



23 FEBRUARY 2025

**AUDIT, RISK & IMPROVEMENT
COMMITTEE MEETING**

AGENDA

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1. OPENING

The Chairperson to declare the meeting open.

2. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

2.1 Committee Members

Cr AFC Sattler	Chairperson
Cr DJ Ridgway	Shire President
Cr JR Maxwell	

2.2 Staff Members

Mr SP Gollan	Chief Executive Officer
Mr SK Marshall	Deputy Chief Executive Officer
Mrs A Lewis	Executive Assistant

2.3 Observers and Visitors

2.4 Apologies and Approved Leave of Absence

3. DECLARATIONS OF INTEREST

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Audit and Risk Committee Meeting 29 October 2025

OFFICER'S RECOMMENDATION

That the Minutes of the Audit, Risk and Improvement Committee Meeting held Wednesday 29 October 2025 be confirmed.

5. OFFICER REPORTS

5.1 2025/26 Budget Review

Submission To:	ARIC Meeting 23 February 2026
Report Date:	11 February 2026
Applicant:	N/A
File Reference:	ADM 0092
Author and Position:	Simon Marshall, Deputy Chief Executive Officer
Previously Before Council:	Annually
Disclosure(s) Of Interest:	Nil
Attachments:	2025/26 Budget Review Statement of Financial Activity.

SUMMARY

The Audit, Risk and Improvement Committee to examine the 2025/26 Budget Review and consider recommending to Council that it be adopted.

BACKGROUND

A Budget Review is conducted annually by comparing actual revenue and expenditure as at 31 December 2025 to budget estimates and forecasting predicted revenue and expenditure to 30 June 2026.

The budget review process is a statutory requirement but also reflects good management practice.

COMMENT

A budget review has been undertaken by staff as per the requirements of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996*.

Any savings realised or over expenditure incurred as at 31 December 2025 has been included in forward projections.

In summary, it is forecast that a budget deficit/surplus of \$552,131.00 may be realised as at 30 June 2026.

See Budget Review financial report attached to this report for surplus components.

STATUTORY ENVIRONMENT

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* provides that:

- (1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government’s financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government’s financial position as at the date of the review; and
 - (c) review the outcomes for the end of that financial year that are forecast in the budget.
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.
*Absolute majority required.
- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Strategic Pillar: 4. Civic Leadership

Strategic Priorities: 4.2 Continuous organisational improvement

4.3 Responsible planning

RISK IMPLICATIONS

Failure to complete a Budget Review would result in non-compliance *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996*. Approval of this item will mitigate the consequence

Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommend to Council that the 2025/26 Budget Review be adopted and forwarded to the Department of Local Government.

SHIRE OF BEVERLEY
BUDGET REVIEW
FOR THE YEAR ENDED 30TH JUNE 2026

	2025/26 YTD* Actual \$	2025/26 Budget \$	2025/26 Forecast \$	Budget Variance \$	Budget Comment Variance %
REVENUES					
Rates	3,585,021	3,580,630	3,586,598	5,968	0.17%
Grants, Subsidies and Contributions	649,734	1,212,241	1,279,524	67,283	5.55%
Fees and Charges	574,583	1,152,020	1,170,997	18,977	1.65%
Interest Earnings	114,926	180,221	250,731	70,510	39.12% Interest earning on investments estimated to be greater than anticipated.
Other Revenue	112,766	248,485	243,229	(5,256)	-2.12%
Profit On Asset Disposal	-	7,000	18,637	11,637	166.24% Profit on disposal of vehicles estimated to be greater than anticipated.
	5,037,030	6,380,597	6,549,716	169,119	
EXPENSES					
Employee Costs	(1,272,874)	(2,910,175)	(2,932,136)	(21,961)	0.75% HR Manager recruitment expenses estimated to be lower than anticipated.
Materials and Contracts	(799,851)	(2,510,263)	(2,163,067)	347,196	-13.83% Consultancy services, Swimming Pool Management Fees and Fuel and Oil expenditure estimated to be lower than anticipated.
Utility Charges	(103,767)	(265,210)	(265,210)	-	0.00%
Depreciation	(1,387,973)	(2,490,097)	(2,490,097)	-	0.00%
Finance costs	(64,263)	(139,792)	(139,792)	-	0.00%
Insurance	(336,242)	(372,618)	(364,435)	8,183	-2.20%
Other Expenditure	(56,616)	(98,101)	(101,600)	(3,499)	3.57%
Loss On Asset Disposal	(6,874)	(22,500)	(11,874)	10,626	-47.23% Loss on disposal of vehicles estimated to be lower than anticipated.
Loss on Revaluation of Non-Current Assets	-	-	-	-	0.00%
	(4,028,459)	(8,808,756)	(8,468,211)	340,545	
Net Operating Result	1,008,571	(2,428,159)	(1,918,495)	509,664	
Adjustments for Cash Budget Requirements:					
Non-Cash Expenditure and Revenue					
Movements in Non-Current to Current Items	2,679	-	-	-	0.00%
(Profit)/Loss on Asset Disposals	6,874	15,500	(6,763)	(22,263)	-143.63%
Loss on Revaluation of Non Current Assets	-	-	-	-	0.00%
Depreciation on Assets	1,387,973	2,490,098	2,490,097	(1)	0.00%
Capital Expenditure and Revenue					
Purchase Land Held for Resale	-	-	-	-	0.00%
Purchase Land and Buildings	(2,943,343)	(7,613,658)	(3,529,183)	4,084,475	-53.65% Cabin expansion, WACHs Housing and Housing Subdivision infrastructure works estimated to be carried over to 26/27.
Purchase Plant and Equipment	(103,104)	(454,000)	(454,612)	(612)	0.13%
Purchase Furniture and Equipment	(35,471)	(35,600)	(35,471)	129	-0.36%
Purchase Infrastructure Assets - Roads	(535,590)	(1,984,522)	(2,116,033)	(131,511)	6.63% Additional AGRN1061 Storm Damage works offset by funding arrangements.
Purchase Infrastructure Assets - Bridges	(147)	(1,786,000)	(1,786,000)	-	0.00%
Purchase Infrastructure Assets - Drainage	-	(10,821)	(10,821)	-	0.00%
Purchase Infrastructure Assets - Footpaths	-	(107,428)	(107,428)	-	0.00%
Purchase Infrastructure Assets - Parks	-	-	-	-	0.00%
Capital Grants, Subsidies and Contributions	1,381,314	4,885,373	4,071,024	(814,349)	-16.67% Housing subdivision infrastructure funding likely to be carried over to 26/27.
Proceeds from Disposal of Assets	50,000	165,000	168,637	3,637	2.20%
Lease Payments	(5,331)	(5,331)	(5,331)	-	0.00%
Repayment of Debentures	(136,312)	(275,310)	(275,310)	-	0.00%
Proceeds from New Debentures	-	3,000,000	-	(3,000,000)	-100.00%
Self-Supporting Loan Principal Income	-	-	-	-	0.00%
Transfers to Reserves (Restricted Assets)	(268,916)	(455,619)	(530,619)	(75,000)	16.46% Caravan Park and Cabin operating surplus anticipated to be transferred to Reserve.
Transfers from Reserves (Restricted Assets)	30,000	1,740,200	1,738,162	(2,038)	-0.12%
Surplus/(Deficit) July 1 B/Fwd	2,860,277	2,860,277	2,860,277	0	0.00%
Estimated Surplus/(Deficit) June 30 C/Fwd	2,699,475	-	552,131	552,131	

* Balances as at 31 December 2025.

5.2 Model Code of Conduct

Submission To:	ARIC Meeting 18 February 2025
Report Date:	12 February 2026
Applicant:	N/A
File Reference:	ADM 0237
Author and Position:	Stephen Gollan, Chief Executive Officer
Previously Before Council:	Annually
Disclosure(s) Of Interest:	Nil
Attachments:	Amended Shire of Beverley Code of Conduct

SUMMARY

The Audit, Risk and Improvement Committee to recommend to Council that the amended Code of Conduct for Council Members, Committee Members and Candidates be adopted.

BACKGROUND

Significant amendments to the *Local Government Act 1995* (the Act) and Regulations took effect on 1 January 2026.

Amendments to the Model Code of Conduct prescribed in the *Local Government (Model Code of Conduct) Regulations 2021* provide for the new role of the Local Government Inspector and clarify decision-making responsibilities for behavioural breach complaints.

Local Governments are required to incorporate the amendments into their Code of Conduct no later than 31 March 2026.

After adoption the updated Code must be published on the Shire on website as per of the Act.

COMMENT

The amended Shire of Beverley Code of Conduct for Council Members, Committee Members and Candidates with additions and amendments in red.

STATUTORY ENVIRONMENT

Local Government Act 1995, s.5.104(2) and s.5.104(7).

Local Government (Model Code of Conduct) Regulations 2021

5.104. Adoption of model code of conduct

- (2) Within 3 months after the day on which regulations amending the model code come into operation, the local government must amend* the adopted code of conduct to incorporate the amendments made to the model code.

* *Absolute majority required.*

- (7) The CEO must publish an up-to-date version of a local government's adopted code of conduct on the local government's official website.

FINANCIAL IMPLICATIONS

Minimal impact to future Budgets unless Breach Complaints arise.

STRATEGIC IMPLICATIONS

Strategic Pillar: 4. Civic Leadership

Strategic Priorities: 4.2 Continuous organisational improvement

RISK IMPLICATIONS

Failure to adopt the Code of Conduct would result in non-compliance. Approval of this item will mitigate any potential consequences.

Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

POLICY IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommends to Council the updated Code of Conduct for Council Members, Committee Members and Candidates be adopted.



Shire of Beverley

Code of Conduct for Council Members, Committee Members and Candidates

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Shire of Beverley Code of Conduct for Council Members, Committee Members and Candidates

Policy Purpose:

This Policy is adopted in accordance with section 5.104 of the *Local Government Act 1995*.

Division 1 — Preliminary provisions

1. Citation

This is the Shire of Beverley Code of Conduct for Council Members, Committee Members and Candidates.

2. Terms used

(1) In this code —

Act means the Local Government Act 1995;

candidate means a candidate for election as a council member;

complaint means a complaint made under clause 11(1);

publish includes to publish on a social media platform.

(2) Other terms used in this code that are also used in the Act have the same meaning as they have in the Act, unless the contrary intention appears.

Division 2 — General principles

3. Overview of Division

This Division sets out general principles to guide the behaviour of council members, committee members and candidates.

4. Personal integrity

(1) A council member, committee member or candidate should —

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and
- (c) act lawfully; and
- (d) identify and appropriately manage any conflict of interest; and
- (e) avoid damage to the reputation of the local government.

- (2) A council member or committee member should —
- (a) act in accordance with the trust placed in council members and committee members; and
 - (b) participate in decision making in an honest, fair, impartial and timely manner; and
 - (c) actively seek out and engage in training and development opportunities to improve the performance of their role; and
 - (d) attend and participate in briefings, workshops and training sessions provided or arranged by the local government in relation to the performance of their role.

5. Relationship with others

- (1) A council member, committee member or candidate should —
- (a) treat others with respect, courtesy and fairness; and
 - (b) respect and value diversity in the community.
- (2) A council member or committee member should maintain and contribute to a harmonious, safe and productive work environment.

6. Accountability

A council member or committee member should —

- (a) base decisions on relevant and factually correct information; and
- (b) make decisions on merit, in the public interest and in accordance with statutory obligations and principles of good governance and procedural fairness; and
- (c) read all agenda papers given to them in relation to council or committee meetings; and
- (d) be open and accountable to, and represent, the community in the district.

Division 3 — Behaviour

7. Overview of Division

This Division sets out —

- (a) requirements relating to the behaviour of council members, committee members and candidates; and
- (b) the mechanism for dealing with alleged breaches of those requirements.

8. Personal integrity

(1) A council member, committee member or candidate —

- (a) must ensure that their use of social media and other forms of communication complies with this code; and
- (b) must only publish material that is factually correct.

(2) A council member or committee member —

- (a) must not be impaired by alcohol or drugs in the performance of their official duties; and
- (b) must comply with all policies, procedures and resolutions of the local government.

9. Relationship with others

A council member, committee member or candidate —

- (a) must not bully or harass another person in any way; and
- (b) must deal with the media in a positive and appropriate manner and in accordance with any relevant policy of the local government; and
- (c) must not use offensive or derogatory language when referring to another person; and
- (d) must not disparage the character of another council member, committee member or candidate or a local government employee in connection with the performance of their official duties; and
- (e) must not impute dishonest or unethical motives to another council member, committee member or candidate or a local government employee in connection with the performance of their official duties.

10. Council or committee meetings

When attending a council or committee meeting, a council member, committee member or candidate —

- (a) must not act in an abusive or threatening manner towards another person; and
- (b) must not make a statement that the member or candidate knows, or could reasonably be expected to know, is false or misleading; and
- (c) must not repeatedly disrupt the meeting; and
- (d) must comply with any requirements of a local law of the local government relating to the procedures and conduct of council or committee meetings; and
- (e) must comply with any direction given by the person presiding at the meeting; and
- (f) must immediately cease to engage in any conduct that has been ruled out of order by the person presiding at the meeting.

11. Complaint about alleged breach

- (1) A person may make a complaint, in accordance with subclause (2), alleging a breach of a requirement set out in this Division.
- (2) A complaint must be made —
 - (a) in writing in the form approved by the local government; and
 - (b) to a person authorised under subclause (3); and
 - (c) within 1 month after the occurrence of the alleged breach.
- (3) The local government must, in writing, authorise 1 or more persons to receive complaints and withdrawals of complaints. The Chief Executive Officer was appointed as the Complaints Officer at the 23 February 2021 Ordinary Council meeting.
- (4) **A complaint must be dealt with under clauses 12 to 15 unless —**
 - (a) the complaint is referred to the Inspector in accordance with subclause (5); and
 - (b) the Inspector refers the complaint to be dealt with under Part 8A Division 5 of the Act.
- (5) **If the *Local Government (Model Code of Conduct) Regulations 2021* regulation 3A applies to a complaint, a person authorised under subclause (3) must refer the complaint to the Inspector under section 5.105(3) of the Act.**
- (6) **A complaint must also be dealt with under clauses 12 to 15 if the Inspector refers the complaint to the local government under the *Local Government (Local Government Inspector) Regulations 2025* regulation 6.**

12. Dealing with complaint

- (1) After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.
- (2) Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.
- (3) A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.
- (4) If the local government makes a finding that the alleged breach has occurred, the local government may —
 - (a) take no further action; or
 - (b) prepare and implement a plan to address the behaviour of the person to whom the complaint relates.
- (5) When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.
- (6) A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to do 1 or more of the following —
 - (a) engage in mediation;
 - (b) undertake counselling;
 - (c) undertake training;
 - (d) take other action the local government considers appropriate.
- (7) If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of —
 - (a) its finding and the reasons for its finding; and
 - (b) if its finding is that the alleged breach has occurred — its decision under subclause (4).

13. Dismissal of complaint

- (1) The local government must dismiss a complaint if it is satisfied that —
 - (a) the behaviour to which the complaint relates occurred at a council or committee meeting; and
 - (b) either —
 - (i) the behaviour was dealt with by the person presiding at the meeting; or

- (ii) the person responsible for the behaviour has taken remedial action in accordance with a local law of the local government that deals with meeting procedures.
- (2) If the local government dismisses a complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of its decision and the reasons for its decision.

14. Withdrawal of complaint

- (1) A complainant may withdraw their complaint at any time before the local government makes a finding in relation to the complaint.
- (2) The withdrawal of a complaint must be —
 - (a) in writing; and
 - (b) given to a person authorised under clause 11(3).

14A. Appointment of monitor

- (1) The Inspector may appoint a monitor for the local government to assist the local government to deal with matters raised by a complaint.
- (2) If the Inspector appoints a monitor —
 - (a) the Inspector may direct the local government to defer further dealing with the complaint until the monitor reports to the Inspector on the outcome of the monitoring assignment; and
 - (b) the local government must comply with the direction.

14B. Performance of local government's functions under cl. 12 and 13

- (1) The local government's functions under clauses 12 and 13 must be performed by the council.
- (2) Despite subclause (1), the council may, by resolution carried with an absolute majority of the council, authorise a committee of the council comprising council members only to perform a function for and on behalf of the local government.
- (3) Despite subclause (1), the council may, by resolution carried with an absolute majority of the council, authorise a person who is none of the following to perform a function for and on behalf of the local government —
 - (a) a member of the council of any local government;
 - (b) a member of the governing body of any regional subsidiary;
 - (c) an employee of any local government or regional subsidiary;
 - (d) an employee of WALGA or the Local Government Professionals Australia (WA);
 - (e) a member of the governing body of, or an employee of, a body corporate the activities of which are, wholly or partly, advocating or otherwise acting for, or on behalf of, 1 or more of the following —
 - (i) local governments;

- (ii) members of councils;
 - (iii) employees of local governments.
- (4) A resolution made under subclause (3) must include the following —
- (a) a statement to the effect that the council is satisfied that the person being authorised is suitably qualified and experienced to perform the function;
 - (b) an explanation as to why the council is satisfied as referred to in paragraph (a);
 - (c) a statement to the effect that the council is satisfied that the person being authorised is impartial and has no close association with any member of the council or any employee of the local government.
- (5) Nothing in this clause prevents an employee of the local government from providing, in relation to the performance of a function, any advice or other assistance to the council, a committee authorised under subclause (2) or a person authorised under subclause (3).

15. Other provisions about complaints

- (1) A complaint about an alleged breach by a candidate cannot be dealt with by the local government unless the candidate has been elected as a council member.
- (2) The procedure for dealing with complaints may be determined by the local government to the extent that it is not provided for in this Division.
- (3) Clauses 14A and 14B do not apply in relation to a complaint made before 1 January 2026.

Division 4 — Rules of conduct

Notes for this Division:

- ~~1. Under section 5.105(1) of the Act a council member commits a minor breach if the council member contravenes a rule of conduct. This extends to the contravention of a rule of conduct that occurred when the council member was a candidate.~~
- ~~2. A minor breach is dealt with by a standards panel under section 5.110 of the Act.~~

Notes for this Division:

- 1. Under section 8A.3(1) of the Act, a council member commits a conduct breach if the council member contravenes a rule of conduct. Section 8A.3(2) of the Act extends this to the contravention of a rule of conduct that occurred when the council member was a candidate.
- 2. A conduct breach is dealt with under Part 8A Division 5 of the Act.

16. Overview of Division

- (1) This Division sets out rules of conduct for council members and candidates.
- (2) A reference in this Division to a council member includes a council member when acting as a committee member.

17. Misuse of local government resources

(1) In this clause —

electoral purpose means the purpose of persuading electors to vote in a particular way at an election, referendum or other poll held under the Act, the *Electoral Act 1907* or the *Commonwealth Electoral Act 1918*;

resources of a local government includes —

- (a) local government property; and
- (b) services provided, or paid for, by a local government.

(2) A council member must not, directly or indirectly, use the resources of a local government for an electoral purpose or other purpose unless authorised under the Act, or by the local government or the CEO, to use the resources for that purpose.

18. Securing personal advantage or disadvantaging others

(1) A council member must not make improper use of their office —

- (a) to gain, directly or indirectly, an advantage for the council member or any other person; or
- (b) to cause detriment to the local government or any other person.

(2) Subclause (1) does not apply to conduct that contravenes section 5.93 of the Act or *The Criminal Code* section 83.

19. Prohibition against involvement in administration

(1) A council member must not undertake a task that contributes to the administration of the local government unless authorised by the local government or the CEO to undertake that task.

(2) Subclause (1) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.

20. Relationship with local government employees

(1) In this clause —

local government employee means a person —

- (a) employed by a local government under section 5.36(1) of the Act; or
- (b) engaged by a local government under a contract for services.

(2) A council member or candidate must not —

- (a) direct or attempt to direct a local government employee to do or not to do anything in their capacity as a local government employee; or
- (b) attempt to influence, by means of a threat or the promise of a reward, the conduct of a local government employee in their capacity as a local government employee; or

- (c) act in an abusive or threatening manner towards a local government employee.
- (3) Subclause (2)(a) does not apply to anything that a council member does as part of the deliberations at a council or committee meeting.
- (4) If a council member or candidate, in their capacity as a council member or candidate, is attending a council or committee meeting or other organised event (for example, a briefing or workshop), the council member or candidate must not orally, in writing or by any other means —
 - (a) make a statement that a local government employee is incompetent or dishonest; or
 - (b) use an offensive or objectionable expression when referring to a local government employee.
- (5) Subclause (4)(a) does not apply to conduct that is unlawful under *The Criminal Code* Chapter XXXV.

21. Disclosure of information

- (1) In this clause —

~~**closed meeting** means a council or committee meeting, or a part of a council or committee meeting, that is closed to members of the public under section 5.23(2) of the Act;~~

closed meeting —

- (a) means a part of a council or committee meeting that is closed to members of the public under section 5.23(2), (3) or (4) of the Act; and
- (b) includes a council or committee meeting held before 1 January 2026, or a part of a council or committee meeting held before 1 January 2026, that was closed to members of the public under section 5.23(2) of the Act as in force before 1 January 2026;

confidential document means a document marked by the CEO, or by a person authorised by the CEO, to clearly show that the information in the document is not to be disclosed;

document includes a part of a document;

non confidential document means a document that is not a confidential document.

- (2) A council member must not disclose information that the council member —
 - (a) derived from a confidential document; or
 - (b) acquired at a closed meeting other than information derived from a non confidential document.
- (3) Subclause (2) does not prevent a council member from disclosing information —
 - (a) at a closed meeting; or

- (b) to the extent specified by the council and subject to such other conditions as the council determines; or
- (c) that is already in the public domain; or
- (d) to an officer of the Department; or
- (e) to the Minister; or
- (f) to a legal practitioner for the purpose of obtaining legal advice; or
- (g) if the disclosure is required or permitted by law.

22. Disclosure of interests

- (1) In this clause —

interest —

- (a) means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest; and
 - (b) includes an interest arising from kinship, friendship or membership of an association.
- (2) A council member who has an interest in any matter to be discussed at a council or committee meeting attended by the council member must disclose the nature of the interest —
- (a) in a written notice given to the CEO before the meeting; or
 - (b) at the meeting immediately before the matter is discussed.
- (3) Subclause (2) does not apply to an interest referred to in section 5.60 of the Act.
- (4) Subclause (2) does not apply if a council member fails to disclose an interest because the council member did not know —
- (a) that they had an interest in the matter; or
 - (b) that the matter in which they had an interest would be discussed at the meeting and the council member disclosed the interest as soon as possible after the discussion began.
- (5) If, under subclause (2)(a), a council member discloses an interest in a written notice given to the CEO before a meeting, then —
- (a) before the meeting the CEO must cause the notice to be given to the person who is to preside at the meeting; and
 - (b) at the meeting the person presiding must bring the notice and its contents to the attention of the persons present immediately before any matter to which the disclosure relates is discussed.
- (6) Subclause (7) applies in relation to an interest if —
- (a) under subclause (2)(b) or (4)(b) the interest is disclosed at a meeting; or

- (b) under subclause (5)(b) notice of the interest is brought to the attention of the persons present at a meeting.
- (7) The nature of the interest must be recorded in the minutes of the meeting.

23. Compliance with plan requirement

If a plan under clause 12(4)(b) in relation to a council member includes a requirement referred to in clause 12(6), the council member must comply with the requirement.

24. Document Control

Document Control Box							
Document Responsibilities:							
Owner:	Chief Executive Officer Executive Assistant			Owner Business Unit:			
Reviewer:	Chief Executive Officer / Council			Decision Maker:	Council		
Compliance Requirements:							
Legislation:	Local Government Act 1995 Local Government (Model Code of Conduct) Regulations 2021						
Other:							
Organisational:							
Document Management:							
Risk Rating:	Moderate	Review Frequency:	Annual	Next Due:	Aug 2026	Records Ref:	ADM
Version #	Decision Reference:	Synopsis:					
1.	27 April 2021	Initial Adoption by Council					
2.	23 August 2022	Annual review and adoption (no changes made)					
3.	22 August 2023	Annual review and adoption (no changes made)					
4.	28 August 2024	Annual review and adoption (no changes made)					
5.	27 August 2025	Annual review and adoption (no changes made)					
6.	23 February 2026	Review by Audit Committee due to Model Code of Conduct					
7.							

5.3 Regulation 17 Review

Submission To:	ARIC Meeting 18 February 2026
Report Date:	18 December 2025
Applicant:	N/A
File Reference:	ADM 0163
Author and Position:	Stephen Gollan, Chief Executive Officer
Previously Before Council:	Annually
Disclosure(s) Of Interest:	Nil
Attachments:	2025 Risk Profile Summary

SUMMARY

Council to consider receiving the Risk Management Regulation 17 Review.

BACKGROUND

Under regulation 17 of the *Local Government (Audit) Amendment Regulations 2013*, the Chief Executive Officer is to review the appropriateness and effectiveness of the Shire of Beverley's systems and procedures in relation to risk management, internal control and legislative compliance.

COMMENT

The Chief Executive Officer has conducted a review using the Risk Management template provided by Council's Insurers, LGIS.

Attached is the summary of control results covering identified risk areas including:

- Misconduct;
- Business and Community disruption;
- Environmental management;
- Errors, omissions and delays;
- External theft and fraud;
- IT and Communication systems;
- Statutory compliance;
- Safety and security;
- Providing advice and information;
- Employment practices;
- Records management;
- Project/Change management;
- Engagement practices;
- Supplier management;
- Asset sustainability practices; and
- Facility management.

Each identified risk was considered individually with risk ratings being applied based on the following risk matrix:

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Following the risk determination, improvement initiatives were formulated and enacting timeframes set with the aim of improving overall future risk ratings.

STATUTORY ENVIRONMENT

Regulation 17 of the *Local Government (Audit) Amendment Regulations 2013* requires that:

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
- (2) The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.
- (3) The CEO is to report to the audit committee the results of that review.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Strategic Pillar: 4. Civic Leadership

Strategic Priorities: 4.2 Continuous organisational improvement
4.3 Responsible planning

RISK IMPLICATIONS

Failure to review the appropriateness and effectiveness of a local government's systems and procedures would result in non-compliance *Local Government (Audit) Amendment Regulations 2013*. Approval of this item will mitigate the consequence.

Consequence	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood					
Almost Certain	Medium	High	High	Severe	Severe
Likely	Low	Medium	High	High	Severe
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare	Low	Low	Low	Low	Medium

Risk Rating	Action
Low	Monitor for ongoing improvement.
Medium	Comply with risk reduction measures to keep risk as low as reasonably practical.
High	Review the risk and take additional measures to ensure risk is low as reasonably achievable.
Severe	Unacceptable risk level, reduction measures must be introduced before proceeding.

POLICY IMPLICATIONS

2.3 Risk Management

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit, Risk and Improvement Committee recommend to Council, the 2025 Regulation 17 review conducted by the Chief Executive Officer be received.

Shire of Beverley Risk Dashboard Report December 2025

Executive Summary

Being the Shire's third report under the introduced risk management framework, focus is on embedding and driving continual improvement. Future reports will continue to provide relevant insight and recommendations to assist governance activities for the Senior Management Team. It is supported by the attached documents that were produced through a workshop.

1. Risk Profiles for the 16 themes discussed.
2. Risk Management Policy amendments and Procedures.

Recommendations

Embedding

1. Arrange for the attached Policy amendments and Procedures to be endorsed and adopted.

Risk Profiles

1. Discuss and review the attached Risk Profiles Review and approve all Risk Profiles (from a Risk & Control perspective).
2. Confirm Current Issues / Actions / Treatments (Responsibility & Due Date)

Misconduct		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Carry out new employee Induction process	On Going	HR	
Follow up Performance Review process	On Going	CEO/MOW/DCEO	
Councillor training	On Going	CEO/Council	

Business & community disruption		Risk High	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review Recovery Plans	Jun-26	CESM	
Ensure volunteers and staff are trained in line with WHS legislation requirements	On Going	CESM	

Inadequate environmental management		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review of Landfill Remaining Life	Jun-26	EHO/MOW	
Long Term Landfill Plan	Jun-26	EHO/MOW	

External theft & fraud (inc. Cyber Crime)		Risk High	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Raise awareness of IT Security (eg. Opening emails)	On Going	DCEO	
Review Depot Security	On Going	MOW	
Review IT Security	On Going	DCEO	
Review Admin Office Security	On Going	DCEO	

Errors, omissions & delays		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review and expand documented procedures for main activities	On Going	DCEO	

Failure of IT &/or communication systems and infrastructure		Risk High	Control Effective
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review IT Disaster Recovery Plan and test data recovery	Jun-26	DCEO	
Test Generator Backup	Jun-26	DCEO	
Conduct Vulnerability Scan and fix where required	Jun-26	DCEO	
Review ITC Systems and Operating Expenses	On Going	DCEO	

Failure to fulfil statutory, regulatory or compliance requirements		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review Corporate Business Plan and Long Term Financial Plan.	Jun-26	CEO	
Investigate Internal Audit function	Jun-26	CEO	

Providing inaccurate advice / information		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Implement a "performance review" process for Executive Staff	Jun-26	CEO	
Monitor complaint register	On Going	DCEO	

Inadequate document management processes		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Explore implementation of Electronic Document Records Management System (EDRMS)	Jun-26	RO	
Include shift to EDRMS in LTFP	Jun-26	DCEO	
Review and update RKP	Jun-26	RO	

Inadequate engagement practices		Risk Low	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review Social Media Policies, Procedures & Feedback	On Going	Tourism	

Inadequate asset sustainability practices		Risk High	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Review Asset Management Plans	Jun-26	DCEO	
Review Residential Housing Policy	Jun-26	DCEO	
Develop Bridge Maintenance Program	Jun-26	MOW	
Deliver Footpath Replacement Program	On Going	MOW	

Ineffective employment practices		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Implement Performance Review Process	Jun-26	CEO	
Review Workforce Plan (Risks & Action Plans) for inclusion where relevant	Jun-26	CEO	
Monthly Staff Meetings - Outside Workforce	On Going	MOW	

Inadequate project / change management		Risk High	Control Effective
Current Issues / Actions / Treatments	Due Date	Responsibility	
Conduct fortnightly project management meetings (or more often as appropriate)	On Going	CEO	
Monitor volume of projects to ensure available resources are not stretched	On Going	CEO	
Comply with funding requirements where applicable	On Going	DCEO	

Inadequate supplier / contract management		Risk Moderate	Control Effective
Current Issues / Actions / Treatments	Due Date	Responsibility	
Explore implementing Contract Review process at large project (\$1M+) close out	On Going	DCEO	

Ineffective management of facilities / venues / events		Risk Moderate	Control Adequate
Current Issues / Actions / Treatments	Due Date	Responsibility	
Beverley Air Show Review.	Jun-26	MPDS	

6. UPDATES

6.1 ARIC Chairperson

Following the commencement of the Local Government Regulations Amendment Regulations (No. 4) 2025 (the ARIC Regulations) from 1 January 2026, Audit Committees are set to become Audit, Risk and Improvement Committees (ARICs) during a six-month transition period.

ARICs are required to have an independent presiding member and independent deputy to the presiding member.

Transitional provisions have been included to enable existing audit committees that already meet the new requirements of independent members to automatically transition to ARICs. Local governments have until 30 June 2026 to implement these changes.

In preparation of these changes, the Shire of Beverley drafted Terms of Reference and the position of ARIC Independent Chairperson was advertised in the January 2026 issue of the Beverley Blarney and on the Shire website from 18 December 2025 to 23 January 2026. At the advertised closing period, there were no applications received.

The Shire will repeat the advertising. Should no applicants (suitable) be received again Council will need to explore sharing an ARIC with a neighbouring Shire. Council is required to appoint an Independent Presiding Member by 30 June 2026.

6.2 2025 Compliance Audit Return

The Compliance Audit Return (CAR) is an annual self-assessment required under regulation 14 of the *Local Government (Audit) Regulations 1996* and is usually presented at this meeting.

With the introduction of the Local Government Inspectorate, there have been a number of changes to the statutory requirements for which a compliance audit is needed. These changes are outlined in regulation 13 of the *Local Government (Audit) Regulations 1996*, published on 1 January 2026.

In addition, the Local Government Inspector has the ability to limit what statutory requirements are included in the CAR, under regulation 15A of the *Local Government (Audit) Regulations 1996*, published on 1 January 2026. These requirements are currently being determined, with further guidance materials and information to be made available to local governments by 31 March 2026.

The deadline for submitting the Compliance Audit Return (CAR) for the period of 1 January to 31 December 2025 has now been deferred until 30 September 2026 (previously 31 March).

7. NEW BUSINESS ARISING BY ORDER OF THE MEETING

New Business of an urgent matter only arising by order of the meeting.

8. CLOSURE

The Chairman to declare the meeting closed.