

COMMENTS

The Integrity Framework provides a clear and accessible summary of the mechanisms through which WMRC promotes ethical behaviour, accountability and transparency. Adoption of the Framework will help strengthen governance oversight and provide a foundation for ongoing integrity monitoring and continuous improvement.

VOTING REQUIREMENT

Simple majority

Moved: Cr R. Jones Seconded: Mr. P. Zhou

RESPONSIBLE OFFICER RECOMMENDATION

5.2.1 That the Audit, Risk and Improvement Committee receive the WMRC Integrity Framework attached as Attachment 5.2A.

CARRIED: 4/0

5.3 RISK MANAGEMENT FRAMEWORK

Responsible Officer:	**CEO**
Date:	**10 September 2026**
Attachment:	**5.3A Council Policy – Risk Management**
	5.3B Risk Management Plan
	5.3C Corporate Risk Register

PURPOSE

To provide an overview of the WMRC Risk Management Framework and advise of the ongoing review of the Corporate Risk Register.

BACKGROUND

The WMRC has adopted a Risk Management Policy and Risk Management Plan that establish the organisation's approach to identifying, assessing, treating and monitoring risk. The framework is aligned with AS/NZS ISO 31000:2018 and is intended to ensure that risk management is embedded across strategic, operational and project decision-making.

The Risk Management Plan was adopted by Council on 30 January 2025 and provides the structure through which risks are identified, evaluated, managed and reported. The framework is supported by a Corporate Risk Register that records strategic, operational and project risks together with their controls, treatments, ownership and review requirements.

The Risk Management Framework forms a key component of WMRC's corporate governance arrangements and supports compliance with the requirements of the *Local Government (Audit) Regulations 1996* relating to the review of risk management systems and procedures.

DETAILS

Risk Framework

WMRC's Risk Management Framework comprises three interconnected components:

- Risk Management Policy;
- Risk Management Plan; and
- Corporate Risk Register.

The framework applies risk management principles across strategic, operational and project activities and requires risks to be identified, analysed, evaluated, treated, monitored and reviewed on an ongoing basis.

The Risk Management Plan establishes risk categories covering:

- strategic;
- governance;
- commercial and legal;
- financial;
- information technology;

- health and safety;
- operational;
- human resource management; and
- reputational risks.

The current Corporate Risk Register contains strategic and operational risks across each of these categories together with project-specific risk registers for major initiatives currently being undertaken by the organisation. The register identifies risk owners, existing controls, residual risk ratings and actions required to further reduce risk where appropriate.

Examples of strategic risks presently monitored include long-term planning for the Recycling Centre, governance effectiveness, financial sustainability, information security, workforce capability and organisational reputation. Current operational risks include regulatory compliance, procurement, workplace health and safety, operational continuity, cybersecurity and contractor management.

Consistent with Council policy, the organisation maintains a low appetite for risks relating to health and safety, legislative compliance and administration of finances and assets, while recognising that a higher risk appetite may be acceptable where innovation and strategic opportunities provide commensurate benefits.

Committee Oversight and Next Steps

The Risk Management Policy identifies the Audit, Risk and Improvement Committee as having an important oversight role in relation to the effectiveness and appropriateness of the organisation's systems and procedures for risk management, internal control and legislative compliance. Strategic risks are intended to be periodically reviewed through the Committee.

Since adoption of the Risk Management Plan, several significant organisational initiatives have progressed, including major Recycling Centre renewal activities, infrastructure projects, information technology improvements and governance reforms. As a result, management is currently undertaking a review and refresh of the Corporate Risk Register to ensure it remains contemporary, accurately reflects the organisation's current operating environment and appropriately captures emerging strategic and operational risks.

A revised Corporate Risk Register will be presented to the Audit, Risk and Improvement Committee at coming meetings for detailed review and discussion. This will provide the Committee with an opportunity to consider risk ratings, control effectiveness, risk ownership and any proposed changes to the organisation's risk profile.

RISK MANAGEMENT

This report relates directly to the management of organisational risk and supports the governance objectives established within the WMRC Risk Management Framework. Effective risk management assists the organisation to achieve its strategic objectives, maintain regulatory compliance, protect financial sustainability and safeguard organisational reputation.

The Framework strengthens organisational integrity by clearly documenting controls, responsibilities and assurance mechanisms that mitigate governance, compliance and corruption-related risks

COMMUNICATION AND CONSULTATION

Nil

REPORT IMPLICATIONS

Legislation and Policy Alignment

The report supports compliance with:

- *Local Government Act 1995*;
- *Local Government (Audit) Regulations 1996*; and
- WMRC Risk Management Policy.

Business and Strategic Alignment

The Integrity Framework supports Council Plan 2026 theme 6 as follows:

> *Maintain a capable, adaptable and resilient organisation that can sustainably deliver services, manage risk and support long-term strategic objectives.*

Financial and Resource Implications

Nil. Existing resources are being utilised to maintain and review the Risk Management Framework and Corporate Risk Register

COMMENTS

The WMRC has established a comprehensive risk management framework that aligns with contemporary risk management principles and legislative requirements. The ongoing review of the Corporate Risk Register provides an opportunity to ensure the organisation's risk profile remains current and continues to support informed decision-making and effective governance oversight.

VOTING REQUIREMENT

Simple majority

Moved: Mr P. Zhou Seconded: Cr. R. Jones

RESPONSIBLE OFFICER RECOMMENDATION

5.3.1 That the Audit, Risk and Improvement Committee receive the report on the WMRC Risk Management Framework; and note that an updated Corporate Risk Register will be presented to the Committee for progressive review in future meetings.

CARRIED: 4/0

5.4 COMPLIANCE MANAGEMENT FRAMEWORK

Responsible Officer: **CEO**

Date: **10 September 2026**

Attachment: **Nil**

PURPOSE

To inform the Audit, Risk and Improvement Committee of the arrangements in place to manage statutory and regulatory compliance across the organisation.

BACKGROUND

Compliance with legislative and regulatory obligations is a fundamental component of good governance and an important element of the organisation's risk management and integrity frameworks. Effective compliance management assists WMRC to meet its statutory obligations, maintain public confidence and reduce exposure to governance, financial and reputational risks.

To support compliance activities, WMRC maintains a comprehensive Compliance Calendar that identifies key statutory, regulatory and governance obligations applicable to the organisation and schedules actions throughout the year. The calendar is based on a template prepared by the Western Australian Local Government Association (WALGA).

DETAILS

Compliance Calendar

The Compliance Calendar operates as a practical management tool that assists officers to identify, monitor and fulfil compliance obligations arising from legislation, regulations, policies and recognised governance practices.

The calendar allocates responsibilities to relevant officers and captures the timing and frequency of compliance activities, including monthly, quarterly, annual and periodic obligations. It also provides a mechanism for recording completion of compliance actions and identifying any corrective actions required where compliance issues arise.

The calendar incorporates obligations arising from a broad range of legislation and governance requirements, including:

- financial management and reporting;
- annual budget preparation and adoption;
- annual financial audit processes;
- compliance audit returns;
- risk management and internal control reviews;
- disclosures of interests and returns;
- public interest disclosure requirements;
- records management obligations;
- freedom of information requirements;
- publication of information on the organisation's website;

- procurement and tendering requirements; and
- governance and planning obligations under the Integrated Planning and Reporting Framework.

In addition to legislated obligations, the calendar includes a range of good governance and internal assurance activities such as internal audits, policy reviews, register reviews and compliance monitoring activities.

The Compliance Calendar is reviewed and updated periodically to reflect legislative amendments, changing organisational responsibilities and emerging compliance requirements. Progress against the calendar is monitored by the Leadership Group as part of normal business operations at monthly meetings.

Committee Oversight and Next Steps

The Audit, Risk and Improvement Committee has a key oversight role in relation to legislative compliance and the effectiveness of the systems and procedures established to support compliance management. Regular reports provided to the Committee, including compliance audit returns, relevant policy reviews, risk management reviews and audit reports, provide assurance regarding the effectiveness of these arrangements.

The Compliance Calendar forms one of the operational tools used by management to support this assurance framework by promoting timely completion of compliance obligations and supporting effective monitoring of compliance performance.

RISK MANAGEMENT

The Compliance Framework supports management of the following risks contained within the WMRC Risk Register:

Governance;

SG5 – failure to fulfill duty
OG4 – compliance with regulations
OG6 – compliance risk

Financial;

OF5 – fraud and corruption

Reputational;

SR2 – perception of poor executive leadership
OR8 – public criticism

The calendar provides a structured mechanism for identifying and managing statutory compliance obligations and reducing the likelihood of inadvertent non-compliance

COMMUNICATION AND CONSULTATION

The Compliance Calendar is maintained by management and incorporates guidance from relevant legislation, government agencies and local government sector resources. Responsibility for individual compliance tasks is allocated to officers according to their functional responsibilities.

REPORT IMPLICATIONS

Legislation and Policy Alignment

The Compliance Calendar supports compliance with obligations arising under the *Local Government Act 1995*, associated regulations and other legislation applicable to the operations of WMRC.

Business and Strategic Alignment

The Integrity Framework supports Council Plan 2026 theme 6 as follows:

> *Maintain a capable, adaptable and resilient organisation that can sustainably deliver services, manage risk and support long-term strategic objectives.*

Financial and Resource Implications

Nil.

COMMENTS

WMRC has implemented a structured and proactive approach to compliance management through the use of a comprehensive Compliance Calendar. The calendar provides a practical mechanism for coordinating compliance activities, assigning accountability and monitoring performance across a broad range of statutory and governance obligations. The calendar supports the organisation's commitment to sound governance, transparency and continuous improvement.

VOTING REQUIREMENT

Simple majority

Moved: Cr P. Kelly Seconded: Cr. R. Jones

RESPONSIBLE OFFICER RECOMMENDATION

5.4.1 That the Audit, Risk and Improvement Committee receive the report on the WMRC compliance management arrangements and note the use of a Compliance Calendar to support the organisation's legislative and governance obligations.

CARRIED: 4/0

6. CONFIDENTIAL REPORTS

Nil

7. GENERAL BUSINESS

Nil

8. CLOSURE OF MEETING

The meeting was closed at 5:27 pm

9. NEXT MEETING

Thursday 29 October 2026, commencing at 5pm