Shire of Narrogin

Love the life

MINUTES

AUDIT, RISK AND IMPROVEMENT COMMITTEE (ARIC) MEETING

9 September 2026

These minutes were confirmed at the Audit, Risk and Improvement Committee Meeting held on 12 November 2026.

Signed: .....

Acknowledgement of Noongar People

The Shire of Narrogin acknowledges the Noongar people as traditional custodians of this land and their continuing connection to land and community. We pay our respect to them, to their culture and to their Elders past and present.

Naatj ngiyan Birdiya Gnarojin kep unna nidja Noongar Moort ngaala maya nidja boodjera baarlap djoowak karlerl koolark. Ngalak niny ngullang karnan balang Bibolman baalap borong koora wer boorda.

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Please note that meetings may be recorded for minute taking purposes.

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AUDIT, RISK AND IMPROVEMENT COMMITTEE (ARIC)
MEETING MINUTES
9 SEPTEMBER 2026

1. OFFICIAL OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member, Mr Brian Seale, declared the meeting open at 6.35pm.

2. RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Members (Voting)
Mr B Seale (Presiding Member)
Mr L Ballard – Shire President
Cr G Broad – Deputy Shire President
Cr J Pomykala
Cr T Wiese
Cr M Fisher
Cr R McNab

Observers
A Campbell – Chief Executive Officer
A Majid – Executive Manager Planning & Sustainability
J Warburton – Executive Manager Infrastructure Services
L Munnik – Acting Executive Manager Corporate & Community Services
L Boddy – Executive Support Coordinator

Leave of Absence
Nil.

Apologies
Cr C Bartron
Mr I Graham – Executive Manager Corporate & Community Services

Absent
Nil.

Visitors
Nil.

3. DECLARATION OF INTEREST BY ELECTED MEMBERS AND COUNCIL EMPLOYEES IN MATTERS INCLUDED IN THE MEETING AGENDA

Nil.

4. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

4.1 AUDIT, RISK & IMPROVEMENT COMMITTEE MEETING 17 DECEMBER 2025

OFFICER'S RECOMMENDATION & COMMITTEE RESOLUTION
Moved: President Ballard Seconded: Cr Broad

That the minutes of the Audit Risk & Improvement Committee Meeting held 17 December 2025 be confirmed as an accurate record of the proceedings.

Carried 7/0

For: Mr B Seale, President Ballard, Cr Broad, Cr Fisher, Cr Pomykala, Cr Wiese, Cr McNab
Against: Nil

5. REVIEW OF THE 2025/26 INTERIM FINANCIAL AUDIT

ATTACHMENT 1

OFFICERS RECOMMENDATION AND COMMITTEE DECISION
Moved: Cr Wiese Seconded: Cr Pomykala

That the Committee accept the findings and management response of the Interim Financial Audit 2025-26 as presented.

Carried 7/0

For: Mr B Seale, President Ballard, Cr Broad, Cr Fisher, Cr Pomykala, Cr Wiese, Cr McNab
Against: Nil

6. FINANCIAL MANAGEMENT REVIEW

ATTACHMENT 2

OFFICERS RECOMMENDATION AND COMMITTEE DECISION
Moved: Cr Fisher Seconded: Cr McNab

That the Committee accept the improvement findings and the management response for the Financial Management Review as presented.

Carried 7/0

For: Mr B Seale, President Ballard, Cr Broad, Cr Fisher, Cr Pomykala, Cr Wiese, Cr McNab
Against: Nil

6.FINANCIAL REGULATION 17 REVIEW

ATTACHMENT 3

OFFICERS RECOMMENDATION AND COMMITTEE DECISION
Moved: President Ballard Seconded: Cr Broad

That the Committee accept the improvement findings and management response for the Regulation 17 Review with the exclusion of point 3 relating to Audit Risk and Improvement Committee induction program.

Carried 7/0

For: Mr B Seale, President Ballard, Cr Broad, Cr Fisher, Cr Pomykala, Cr Wiese, Cr McNab
Against: Nil

7. COMPLIANCE AUDIT RETURN 2026 ATTACHMENT 4

OFFICERS RECOMMENDATION AND COMMITTEE DECISION
Moved: Cr Pomykala Seconded: Cr Wiese

That the Committee endorse the 2025 Compliance Audit Return for submission to the Local Government Inspectorate.

Carried 7/0

For: Mr B Seale, President Ballard, Cr Broad, Cr Fisher, Cr Pomykala, Cr Wiese, Cr McNab
Against: Nil

8. OTHER RISK MATTERS OR GENERAL BUSINESS
Nil.

9. DATE FOR NEXT MEETING
To be determined.

10. CLOSURE OF MEETING
There being no further business to discuss, the Presiding Member declared the meeting closed at 7.24pm.

ATTACHMENT

SHIRE OF NARROGIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2026

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

Index of findings	Potential impact on audit opinion	Rating	Year first raised
1. Fixed asset management	No	Moderate	2022
2. Preparation and timeliness of reconciliations	No	Minor	2024

Ratings

The ratings in this management letter reflect our assessment of risks based on the likelihood and potential impact if no action is taken. These outcomes consider both quantitative impact (such as financial loss) and qualitative impact (such as inefficiency, non-compliance, poor service to the public or loss of public confidence).

● **Significant** – Findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit opinion, it should be addressed promptly.

● **Moderate** – Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

● **Minor** – Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT

SHIRE OF NARROGIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2026

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

1. Fixed asset management

Finding
During our asset testing, we noted that asset additions placed into service during the 2025/26 financial year had not been recorded in the asset module at the time they became operational. Instead, these assets are intended to be processed through a bulk asset addition process on 30 June 2026.

AASB 116 Property, Plant and Equipment requires assets to be recognised in the appropriate asset class when they are available for use, being when the asset is in the location and condition necessary for it to operate in the manner intended by management. In addition, the Local Government Regulations 1996 Part 2 s.5(1)(d) requires the local government to ensure proper accounting for municipal assets.

As a result, asset additions are not being recognised in the asset register in a timely manner when they become ready for use, resulting in delays in asset recognition and increasing the risk of depreciation not being calculated from the appropriate commencement date.

Finding was first raised in 2022.

Rating: Moderate (2022: Moderate)

Implication
Untimely recording of asset additions increases the risk of inaccurate asset records and depreciation calculations and may result in non-compliance with AASB 116 and the Local Government (Financial Management) Regulations 1996.

Recommendation
We recommend that the Shire implement procedures to ensure asset additions are recorded in the asset module when they become ready for use, rather than through a bulk year-end process. This should include periodic reviews of capital expenditure and commissioned assets to enable the timely recognition of assets and commencement of depreciation in accordance with AASB 116.

Management comment
Management notes and accepts the requirement of AASB 116 Property, Plant and Equipment.

An Asset Addition/Disposal Form is being developed to support timely and accurate data entry into the asset register. The form will be signed off by the responsible officer and used for all asset movements, including acquisitions, additions, and disposals.

Further, to ensure accuracy and ensure compliance, processes for asset recognition will be reviewed, updated and implemented. The Corporate Services Finance Procedure Manual will be updated accordingly and distributed to relevant officers.

Responsible person: Lucille Munnik, Manager Corporate Services
Completion date: 30 September 2026

ATTACHMENT

SHIRE OF NARROGIN

PERIOD OF AUDIT: YEAR ENDING 30 JUNE 2026

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

2. Preparation and timeliness of reconciliations

Finding
During our testing of the PPE and Creditors reconciliations for the month ended 30 April 2026, we noted that there was no documented evidence to demonstrate that the reconciliations had been independently reviewed by a second officer following preparation. We were unable to verify that an appropriate segregation of duties had been maintained or that the reconciliations had been completed and reviewed in a timely manner.

This finding was first raised in FY2024.

Rating: Minor (2025: Minor)

Implication
The absence of evidence of independent review increases the risk that errors or discrepancies in reconciliations remain undetected and corrected in a timely manner.

Recommendation
We recommend that the Shire ensure all reconciliations are prepared and independently reviewed by separate officers, with evidence of both preparation and review retained. This will assist in demonstrating that reconciliations are completed in a timely manner, and that appropriate segregation of duties is maintained.

Management comment
Due to senior finance staff changes during the 2025/26 financial year, including the Manager Corporate Services role, the process for reconciliation preparation, review and sign-off was not implemented according to our recorded procedures. The procedures will be reviewed, amended if necessary, and implemented via an update of the Corporate Services Finance Procedure Manual, distribution to staff and staff awareness and training undertaken.

Responsible person: Lucille Munnik, Manager Corporate Services
Completion date: 30 September 2026

Shire of Narrogin

Regulation 5 (2) (c) – Financial Management Review

13 May 2026

Draft Review Report

(Review in Confidence)

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Introduction

Australian Audit was engaged to undertake a financial management review of the Shire of Narrogin (the Shire) financial management systems and procedures as required to be undertaken at least once every 3 years as per the Regulation (5)(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

We conducted the review in accordance with Australian Auditing Standard *ASAE 3000 – Assurance Engagement other than Audits or Reviews of Historical Financial Information* which provides a limited assurance regarding the appropriateness and effectiveness of the Shire's management controls over its financial management systems and processes.

This report outlines the work undertaken as part of our review and includes our findings and proposed recommendations resulting from our review.

We commenced this audit in September 2025. As at the time of the audit, we still have not received all the information requested to fully complete our review and these have been reported as issues below. Furthermore, the Shire did not provide the information requested to assess the controls over its payroll functions, therefore no conclusion is made on the adequacy of the controls over the payroll functions.

CEO's Responsibility for the Review Report

As per Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, the Chief Executive Officer (CEO) is required to undertake a financial management review, at least once every 3 financial years.

This draft review report now requires management comments prior to being able to be presented at the Audit and Risk Committee.

Responsibility for the Review

Our responsibility was to conduct the Financial Management Review in accordance with the Australian Auditing Standard *ASAE 3000 – Assurance Engagement other than Audits or Reviews of Historical Financial Information* and to report to the CEO the review findings and proposed recommendations for management control and process improvement.

We wish to confirm that we are fully independent of the Shire of Narrogin and of its operations regarding this review.

Review Limitations

The matters raised in this review report are only those which came to our attention during the course of performing the financial management review and may not necessarily be a comprehensive statement of all the possible control weaknesses and / or process improvement options that may be made in relation to the Shire's financial management systems and procedures.

As part of our review, we have not assessed and examined every financial process and procedure and as such have limited our assessment and evaluations only to those areas where we considered may be of higher risk to the Shire regarding its Financial Management process. As such we did not examine every activity and procedure that may exist at the Shire and therefore only provide limited assurance to the Shire.

Our review, which was conducted in accordance with Australian Auditing Standard *ASAE 3000 – Assurance Engagement other than Audits or Reviews of Historical Financial Information* was not an audit, and as per ASAE 3000 we can only provide assurance based solely on our assessment of the information which was provided to us by the Shire during the conduct of this review.

This review report is to be used solely for the purpose of reporting to satisfy the requirements of *Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996* and should not be used for any other purpose or be distributed, other than to the Shire.

Scope and Methodology

The review undertook the following approach:

- Information was sought from the Shire and was assessed.
- Discussions were held with the Shire management and relevant staff to understand the financial processes and the management controls currently in place.
- We assessed the adequacy of key management controls currently in place over key financial management systems and procedures in line with the following work program provided to the Shire and based on information that was provided to us during the review period.

Work Program

Our review incorporated the following key financial management areas as required under Regulation 5(1) of the *Local Government (Financial Management) Regulations 1996*:

- Procurement (formal quotations and tender process)
- Contract Management
- Accounts Payable
- Cash Collection and Handling
- Payroll
- General Ledger Application Controls (journal posting, balance sheet reconciliations)
- Rates, Revenue and Debt Management
- Investment Management
- Asset Management (excluding infrastructure assets)
- Budget process

No other financial management systems and procedures were subject to review.

Review Conclusion

Based on our review (which was not an audit) of the management controls and processes that exist at the Shire, regarding the above key financial management system areas, nothing came to our attention that would indicate any **high-risk** management control matters that would require immediate attention by the Shire.

We commenced this audit in September 2025. As at the time of the audit, we still have not received all the information requested to fully complete our review and these have been reported as issues below. Furthermore, the Shire did not provide the information requested to assess the controls over its payroll functions, therefore no conclusion is made on the adequacy of the controls over the Shire's payroll function.

Based on the matters raised in the body of this report under Findings and Recommendations, we can conclude that the financial management systems in place within the Shire are satisfactory, however some areas can be further improved and several recommendations have been included in this review report for management consideration.

The matters raised in this review report were assessed as Medium risk to the Shire based on the information that was provided to us.

For those identified matters we have recommended that the Shire should consider exploring the recommended process improvement options which have been incorporated within the body of this report.

Each finding has a recommended action except for those issues reported as "Observations".

We believe that the Shire's implementation of the suggested and recommended process improvements will strengthen the existing financial management controls that are currently in place and will provide greater overall governance within the Shire's financial management operations.

Findings and Recommendations

Medium Risk Issues

1. Monitoring of Compliance with Procurement Policy for RFT and RFQ

Finding

The Shire does not currently have in place a process by which expenditure by supplier can be monitored on an ongoing basis to determine whether expenditure by supplier has got to a level that the Shire possibly should be considering going to the market to obtain better value for money. In these situations, there may be instances where the Shire is using a supplier (contracted by different areas within the Shire) to deliver services of a similar type but for small dollar values. However, if the dollar value purchases in total, say over a 12 month period, exceeds $50,000, the Shire may need to identify these and consider whether it would have received better value for money by testing the marketplace via an RFQ or RFT process for these services.

As the procurement is a decentralised function within the Shire, implementing a formal monitoring process to detect any non-compliance with the Shire's procurement policy is considered beneficial and will assist in the Shire's compliance with its procurement policy.

Further, currently the purchase order authorising officer has the responsibility for ensuring that correct number of quotes have been obtained, however it is unknown if the authorising officer check this.

We sample tested 10 payments over the period from 1 Sept 2024 to 31 Aug 2025. The Shire did not provide any evidence to support that appropriate procurement practices were employed for these purchases in compliance with the procurement policy.

Recommendation

We recommend that the Shire consider developing, a "Supplier over $50,000" report to be used to investigate as to whether the Shire has procured the supplier's services via individual quotes, RFQ or RFT. If via individual quotes, the Shire should assess as to whether better value for money could be achieved if the Shire requested such services via an RFQ or RFT.

The Shire should maintain evidence of the quotes obtained or tender called. The purchase order authorising officer should be required to sign off to state that they have checked to ensure correct number of quotes were obtained or tender process was followed for each of the purchase they are authorising.

Management Comments
Management agrees with the recommendation.

The Shire recognises the importance of ensuring procurement activities are undertaken in accordance with the Procurement Policy and that opportunities to achieve value for money through aggregation of expenditure are identified and assessed.

To strengthen procurement oversight, the Shire will implement a quarterly supplier expenditure report identifying suppliers whose cumulative expenditure exceeds relevant procurement thresholds. The report will be reviewed by management to determine whether procurement activities have been conducted in

accordance with policy requirements and whether opportunities exist to consolidate purchasing and undertake a Request for Quote (RFQ) or Request for Tender (RFT) process to achieve improved value for money.

In addition, the Shire will review and enhance procurement training and awareness for staff with purchasing and approval responsibilities to ensure procurement requirements, including quotation and tender thresholds, are understood and consistently applied. Refresher training will be incorporated into the Shire's governance and compliance framework where appropriate.

Management will also review current purchase order approval processes to strengthen accountability and ensure evidence of quotations or tender processes is retained and verified prior to approval of expenditure.

2. Purchase Order and Invoice Approvals

Finding

During our sample testing of 10 payments over the period of 1 Sept 2024 to 31 Aug 2025, we noted the following:

- 4 instances where no supporting documentation (purchase orders or invoices) was provided.
- 2 instances where we could not be determined whether the purchase orders were approved by the appropriate delegated officer, as no purchase amount was stated.
- 1 instance where there was no explanation or documented approval for a variation between the purchase order and the invoiced amount.
- 2 instances where purchase orders were dated after the corresponding invoice date, indicating that procurement processes may not have been followed in the correct sequence.
- 3 instances where purchase orders did not contain evidence of approval, such as an approver's signature.

Recommendation

We recommend the following:

- All purchases are supported by complete and accurate documentation, including approved purchase orders and invoices.
- Purchase orders clearly state the approved amount and are authorised by the appropriate delegated officer prior to commitment of expenditure.
- Any variations between purchase orders and invoices are properly documented and approved.
- Purchase orders are raised and approved before invoices are issued.
- Evidence of approval (e.g., signatures or electronic approvals) is consistently retained.

Management Comments

The Shire is currently formalising and documenting its financial management and procurement processes within a Financial Management Manual to promote consistency, improve internal controls, and provide clear guidance to officers involved in purchasing and expenditure approval activities.

As part of this process, procedures relating to purchase orders, invoice processing, delegation requirements, approval workflows, record keeping, and management of purchase order variations will be reviewed and documented. The Shire will also reinforce the requirement that purchase orders are raised and approved prior to the commitment of expenditure, except where exceptional circumstances apply and are appropriately documented.

In conjunction with the implementation of the Financial Management Manual, staff training and awareness will be undertaken to ensure officers understand their responsibilities regarding procurement documentation, delegated authority limits, approval requirements, and record retention obligations.

Management considers that the formalisation of these processes will strengthen compliance, improve consistency across the organisation, and reduce the risk of similar issues occurring in the future.

3. Contract Management Protocols

Finding

The Shire does not have adequate written procedures and guidelines for managing existing contracts. In the absence of formal written procedures and guidelines for contract management, Shire staff responsible for managing contracts may not have a clear understanding of the contractual requirements and required approval processes resulting in possible inconsistent and unacceptable practices.

Contract management procedures should incorporate the following step-by-step processes for:

- Contract formation requirements (when a formal contract should be formulated).
- Contractor performance management process (how each contract should be managed during the contract period)
- Contract variations process and approvals (how contract variations should be negotiated and the various approval levels required).
- Contract renewal/extension process and approvals (monitoring of contract expirations and the process of contract renewal approval)
- Post-contract assessments (the need to conduct supplier performance appraisals once a contract has expired)

Recommendation

We recommend that the Shire establish formal contract management procedures/protocols/guidelines over the contract management process.

Management Comments

Management agrees with the recommendation.

The Shire acknowledges that the development of formal Contract Management Protocols would provide greater consistency, accountability and oversight throughout the contract lifecycle. While contract management activities are currently undertaken by responsible officers, the requirements and processes are not comprehensively documented in a single procedure.

The Shire will develop and implement Contract Management Protocols to provide guidance on contract formation, contract administration, performance monitoring, variations, extensions and renewals, record keeping, and post-contract performance reviews. The protocols will also identify approval requirements and responsibilities to ensure a consistent approach is applied across the organisation.

Once developed, the protocols will be communicated to relevant staff and incorporated into the Shire's governance framework to support effective contract management practices and reduce the risk of inconsistent processes.

4. Revenue & Council Rates: Debt Management

Finding

There are documented protocols and procedures in place governing the rates and sundry debt management process. However, it was noted that staff have not consistently undertaken follow-up actions on outstanding debts. This lapse has primarily been attributed to staff shortages and frequent staff changeovers. The absence of timely and consistent follow-up increases the risk of delayed or uncollected revenue, negatively impacting cash flow and potentially leading to higher levels of bad debt write-offs. It also indicates non-compliance with established procedures and weakens internal controls over receivables.

Sundry Debt Outstanding @31/8/25 (latest report not provided)

	Current	30 days	60 days	>90 days	Credit Balances	Total
Amount	434,720.10	16,160.48	50,753.47	65,747.40	(4,384.77)	562,996.68
%	77%	3%	9%	12%	(1%)	100%

Rates Outstanding @3/2/26

	Current Year	Previous Year	2nd Previous Year	3rd Previous Year	Total
Amount	847,229.44	128,639.93	60,443.46	193,694.08	1,230,006.91
%	69%	10%	5%	16%	100%

Recommendation

Management should ensure adequate resourcing within the team responsible for debt management and reinforce compliance with existing debt management protocols by clearly assigning responsibility for follow-up activities and implementing regular monitoring and reporting.

Management Comments

Management agrees with the recommendation.

The Shire acknowledges that staff shortages and employee turnover have impacted the consistent application of debt recovery processes during the review period. To address this, debt management procedures are currently being reviewed and formalised within the Financial Management Manual to ensure clear guidance, consistency of practice, and accountability for debt recovery activities.

The Shire will recruit an inhouse Accounts Receivable Officer to strengthen the management of rates and sundry debtors and improve the timely follow-up of outstanding accounts. In addition, staff training will be undertaken to reinforce debt management procedures, responsibilities, and escalation processes.

Regular monitoring and reporting of outstanding debts will continue to be undertaken to assist management in identifying aged debts, monitoring recovery actions, and ensuring compliance with the Shire's debt management procedures.

Management anticipates that these measures will strengthen internal controls, improve debt recovery outcomes, and reduce the risk of overdue accounts accumulating in the future.

5. Application for Rates Exemption

Finding

The Shire does not have in place a process by which all of its exempt rateable properties are subject to regular verification to ensure that current exempt properties such as religious and charitable type exempted properties continue to meet the exemption definition.

Recommendation

We recommend that the Shire should consider implementing a formal verification process in which all exempt property owners are required to confirm their exemption status at least every 2 years.

Management Comments

The Shire acknowledges the benefit of periodically reviewing rate exemption eligibility to ensure exempt properties continue to satisfy the legislative requirements for exemption. To support a consistent approach, procedures relating to the assessment, approval, and ongoing verification of rate exemption applications will be incorporated into the Financial Management Manual.

The documented process will include periodic reviews of exempt properties, verification requirements, record keeping obligations, and responsibility for monitoring exemption status. Consideration will be given to implementing a cyclical review process whereby exempt property owners are requested to confirm their eligibility at regular intervals.

The introduction of documented procedures will assist in ensuring exemption records remain current, support legislative compliance, and provide a consistent framework for the ongoing administration of rate exemptions.

6. Asset Management Policy and Procedures

Finding

The following deficiencies were noted in asset management practices:

- There are 2 policies in place for asset management being the *Asset Management Policy* and *Portable and Attractive Asset Policy*. The asset capitalisation threshold is defined within the *Portable and Attractive Asset Policy* rather than the *Asset Management Policy*.
- There are no protocols / documented procedures in place which relates to fixed asset identification, categorisation, classification, asset stocktaking, asset disposals and asset write offs. Also, there is no delegation in place to approve disposals and write-offs.
- We noted that the Shire does not undertake routine stocktakes of its plant and equipment to ensure that such plant and equipment is still held and should be recorded on the asset register.

Recommendation

We recommend the following:

- The Shire should consider including the capitalisation threshold within the Asset Management Policy.
- Developing and implementing comprehensive procedures for asset identification, classification, stocktaking, disposals, and write-offs.
- Establishing a formal delegation of authority for approving asset disposals and write-offs.

- Implementing regular and documented stocktakes of all asset classes, particularly plant and equipment.

Management Comments

The Shire will undertake a review of its Asset Management Policy and associated procedures to ensure that key asset management requirements are clearly documented and consistently applied across the organisation. As part of this review, consideration will be given to incorporating the asset capitalisation threshold within the Asset Management Policy to improve clarity and accessibility.

The review will also assess existing procedures relating to asset identification, classification, stocktaking, disposals, and write-offs to determine whether further documentation or process improvements are required. In addition, the Shire will review its delegations framework to ensure appropriate authority exists for the approval of asset disposals and write-offs.

Management acknowledges the importance of maintaining accurate asset records and will consider opportunities to strengthen stocktake processes for relevant asset classes, including plant and equipment, as part of the broader asset management review.

These actions will assist in improving asset governance, record accuracy, and consistency in asset management practices across the organisation.

7. Synergy System Access

Finding

There are high number of super users who have edit access to every module within Synergy. This is considered excessive and possibly risky.

We are of the opinion that staff should be provided edit access to only those functions that they are directly responsible for. We do understand that at smaller Shires, function access is sometimes provided to a number of staff to cover for staff that may be absent.

Recommendation

Management should review staff access especially access with editing capability with a view to restricting edit access to only those positions who are directly responsible for the undertaking of such work.

Management Comments

The Shire acknowledges that access permissions within Synergy should be aligned with business requirements and the principle of least privilege. While broader access has historically been provided to some officers to ensure operational continuity during periods of leave or staff absences, Management recognises the importance of limiting elevated access wherever practicable.

A review of all Synergy user access levels will be undertaken, with particular focus on users holding super user or extensive edit permissions. The review will assess whether access remains appropriate for each position and ensure that elevated permissions are restricted to those officers who require them to perform their duties.

The review will also consider the need for appropriate backup arrangements to maintain business continuity while minimising unnecessary system access risks.

Observations

Tender Register

Section 17 of the Local Government (Functions and General) Regulations 1996 requires the Shire's tenders register is to include, for each invitation to tender a copy of the notice of the invitation to tender. The tender register does not currently include a copy of the notice of the invitation to tender.

Vendor Bank Account Change

Where a supplier requests changes to their bank account details, the supplier is required to make the request in writing via the completion of a form providing the details of the new bank details and Bank proof of new Bank Account Details.

Whilst the above process is satisfactory, the Shire may want to consider using EFTsure to undertake the verification checks on behalf of the Shire.

General Ledger Reconciliations

The Shire doesn’t use a control sheet for the reconciliation process setting out the balance sheet accounts and P&L accounts (such as payroll) that require reconciliation, the frequency of reconciliation, reconciler and reviewer details. It will benefit the Shire to develop a reconciliation checklist to capture all balance sheet accounts (and relevant profit and loss accounts, for example, payroll accounts) noting the frequency of the reconciliations and the person/position responsible for the reconciliation and subsequent review and sign off.

Appendix A – Risk Criteria

The following risk criteria was used to assess level of risk on review findings included in this Review Report.

Risk Assessment Matrix

Likelihood of Risk:

Rating	Description	Frequency
1	**Rare** – May occur, only in exceptional circumstances	< once in 15 years
2	**Unlikely** – Could occur at some time	At least once in 10 years
3	**Possible** – Should occur at some time	At least once in 3 years
4	**Likely** – Will probably occur in most circumstances	At least once per year
5	**Almost Certain** – Expected to occur in most circumstances	> once per year

Consequence of Risk:

Description	Health	Financial Loss	Operation	Compliance	Reputation	Project
1.Insignificant	No injuries or illness	<$50,000	Little Impact	Minor breach of policy, or process requiring approval or variance	Unsubstantiated, low impact, low profile or no news item.	Small variation to cost, timeliness, scope or quality of objectives and required outcomes.
2. Minor	First Aid treatment	$50,000 to $250,000	Inconvenient Delays	Breach of policy, process or legislation requiring attention of minimal damage control	Substantiated, low impact, low news profile.	5-10% increase in time or cost or variation to scope objective requiring approval
3. Moderate	Medical treatment required	$250,000 to $1 million	Significant delays to major deliverables	Breach requiring internal investigation, treatment or moderate damage control	Substantiated, public embarrassment, moderate impact, moderate news profile.	10-20% increase in time or cost or variation to scope objective requiring Senior Management approval
4. Significant	Death or extensive injuries	$1 million to $3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in tangible loss and damage to reputation	Substantiated, public embarrassment, moderate impact, high news profile and 3rd party actions.	20-50% increase in time or cost or significant variation to scope objective requiring restructure of project and Senior Management or Council approval
5. Severe	Multiple deaths or sever permanent disabilities	>$3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in significant tangible loss and damage to reputation	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, 3rd party actions.	>50% increase in time or cost or inability to meet project objectives requiring the project to be abandoned or redeveloped

Risk Exposure:

Risk = Likelihood x Consequence

Score	Level of Risk	Score	Level of Risk	Score	Level of Risk
1 - 8	**Low**	9 - 19	**Medium**	20 - 25	**High**

Shire of Narrogin

Regulation 17 Review

13 May 2026

Draft Review Report

(Review in Confidence)

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Introduction

Australian Audit was engaged to undertake a review of the Shire of Narrogin risk management, internal control and legislative compliance as required to be undertaken as per Regulation 17 of the *Local Government (Audit) Regulations 1996*.

As per Regulation 17(1), (2) and (3) of the *Local Government (Audit) Regulations* 1996, the Chief Executive Officer (**CEO**) is required to undertake a review, at least once every 3 financial years, of the following processes:

- Risk Management.
- Internal Control; and
- Legislative Compliance.

The Shire of Narrogin (the Shire) uses SynergySoft as its accounting system.

The Shire's last Regulation 17 review was undertaken in September 2022 which was performed by Avant Edge Consulting.

Scope and Methodology

The review undertook the following approach:

- Information relating to risk management, internal control and legislative compliance was requested from the Shire staff to assess adequacy of policies, procedures and overall control processes that are currently in place within the Shire.
- An Information Technology questionnaire was also sent to the Shire staff in order to assess the Shire's Information Systems General Control Environment.
- Discussion was held with the Shire staff regarding the process in place for ensuring that the Shire is continually in compliance with the Local Government Act and Regulation requirements including assessing the annual Compliance Audit Return (CAR) process.

The matters raised in this report are only those which came to our attention during performing our review and may not necessarily be a comprehensive statement of all the possible process improvement options that may exist in relation to the Risk Management, Internal Control and Legislative Compliance matters.

Our review was conducted in accordance with ASAE 3500 – Assurance Engagement Other Than Audits or Reviews of Historical Financial Information.

Our review report is provided to the Shire to enable the Shire to meet their statutory obligations under the previous Regulation 17 and as such we do not encourage this report to be used for any other purpose.

Work Program

Our work incorporated the following areas for review as required under Regulation 17.

Risk Management

To establish that:

- A Governance Framework is in place and endorsed by the Audit and Risk Committee.
- A formal governance unit exists responsible for proper governance compliance.
- Satisfactory risk management and governance policies are in place and have been endorsed by the Audit and Risk Committee/Council.
- Operational and Strategic Risk Registers are in place and are being constantly reviewed and updated to mitigate risk.
- Regular development of risk reports and actions to address risks are identified and actioned and such actions are regularly communicated to and endorsed by the Audit and Risk Committee.
- Fraud Risk Identification and Prevention policies are in place including the establishment of a Whistle Blower policy.
- An effective Audit and Risk Committee exists, and proper Committee processes are in place and being complied with.

Internal Control

To establish that:

- A Delegation of Authority is in place, up to date and reviewed regularly.
- Proper and formal documented Shire Management polices (guidelines and procedures) are in place and are kept up to date.
- Internal assessment of control processes exists e.g., via an internal audit function or by the Shire's own Governance area.
- An Internal Control policy targeted for all employees, council and committee members on the importance of management controls.

Legislative Compliance

To establish that:

- The Compliance Audit Return (CAR) is properly completed each year and any non-compliance matters are investigated promptly and adequate action is taken to ensure similar non- compliance no longer occurs.
- The establishment of proper complaints policies and registers including gift policies and registers.
- Legislative compliance regarding all Local Government Act and Regulation requirements are continually monitored and regularly reviewed to ensure continual compliance.

Review Conclusion

Based on our assessment of the management controls and processes that exist at the Shire regarding the above three key areas of the Regulation 17 review, we wish to conclude as follows:

RISK MANAGEMENT

Positive Observations

- There is a Risk Management Framework document in place.
- The Shire has a Risk Management Policy.
- The Shire maintains a risk register.
- The Shire maintains appropriate insurance through LGIS. Insurance is reviewed annually.
- A Fraud and Corruption Prevention Plan is in place.
- A Public Interest Disclosure Internal Guidelines and Procedures document is in place.
- The Audit, Risk and Improvement Committee operates under adopted Terms of Reference. The Committee meets at least twice per year and reports to the Council.
- The Shire has in place a Business Continuity Plan.
- Code of Conduct is in place for councillors.
- Code of Conduct is in place for employees.
- The Shire has in place a Purchasing policy.
- The Shire has in place induction program for staff and elected members.

Areas for Improvement

- In reviewing the risk registers we noted that the strategic risks and the operational risks are not identified and managed separately.
- There is currently no process by which the operational and strategic risks are being continually identified, reported and actions put in place to address such risks. It appears that the risk register has not been reviewed since 2024 and some action items due dates show 2022.
- Review of Risk Registers is not a standard agenda item for the Audit, Risk and Improvement Committee.
- The Fraud and Corruption Prevention Plan has not been reviewed since March 2020.
- The Public Interest Disclosure Internal Guidelines and Procedures document has not been reviewed since Jan 2019.
- There is no evidence of regular testing done of the Business Continuity Plan to ensure the plans are workable and effective.
- The Shire does not have an induction program Audit, Risk and Improvement Committee members.

INTERNAL CONTROL

Positive Observations

- There is a Delegation of Authority in place which was last updated in July 2025.
- The Shire has a Policy Manual which was last updated in Oct 2025.
- The Shire has in place Executive Instructions supporting the policies.
- The Shire has in place an Internal Control policy.

Areas for Improvement

- None

LEGISLATIVE COMPLIANCE

Positive Observations

- A good process is in place to complete the Compliance Audit Return (CAR) with the Business Development and Innovation Officer preparing the CAR which is then reviewed by the CEO before it is presented to the Audit, Risk and Improvement Committee.
- The Shire utilises a comprehensive compliance calendar to track its obligations under relevant Acts and Regulations, assigns responsibilities and monitors due dates.
- The Shire has a formal complaints management system supported by Council Policy and Executive Instructions. All complaints are recorded and tracked in the SynergySoft Records system.

Areas for Improvement

- There is no specific Gifts guidelines in place.

IT GENERAL CONTROLS ENVIRONMENT

Positive Observations

- Executive Instruction on ICT
- The Shire has in place a software register.
- The Shire manages the risk of computer viruses and malware through a combination of antivirus software, monitoring systems and ICT operational practices.
- Virus definitions are automatically updated via DATTO RMM whenever a

Areas for Improvement

- There is no IT strategic plan. The Shire has an Asset Management Plan for its Furniture and Office Equipment. Within this plan is the ICT Replacement Schedule. However, this is not an IT Strategic Plan.
- There is no Disaster Recovery Plan.
- There are no documented backup policy or operational procedures.
- While the ICT Executive Instructions are

IT GENERAL CONTROLS ENVIRONMENT

new definition is released, ensuring continuous protection against emerging threats.

- Users of the Shire of Narrogin are not permitted to install or download software onto Shire computers without appropriate authorisation.
- Granting of user access to Shire's computers and applications are approved by the Executive Manager Corporate and Community Services. The external IT service provider sets up user accesses.
- Minimum complexity is set over passwords.
- Passwords must be renewed every 60 days. Users receive reminders every 60 days to change their password. User logins are not automatically suspended if passwords are not changed.
- User accounts are blocked after 3 incorrect login attempts.
- The system maintains logs of failed login attempts and blocked accounts, which are monitored and investigated as required.
- The servers are located in a dedicated, locked and air-conditioned server room.
- The Shire has data backup arrangements in place. Data is backed up between 7:00am and 5:00pm, with 15 incremental backups occurring during this period. Backup data is stored onsite in an encrypted format. An encrypted copy of the data is sent offsite each night to a data centre located in Sydney.
- Workstations are configured with password-protected screen savers and automatic screen lock timeouts, requiring users to re-authenticate before access can resume. This helps prevent unauthorised access where a workstation has been left unattended.
- The Shire has Uninterruptible Power Supply (UPS) systems in place to provide short-term power protection for critical ICT infrastructure in the event of a power outage.

the primary governing document for internet use, expectations are reinforced through the Code of Conduct, Social Media Policy and records management obligations, forming a comprehensive governance framework. However, it is not known who monitors compliance with the internet usage policy and how this is done.

- There are 19 user IDs issued to staff who are not listed as a current employee. We also 14 duplicate user IDs and 1 triple user ID.
- There is a high number of generic user IDs.

Findings and Recommendations

The following matters were identified which have been reported below for consideration by Shire management:

Medium Risk Issues

1. Risk Register Structure and Governance Oversight

Finding

The Shire has a Risk Management Policy and has established a Risk Register intended to capture both strategic and operational risks. However, our review identified the following deficiencies:

- Strategic and operational risks are not separately identified or clearly distinguished within the Risk Register.
- The Risk Register does not demonstrate clear alignment or linkage between identified risks and the Shire's Strategic Plan and Corporate / Operational Plans.
- There is currently no process by which the operational and strategic risks are being continually identified, reported and actions put in place to address such risks. It appears that the risk register has not been reviewed since 2024 and some action items due dates show 2022.
- Review of the Risk Register is not included as a standing agenda item in the Audit, Risk and Improvement Committee (ARIC) meetings, indicating that regular oversight and monitoring may not be occurring in a structured and consistent manner.

Recommendation

We recommend that the Shire:

- Revise the Risk Register to clearly distinguish between strategic and operational risks.
- Incorporate a mechanism within the Risk Register to explicitly link each risk to relevant objectives within the Strategic Plan and Corporate/Operational Plans.
- Establish a formalised process for the continual identification, assessment, and reporting of strategic and operational risks. Ensure that mitigating actions are documented, assigned, and regularly monitored.
- Include review of the Risk Register as a standing agenda item at ARIC meetings to ensure ongoing oversight, monitoring, and challenge.
- Periodically report on key strategic risks to Council to strengthen governance and accountability.

Management Comment

Management partially agrees with the finding.

The Shire has an existing Risk Management Framework, Risk Management Policy and Risk Register, which are maintained within the Corporate Library. It appears that the existence and location of the framework may not have been fully identified during the review process.

Management notes that strategic risks are currently reviewed and monitored through existing governance processes. The Annual Plan is reviewed monthly by the CEO, with strategic risks considered as part of that review process. Strategic risks were reviewed during both 2024 and 2025, and supporting evidence has been provided. In addition, risks are periodically reported to the Audit, Risk and Improvement Committee (ARIC) for oversight and monitoring.

Management acknowledges that the current Risk Register is primarily focused on higher-level organisational risks. While strategic risks are actively monitored and reviewed through existing governance processes, the distinction between strategic and operational risks is not currently reflected as clearly as it could be within the register's structure and presentation. Management also acknowledges that there is an opportunity to strengthen the documented linkage between identified risks and the Strategic Community Plan, Corporate Business Plan and operational planning documents to further enhance the effectiveness and visibility of the framework.

While some action dates within the Risk Register may display historical dates, this does not reflect inactivity of the risk management process. Strategic risks have continued to be reviewed and monitored, however the register would benefit from improved updating of action status, review dates and treatment plans to better reflect current activities.

The Shire will review the structure and governance arrangements of the Risk Register to improve clarity, reporting and alignment with contemporary risk management practices while building upon the processes already in place.

Low Risk Issues

2. Testing for Business Continuity Plan

Finding

The Shire has in place a Business Continuity Plan (BCP) which was last reviewed in April 2025. However, there has not been regular testing done of the Business Continuity Plan to ensure the plans are workable and effective.

Recommendation

We recommend that the Business Continuity Plan should be subjected to regular testing to ensure it can be effectively implemented should a disaster occur.

Management Comment

The Shire has an established Business Continuity Plan which is subject to periodic review. Management acknowledges the importance of regularly testing the Plan to ensure recovery procedures remain effective, staff understand their responsibilities, and any deficiencies are identified and addressed prior to an actual disruption event.

The Shire has an existing compliance task within its Compliance and Governance Framework requiring annual testing of the Business Continuity Plan. Management will ensure this process is undertaken and documented to provide assurance that the Plan remains current, practical and effective.

Testing may include desktop exercises, scenario-based discussions, or other appropriate methods to assess the effectiveness of the Plan and identify opportunities for improvement. Outcomes of testing exercises will be documented and used to inform future updates to the Business Continuity Plan and associated business continuity processes.

3. Induction for Audit, Risk and Improvement Committee Members

Finding

The Shire does not currently have a formal induction program in place for newly appointed Audit and Risk Committee members. An effective induction process is essential to ensure that committee members understand their roles and responsibilities, the Shire's risk profile, key governance structures, and the legislative and regulatory framework within which the Shire operates.

Without a structured induction program, there is a risk that committee members may not be adequately equipped to provide effective oversight of the Shire's governance, risk management, and internal control environment.

Recommendation

Management should develop and implement a formal induction program for all new Audit and Risk Committee members.

Management Comment

The Shire acknowledges the importance of ensuring Audit, Risk and Improvement Committee members are appropriately inducted to support the effective discharge of their governance, risk management and oversight responsibilities.

A formal induction program for Audit, Risk and Improvement Committee members is currently under development. The induction program will provide information on the Shire's governance framework, strategic objectives, risk management processes, legislative responsibilities, committee terms of reference, and other key documents relevant to the role of committee members.

Once implemented, the induction program will form part of the onboarding process for all newly appointed Committee members and will be reviewed periodically to ensure it remains current and effective.

5. IT General Controls Environment

Finding

Our review of the Shire's IT general controls environment identified the following control gaps that require:

- There is no IT strategic plan. The Shire has an Asset Management Plan for its Furniture and Office Equipment. Within this plan is the ICT Replacement Schedule. However, this is not an IT Strategic Plan.
- There is no Disaster Recovery Plan.
- There are no documented backup policy or operational procedures.
- While the ICT Executive Instructions are the primary governing document for internet use, expectations are reinforced through the Code of Conduct, Social Media Policy and records management obligations, forming a comprehensive governance framework. However, it is not known who monitors compliance with the internet usage policy and how this is done.

Recommendation

The Shire should follow-up these gaps with the Shire's outsourced IT service provider with a view resolving these issues.

Management Comment

The Shire notes that a Disaster Recovery Plan is in place and has previously been provided.

Management acknowledges that opportunities exist to strengthen the documentation and presentation of the Shire's ICT governance framework. While an ICT Replacement Schedule is incorporated within the Asset Management Plan, consideration will be given to the development of a broader ICT Strategic Plan to better document the Shire's long-term technology objectives, priorities and investment requirements.

Management will also review existing ICT documentation, including backup procedures, disaster recovery documentation and associated governance documents, to ensure they are appropriately documented, current and readily accessible. In addition, the Shire will work with its outsourced ICT service provider to clarify and document responsibilities for monitoring compliance with ICT policies and controls, including internet usage requirements.

Management considers that the matters identified primarily relate to documentation, accessibility and governance clarity, rather than an absence of processes or controls. Nevertheless, the Shire will undertake a review of its ICT governance documentation to ensure the framework is comprehensive, clearly documented and supported by appropriate monitoring and reporting arrangements.

Observations

Gifts Guidelines

The Shire currently does not have a formal Gifts Guidelines in place to govern the receipt and management of gifts offered to staff and elected members. Currently, the following documents addresses acceptance of gifts by employee and elected members:

- The Employee and Volunteer Code of Conduct
- Elected member and CEO attendance at events policy
- Executive Instructions - 2.35 Procedure for Outlining and Securing Sponsorship Benefits

The above documents do not provide clear guidance on the different types of gifts that may be accepted or declined, reporting requirements, approval processes, or thresholds for disclosure. This gap exposes the Shire to potential integrity, transparency, and conflict of interest risks, particularly in situations where the receipt of gifts may be perceived to influence decision-making or compromise impartiality.

It would benefit the Shire to develop a separate Gift Guidelines outlining the Shire's position on accepting gifts by Shire staff and elected members.

Review of Documents

The following was noted:

- The Fraud and Corruption Prevention Plan has not been reviewed since March 2020.
- The Public Interest Disclosure Internal Guidelines and Procedures document has not been reviewed since Jan 2019.

The Shire should review these documents on a more timely basis. Best practice is to undertake reviews every 2-3 years.

Staff Computer Log in IDs

Our review of the current staff logons identified the following persons who are not in the Shire's current employee listing, as provided by the Shire's HR team, but still have logon access to the Shire's computer systems. These persons maybe contractors and therefore do not show up on the Shire's employee listing.

The Shire should check this list to remove the logon access should these persons no longer require such access.

displayName
alex.mulenga
Amandeep Kaur
Anette De Waal
Bob Waddel
Gill Smith
Graham Broad
Justin Walker
Keith Ng
Kerri-Ann Hudson
Leandri Van Heerden
Leigh Ballard
Lily Webb
Mangarita Maibibi
Maria Martynjuk
Sanaa Eid
Scott Heil
Sophie Marinoni
Torre Evans
wendy.russell

Also, we noted 14 duplicate user IDs and 1 triple user ID.

displayName
Adam Majid
Adam Majid
Anette De Waal
Anette De Waal RDP
Breanna Dorrington
Breanna Dorrington
Dale Stewart
dale.stewart
Ian Graham
Ian Graham
John Warburton
john.warburton
John.Warburton
Kerri-Ann Hudson
Kerri Hudson
Lucas Rowland
Lucas Rowland
Maria Martynjuk
Maria Martynjuk
Peter Toboss
peter.toboss
Rebecca Miller
Rebecca Miller
Regina Razumovskaya
Regina Razumovskaya
Torre Evans
torre.evans

Generic Computer Log in IDs

A review of the current list of computer user IDs revealed that a high number of generic user accounts are in use within the Shire's IT systems. Generic user IDs are not assigned to specific individuals, which significantly reduces accountability and makes it difficult to track user activity or identify the source of

actions performed on the system. Management should review and disable any unnecessary or unused generic accounts.

displayName
30 Gray Street - Viewing
Accounts Payable
Accounts Receivable
AD Sync
AD Sync
Admin Coordinator
adminMC
Car Hire
CATS Coordinator
CDO - old
cdso-retied
Client Services Supervisor
Community Development Officer
Community Economic Dev Officer
Council Chambers
Council Chambers - Bookings
Council First
councillor apple id
Crisp Wireless
Cristie House
Customer Service
Dakoda Bolton-Black
Danielle's Availability
DCVC Conference Room
Duty Supervisor
Emergency Services
Enquiries
ESO
Feedback
Finance Group
First Response
Front Meeting Room
Governance
Health
Home Care Temp
Homecare Administration Officer
ICT Helpdesk
IT Administrator
IT Officer
IT Security
IT Vision
Jessie House
Jessie House
JH CS
Leave Calendar
Librarian
lsc Vacant
LSO1
Meeting Room
Meeting Room - Bookings
MLS
Narrogin Caravan Park
Narrogin Caravan Park 1
Narrogin Museum
Narrogin Reception Centre - Bookings
Narrogin Regional Leisure Centre
Narrogin Shire Events
Network Administrator
Oasis Tench
On-Premises Directory Synchronization Service Account
On-Premises Directory Synchronization Service Account
On-Premises Directory Synchronization Service Account
OST Admin
Parks and Gardens - Bookings
Payroll
Personal Trainer
Public Library User
Public Library User II
Rates
Rec Scanner
Record Admin
Records User
Recovery
Regional Environmental Health Officer
Request for Tender
Resource - Conference Phone
Resource - Headphones
Resource - Laptop (General Use)
Resource - Portable Amplifier
Resource - Projector
Resource - Projector Screen
Resource - SoN Venue
Resource - Training Computer
RFQ Email
Scan to Email
Senior Finance Officer
SkyKick Inc.
Temp Officer
Temp Pos
Temp User
Test Account
Test Room
Test Test Account
Town Hall - Bookings
Town Hall Complex - Bookings
Training Calendar
Venue Booking
Venue Booking
Visitor Centre
Volunteer

Appendix A – Risk Criteria

The following risk criteria was used to assess level of risk on review findings included in this Review Report.

Risk Assessment Matrix

Likelihood of Risk:

Rating	Description	Frequency
1	**Rare** – May occur, only in exceptional circumstances	< once in 15 years
2	**Unlikely** – Could occur at some time	At least once in 10 years
3	**Possible** – Should occur at some time	At least once in 3 years
4	**Likely** – Will probably occur in most circumstances	At least once per year
5	**Almost Certain** – Expected to occur in most circumstances	> once per year

Consequence of Risk:

Description	Health	Financial Loss	Operation	Compliance	Reputation	Project
1.Insignificant	No injuries or illness	<$50,000	Little Impact	Minor breach of policy, or process requiring approval or variance	Unsubstantiated, low impact, low profile or no news item.	Small variation to cost, timeliness, scope or quality of objectives and required outcomes.
2. Minor	First Aid treatment	$50,000 to $250,000	Inconvenient Delays	Breach of policy, process or legislation requiring attention of minimal damage control	Substantiated, low impact, low news profile.	5-10% increase in time or cost or variation to scope objective requiring approval
3. Moderate	Medical treatment required	$250,000 to $1 million	Significant delays to major deliverables	Breach requiring internal investigation, treatment or moderate damage control	Substantiated, public embarrassment, moderate impact, moderate news profile.	10-20% increase in time or cost or variation to scope objective requiring Senior Management approval
4. Significant	Death or extensive injuries	$1 million to $3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in tangible loss and damage to reputation	Substantiated, public embarrassment, moderate impact, high news profile and 3rd party actions.	20-50% increase in time or cost or significant variation to scope objective requiring restructure of project and Senior Management or Council approval
5. Severe	Multiple deaths or sever permanent disabilities	>$3 million	Non achievement of major deliverables	Breach resulting in external investigation or third party actions resulting in significant tangible loss and damage to reputation	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, 3rd party actions.	>50% increase in time or cost or inability to meet project objectives requiring the project to be abandoned or redeveloped

Risk Exposure:

Risk = Likelihood x Consequence

Score	Level of Risk	Score	Level of Risk	Score	Level of Risk
1 - 8	**Low**	9 - 19	**Medium**	20 - 25	**High**

2025 Compliance Audit Return

Local Government Authority: The Shire of Narrogin

Local Government Act 1995

s. 2.29

Has every person elected or appointed to a mayor, president, deputy, or councillor role made the required declaration in the prescribed form before a prescribed person, prior to acting in the office?

Response: Yes

Comments: s.2.29 declarations verified for all relevant elected/appointed members following the October 2025 election. Evidence retained in Council First – Election Management.

s. 3.16

Has the local government reviewed local laws, which have not been reviewed in the previous 8 years, to ensure compliance with Schedule 9.3, Clause 65?

Response: Yes

Comments: A statutory review of the Shire's local laws was completed in 2021, with Council noting completion of the review at the 25 August 2021 Ordinary Council Meeting. The review satisfies the transitional requirements of Schedule 9.3, clause 65. Evidence: 25 August 2021 OCM Minutes

s.3.57

Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?

Response: Yes

Comments: Tender Register and supporting procurement records reviewed for the period - RFT 2024/25-02 – Supply and Installation of Accommodation Units at Narrogin Caravan Park was publicly advertised and awarded in accordance with the tender requirements. Supporting records are retained in the Tender Register. Council Resolution 280525.06.

s. 3.58(3)

Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?

Response: Yes

Comments: Review of property disposals during the reporting period identified that relevant disposals were undertaken in accordance with section 3.58 requirements or an applicable exemption under section 3.58(5). OCM Minutes – 18 June 2025, Narrogin Race & Pace licence.

s. 3.58(4)

Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?

Response: Yes

Comments: The Shire issued a local public notice on 23 December 2025 for the proposed lease of 41–43 Federal Street to CSBP Ltd. The notice included the other party, proposed consideration of $18,180 + GST per annum and the market value of $18,180 + GST, supported by an independent market appraisal received on 13 November 2025, consistent with section 3.58(4)

s. 3.59(2)(a)

Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2025?

Response: N/A

s. 3.59(2)(b)

Has the local government prepared a business plan for each major land transaction that was not exempt in 2025?

Response: N/A

s. 3.59(2)(c)

Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2025?

Response: N/A

s. 3.59(4)

Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?

Response: N/A

s. 3.59(5)

During 2025, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?

Response: N/A

s. 5.16 (1)

Were all delegations to committees resolved by absolute majority?

Response: N/A

Comments: No delegations to Council committees during the reporting period.

s. 5.16 (2)

Were all delegations to committees in writing?

Response: N/A

Comments: No delegations to Committee's

s. 5.17

Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?

Response: N/A

s. 5.18

Were all delegations to committees recorded in a register of delegations?

Response: N/A

s. 5.36(4) and s. 5.37(3)

Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?

Response: Yes

Comments: All CEO and senior employee vacancies during the review period were advertised in accordance with regulation 18A of the Local Government (Administration) Regulations 1996. For example, the Executive Manager Planning & Sustainability position was advertised using the Shire's standard recruitment process and included the prescribed vacancy and application information.

s. 5.37(2)

Did the CEO inform council of each proposal to employ or dismiss senior employee?

Response: Yes

Comments: Proposals to employ designated senior employees were presented to Council for the Executive Manager Planning & Sustainability and Executive Manager Infrastructure Services appointments. Refer Council Minutes 23 July 2025 and 22 October 2025.

Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?

Response: N/A

s. 5.39B

Has the local government adopted and maintained model standards that incorporate the prescribed model standards within required timeframes (including amendments), ensured adoption by absolute majority, published an up-to-date version on its official website, and avoided including any inconsistent additional provisions?

Response: Yes

Comments: Yes – Council adopted the Shire of Narrogin Standards for CEO Recruitment, Performance and Termination on 24 February 2021 by absolute majority. The Standards incorporate the prescribed model standards and are published on the Shire's official website. Policy 1.18 records subsequent reviews on 26 April 2023 and 28 May 2025.

s. 5.42

Were all delegations to the CEO resolved by an absolute majority?

Response: Yes

Comments: Council’s Delegations Register was reviewed and adopted at the Ordinary Council Meeting held 28 May 2025, under Council Resolution 280525.12.

Were all delegations to the CEO in writing?

Response: Yes

Comments: All delegations to the CEO were in writing and are documented in the Shire of Narrogin Delegations Register.

s. 5.43

Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?

Response: Yes

Comments: The Shire's Delegations Register excludes powers and duties that cannot be delegated to the CEO

s. 5.44(2)

Were all employees delegated authority by the CEO under Section 5.44(1), issued with a written instrument of delegation?

Response: Yes

Comments: Following Council's annual review of the Delegations Register, employees delegated authority by the CEO under s.5.44(1) are issued with written instruments of delegation. An annual action is included in the Shire's Compliance Calendar to prompt this process following Council's review and ensure the written instruments are current.

s. 5.45(1)(b)

Were all decisions by the Council to amend or revoke a delegation made by absolute majority?

Response: Yes

Comments: Amendments arising from the annual review of the Delegations Register were adopted by absolute majority under Council Resolution 280525.12. Examples of amendments included changes to Delegation 3.11 – Financial Donations/Sponsorship and Delegation 3.4 – Disposing of Land.

s. 5.46

Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?

Response: Yes

Comments: The Shire's Delegations Register Smartsheet

Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2024/2025 financial year?

Response: Yes

Comments: Yes. Delegations were reviewed as part of the annual review of the Delegations Register, which was presented to Council at the 28 May 2025 Ordinary Council Meeting and adopted under Resolution 280525.12.

Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?

Response: Yes

Comments: Delegated decisions are recorded through the relevant operational or administrative records, with applicable uses also captured in the Shire's Delegations Used Smartsheet.

s. 5.50

If the local government paid a finishing employee an amount in addition to their entitlement, did the local government follow a policy it had adopted and published on its website outlining the circumstances in relation to payments made to terminated employees?

Response: N/A

If the local government made a payment to a finishing employee that is more than the amount set out in the policy, was local public notice given?

Response: N/A

s. 5.51A

Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government?

Response: Yes

Comments: The Code is also published on the Shire's official website

Has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/adopted-codes-of-conduct.aspx

s. 5.67

Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?

Response: Yes

Comments: Council minutes record members leaving the meeting where required following disclosure of an interest. For example, at the 28 May 2025 Ordinary Council Meeting, Cr McNab declared a financial interest and left the Council Chambers at 7:47pm

s. 5.68(2)

Were all decisions regarding participation approval in relation to Section 5.68(2), including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?

Response: N/A

Comments: No Council-granted participation approval identified in 2025.

s. 5.69(5)

Were all decisions regarding participation approval in relation to Section 5.69(5), including the extent of participation allowed recorded in the minutes of the relevant council or committee meeting?

Response: N/A

Comments: No Ministerial participation approval identified in 2025.

s. 5.70

Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?

Response: Yes

Comments: See agenda item headings under disclosure

s. 5.71B(5) and (7)

Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?

Response: N/A

Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?

Response: N/A

s. 5.73

Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?

Response: Yes

Comments: For example, at the 28 May 2025 Ordinary Council Meeting, Cr McNab's declaration of financial interest was recorded in the minutes, together with her departure from the Council Chambers at 7:47pm.

s. 5.75

Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?

Response: Yes

s. 5.76

Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?

Response: Yes

s. 5.77

On receipt of a primary or annual return, did the CEO, or the Mayor/President, as the case may be, give written acknowledgment of having received the return?

Response: Yes

s. 5.88

Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/register-of-financial-interests.aspx

Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/register-of-financial-interests.aspx

After a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?

Response: Yes

Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?

Response: Yes

s. 5.89A

Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/registers/registers.aspx

Did the CEO publish an up-to-date version of the gift register on the local government's website?

Response: Yes

s. 5.90A

Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?

Response: Yes

Comments: Council Policy 1.15 – Elected Member and Chief Executive Officer Attendance at Events Policy, Council Policy Manual; reviewed 28 May 2025 and published on the Shire website.

s. 5.94

Does the local government have information available for members of the public to inspect, free of charge as prescribed under section 5.94 and Admin Reg 29, except where restricted under this section?

Response: Yes

Comments: Prescribed information available for public inspection free of charge at the Shire Administration Office and Narrogin Regional Library as well as on the website.

s. 5.96

Where a person is entitled to inspect information under this Division, can the local government confirm that copies are available and that the price at which it sells copies does not exceed the cost of providing them, (unless prescribed otherwise)?

Response: Yes

Comments: the Shire's adopted Schedule of Fees and Charges and do not exceed the cost of providing the copies.

s. 5.96A

Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?

Response: Yes

Comments: Required information is published on the Shire of Narrogin website in accordance with s.5.96A, including statutory registers, Council agendas and confirmed minutes, local laws, budget, fees and charges and strategic documents, with restricted information excluded as required.

s. 5.104

Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates that incorporates the model code of conduct?

Response: Yes

Comments: Policy 1.1 Code of Conduct; adopted under Resolution 0221.016 and remained in force as part of the Council Policy Manual during 2025. The whole Policy Manual was subsequently reviewed and endorsed under Resolution 280525.13 on 28 May 2025.

Did the local government adopt additional requirements in addition to the model code of conduct?

Response: No

Comments: No additional requirements were adopted. The Shire applied the Model Code of Conduct as prescribed under the Local Government (Model Code of Conduct) Regulations 2021.

Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government’s website?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/adopted-codes-of-conduct.aspx

s. 5.128

Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?

Response: Yes

Comments: Council Policy 1.17 Continuing Professional Development was reviewed following the 2025 ordinary election and retained by Absolute Majority under Resolution 221025.10 on 22 October 2025.

s. 7.12A(3), (4) and (5)

Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?

Response: Yes

Comments: Matters raised by the auditor requiring action are being addressed through management actions. Outstanding audit findings are monitored with responsible officers and target completion dates.

Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?

Response: N/A

Comments: No significant matters were identified in the auditor's report for the year ended 30 June 2025

Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?

Response: N/A

Comments: No report was required under s.7.12A(4) as no significant matters were identified.

Local Government (Administration) Regulations 1996

r. 18F

Were the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?

Response: N/A

Comments: No CEO was appointed during the review period.

r. 19AB

Does the code of conduct contain the requirement that a local government employee (not including the CEO) must not accept a prohibited gift from an associated person?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/adopted-codes-of-conduct.aspx

r. 19AC

Does the local government's code of conduct include requirements for the recording, storing, disclosure, and use of information relating to gifts accepted by local government employees (excluding the CEO) from associated persons, in accordance with regulatory requirements?

Response: No

Comments: The Employee & Volunteer Code of Conduct includes requirements relating to the recording and disclosure of employee gift information; however, requirements relating to the storage and use of this information are not expressly addressed. The Code has been identified for amendment to ensure all requirements of regulation 19AC are clearly incorporated.

r. 19AE

Does the local government's code of conduct include requirements addressing employee behaviour in the performance of duties, interactions with others, use and disclosure of information, use of local government resources and finances, the keeping of records, and the reporting and management of suspected breaches and misconduct, in accordance with regulatory requirements?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/adopted-codes-of-conduct.aspx

r. 19B

Did the local government include in its annual report all information required under section 5.53(2)(g) and (i) and regulation 3A(2), including number of employee's in salary bands over $130,000, remuneration and allowances paid, ordered payments, CEO remuneration, council member meeting attendance,

available demographic information about council members, and details of any modifications to the strategic community plan or significant modifications to the corporate business plan?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/documents/1956/shire-of-narrogin-annual-report-2024-25

r. 19C

Has the local government adopted by absolute majority a strategic community plan?

Response: No

Comments: The Strategic Community Plan 2017–2027 was adopted by absolute majority on 24 May 2017 and the most recent documented review was adopted on 24 July 2019. No evidence of a subsequent review between 1 January 2021 and 31 December 2025 has been identified.

r. 19DA

Has the local government reviewed its corporate business plan in accordance with Admin Regulation 19DA(4)?

Response: Yes

Date of review: 18/06/2025

Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?

Response: Yes

Comments: covering a four-year period and setting out the Shire's priorities consistently with the Strategic Community Plan and internal business planning requirements.

r. 22

No response required. This is covered by s5.75.

r. 23

No response required. This is covered by s5.76.

r. 28

No response required. This is covered by s5.88(1).

r. 28A

No response required. This is covered by s5.89A(1).

r. 29

No response required. This is covered by s5.94.

r. 29C

Does the local government publish all prescribed information on its official website— including up-to-date policies, required details of council member and employee returns, council member fees and allowances, and relevant public notices—within the specified timeframes and in accordance with legislative requirements?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/registers/registers.aspx

r. 35

Has every local government council member completed and passed the Council Member Essentials course, consisting of the five required modules and delivered by an approved provider, within 12 months of being elected?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/registers/registers.aspx

r. 36

Does the local government appropriately identify and document council members who are exempt from the training requirements under section 5.126(1), including verifying that the member:

- has completed an approved course within the specified 5-year period prior to election, or
- completed the LGASS00002 Elected Member Skill Set before 1 July 2019 within the relevant timeframe, or
- qualifies for the transitional exemption applicable to council members in office at the commencement of the 2019 regulatory amendments?

Response: N/A

Local Government (Audit) Regulations 1996

r. 10

Was the auditor's report for the financial year ending 30 June 2025 received by the local government within 30 days of completion of the audit?

Response: Yes

r. 17

Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2025?

Response: N/A

Comments: Last Regulation 17 Review completed September 2022 and received by Council 22 February 2023 (Resolution 230222.012). However, the 2025 CAR date field only permits a 2025 Council resolution date, and no Regulation 17 review was received by Council during 2025.

Local Government (Constitution) Regulations 1998

r. 11FA

Did the CEO provide the Minister a report as to the result of the election within 14 days of the declaration and in the form of Form 20 of the Local Government (Elections) Regulations 1997, modified as necessary?

Response: Yes

Comments: Form sent 29/10/2025

r. 13

Were all required oaths, affirmations and declarations under section 2.42 (in relation to Commissioners) made in the correct form (Form 8), before the appropriate authorised person?

Response: N/A

Local Government (Elections) Regulations 1997

r. 30G

Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/documents/1716/register-of-electoral-gifts

Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?

Response: Yes

Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?

Response: Yes

r. 5

Has the CEO ensured efficient systems and procedures are established under provisions set out in Financial Management Regulations 5(1)(a) to (g)?

Response: Yes

Comments: Reviewed relevant financial management policies, procedures and internal controls supporting the requirements of r.5(1)(a)–(g). Systems and procedures are established and operating.

r. 6

Has the local government ensured that any employee delegated responsibility for day-to-day accounting or financial management operations is not also delegated the responsibility for conducting internal audits, reviewing their own duties, or for managing, directing or supervising someone who carries out these functions?

Response: Yes

Comments: Financial management duties are appropriately segregated and no employees responsible for day-to-day accounting or financial management operations are delegated incompatible internal audit functions

r. 7

Did the local government ensure it has regard to the needs of the inhabitants of the district as a whole and not keep separate ward accounts or determine expenditure on the basis of revenue from a ward?

Response: N/A

Comments: The Shire is not separated into Wards

r. 8

Does the local government maintain separate accounts with a bank or other financial institution for money to be held in the municipal fund, trust fund and for reserve account purposes?

Response: Yes

Comments: Separate accounts are maintained for municipal, trust and reserve purposes in accordance with the Financial Management Regulations.

r. 9

Did the local government keep separate financial records for each trading undertaking and each major land transaction?

Response: N/A

Comments: The Shire did not undertake any trading undertakings or major land transactions during the reporting period.

r. 11

Has the local government developed procedures for the authorisation of, and the payment of, accounts in accordance with Local Government (Financial Management) Regulations 11(1), (2) and (3)?

Response: Yes

Comments: Procedures are established for the authorisation and payment of accounts in accordance with Financial Management Regulation 11.

r. 12

Were payments made from the municipal fund or trust fund made by the CEO under a delegated authority or authorised, in accordance with regulation 13(2), in advance by a council resolution?

Response: Yes

Comments: Payments from the Municipal and Trust Funds were made under delegated authority pursuant to Delegation 3.9 – Municipal Fund and Trust Fund: Payments from Bank Accounts, with accounts paid reported to Council.

r. 13

Can the local government confirm that, where the CEO has been delegated authority to make payments from the municipal or trust fund, the CEO prepared accurate monthly lists that are presented at the next ordinary council meeting and recorded in the minutes?

- includes the payee's name, payment amount, payment date, and sufficient information to identify each transaction where payments have already been made; or
- includes the payee's name, payment amount, sufficient information to identify each transaction, and the date of the council meeting (to which the list will be presented) for accounts requiring council approval.

Response: Yes

Comments: Monthly Schedules of Accounts Paid are prepared detailing the payee, payment date, amount and transaction information and are presented to the next Ordinary Council Meeting and recorded in the minutes.

r. 13A

Did the local government prepare a list each month of all payments made using employee-authorised credit, debit or other purchasing cards, and include the payee’s name, the amount of the payment, the date of the payment, sufficient information to identify the payment, and present the list at the next ordinary council meeting (and record in the minutes)?

Response: Yes

Comments: Monthly Schedules of Accounts Paid include payments made using employee-authorised credit, fuel and purchasing cards and are presented to the next Ordinary Council Meeting and recorded in the minutes.

r. 19

Has the local government established and documented internal control procedures to enable identification of the nature and location of all investments and any related transactions?

Response: Yes

Comments: Finance Procedure Manual – KCA 7 Investments.

r. 19C

Has the local government ensured that all investments made under section 6.14(1) comply with statutory restrictions set out in Financial Management Reg. 19C?

Response: Yes

Comments: Investment Register reviewed for the 2025 period against the requirements of Financial Management Regulation 19C.

Local Government (Functions and General) Regulations 1996

r. 7

No response required. This is covered by s3.59(2).

r. 9

No response required. This is covered by s3.59(2).

r. 10

No response required. This is covered by s3.59(2).

r. 11A

Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, $250,000 or less or worth $250,000 or less?

Response: Yes

Comments: Compliance with the Shire's Purchasing Policy for purchases of $250,000 or less confirmed by the Executive Manager Corporate & Community Services.

r. 11

No response required. This is covered by s3.57.

r. 12

Did the local government consider the implications of Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?

Response: N/A

r. 14(1), (3) and (5)

If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?

Response: N/A

Comments: No variations to information supplied to tenderers during the review period.

r. 15

Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?

Response: Yes

Comments: Tender procedures for the receipt and opening of tenders are documented in the Shire's procurement procedures.

r. 16

No response required. This is covered by r. 15.

r. 17

Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?

Response: Yes

Comments: https://www.narrogin.wa.gov.au/your-shire/your-council/registers/tender-register.aspx

r. 18(1) and (4)

Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?

Response: N/A

Comments: No tenders were received outside the place or time specified during the review period.

Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?

Response: N/A

r. 19

Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?

Response: Yes

r. 21

Does the local government's advertising and expression of interest processes for limiting who can tender comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?

Response: N/A

r. 22

No response required. This is covered by r. 21.

r. 23

Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?

Response: N/A

Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?

Response: N/A

r. 24

Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?

Response: N/A

r. 24AD(2), (4) and (6)

Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?

Response: N/A

If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?

Response: N/A

r. 24AE

No response required. This is covered by r. 24AD(2), (4) and (6).

r. 24AF

No response required. This is covered by r. 24AD(2), (4) and (6).

r. 24AG

Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?

Response: N/A

r. 24AH(1) and (3)

Did the local government reject any applications to join a panel of prequalified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?

Response: N/A

Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?

Response: N/A

r. 24AI

Did the CEO send each applicant written notice advising them of the outcome of their application?

Response: N/A

r. 24E

Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?

Response: N/A

r. 24F

No response required. This is covered by r. 24E.

I certify this is a true and accurate copy of the 2025 Compliance Audit Return, as adopted by Council at the meeting of _____ 2026.

CEO	Date
Mayor or President	Date