



ATTACHMENTS

**Audit Risk and Improvement Committee
Meeting**

Under Separate Cover

Friday, 14 August 2026

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Audit, Risk and Improvement Committee

Meeting held in the Council Chambers

Friday, 24 April 2026

Commencing at 2.00pm

1. OPENING OF MEETING

The Presiding Member to declare the meeting open.

2. ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the cultural custodians of the land, the Kaneang, Pibelman and Wadandi people. We acknowledge and support their continuing connection to the land, waterways and community. We pay our respects to members of the Aboriginal communities and their culture; and to Elders past and present, their descendants still with us today, and those who will follow in their footsteps.

3. ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

Members and officers in attendance to be recorded.

Presiding Member: Alan Lamb

Attendance:**In person**

Alan Lamb, Independent Chair

Phil Anastasakis, Independent Deputy Chair

Councillor Stephen Carstairs

Garry Adams, CEO

Casey Radford, Director Corporate, Economic and Community Development

Mark Allies, Governance Officer

Online

Councillor Lyndon Pearce

Councillor Kelli Gillies (Joined at 2.52pm)

Apologies

Councillor Rebecca Redman

Merridith Morrell, Manager Executive Services

4. DISCLOSURE OF INTEREST

Section 5.65 or 5.70 of the *Local Government Act* requires a Member or Officer who has an interest in any matter to be discussed at a Committee/Council Meeting that will be attended by the Member or Officer must disclose the nature of the interest in a written notice given to the Chief Executive Officer before the meeting; or at the meeting before the matter is discussed.

A Member who makes a disclosure under Section 5.65 or 5.70 must not preside at the part of the meeting relating to the matter; or participate in; or be present during any discussion or decision-making procedure relating to the matter, unless allowed by the Committee/Council. If Committee/Council allows a member to speak, the extent of the interest must also be stated.

5. CONFIRMATION OF PREVIOUS MINUTES

A motion is required to confirm the Minutes of the Meeting held 5 December 2025 as a true and correct record (Attachment 5.1.1).

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 4/Against 0

6. 25/26 ANNUAL AUDIT ENTRY MEETING PRESENTATION

Moore Australia and OAG to present

(Attachment 6.1.1 OAG Audit Strategy Memorandum for reference)

7. REPORTS OF OFFICERS

- 7.1**

ITEM NO.	ARIC 001/2026	FILE REF.	Governance
SUBJECT	Audit Log – Regulation 17 (Local Government (Audit) Regulations 1996)		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.1.1 – 2023 Reg 17 Audit Recommendations (2024 Progress Report) 7.1.2 – Audit Log (Quarterly Status) – Q3 2025/26 7.1.3 - Regulation 17 Assurance Table and Summary – Q3 2025/26		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 001/2026

1. That the Audit, Risk and Improvement Committee notes the Regulation 17 Audit Log.

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 4/Against 0

Summary / Purpose

To provide the Audit, Risk and Improvement Committee with a quarterly assurance update on the status of reviews, controls and improvement actions undertaken in accordance with Regulation 17 of the Local Government (Audit) Regulations 1996, including explicit confirmation of how all recommendations arising from the 2023 Regulation 17 Audit are being addressed.

The recommended improvements and progress reported in March 2024 are provided in Attachment 7.1.1. Progress against these recommendations is monitored through the Quarterly Status Audit Log (Attachment 7.1.2), offering a consolidated view of assurance coverage in advance of the Shire undertaking a full Regulation 17 Review with an external provider in 2026/27.

Background

Regulation 17 of the Local Government (Audit) Regulations 1996 requires the Chief Executive Officer to review organisational systems and report the results of those reviews to the Audit, Risk and Improvement Committee.

The Regulation 17 Audit Log is the primary assurance register used to document review activity across key governance areas, including:

- Risk management and business continuity
- Cyber security and information systems
- Work health and safety
- Financial management and internal controls
- Procurement and asset safeguarding
- Legislative and regulatory compliance
- Records management, privacy and information protection

The Audit Log consolidates findings from completed reviews, tracks planned and future review activity, and documents management responses, controls and status updates. It also aligns audit topics to the Shire's Corporate Risk Register to ensure that areas of higher inherent and residual risk receive appropriate oversight.

Officer Comment

The Regulation 17 Audit Log and accompanying Assurance Summary demonstrate that all recommendations arising from the 2023 Regulation 17 Audit have been systematically reviewed and addressed through one of the following mechanisms:

- completion and embedding into business-as-usual governance, risk and compliance controls;
- incorporation into the Council Risk Register, Compliance Framework or associated governance registers; or
- scheduling within the forward Regulation 17 review program, based on risk, materiality and available assurance coverage.

The Audit Log now functions as a quarterly assurance register, providing visibility of current status, changes since the previous quarter and upcoming review milestones. The accompanying one-page Assurance Summary is intended to support the Committee's oversight role by providing a concise line-of-sight view across all Reg 17 review areas.

Key observations arising from the current Audit Log include:

- **Risk Management and Governance**
Risk Register has been reviewed by ELT and awaiting approval from ARIC
- **High-Risk Operational Areas**
Cyber security, work health and safety, and business continuity are assessed as High to Extreme inherent risk areas. These risks are actively managed through a combination of managed ICT services, WHS systems (SkyTrust), incident reporting, and planned Regulation 17 reviews in future financial years.
- **Financial Management and Internal Controls**
An External Financial Management Review has been completed, with outcomes reported through the Financial Management Audit Log. Procurement, contract management and asset safeguarding remain identified as high-risk areas subject to ongoing and planned review activity.
- **Legislative Compliance**
Significant improvements have been implemented during the year, including completion of the Compliance Calendar, Delegations Register and Council Resolution Register, with automated task allocation through Attain. These controls strengthen statutory compliance and reporting discipline.
- **Privacy and Information Management**
The commencement of substantive obligations under the Privacy and Responsible Information Sharing Act 2024 from 1 July 2026 represents a material emerging risk. A Privacy Policy and Privacy Impact Assessment tools are being progressed to support compliance within statutory timeframes.

Overall, the Audit Log reflects a maturing assurance framework, with clear ownership, defined controls, and a forward-looking review schedule to address organisational risks in a timely and systematic manner.

Where material issues are identified, they are reported separately to the Committee through dedicated agenda items, including the Financial Management Log and Management Letter responses.

The Audit Log is intended to be read as an assurance coverage overview and is not designed to replicate detailed system reviews, audit programs or risk assessments.

Attachment 7.1.3 provides a consolidated assurance position against each Regulation 17 review area, confirming coverage of all 2023 recommendations.

No unplanned remediation or escalation to Council has been identified this quarter.

Budget Implications

There are no direct budget implications arising from noting this report.

Any future actions identified through audit, risk or compliance activities will be considered through the normal budget and business planning processes.

Risk Management

This report supports effective risk management by providing assurance that key governance, financial, compliance and operational risks are being identified, monitored and managed in accordance with the Shire's Risk Management Framework and ISO 31000 principles.

Statutory Environment

- *Local Government (Audit) Regulations 1996 – Regulation 17*
- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Work Health and Safety Act 2020 (WA)*
- *State Records Act 2000 (WA)*
- *Privacy and Responsible Information Sharing Act 2024 (WA)*

Strategic Alignment

- Strategic Community Plan
 - Outcome 14 Effective governance and financial management
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

• 7.2

ITEM NO.	ARIC 002/2026	FILE REF.	Governance
SUBJECT	Financial Management Log – Financial Management System Review (FMSR)		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.2.1 – 2025 FMSR Report – Finalised 7.2.2 – Financial Management System Review Log		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 002/2026

1. That the Audit, Risk and Improvement Committee notes the Financial Management Log.

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 4/Against 0

Summary / Purpose

To provide the Audit, Risk and Improvement Committee with assurance regarding the identification, management and resolution of financial management control compliance matters arising from the October 2025 Financial Management System Review (FMSR).

Background

The Financial Management System Review was undertaken in accordance with Regulation 5 of the Local Government (Financial Management) Regulations 1996. The regulations outline the CEO's duties as to financial management which includes ensuring that there are efficient systems and procedures established to ensure that the resources of the Local Government are effectively managed. The review assessed the adequacy of Shire's financial management framework, systems and internal controls.

This review is required to be completed regularly, not less than once every 3 financial years. The Shire of Bridgetown – Greenbushes next review was to be completed in the 24/25 financial year but was not progressed due to the changeover in staff within the organisation. The review was completed in 25/26 by AMD Chartered Accountants & Advisors, with a site visit conducted in December 2025. The audit focused on the 25/26 financial year and included follow-up samples from the October 25 period.

A Financial Management Log has been compiled and consolidates all findings and recommendations arising from the review. The log provides a structured mechanism for tracking management actions, responsible officers and target completion dates. The Log supports a coordinated assurance framework alongside the Regulation 17 Audit Log and Corporate Risk Register.

The Review examined a broad range of financial management and governance areas, including:

- Legislative compliance with the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996
- Budgeting, financial reporting and reconciliations
- ICT governance and cyber security controls impacting financial systems
- Payroll, procurement, asset management and depot controls
- Governance documentation, policy currency and fraud control

Officer Comment

The Financial Management Log consolidates all recommendations arising from the Review and documents agreed management actions, ownership and timeframes, forming part of the Shire's broader assurance framework.

Management has accepted all recommendations arising from the Review, with clear responsibility assigned and the majority of actions due for completion by 30 June 2026, and more complex governance and asset planning actions scheduled through to 31 December 2026. Progress against these actions will continue to be monitored through the Financial Management Log and Audit and Risk reporting framework.

Overall, the Financial Management Log demonstrates that all findings arising from the October 2025 Financial Management System Review are either completed, actively progressing, or scheduled within agreed timeframes proportionate to their assessed risk.

Budget Implications

There are no direct budget implications arising from noting this report. Any future actions identified through audit, risk or compliance activities will be considered through the normal budget and business planning processes.

Risk Management

Monitoring and progressing actions arising from the Financial Management System Review mitigates risks relating to financial misstatement, fraud, cyber incidents, non-compliance with statutory obligations and ineffective internal controls.

Statutory Environment

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Local Government (Audit) Regulations 1996*

Strategic Alignment

- Strategic Community Plan
 - Outcome 14 Effective governance and financial management
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

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ITEM NO.	ARIC 003/2026	FILE REF.	Governance
SUBJECT	Compliance Calendar		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.3.1 – Compliance Calendar (April 2026 – June 2027)		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 003/2026

1. That the Audit, Risk and Improvement Committee notes the Compliance Calendar.

Moved: Mr Anastasakis

Seconded: Cr Carstairs

For 4/Against 0

Summary / Purpose

To provide the Audit, Risk and Improvement Committee with visibility and assurance over the identification, allocation, monitoring and completion of the Shire's statutory and regulatory compliance obligations through the Compliance Calendar.

Background

The Compliance Calendar is the Shire's central register for recording legislated reporting obligations, statutory actions and recurring compliance activities arising under the Local Government Act 1995, associated regulations and other applicable written laws.

The Calendar consolidates compliance requirements across all directorates and assigns responsibility to nominated officers, with defined due dates and automated reminders managed through the Shire's compliance management system. This approach supports timely completion of obligations and provides an auditable record of compliance activity.

The period covered by the attached Compliance Calendar spans April 2026 to June 2027 and includes monthly, quarterly, annual and periodic obligations relating to governance, financial management, risk management, work health and safety, emergency management, information management and community responsibilities.

Officer Comment

The Compliance Calendar demonstrates a mature and systematic approach to legislative compliance management across the organisation.

Key observations include:

- Breadth of Coverage**

The Calendar captures a comprehensive range of statutory obligations, including Council and Committee governance requirements, financial reporting and budgeting milestones, registers and disclosures, emergency management and bush fire controls, work health and safety obligations, and records and information management duties.

- Clear Accountability**

Each compliance task is assigned to a responsible officer or position, ensuring clarity of ownership and supporting management accountability. Tasks recur automatically where required, reducing reliance on manual tracking.

- **Integration with Governance Controls**

The Compliance Calendar aligns with other governance artefacts presented to this meeting, including the Audit Log, Financial Management Log, Risk Register and Delegations Register, providing a cohesive compliance and assurance framework.

- **Forward Visibility of Key Compliance Risks**

The Calendar highlights significant upcoming obligations within the next 12–15 months, including end-of-financial-year statutory reporting, financial statements, audit milestones, policy and register reviews, emergency management activities and new or emerging legislative requirements.

The Compliance Calendar will continue to be reviewed and refined through Executive Leadership oversight and Audit, Risk and Improvement Committee reporting to ensure it remains current, comprehensive and responsive to legislative change.

- **Budget Implications**

There are no direct budget implications arising from noting this report.

Any future actions identified through audit, risk or compliance activities will be considered through the normal budget and business planning processes.

- **Risk Management**

This report supports effective risk management by providing assurance that key governance, financial, compliance and operational risks are being identified, monitored and managed in accordance with the Shire's Risk Management Framework and ISO 31000 principles.

Statutory Environment

- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- *Local Government (Financial Management) Regulations 1996*
- *Local Government (Audit) Regulations 1996*
- *Work Health and Safety Act 2020 (WA)*
- *Bush Fires Act 1954*
- *Emergency Management Act 2005*
- *Other applicable written laws*

Strategic Alignment

- Strategic Community Plan
 - Outcome 13 Proactive, visionary leadership that responds to community needs
 - Outcome 14 Effective governance and financial management
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

- **7.4**

ITEM NO.	ARIC 004/2026	FILE REF	Governance
SUBJECT	Priority Risk Activity Report – 2026 Risk Register		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.4.1 – Risk Activity Report		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 004/2026

1. That the Audit, Risk and Improvement Committee notes the Priority Risk Activity Report.

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 4/Against 0

Summary / Purpose

To provide the Audit, Risk and Improvement Committee with focused oversight and assurance in relation to priority risks identified in the 2026 Corporate Risk Register, with particular emphasis on risks assessed as Extreme or High residual risk, and on emerging legislative compliance risks requiring heightened governance attention.

Background

The Priority Risk Activity Report is derived from the Shire's 2026 Risk Register and has been developed to support targeted Audit, Risk and Improvement Committee oversight of those risks presenting the greatest residual exposure to the organisation.

Priority risks are those assessed in accordance with the Shire's Risk Acceptance Criteria as:

- **Extreme** – unacceptable risks requiring ongoing ARIC oversight, or
- **High** – risks requiring urgent executive management attention and regular reporting to ARIC.

In addition, a limited number of Moderate residual risks are included where they involve significant legislative reform, high inherent risk, or the potential for rapid escalation.

Officer Comment

The 2026 Priority Risk Activity Report identifies a concentration of the Shire's most significant risk exposure within the following domains:

- Climate-driven environmental hazards
- Public health and safety
- Financial sustainability and budgeting accuracy
- Governance and legislative compliance
- Service continuity and organisational capacity

The Report confirms that these risks are influenced by a combination of external drivers, including climate variability, regulatory reform and economic pressures, and internal capability and governance factors.

Extreme residual risks requiring sustained ARIC oversight for 2026 include:

- Flooding and severe rainfall impacts on infrastructure and services
- Bushfire risk to life, property and the environment
- Climate change impacts on assets, service delivery and long-term financial sustainability
- Financial sustainability and budget accuracy
- Water, food safety and environmental degradation risks

High residual risks requiring executive management and ongoing ARIC monitoring include:

- Governance and legislative reform implementation
- Workforce capability, capacity and wellbeing
- Disaster recovery and service continuity arrangements
- Inter-agency coordination and partnership risks
- Reputational and community confidence risks

Focus Risk – Privacy and Responsible Information Sharing

Of particular significance is Risk 31 – Privacy and Responsible Information Sharing, which has been elevated for ARIC oversight due to the commencement of substantive obligations under the *Privacy and Responsible Information Sharing Act 2024* from 1 July 2026.

While currently rated as a Medium–High residual risk, it is treated as a priority risk due to:

- The introduction of enforceable Information Privacy Principles (IPPs)
- Increased likelihood of complaints to the Office of the Information Commissioner
- High reputational sensitivity for local government entities
- The breadth of organisational impact across systems, staff, policies and service delivery

Key preparedness measures identified in the Report include:

- Appointment of a designated Privacy Officer
- Development of a compliant Privacy and Information Sharing Policy
- Implementation of Privacy Impact Assessments for high-risk activities
- Integration of privacy risk management into the broader ISO 31000 framework

Non-compliance presents risks of regulatory intervention, complaints, reputational harm and increased administrative burden.

Budget Implications

There are no direct budget implications arising from noting this report.

Any future actions identified through audit, risk or compliance activities will be considered through the normal budget and business planning processes.

Risk Management

This report directly supports the identification, assessment and treatment of strategic and operational risks and enables targeted Audit, Risk and Improvement Committee oversight of Extreme and High residual risks.

Statutory Environment

- *Local Government Act 1995*
- *Local Government (Audit) Regulations 1996*
- *Privacy and Responsible Information Sharing Act 2024*
- *ISO 31000 – Risk Management*
- *Policy RM1 – Risk Management*

Strategic Alignment

- Strategic Community Plan
 - Outcome 13 Proactive, visionary leadership that responds to community needs
 - Outcome 14 Effective governance and financial management
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

- 7.5

ITEM NO.	ARIC 005/2026	FILE REF.	Governance
SUBJECT	Council Risk Register		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.5.1 – Corporate Risk Register		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 005/2026

1. That the Audit, Risk and Improvement Committee notes the Council Risk Register.

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 4/Against 0

Summary / Purpose

To present the Shire's 2026 Corporate Risk Register for Audit, Risk and Improvement Committee oversight and assurance, enabling the Committee to satisfy itself that key strategic, operational, financial and compliance risks are being systematically identified, assessed, treated and monitored in accordance with the Shire's Risk Management Framework.

Background

The Council Risk Register is the Shire's central governance document for identifying and managing organisational risk in accordance with ISO 31000 – Risk Management principles and the Shire's Risk Acceptance Criteria.

The 2026 Risk Register consolidates risk information across all directorates and records:

- Clear risk statements and causes
- Consequence and likelihood assessments
- Inherent and residual risk ratings
- Existing and planned controls
- Alignment to strategic, operational, financial, environmental, health and compliance impacts

Officer Comment

The 2026 Council Risk Register demonstrates a mature and structured approach to enterprise-wide risk management, with risks identified across a broad range of organisational functions.

Key observations include:

- **Overall Risk Profile**

The Register identifies a concentration of Extreme and High inherent risks associated with climate-driven hazards, public health and safety, financial sustainability, cyber security, asset condition and legislative compliance. These risks reflect both external drivers (climate change, regulatory reform, economic pressures) and internal capability and resourcing factors.

- **Residual Risk Position**

A number of Extreme and High inherent risks have been reduced through effective controls to Moderate residual levels; however, several risks remain High residual due to factors outside the Shire's direct control, including climate exposure, market conditions, legislative change and regional workforce constraints.

- **Key Risk Themes**

Significant risk themes captured in the Register include:

- Flooding, bushfire and extreme weather impacts
- Financial sustainability, budgeting accuracy and revenue volatility
- Information security, cyber resilience and privacy compliance
- Public and environmental health risks
- Workforce capacity, wellbeing and safety
- Governance reform implementation and recordkeeping obligations

Alignment with ARIC Oversight

The Risk Register should be read in conjunction with the Priority Risk Activity Report, which provides enhanced analysis of those risks requiring heightened ARIC oversight, including Risk 31 – Privacy and Responsible Information Sharing, in light of the commencement of enforceable obligations under the Privacy and Responsible Information Sharing Act 2024 from 1 July 2026.

The Risk Register will continue to be reviewed and refined through Executive Leadership Team consideration and regular reporting to the Audit, Risk and Improvement Committee to ensure it remains current, responsive and aligned to organisational risk appetite

Budget Implications

There are no direct budget implications arising from noting this report.

Any future actions identified through audit, risk or compliance activities will be considered through the normal budget and business planning processes.

Risk Management

This report directly supports the identification, assessment and treatment of strategic and operational risks and enables targeted Audit, Risk and Improvement Committee oversight of Extreme and High residual risks.

Statutory Environment

- *Local Government Act 1995*
- *Local Government (Audit) Regulations 1996*
- ISO 31000 – Risk Management
- Policy RM1 – Risk Management

Strategic Alignment

- Strategic Community Plan
 - Outcome 14 Effective governance and financial management
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

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ITEM NO.	ARIC 006/2026	FILE REF.	Governance
SUBJECT	Privacy and Information Policy		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.6.1 – GC17 Privacy and Information Policy		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 006/2026

1. That the Audit, Risk and Improvement Committee notes that Council approved the Privacy and Information Policy at 23 April 2026 ordinary council meeting.

Moved: Cr Carstairs

Seconded: Mr Anastasakis

For 5/Against 0

Summary / Purpose

To present the draft Privacy and Information Sharing Policy for Audit, Risk and Improvement Committee consideration, to provide governance oversight and assurance that the Policy aligns with emerging statutory obligations under the Privacy and Responsible Information Sharing Act 2024 (WA) and supports effective organisational privacy governance.

Background

The Privacy and Responsible Information Sharing Act 2024 (WA) introduces a comprehensive information privacy framework for Western Australian public sector agencies, including local governments.

While the Act commences in stages, substantive obligations relevant to local government—including compliance with enforceable Information Privacy Principles (IPPs), privacy governance requirements, and notifiable information breach reporting—apply from 1 July 2026, with mandatory breach notification obligations commencing 1 January 2027.

The Shire, as an IPP Entity, is required to establish contemporary policies, governance structures and procedures to support lawful handling of personal information and responsible information sharing.

Officer Comment

The draft Privacy and Information Sharing Policy (GC17) has been developed to provide a clear, compliant and practical framework to support organisational readiness for the commencement of the Privacy and Responsible Information Sharing Act 2024 (WA).

Key features of the Policy include:

- **Alignment with the PRIS Act**
The Policy is structured around the Information Privacy Principles and incorporates obligations relating to collection, use, disclosure, security and disposal of personal information.
- **Defined governance and accountability**
Clear roles are articulated for Council, the Chief Executive Officer, Privacy Officer, Information Sharing Officer and the Audit, Risk and Improvement Committee, ensuring appropriate oversight and escalation pathways.
- **Support for responsible information sharing**
The Policy balances protection of personal information with lawful information sharing that supports public benefit, service delivery and inter-agency collaboration.

- **Breach preparedness and response**

The Policy establishes requirements for reporting and managing information breaches, including preparation for notifiable information breach obligations from 1 January 2027.

- **Integration with broader governance controls**

The Policy aligns with the Shire's risk management framework, Compliance Calendar, Records Management practices and emerging privacy impact assessment processes.

Given the significant governance, reputational and regulatory risks associated with privacy non-compliance, ARIC oversight of this Policy provides an important assurance mechanism prior to Council adoption.

Budget Implications

Implementation of the Policy is expected to be managed within existing operational budgets.

Some minor resource impacts may arise over time in relation to staff training, privacy impact assessments and system enhancements, which will be considered through normal budget and business planning processes.

Risk Management

Effective implementation of the Privacy and Information Sharing Policy mitigates key organisational risks, including:

- Regulatory non-compliance under the *Privacy and Responsible Information Sharing Act 2024 (WA)*
- Increased complaints or investigations by the Office of the Information Commissioner
- Reputational damage arising from privacy breaches
- Inappropriate or unlawful information sharing
- Exposure to financial and administrative burden associated with remediation and enforcement action

The Policy supports treatment of **Risk 31 – Privacy and Responsible Information Sharing**, identified as a priority governance risk requiring heightened oversight.

Statutory Environment

- *Privacy and Responsible Information Sharing Act 2024 (WA)*
- *Local Government Act 1995*
- *Freedom of Information Act 1992*
- *State Records Act 2000*

Strategic Alignment

- Strategic Community Plan
 - Outcome 14 Effective governance and financial management
 - Outcome 15 A well informed and engaged community
 - Objective 14.1 Achieve excellence in organisational performance and service delivery
- Corporate Business Plan
 - Outcome 14 Effective governance and financial management

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ITEM NO.	ARIC 007/2026	FILE REF.	Governance
SUBJECT	Fraud and Corruption Policy		
OFFICER	Merridith Morrell, Manager Executive Services		
ATTACHMENTS	7.7.1 – GC10 Fraud and Corruption Policy		
VOTING REQUIREMENT	Simple Majority		

RECOMMENDATION

ARIC 007/2026

1. That the Audit, Risk and Improvement Committee that Council approves the Fraud and Corruption Policy (GC10).

Moved: Mr Anastasakis

Seconded: Cr Carstairs

For 4/Against 0

Summary / Purpose

To present the draft Fraud and Corruption Policy (GC10) for Audit, Risk and Improvement Committee consideration and approval, providing governance oversight and assurance that the Shire has an appropriate policy framework in place to prevent, deter, detect and respond to fraud and corrupt conduct.

Background

The Western Australian Auditor-General has recommended that all local governments adopt specific fraud and corruption policies to address the risk of fraud and corrupt behaviour and ensure compliance with legislative and governance expectations.

The Shire's Fraud and Corruption Policy establishes a clear policy framework to support ethical conduct, protect public resources, and promote a strong integrity culture across the organisation.

Officer Comment

The draft Fraud and Corruption Policy (GC10) has been reviewed and updated to reflect contemporary governance expectations and legislative requirements.

Key features of the Policy include:

- **Clear statement of intent**
Articulates Council's commitment to preventing, detecting and responding to fraud and corruption and promoting ethical conduct across the organisation.
- **Defined roles and responsibilities**
Sets out clear accountability for Council, the Chief Executive Officer, the Audit, Risk and Improvement Committee, Executive Leadership Team and employees in managing fraud and corruption risks.
- **Alignment with risk management and assurance frameworks**
Integrates fraud and corruption risk assessment, internal controls, audit activity and reporting within the Shire's broader risk management framework.
- **Reporting, investigation and response mechanisms**
Establishes clear pathways for reporting suspected fraud or corrupt conduct, investigation processes, and mandatory reporting obligations under the *Corruption, Crime and Misconduct Act 2003*.

- **ARIC oversight**

Confirms the role of the Audit, Risk and Improvement Committee in overseeing fraud and corruption risk management, monitoring incidents and ensuring continuous improvement of control frameworks.

Endorsement of this Policy strengthens the Shire's governance arrangements, supports statutory compliance and mitigates reputational, financial and regulatory risks associated with fraud and corruption.

Budget Implications

There are no direct budget implications arising from adoption of this Policy.

Any future actions identified through risk assessment, audit activity or investigation outcomes will be considered through normal budget and business planning processes.

Risk Management

Adoption of the Fraud and Corruption Policy supports effective risk management by:

- Reducing the likelihood of fraud, corruption and misconduct
- Strengthening internal controls and accountability mechanisms
- Supporting early detection, investigation and response
- Protecting the Shire from financial loss, regulatory action and reputational damage

Statutory Environment

- *Local Government Act 1995*
- *Local Government (Audit) Regulations 1996*
- *Local Government (Financial Management) Regulations 1996*
- *Corruption, Crime and Misconduct Act 2003*
- *Public Interest Disclosure Act 2003*

Strategic Alignment

- Strategic Community Plan
 - Outcome 14 Effective governance and financial management
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8. GENERAL BUSINESS

- Committee to recommend a budget line in 26/27 budget to facilitate an internal audit plan to be presented back to ARIC.
- Request for the Audit Committee to be alerted via a report to ARIC of any OAG reports that are published as they generally contain topics that the auditor general is focusing on.
- Future reports on work health and safety to be provided to ARIC as it is high risk

9. NEXT MEETING

The next meeting of the Audit, Risk and Improvement Committee to be advised by Administration.

10. CLOSURE

There being no further business, the Presiding Member to close the meeting.

Shire of Bridgetown-Greenbushes Reg 17 Audit Log 2025/2026															
This Reg 17 Audit Log supports the Chief Executive Officer's obligations under Regulation 17 of the Local Government (Audit) Regulations 1996. The register documents key organisational risks, related controls and assurance activities and informs reporting to the Audit & Risk Committee and Council.															
Regulation 17 Audit Log – Quarterly Status Update															
Review Area	Activity	Review Type	Legislation	Risk Register Alignment	Reporting Period	Key Finding	Responsible Officer	Q3 Status / Comments	Current Status / Comments	Target Date	Linked Previous Reg 17 Recommendation(s)	Current Quarter (Q4 2025/26) Status	Change Since Last Quarter	Next Key Milestone / Review	Source Assurance Activity
Risk Management	Council Risk Register	Reg 17 – Core Governance Review	Local Government (Audit) Regulations 1996 – Reg 17	All strategic, operational, financial and compliance risks identified in the 2026 Shire of Bridgetown-Greenbushes Council Risk Register.	2025/26	Risk Register reviewed with no material gaps identified	Executive Services	The Council Risk Register has been reviewed by the Executive Leadership Team and is presented to ARIC this meeting for endorsement.	The Council Risk Register has been adopted by Council with minor changes made following review.	30-Jun-26	Recommendations 1-5	Pending ARIC approval	Risk Register reviewed by ELT: no material gaps identified. Risk Register approved by ARIC. Subject to Ongoing Review.	Full Review before 30/6/2027. Ongoing Review of actions subject to priority and system upgrades.	Internal Review (ELT) – Council Risk Register review Committee Oversight – ARIC reporting and endorsement Governance Framework Control – Risk Management Framework
Risk Management	Business Continuity & Disaster Recovery	Reg 17 – Scheduled System Review	Better Practice / Local Government Act 1995	Risk #4 Power outages or related infrastructure failures disrupt critical business operations and service delivery. Risk #11 Absence of recovery plans or defined roles delays restoration of services following a major incident.	2026/27	Review required 2026/2027 FY.	Executive Services	Planned / Future Reg 17 review	Planned / Future Reg 17 review	30-Jun-27	Recommendations 6-11	Planned (Future Review)	No change – scheduled in forward Regulation 17 review program	Reg 17 review scheduled FY 2026/27	Governance – Business Continuity Framework Future / Scheduled Assurance – Reg 17 Review FY 2026/27 LEMC Oversight – Reporting to SEMC Operational Control – Backup and recovery procedures
Risk Management	Information Systems & Cyber Security	Reg 17 – Planned Review	Better Practice / ISO 27001 principles	Risk #3 Unauthorised or accidental access, disclosure or loss of information leads to a cyber incident resulting in loss of intellectual property and service disruption. Risk #19 Aging or unsupported ICT systems fail, leading to service interruptions, data loss and reduced operational efficiency. Risk #31 Information breach or privacy complaint resulting in intervention by the Office of the Information Commissioner.	2026/27	External ICT assurance planned to address known risk areas	Corporate & Economic	Scheduled – Reg 17 Review FY 2026/27 Review pending of IT Support system with Security a priority component. Password Complexity Upgrade installed April 2026.	Scheduled – Reg 17 Review FY 2026/27 Review pending of IT Support system with Security a priority component. Password Complexity Upgrade installed April 2026.	31-Dec-26	Recommendations 31, 33-35	Current Contract with Harmonic has finished and Shire currently negotiating and investigating options.	Harmonic contract managed monthly while the Shire investigates options for IT Support.	External assurance review – December 2026	External Independent Review – Financial Management System Review (ICT components) Operational Control – Password and access control enhancements Future / Scheduled Assurance – External ICT Assurance Review (Dec 2026)
Risk Management	WHS Risk Management	Reg 17 – Core Governance Review	WHS Act 2020 (WA)	Risk #8 Inadequate documentation of inspections or decisions leads to regulatory, safety or liability risks. Risk #9 Excessive workloads contribute to fatigue and errors, increasing the likelihood of lost-time injuries. Risk #23 High workloads or resourcing gaps lead to burnout, absenteeism and reduced service quality. Risk #26 Poor supervision or behaviour management leads to harassment or bullying, causing injury, absenteeism and cultural harm.	2025/26	WHS governance framework implemented. Worksafe issued 9 Improvement Notices.	Executive Services	Implemented SkyTrust risk software and developed compliance tasks in compliance calendar. Implemented Safety Conversation to improve ELT oversight of all locations and remediation options.	Implemented SkyTrust risk software and developed compliance tasks in compliance calendar. Implemented Safety Conversations to improve ELT oversight of all locations and remediation options.	Ongoing	Recommendations 15, 23-26, 39-42	WHS Quarterly Activity Log submitted for ARIC oversight. Worksafe Improvement Notices all completed and accepted by WorkSafe.	WHS governance framework embedded, system and oversight improvements implemented. Ongoing Education and Training. WorkSafe advised Shire Compliant.	Ongoing monitoring through WHS and Governance framework	Internal Review (Management) – WHS framework implementation Operational Control – SkyTrust risk system and safety conversation program Committee Oversight – Reporting to ARIC
Internal Controls	Financial Management Review	External Review	Local Government (Financial Management) Regulations 1996	Risk #14 Inaccurate budgeting or financial planning results in funding shortfalls affecting service delivery and long-term sustainability. Risk #27 Grant dependency, revenue shortfalls or funding competition reduce income, leading to financial deficits and service impacts. Risk #29 Inconsistent procurement or contract management practices result in non-compliance, financial loss and audit findings.	2024/25	One compliance breach, two high risk control weaknesses, and multiple moderate control deficiencies identified	Corporate & Economic	Review completed 31 October 2025. FMSR Audit Log provided to ARIC separately.	Review completed 31 October 2025. FMSR Audit Log provided to ARIC separately.	31-Dec-26	Recommendations 16-18, 31	Implemented – effectiveness review underway	External review completed, findings accepted by management	Progress reporting via FMSR Audit Log to ARIC	External Independent Review – Financial Management System Review (AMC Chartered Accountants) Committee Oversight – ARIC consideration of FMSR and Audit Log Internal Review (Management) – FMSR Audit Log monitoring
Internal Controls	Procurement & Contract Management	Reg 17 – Scheduled Review	Local Government (Financial Management) Regulations 1996	Risk #29 Inconsistent procurement or contract management practices result in non-compliance, financial loss and audit findings.	2026/27	Review scheduled following FMSR and audit findings	Corporate & Economic	Planned / Future Reg 17 review	Planned / Future Reg 17 review	30-Jun-27	Recommendations 16-19	Planned (Future Review)	Follow-up review scheduled following FMSR and audit outcomes	Reg 17 review scheduled FY 2026/27	External Independent Review – Financial Management System Review Future / Scheduled Assurance – Reg 17 Review FY 2026/27 Operational Control – Procurement procedures and delegations
Internal Controls	Asset Safeguarding	Reg 17 – Core Review	Local Government Act 1995	Risk #28 Aging assets with limited condition data fail, causing service disruption, safety risks and emergency repair costs.	2025/26	Existing controls assessed as adequate	Projects and Environment	No Material Issues identified. Disposal of Surplus Assets policy drafted and awaiting OCM adoption.	No Material Issues identified. Disposal of Surplus Assets policy drafted and awaiting OCM adoption.	Ongoing	Recommendations 20-22, 36-38, 41-43	Closed / Embedded	Disposal of Surplus Assets (DOSA) policy still to be submitted.	DOSA Policy for OCM adoption August.	Internal Review (ELT) – Asset safeguarding assessment Operational Control – Asset management processes Governance – Asset Management Policies

Shire of Bridgetown-Greenbushes Reg 17 Audit Log 2025/2026															
This Reg 17 Audit Log supports the Chief Executive Officer's obligations under Regulation 17 of the Local Government (Audit) Regulations 1996. The register documents key organisational risks, related controls and assurance activities and informs reporting to the Audit & Risk Committee and Council.															
Regulation 17 Audit Log – Quarterly Status Update															
Legislative Compliance	Compliance Framework	Reg 17 – Core Governance Review	Local Government Act 1995	Risk #1 Regulatory non-compliance results in investigation or intervention by oversight bodies, potentially impacting Council stability and public confidence. Risk #10 Ineffective monitoring or implementation of Local Government Act reforms results in governance failures and non-compliance.	2025/26	Compliance framework established and operational. Attain system implemented to assist with management.	Executive Services	Completed. Compliance Calendar, Risk Register and Delegations Register completed and current. A Legal Documents register has been updated and reviewed. All compliance tasks are now automated to departments via Attain.	Completed. Compliance Calendar, Risk Register and Delegations Register completed and current. A Legal Documents register has been updated and reviewed. All compliance tasks are now automated to departments via Attain.	Ongoing	Recommendations 1, 10, 23-25, 31-32	All Registers updated and published for EOY. Compliance Calendar approved by ELT and ARIC. Delegations Register reviewed prior to EOY.	Compliance Framework operational with task allocation	Ongoing compliance monitoring and reporting	Governance Framework Control – Compliance Framework and Calendar Operational Control – Automated compliance task allocation (Attain) Committee Oversight – ARIC reporting
Legislative Compliance	Policy Governance	Reg 17 – Core Governance Review	Local Government Act 1995	Risk #10 Ineffective monitoring or implementation of Local Government Act reforms results in governance failures and non-compliance.	2025/26	Policy review cycles implemented. Changing priorities impact plan.	Executive Services	Policy Review schedule has been developed to ensure all Policies have been reviewed by December 2026, when the cycle will re-commence.	Policy Review schedule has commenced. Subject to Monthly reviews due to shifting priorities.	31-Dec-28	Recommendations 10-15, 46	Implemented and Ongoing Maintenance.	Some changes to schedule due to shifting priorities for Administration and Council.	All policies reviewed by December 2026	Governance Control – Policy Review Schedule Committee Oversight – ARIC review of relevant Policies. Council – Policy Control
Legislative Compliance	Privacy & Information Compliance	Reg 17 – Priority Compliance Review	PRIS Act 2024 (WA)	Risk #31 Information breach or privacy complaint resulting in intervention by the Office of the Information Commissioner.	2025/26	Policy, Privacy Impact Assessment tool. Collection Notices implemented. Relevant Staff trained and Intranet Webpage created.	Executive Services	Privacy Policy going to Council April 2026. Privacy Impact Assessment tool has been drafted for implementation in alignment with the PRIS Act. Deadline 1 July 2026 for compliance.	PRIS Act requirements implemented. Ongoing education for staff. Preparing for Mandatory Breach Notification requirements 1/1/27.	1-Jan-27	Recommendation 31	Implemented - Ongoing Education, Training and Supervision	Policies and assessment tools developed and live in time for PRIS commencement.	Mandatory Breach Notification commences 1 January 2027. 12 Month Review and PRIS Health Check scheduled 1 July 2027	Governance – Privacy and Information Compliance ELT – Review and Approval
Legislative Compliance	Council Resolutions	Reg 17 – Core Governance Review	Local Government Act 1995	Risk #10 Ineffective monitoring or implementation of Local Government Act reforms results in governance failures and non-compliance.	2025/26	Resolutions Register established and embedded into governance processes	Executive Services	Resolution Register developed and published. Ongoing maintenance after each OCM.	Resolution Register developed and published. Ongoing maintenance after each OCM.	Ongoing	Recommendations 12, 15, 26	Closed / Embedded	Resolution Register implemented and embedded. Added columns for Responsible Officer and Action Tracker worksheet.	Ongoing maintenance following each Ordinary Council Meeting	ARIC – Oversight
Legislative Compliance	LGIRS Compliance Audit Return	Statutory Return	Local Government (Audit) Regulations 1996	Risk #1 Regulatory non-compliance results in investigation or intervention by oversight bodies, potentially impacting Council stability and public confidence. Risk #30 Low awareness of recordkeeping requirements leads to incomplete or inaccessible records and non-compliance with legislative obligations.	2025/26	Drafted CAR demonstrates compliance but still requires ARIC oversight.	Executive Services	Pending September	Pending ARIC approval August 2026; OCM adoption required prior to September submission.	30-Sep-26	Statutory Requirement	Pending ARIC Approval	Endorsed by ELT and awaiting ARIC approval. Reporting Portal opened July 2026.	Requiring OCM Adoption 27 July 2026	ELT Approval ARIC Oversight Council Adoption
Legislative Compliance	Records Management	Reg 17 – Scheduled Review	State Records Act 2000 (WA)		2026/27	Review scheduled to assess compliance maturity	Corporate & Economic	Scheduled – Reg 17 Review FY 2026/27 PRIS Act principles to be incorporated.	Scheduled – Reg 17 Review FY 2026/27 PRIS Act principles to be incorporated.	30-Jun-27	Recommendations 9, 30, 34	Planned (Future Review)	No change – scheduled review to assess compliance maturity	Reg 17 review scheduled FY 2026/27	Future / Scheduled Assurance – Reg 17 Review FY 2026/27 Governance Framework Control – Records Management Framework



Audit, Risk and Improvement Committee – Assurance Summary

Meeting: 14 August 2026

Purpose

To provide a consolidated assurance overview across key governance, risk, financial management and compliance agenda items.

Assurance Coverage Overview

Assurance Domain	Agenda Item	Assurance Position
Regulation 17 – Governance Assurance	7.1	All 2023 Reg 17 recommendations addressed, embedded or scheduled; no material gaps identified
Financial Management System Review	7.2	External review completed; findings accepted; effectiveness review underway
Priority Risk Oversight	7.5	Extreme and High residual risks identified and subject to ARIC oversight
Enterprise Risk Framework	7.6	2026 Risk Register approved by ARIC and Council; ongoing review

Key Assurance Signals

- Risk Register approved by ARIC (April 2026) and Council (May 2026); subject to ongoing review and annual refresh.
- All 9 WorkSafe Improvement Notices completed and accepted – Shire confirmed compliant.
- PRIS Act requirements implemented ahead of 1 July 2026 commencement; preparing for Mandatory Breach Notification (1 Jan 2027).
- External Financial Management System Review completed, findings accepted, effectiveness review underway.
- LGIRS Compliance Audit Return drafted and endorsed by ELT; pending ARIC approval this meeting.
- ICT, cyber security and privacy risks appropriately elevated for oversight; external assurance review scheduled December 2026.
- Compliance framework registers and automation embedded; all registers updated for EOFY.

Notable Progress Since Previous Quarter (Q3 2025/26)

- Risk Management: Council Risk Register approved and embedded into BAU governance.
- WHS: All WorkSafe Improvement Notices completed; SkyTrust system and Safety Conversations operational.
- Privacy: PRIS Act compliance achieved; Privacy Impact Assessment tool and Collection Notices live.
- Financial Management: FMSR findings implemented; effectiveness review commenced.
- Policy Governance: Review schedule implemented; all policies to be reviewed by December 2028.
- Compliance Framework: Delegations Register reviewed; automated task allocation operational via Attain.

Overall Assurance Assessment

Based on the Regulation 17 Audit Log and this quarterly assurance summary, management confirms that all recommendations arising from the 2023 Regulation 17 Audit have been either completed and



embedded into business-as-usual controls, incorporated into the organisation's governance and compliance frameworks, or scheduled within the forward Regulation 17 review program.

No material governance or control gaps requiring unplanned remediation or escalation to Council have been identified for the current reporting period (Q4 2025/26).

Assurance ratings reflect implementation status at the reporting date (14 August 2026 ARIC) and are subject to validation through scheduled reviews and external assurance activities.

Quarterly Assurance Summary Table – Q4 2025/26)

Purpose: To provide the Audit, Risk and Improvement Committee with a concise, line-of-sight assurance summary confirming coverage of all prior Regulation 17 recommendations and current quarter status.

Reg 17 Review Area	Linked 2023 Reg 17 Recommendations	Current Status	ARIC Assurance Position
Risk Management – Council Risk Register	Recs 1–5	Approved and Embedded	Risk Register approved by ARIC and Council. Subject to ongoing review and annual refresh.
Business Continuity & Disaster Recovery	Recs 6–11	Planned (Future Review)	Deferred to scheduled Reg 17 review FY 2026/27. Current version applies.
Information Systems & Cyber Security	Recs 31, 33–35	In Progress	Harmonic contract concluded; IT support options under investigation. External ICT assurance review planned December 2026.
Work Health & Safety Risk Management	Recs 15, 23–26, 39–42	Closed / Embedded	WHS governance framework embedded. All 9 Worksafe Improvement Notices completed and accepted. Shire confirmed compliant.
Financial Management Review	Recs 16–19, 31	Implemented	External FMSR completed; findings accepted. Effectiveness review underway. Progress tracked via FMSR Audit Log to ARIC.
Procurement & Contract Management	Recs 16–19	Planned (Future Review)	Follow-up review scheduled post-FMSR and audit outcomes
Asset Safeguarding	Recs 20–22, 36–38, 41–43	Closed / Embedded	Existing controls adequate. Disposal of Surplus Assets policy drafted; pending OCM adoption August 2026.
Legislative Compliance Framework	Recs 1, 10, 23–25, 51–52	Closed / Embedded	All registers updated and published for EOFY. Compliance Calendar approved. Delegations Register reviewed. Automated task allocation operational via Attain.



Policy Governance	Recs 10–15, 46	Implemented	Policy review schedule implemented and operational. Subject to monthly reviews; some schedule adjustments due to shifting priorities. All policies to be reviewed by December 2028.
Privacy & Information Compliance	Rec 31	Implemented	PRIS Act requirements implemented ahead of commencement. Privacy Impact Assessment tool and Collection Notices live. Preparing for Mandatory Breach Notification (1 Jan 2027).
Council Resolutions	Recs 12–15, 26	Closed / Embedded	Resolution Register implemented and embedded. Added Responsible Officer column and Action Tracker worksheet. Ongoing maintenance after each OCM.
LGIRS Compliance Audit Return	Statutory	Pending ARIC Approval	Drafted CAR demonstrates compliance. Endorsed by ELT; pending ARIC approval August 2026. OCM adoption required prior to September submission.
Records Management	Recs 9, 30, 34	Planned (Future Review)	Compliance maturity review scheduled FY 2026/27

Based on the Regulation 17 Audit Log and this quarterly assurance summary, management confirms that all recommendations arising from the 2023 Regulation 17 Audit have been either completed and embedded into business-as-usual controls, incorporated into the organisation's governance and compliance frameworks, or scheduled within the forward Regulation 17 review program.

No material governance or control gaps requiring unplanned remediation or escalation to Council have been identified for the current reporting period (Q4 2025/26).

Assurance ratings reflect implementation status at the reporting date (14 August 2026 ARIC) and are subject to validation through scheduled reviews and external assurance activities.



Report 13: 2025-26 | 15 April 2026

FINANCIAL AUDIT RESULTS

Local Government 2025



**Office of the Auditor General
for Western Australia**

Audit team:

Grant Robinson
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Information Systems Audit teams

National Relay Service TTY: 133 677
(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for
those with visual impairment.

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The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

Image credit: shutterstock.com/khanhnguyenpictures

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

**Local Government 2025 – Financial Audit
Results**

Report 13: 2025-26
15 April 2026

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**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

LOCAL GOVERNMENT 2025 – FINANCIAL AUDIT RESULTS

This report has been prepared for submission to Parliament under the provisions of section 24 of the *Auditor General Act 2006*.

The report summarises the final results of our annual audits of 138 of 147 local government entities for the year ended 30 June 2025.

I wish to acknowledge the assistance provided by the councils, chief executive officers, finance officers and others, including my staff and contract audit firms, throughout the financial audit program and in finalising this report.

A handwritten signature in black ink, appearing to read 'Caroline Spencer'.

Caroline Spencer
Auditor General
15 April 2026

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Auditor General's overview

This report summarises the results of our annual financial audits of 138 local government entities for the financial year ended 30 June 2025. It also includes results from 11 of the 12 audits outstanding at the time of the *Local Government 2023-24 – Financial Audit Results* report, which have since been finalised.



In 2025, we issued 136 clear audit opinions. Pleasingly, the number of audit qualifications has continued to decrease, with only two of the 138 entities included in this report for 2025 receiving qualified opinions. Of continuing concern is the quality of financial reports submitted for audit. The value of current year errors and the number of prior period errors increased largely as a result of issues linked to property and infrastructure assets. As my office has recommended over successive years, the sector required guidance to support a consistent understanding of valuation obligations and to improve valuation practices generally. So, it is pleasing that the Department of Local Government, Industry Regulation and Safety (LGIRS) recently published this guide on 5 March 2026 which entities can utilise in 2026.

Approximately 33% of entities provided five or more versions of their financial report to my audit teams, with one entity providing 19 versions. As I've said before, this signals a need for greater care and capability in financial reporting. Multiple revisions create delays, cost time and resources and reflect gaps in quality assurance processes. This requires priority attention by entities affected.

This year, for the first time, the online version of this report will include an interactive map graphic to provide insight on our assessment of entity performance from the perspective of financial management control issues raised. This is a useful tool for stakeholders to compare the performance of their local government to those in the surrounding areas or bands. Further, this analysis shows pockets of concerning performance and inability to meet statutory deadlines. We will update this map each year, with the view to showing year on year comparatives.

Of the audits delayed in 2024, four stand out: City of Nedlands, Shire of Coolgardie, Shire of Halls Creek and Shire of Yalgoo. These audits, in conjunction with other delayed audits in 2025 or prior years, were motivating factors behind issuing my recent *Status of Local Government Audits* report¹. The added public oversight of audit delays is intended to improve timeliness.

This year my team performed some financial health analysis around entities' ability to meet their short-term payment obligations (current ratio) which shows numerous entities facing financial pressure (Appendix 9). Four entities had a ratio of less than one, meaning their current liabilities exceeded their current assets and they may not be able to pay their debts as and when they fall due. The four entities were the: Shire of Coolgardie, Shire of Derby-West Kimberley, Shire of Irwin and Shire of Victoria Plains. The sector-average current ratios continue to decline as do the median ratios. This reflects a sector declining in its ability to meet short-term financial obligations. Our opinion on the Shire of Coolgardie's 30 June 2024 financial report included a material uncertainty related to going concern, indicating that the Shire's ability to continue its financial operations (that is, its financial viability) was not assured. While these concerns were known to my office, they were not publicly disclosed until the Shire's audit report was issued in June 2025. Earlier intervention by councillors and CEOs, and failing that the LGIRS, the Local Government Inspector or the Minister is needed for entities in financial difficulty or crisis.

¹ Office of the Auditor General, [Status of Local Government Audits 2025](#), OAG website, 28 January 2026.

It is pleasing to see the sector respond positively to our request to bring audit delivery forward by being audit ready however, there remains opportunities for improvement. The spike in issuing audit opinions (Figure 1) is not sustainable and requires all entities to prepare for earlier completion, thereby enabling more timely reporting to all key stakeholders.

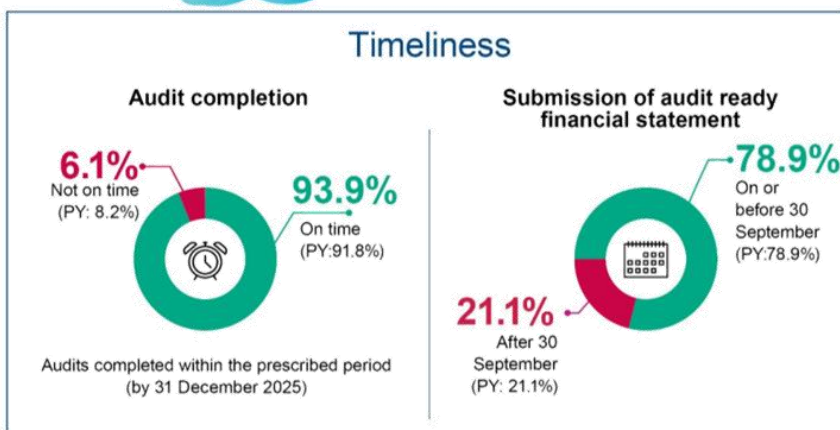
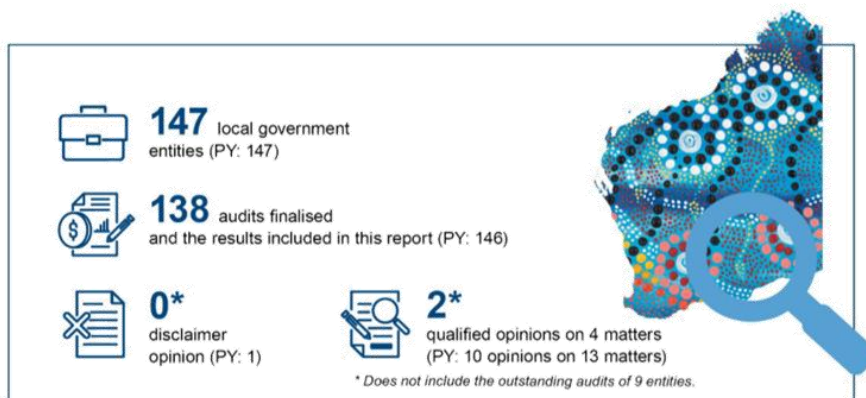
Our advocacy work with entities and LGIRS in relation to legislative reforms has helped reduce certain review requirements for entities, without reducing transparency or accountability. This was a welcome change via the local government legislative reform. It was pleasing to see how responsive LGIRS were to suggestions, and I appreciate their engagement with my office.

Finally, in response to sector feedback, we have refined our best practice entity reporting approach this year. To better reflect the diversity of local government entities, we have aligned our assessment to the WA Local Government banding model². Stakeholders indicated that evaluating best practice at a sector-wide level was less meaningful, and that introducing a level of segmentation would provide clearer and more relevant insights. This change ensures our reporting is more comparable, equitable, and reflective of the unique operating environments within local government. I congratulate those entities recognised as best practice for 2025.

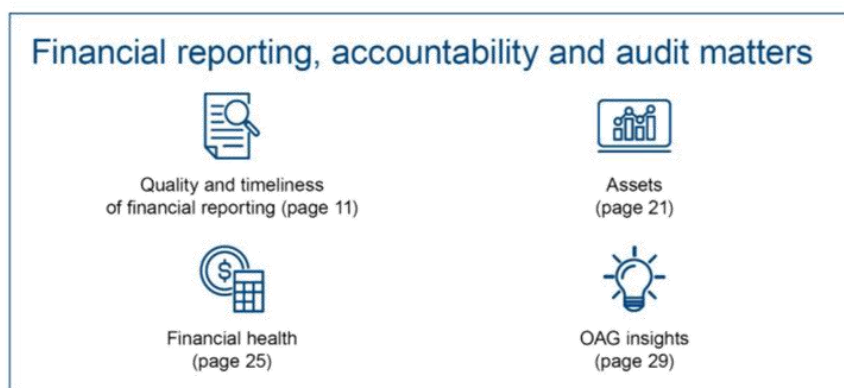
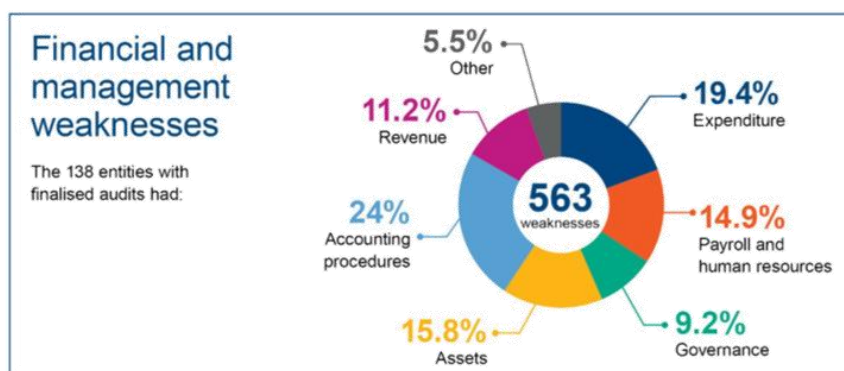
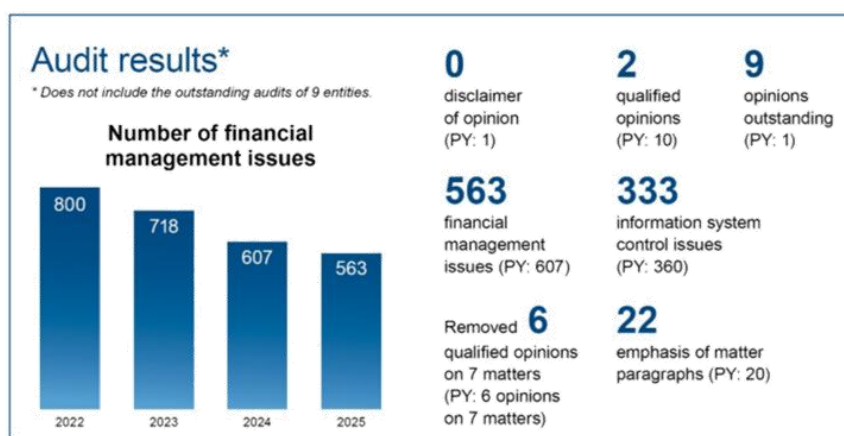
My sincere thanks also to entities, my staff and our contract audit firms for their continued diligent efforts in delivering timely reliable local government financial reports and audits for the Western Australian community.

² In Western Australia, local governments are classified into four bands based on the determination of the [Salaries and Allowances Tribunal](#). These bands are used to determine the maximum and minimum number of council members based on the population of the local government district. The classification of local governments into these bands is a key aspect of the *Local Government Act 1995* and is subject to change with new regulations and amendments.

2025 local government reporting cycle at a glance



PY: prior year



Review of the 2025 financial year

What we did

Our financial audit program is performed under the related Auditing and Assurance Standards Board standards. Our focus is on ensuring the accuracy of an entity's annual financial statements. This report summarises the results of the financial audits of local government entities for the year ended 30 June 2025. It includes the results for 138 of 147³ entities (Appendix 1), with the remaining nine entities included in our *Status of Local Government Audits 2025* report⁴. Appendix 1 also includes opinion types by local government band to enable entities to compare their own results.

Summary of audit opinions

For the financial year ended 30 June 2025, we issued clear opinions for 136 entities by 31 December 2025, and two audit opinions were qualified. We included 22 emphasis of matter (EoM) paragraphs in the auditor's reports of 22 entities. We also issued 11 audit opinions for entities from previous financial years.

Audit year	2024	2025
Number of entities subject to OAG audit	147	147
Number of entity audits included in results report	135	138
Number of entity audits included in updated statistics	146	N/A
Clear (unqualified) audit opinions	135	136
Qualified opinions	10	2
Disclaimer of opinion	1	0
Material uncertainty related to going concern	2	0
Emphasis of matter paragraphs	20	22

Source: OAG

Table 1: Audit results for the past two years

Entities that did not make the 2024 results report cut-off included in this report

At the cut-off date of this report, with the exception of the Shire of Yalgoo, all entities outstanding in the *Local Government 2023-24 – Financial Audit Results* report have now been finalised. While many of these entities received clear 2024 audit opinions, this may not have been the case had the audits been completed on time. The delays with these audits were mostly to give entities time to provide more evidence and correct their financial report. Delays in audits present significant inefficiencies, cost impacts and resourcing pressures on audit teams.

Disclaimer removals

Following a disclaimer of opinion, we generally qualify the comparability of the current year's financial results with the prior year, as the prior year figures were not audited and may be incorrect. Further, when an entity restates figures from a disclaimer year, and they cannot be

³ 31 December 2025 is the statutory deadline for local government entities to complete their audits and is used as the statistics cut-off date for this report.

⁴ Office of the Auditor General, [Status of Local Government Audits 2025](#), OAG website, 28 January 2026.

audited, another related qualification is issued. These qualifications alert users to exercise care when comparing the two years.

The 2024 audit reports for the City of Nedlands and Shire of Halls Creek (issued during 2025) featured disclaimer removals, as did the Shire of Toodyay's 2025 audit report.

The City of Nedlands 2024 audit report contained one qualification on comparability as the prior year numbers could not be audited.

The Shire of Halls Creek 2024 audit report contained three qualifications:

- one was on comparability as the prior year restated numbers could not be audited
- a related qualification, the current year disclosure note on the restated numbers could not be audited
- a third qualification for not valuing other infrastructure assets at 30 June 2022 or 2023.

The Shire of Toodyay 2025 audit report contained three qualifications:

- two were as per the Shire of Halls Creek, comparability of restated numbers which could not be audited, and the related disclosure note
- a third qualification was for unreconciled amounts in cash and cash equivalents.

Full details of the qualifications issued for these three entities can be seen in Appendix 4.

Two qualified opinions

The Shire of Boyup Brook and the Shire of Toodyay were the only entities to receive qualified audit opinions in 2025. This represents a decrease compared to 2024, which recorded 10 entities with audit qualifications out of 146 completed audits. We expect there will be more audit qualifications to come from the nine entities that did not meet their statutory deadline.

The two qualified entities in 2025 had four qualification matter paragraphs, two of which relate to prior year disclaimed opinions (refer above: disclaimer removals). The audit qualifications are included in Appendix 4.

Emphasis of matter paragraphs (EoM)

In 2025, we included 22 EoM (Appendix 5) paragraphs in 22 entity audit reports which is relatively on par with the 20 EoM paragraphs included in 20 reports the prior year. We expect the number of EoM's to increase as the outstanding nine audits are finalised. This year EoM paragraphs directed the readers' attention to:

- restatements of comparative figures or balances to correct prior period errors, largely related to property and infrastructure assets (2025: 16 entities) (2024: 16 entities)
- the basis of accounting used by the entity (2025: 2 entities) (2024: 1 entity)
- investment in associates (2025: 4 entities) (2024: 0).

This year we refined our use of EoM paragraphs relating to prior period errors. Auditing standards allow judgement in this area. We now only include an EoM where errors are deemed fundamental to users' understanding of the financial report. This ensures EoMs highlight to users what is essential for their consideration. While the number of EoM paragraphs this year is similar to 2024, all 2025 errors were serious enough to impact users' understanding of the financial report. This is more concerning, especially as the number would have been higher without our refined EoM approach.

We have a section of this report dedicated to prior period errors, refer to the prior period errors section. A full description of EoM paragraphs is included in Appendix 5.

Material uncertainty related to going concern

Under Australian Auditing Standards, we consider whether events or conditions exist that may cast significant doubt on the entity's ability to continue as a going concern. Essentially, if an entity can fund their continuing operations, they are considered to be able to continue as a going concern.

This applied to the Shire of Coolgardie's 30 June 2024 financial position. This audit was not finalised until June 2025 and therefore it was not included in our *Local Government 2023-24 – Financial Audit Results* report⁵. The audit had challenges largely stemming from the Shire's financial situation and resourcing issues.

The material uncertainty related to the Shire's ability to continue as a going concern, as it had incurred a net loss of \$4.6 million for the year ended 30 June 2024. At that date, the Shire's current liabilities exceeded its current assets by \$14.2 million and the unrestricted cash balance was overdrawn by \$934,000. The Shire disclosed these details along with options available to them to navigate their way through these challenges in a note to the financial statements.

The Shire's 30 June 2025 audit report did not include a material uncertainty related to going concern. A case study of the Shire's financial health is included in the section on financial health of local governments.

Provision of quality financial reports enables timely financial reporting

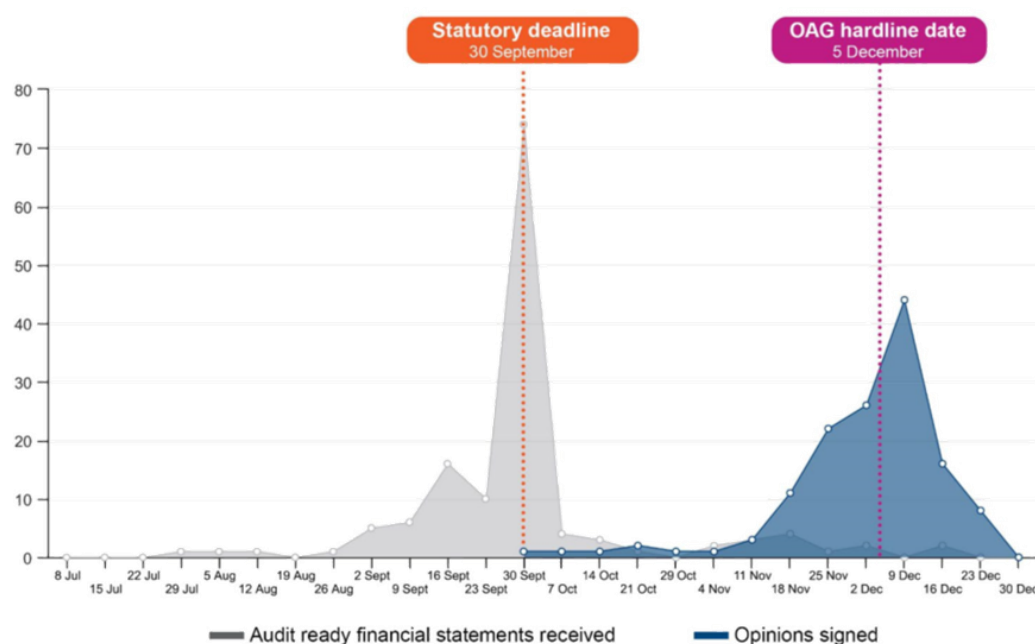
Provision of financial reports

While 84% of the 138 local government entities included within this report provided their financial report by the legislated deadline of 30 September 2025, 54% of entities provided their financial report during the week of the deadline. One-third of entities provided their financial report to the auditors on the deadline. This can be seen in the clear spikes in Figure 1 which suggests entities may be aiming for legislative compliance rather than better practice. Similarly, there is a peak in the number of audit opinions issued at the date of our hardline initiative⁶, on 5 December for 2025. In the week ended 5 December 2025 we issued approximately a third of the 138 opinions included in this report. Again, this represents compliance rather than better practice. To encourage sector-wide uplift and a culture focused on improvement, we encourage entities to access our suite of better practice and audit readiness tools to assist them in earlier financial reporting.

An audit-ready financial report is the starting point for a financial audit, without this, auditors are unable to commence their work in earnest. Also of concern is the accuracy of the financial reports provided. Only 6% of entities required no adjustments to their financial report. The remaining entities needed to make adjustments to their financial report, indicating a lack of quality. Further details on audit adjustments are included in the quality section of this report.

⁵ Office of the Auditor General, [Local Government 2023-24 Financial - Audit Results](#), OAG website, 24 April 2025.

⁶ Our hardline initiative is focused on improving the quality and timeliness of financial reports and associated workings provided for audit. As part of the approach, we will no longer wait until the entity is ready if key information and people are not reasonably available within the agreed schedule. Instead, we will issue our audit opinion on the information available, even if this results in a qualified audit opinion.



Source: OAG

Figure 1: Financial reports received and audit completion dates by week

Timeliness of reporting

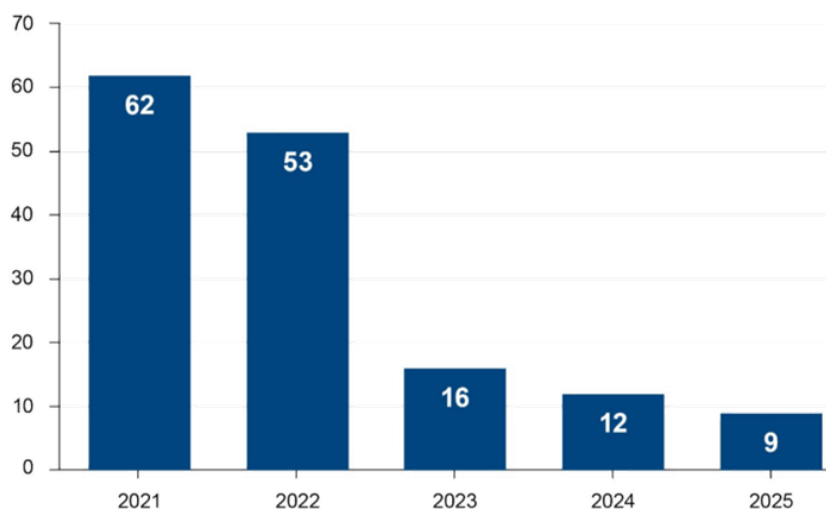
More opinions meeting statutory deadlines

For the first time, we issued a standalone report on the timeliness of local government audit opinions⁷. This new reporting initiative increases transparency, to Parliament and the community, on entity financial report progress and reinforces our commitment to issuing all audit opinions by 31 December, in line with legislated timeframes.

In 2025, 94% of local government audit opinions were issued by the statutory deadline, a continued improvement on prior years. We anticipate further improvement in 2026, with the long-term aim that all audits are completed well within the required timeframe.

Since 2023, we have provided entities with an early December target date, previously referred to as the OAG hardline initiative, to support earlier audit completion and reduce the risk that minor delays push audits beyond 31 December. For the 2025 cycle, this date was 5 December. This initiative has contributed to a significant reduction in the number of audits outstanding at 31 December, as shown in Figure 2.

⁷ Office of the Auditor General, [Status of Local Government Audits 2025](#), OAG website, 28 January 2026.



Source: OAG

Figure 2: Number of audits outstanding at 31 December for the last five years

For the nine outstanding audits included in the *Status of Local Government Audits 2025*⁸ report in January 2026, the only substantive change is for the Shire of Yalgoo with their 2023 and 2024 audits now finalised, and the Shire of Dalwallinu with their 2025 audit now finalised. For both 2023 and 2024 the Shire of Yalgoo's audit opinions were qualified in respect of:

- bank reconciliation issues
- accrued income recoverability
- valuation of infrastructure asset (roads) not being undertaken.

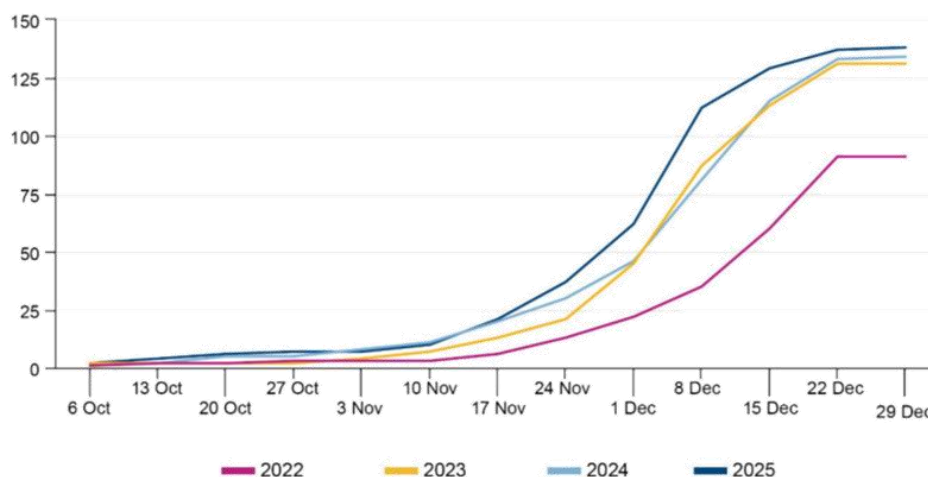
Despite delayed lodgements in 2024 the following entities, through appropriate commitment and resolve, successfully addressed the contributing issues and met the statutory deadline in 2025:

- City of Greater Geraldton
- Shire of Bridgetown-Greenbushes
- Shire of Collie
- Shire of Coolgardie
- Shire of Dundas
- Shire of Nannup
- Shire of Toodyay (last met the statutory deadline in the 2020 financial year)
- Shire of Wickpin
- Town of Cottesloe.

⁸ Office of the Auditor General, [Status of Local Government Audits 2025](#), OAG website, 28 January 2026.

Overall Progress is positive, but audit bottleneck continues

Figure 3 shows that 2025 was ahead of previous years in terms of number and timing of opinions issued. While the improvement in timeliness is encouraging, there continues to be a bottleneck of audit opinions being issued in December.

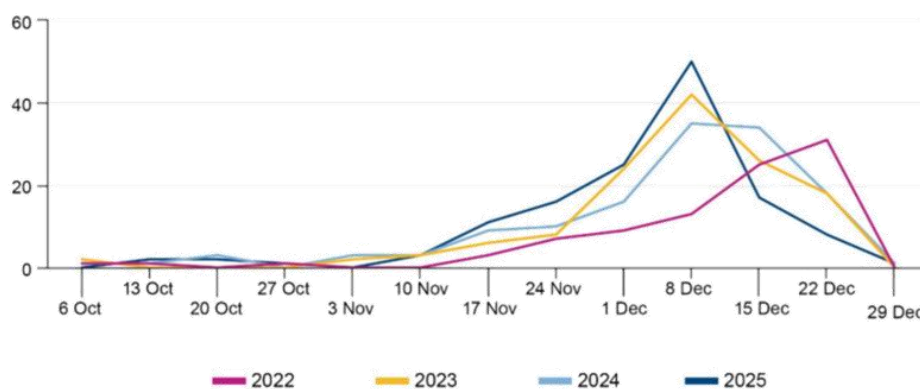


Source: OAG

Figure 3: Cumulative opinions issued from October to December for 2022 to 2025

We are pleased with the sector successfully responding to our efforts to bring audit delivery forward before the 31 December deadline, although there remain opportunities for improvement. There is concern that entities treat our hardline initiative date as their target for receiving an opinion. There were 58% of 2025 local government opinions issued in December, with 33% of opinions issued during the week ended 5 December 2025. The clear spike in opinions issued around this date is shown in Figure 4.

This spike in issuing opinions is unsustainable. Looking forward we want to see entities preparing for earlier audit completions to create a smoother curve of opinions being issued, rather than a sharp spike. This would enable earlier reporting by entities to their ratepayers and have the added benefit of reducing the pressure on finance teams and auditors.



Source: OAG

Figure 4: Opinions issued per week 2022 to 2025

Quality

Good quality financial reports are accurate, clear and complete.

Errors and the number of versions of the financial report submitted to audit are indicators of the quality of financial operations of an entity. Both are indicative of a weakness in an entity's financial report preparation process. It creates additional effort, both internally for the entity and for the auditor, which leads to increased costs (internally and audit fees).

Prior period errors are increasing

A prior period error is a significant misstatement or omission, made by an entity in previous financial years, identified during the current year. It is usually corrected retrospectively by restating the opening balances in the financial statements. Entities with prior period errors have increased by 13% from 2024, with the 2025 numbers subject to increase as the nine outstanding audits are finalised. Many errors relate to asset accounting.

Common themes were:

- found assets
- valuation errors
- duplicate assets.

The growth in prior period errors and continued presence of asset related errors demonstrates a need for entities to focus on improving their asset accounting processes. As revaluations are only required every five years, many entities are in the outer year of a valuation cycle. We expect these errors could get worse in a valuation year.

A compounding issue with prior period errors, once identified, is that many entities are unsure how to correctly account for and disclose these errors in their financial reports. This contributes to inconsistent treatment across the sector and increases the level of auditor involvement required to resolve the matters.

Financial report versions still too high

On average we received four versions of an entity's financial report in 2025, similar to 2024. While the proportion of entities with only one version of the financial report prior to finalisation has increased to 6% (3% in 2024), this proportion is insufficient.

Approximately 33% of entities provided five or more versions of their financial report to audit, which is consistent with the previous year. We consider five or more versions of a financial report to be excessive, and indicative of a lack of financial management and reporting expertise and audit readiness by entities. One entity was a concern with 19 versions of their financial report provided to audit. This is an increase from 2024 where one entity had 16 versions for their financial report before finalisation.

Each version of the financial report provided to auditors needs to be reviewed, compared to previous versions with changes being queried and validated. All of which increase audit hours and costs. Entities should be aiming for one to two versions of their financial report. Any more than this indicates inadequate quality review processes in the preparation of the report.

Value of errors increase in 2025

The number and value of adjustment errors made to financial statements increased in 2025.

Errors are identified during the audit process, and we advise entities of those that are more than clearly trivial. Material errors must be corrected to avoid a potential modified opinion,

while immaterial errors may be left unadjusted where they do not affect the fair presentation of the financial report.

Year	Adjusted errors			Unadjusted errors			Total errors	
	No. of entities	No. of errors	Value	No. of entities	No. of errors	Value	No. of errors	Value
2025	98	301	\$674,314,611	55	125	\$43,987,252	426	\$718,301,863
2024 ⁹	100	297	\$393,532,137	63	137	\$58,713,391	434	\$452,245,528
2023	100	285	\$1,125,288,333	59	104	\$69,157,705	389	\$1,194,446,038
2022	91	335	\$1,613,529,048	58	132	\$50,668,884	467	\$1,664,197,932

Source: OAG

Table 2: Adjusted and unadjusted errors for entities

Entities should exercise discretion when considering adjustments for immaterial errors. While these smaller errors may not affect the fair presentation of the financial report, processing and validating them consumes time and resources.

Entities need to strike a balance between the overall objective of presenting a fair financial report and the additional effort required to process adjustments. Each adjustment not only increases the entity's workload but also requires auditors to perform further validation and review additional versions of the financial report, increasing audit time and cost, and resulting in delay for both parties.

While the overall number of errors for 2025 appears relatively consistent with 2024, we expect this to increase once the nine outstanding audits are finalised.

The Shire of Toodyay and Town of Claremont had the equal largest number of adjusted errors in 2025, with 10 errors each. The Shire of Toodyay adjusted errors amounting to \$10.3 million, whilst the Town of Claremont's adjustments amounted to \$38.9 million. Two other entities were significant outliers due to the value of their adjustments:

- The City of Albany undertook infrastructure valuations (internally) for the 2025 financial year that indicated an increase in value of infrastructure assets of \$148 million, which was recorded. However, the valuation was unable to be relied upon for audit purposes as it lacked sufficient supporting evidence. Accordingly, the revaluation adjustment was subsequently reversed.
- The City of Swan recorded \$75.6 million across two adjustments to correct their works in progress (WIP) balance as disclosed in the note:
 - \$18.5 million of property, plant and equipment (PPE) additions were incorrectly classified as transfers from WIP
 - \$57.1 million in infrastructure additions were incorrectly classified as transfers from WIP.

These changes only relate to the WIP balance and PPE disclosures and were not impacting the overall PPE balance in the statement of financial position.

These outliers contributed to the overall increase in value of errors; however, the uplift in error values is evident across the sector.

⁹ 2024 numbers have been restated and are now inclusive of 11 entities which have been signed out since our [Local Government 2023-24 Financial Audit Results](#) report.

Best practice entities

This year we are reporting best practice entities in two categories:

- top 10 band 1 and 2 entities
- top 20 band 3 and 4 entities and regional councils.

This is a change from our prior reporting of a top 20 of all entities. The change better reflects differences, complexities and numbers of entities within the various bands. The number of entities in bands one and two makes up 30% of the total 147 local government entities. Bands three, four and regional councils make up the remaining 70%.

The criteria we rate entities on remains unchanged. We rate entities on their financial reporting practices against the following criteria:

- timeliness of CEO-certified financial report
- quality of financial report (including the number of errors identified)
- quality of working papers that support the financial report
- management resolution of accounting matters
- key staff availability during the audit
- number and significance of management letter findings
- clear opinion with no EoM or other audit report modifications.

We congratulate the entities we rated as the top achievers for 2025.

Best practice top entities	
Top 10 Band 1 & 2	Top 20 Band 3, 4 and other entities
• City of Belmont • City of Cockburn • City of Fremantle • City of Greater Geraldton • City of Rockingham • City of Vincent* • Shire of Mundaring* • Shire of Murray* • Shire of Northam • Shire of Wyndham-East Kimberley	• Murchison regional vermin council • Shire of Beverley* • Shire of Boddington • Shire of Chittering • Shire of Christmas Island* • Shire of Donnybrook-Balingup • Shire of Exmouth* • Shire of Gingin • Shire of Irwin* • Shire of Lake Grace* • Shire of Laverton • Shire of Menzies* • Shire of Nannup • Shire of Narembeen • Shire of Ngaanyatjaraku • Shire of Peppermint Grove • Shire of Three Springs* • Shire of Wagin • Shire of Waroona • Shire of Wyalkatchem

Source: OAG

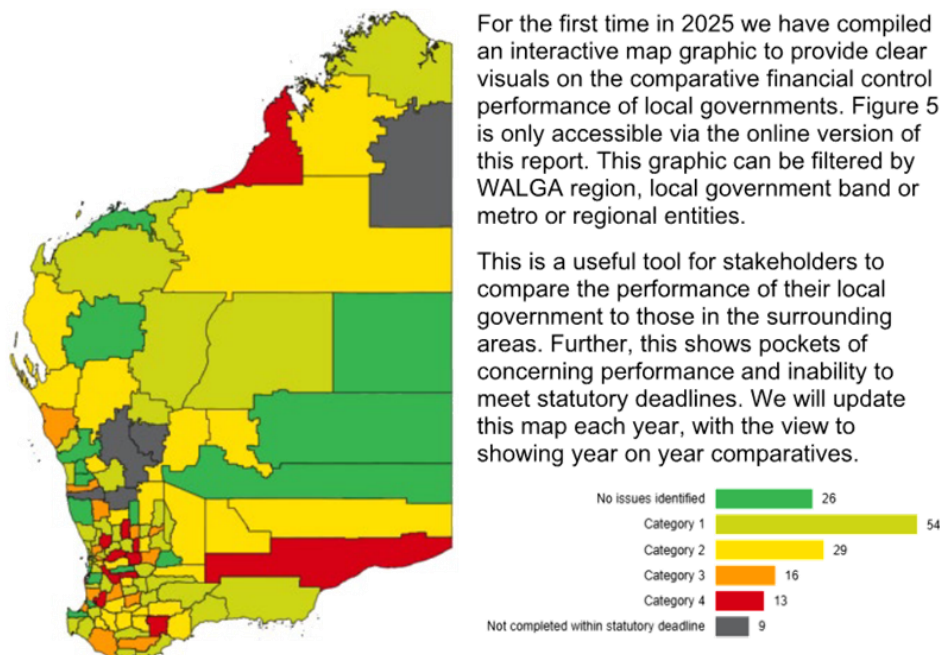
* Indicates entities which received best practice in the Local Government 2023-24 – Financial Audit Results report.

Table 3: Best practice entities for 2025

Control weaknesses

Improvements in overall control environment

An entity's control environment includes the governance and management functions as well as the attitudes, awareness and day-to-day actions that contribute to the internal control practices of importance to the entity. We reported a total of 896 control findings in 2025 which is a decrease from the prior year (967 control findings). These are made up of 563 financial management issues (2024: 607) and 333 information systems (IS) control issues (2024: 360).



For the first time in 2025 we have compiled an interactive map graphic to provide clear visuals on the comparative financial control performance of local governments. Figure 5 is only accessible via the online version of this report. This graphic can be filtered by WALGA region, local government band or metro or regional entities.

This is a useful tool for stakeholders to compare the performance of their local government to those in the surrounding areas. Further, this shows pockets of concerning performance and inability to meet statutory deadlines. We will update this map each year, with the view to showing year on year comparatives.

Source: OAG

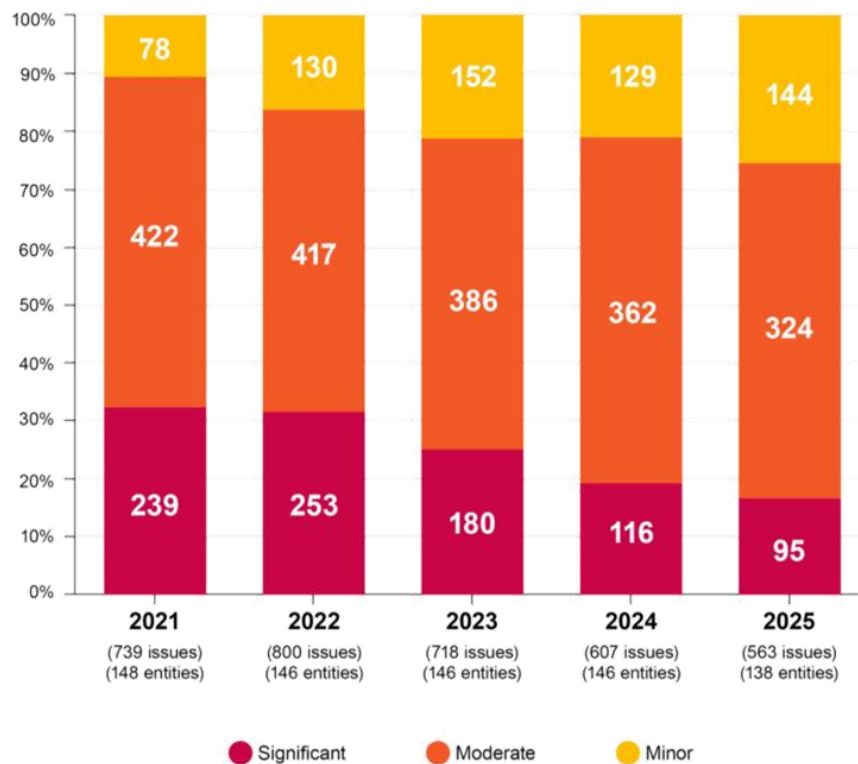
Figure 5: Entities by financial management control rating category

Our audits are primarily focused on controls that support the preparation of the financial report. A control environment with adequate systems, processes and people reduces the risk of error and fraud, and provides assurance to management, council and other stakeholders that financial reports are materially correct. We assess each entity's control environment during our risk assessment procedures. We report details of weaknesses identified through the audit process in the control environment to entities management and those charged with governance. The main themes of these weaknesses are discussed in further detail. We reported in detail the IS control findings in a separate report to Parliament.¹⁰

¹⁰ Office of the Auditor General, [Local Government 2025 – Information Systems Audit Results report](#), OAG website, 25 March 2026.

Financial management controls

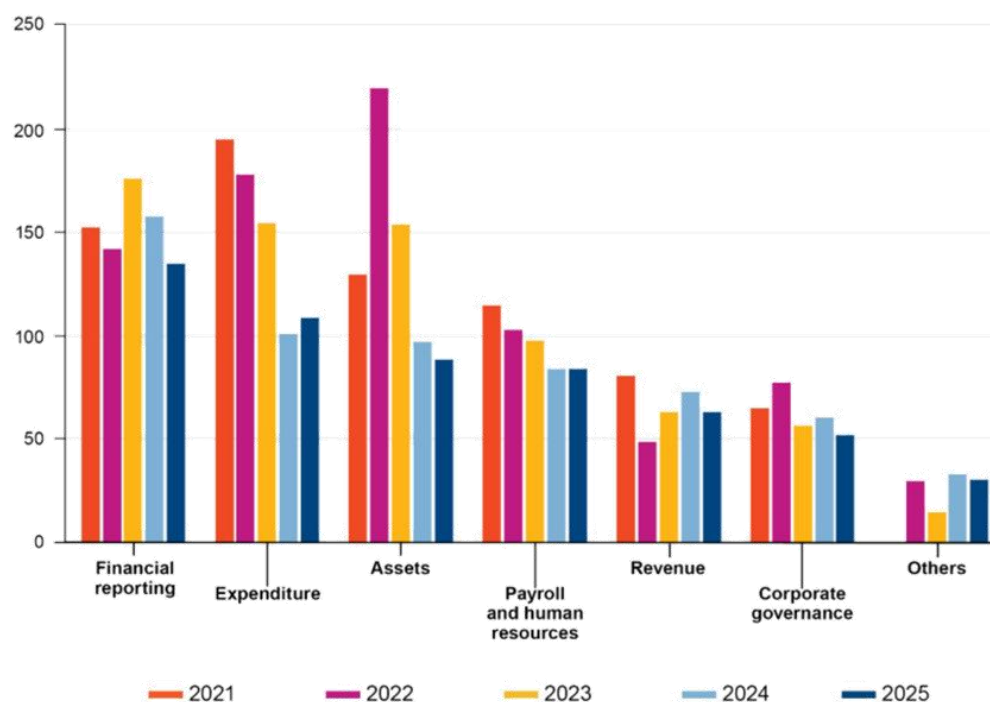
In 2025, management letter issues continued their downward trend, reducing from 607 in 2024 to 563. The number of entities with reported control weaknesses also decreased, from 130 in 2024 to 112 in 2025. The number of control weaknesses is expected to increase once the nine outstanding audits are finalised. The reduction was driven by fewer significant and moderate findings, though minor issues increased in both number and proportion as can be seen in Figure 6. Definitions of our finding risk ratings are included in Appendix 12.



Source: OAG

Figure 6: Proportion of control weaknesses reported to management in each rating category

The movement in findings by category was mixed for 2025, as seen in Figure 7. Financial reporting remained the largest area of concern, although the number of issues decreased slightly compared to 2024. Conversely, issues relating to expenditure increased modestly year on year. Other categories either decreased slightly or remained broadly consistent with 2024.



Source: OAG

Figure 7: Financial management control issues reported to entities by category

Financial reporting

We raised 135 issues (2024: 158 issues) across 70 entities (2024: 77 entities) relating to their financial reporting procedures. Of these issues, 49 were unresolved from the prior year and 14 were rated as significant.

- Journal entries and reconciliations:** 27% of issues (36 issues) related to journal entries and general ledger reconciliations (excluding bank reconciliations). Journal entries are commonplace but present a high-risk area, as they adjust approved transactions. Key controls include appropriate review processes and segregation of duties between those who post and those who approve journals. Without these controls, the risk of error and fraud increases. Similarly, when finance system balances are not reconciled to sub-systems in a timely manner, errors within the financial report are more likely. These risks are further compounded when reconciliations are not appropriately reviewed. Importantly, these control weaknesses are readily addressed through the implementation of basic controls.
- Policies and procedures:** 22% of issues (30 issues) related to policies and procedures, predominantly where they were outdated, not recently reviewed, or not implemented. Without up-to-date approved policies and procedures, staff may be unaware of council and management expectations regarding their responsibilities and the performance of key transactions and activities. This increases the risk of errors, fraud and non-compliance.
- Bank reconciliations:** 16% of issues (22 issues) related to bank reconciliations. Bank reconciliations are a critical financial management control for all entities. As with

general ledger reconciliations, inadequate reconciliation processes increase the risk of errors and undetected fraud. This risk is heightened for bank reconciliations due to their direct connection to cash balances, which are more susceptible to misappropriation if controls are weak. We again found instances of basic reconciliations not being performed or reviewed in a timely manner, and reconciling items remaining long outstanding.

Preparation of an accurate financial report requires timely completion of reconciliations and high quality supporting working papers. These should be provided to auditors at the commencement of the audit. We expect the financial report to be reviewed by the CEO and council or the audit committee prior to submission, ensuring its completeness and accuracy. Following this review, the CEO should sign the financial report and submit it for audit. Guidance for entities is available in our better practice guides, accessible on our website¹¹.

Expenditure

We reported 109 expenditure weaknesses to 61 entities in 2025, compared with 101 issues to 64 entities in 2024. Of these 109 weaknesses, 33 were unresolved from the prior year and five were rated as significant. Poor procurement practices continue to be of concern, as they increase the risk of fraud and reduce the likelihood that entities achieve value for money. Entities need to ensure they have appropriate controls and processes in place that operate effectively to mitigate these risks.

- **Purchase orders:** As with previous years, we identified instances where purchase orders were raised after the invoice date and where entities did not seek an adequate number of quotes. Obtaining an appropriate number of quotes is an important control to ensure value for money. Purchases made without authorised purchase orders increase the risk of unauthorised spending. These issues accounted for 52% (57 issues) of all expenditure related findings.
- **Supplier master files:** Issues relating to supplier master files formed the second largest category of expenditure findings, representing 17% (19 issues). Strong controls over supplier master files are essential in preventing fraudulent payments. Where controls are weak, there is an increased risk that payments may be made to incorrect or fraudulent bank accounts.
- **Credit cards:** Credit card controls accounted for 16% (17 issues) of findings. We identified instances where credit card purchases were not supported by receipts, transactions were not appropriately reviewed or approved, and credit card policies were not complied with. This reflects non-compliance with policies and procedures and increases the risk of fraud.

Asset management

We identified 89 findings at 56 entities in 2025, compared with 97 findings at 57 entities in 2024. Of the 89 findings, 27 were prior year issues which remained unresolved, and eight were rated as significant.

- **Valuations:** Most asset management findings related to valuations, comprising 26% of issues (23 issues). This area was a key source of findings in 2023 but not in 2024. This fluctuation is partly due to the cyclical nature of valuations under local government regulations, which require entities to revalue assets every five years. Each year a different cohort of entities is due for revaluation, influencing the number and nature of findings identified.

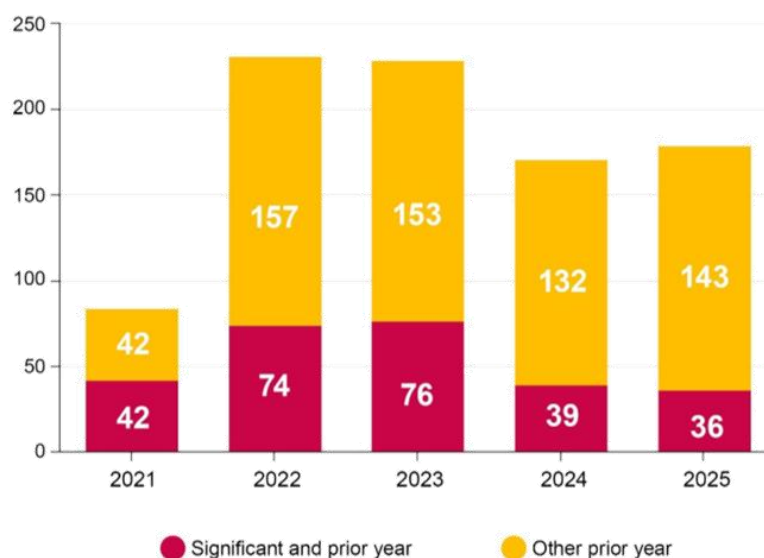
¹¹ Office of the Auditor General, [Better practice guidance](#), OAG website, n.d., accessed 9 February 2026.

- **Capitalisation of works in progress (WIP):** The second largest category of asset management findings related to WIP, representing 20% (18 issues) in 2025. These findings generally related to late capitalisation of WIP, where assets were available for use or already in use, but were not depreciated. In some cases, errors involved assets from prior years that should have been transferred from WIP but were not, resulting in prior period errors.
- **Asset reconciliations:** Asset reconciliations were the third largest category, comprising 18% (16 issues). Reconciliations ensure that asset records are complete, accurate and aligned between the finance and asset systems. Where reconciliation processes are inadequate, entities risk losing track of assets or incorrectly recognising them, which can affect asset valuations and lead to found asset errors in future years.

Control weaknesses in asset management can lead to qualified audit opinions due to the material value of property and infrastructure assets held by local governments. Entities need to remain vigilant and ensure valuation, capitalisation and reconciliation processes are robust and consistently applied each year.

Findings unresolved from prior year

For 2025, 179 financial management control findings raised across 81 entities (2024: 171 findings across 77 entities) remained unresolved from prior years. This represents 32% of all current year findings (2024: 28%). Of these unresolved issues, 20% (36 issues) (2024: 23% 39 issues) were rated as significant, requiring urgent action. While the proportion of significant unresolved findings has remained consistent, it is concerning that the number of unresolved issues increased.



Source: OAG

Figure 8: Prior year issues per year

Unresolved findings from prior years primarily relate to financial reporting, expenditure and asset management. These unresolved issues align with the underlying themes previously identified within this report, for each category. It is concerning that these matters remain

unresolved, as they continue to add to audit time and costs. Entities need to prioritise addressing these issues, particularly those rated as significant.

Information system controls

The purpose of general computer control (GCC) audits is to assess the effectiveness of entities' computer controls relied on to accurately process and maintain the integrity, confidentiality and availability of key financial business systems and information.

For the 2025 financial year, we reported 333 general computer control weaknesses to 68 entities, compared to 360 control findings to 89 entities in 2024. Over half of these weaknesses (60%) were unaddressed prior year issues. Nine percent of findings were rated significant, 69% moderate and 22% minor (Figure 9).

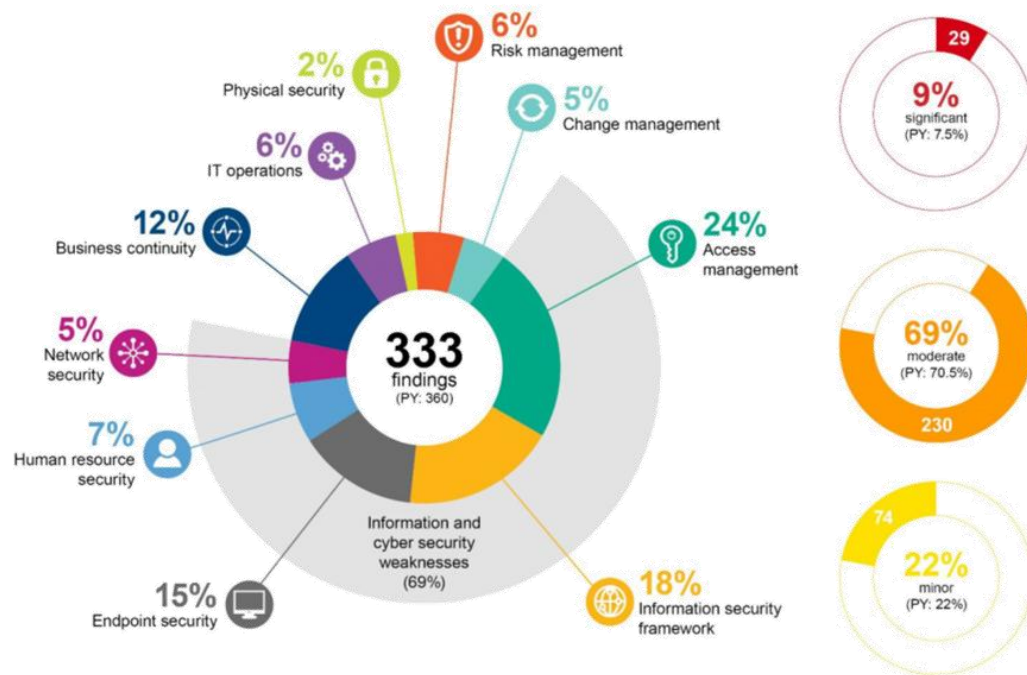
Entity controls in the following control categories showed significant weaknesses:

- access management
- business continuity
- endpoint security
- information security framework
- network security.

Of the 333 weaknesses identified, the majority related to information and cyber security controls:

- 24% related to managing access, such as delays in removing access of former staff and contractors, poor control over privileged and system accounts, and insufficient user activity monitoring.
- 18% related to information security framework weaknesses. These issues comprised insufficient information and cybersecurity policies, as well as governance and compliance weaknesses.
- 15% related to controls to protect endpoints (end user devices and servers). These included system vulnerabilities, legacy systems, and limited controls to prevent malware.

The *Local Government 2025 – Information Systems Audit Results* report presents a detailed analysis of these findings.



Source: OAG

Figure 9: Information system weaknesses across 10 control risk categories and ratings

Improvement opportunities

Financial health of local governments

Financial sustainability is a challenge for many local governments across the country due to a combination of:

- operating losses
- declining cash reserves
- increasing compliance and complexity
- limited capacity to generate sufficient own source revenue (from existing or alternative means)
- the general economic environment.

These factors are just as relevant in Western Australia and were most evident for the Shire of Coolgardie in 2024 when we included a material uncertainty related to going concern in the Shire's 2024 audit report.

Case study 1: Historical financial viability concerns at the Shire of Coolgardie

Under the going concern basis of accounting, financial statements are prepared on the assumption that an entity will continue operating for the foreseeable future. Auditors are required to report when there is a material uncertainty about an entity's ability to continue as a going concern.

For the Shire of Coolgardie's 2024 audit, finalised on 23 June 2025, we highlighted concerns by drawing attention to note 1 of the Shire's financial report. The note disclosed that the Shire:

- recorded a net loss of \$4.6 million for the year ended 30 June 2024
- had current liabilities exceeding current assets by \$14.2 million
- had an overdrawn unrestricted cash balance of \$934,000
- had inappropriately used restricted funds for operational purposes.

These issues, along with other disclosures in the financial report, indicated the presence of a material uncertainty that cast significant doubt on the Shire's ability to continue as a going concern.

Following the 2024 audit, the Shire undertook debt restructuring and other initiatives to improve its financial position. We were satisfied with these actions, and as a result, a material uncertainty paragraph was not required in the 2025 audit report. However, because the 2024 audit report and financial statements were the first public signal of concerns, the situation highlights the importance of stronger monitoring and guidance for entities on financial sustainability.

LGIRS has developed the Local Government Financial Indicator (LGFI) tool, which provides a point-in-time assessment of an entity's capacity to meet its short and long term financial obligations, having regard to its funding sources. The LGFI replaced the former Financial Health Indicator (FHI) and, unlike the FHI, is not designed to assess longer term

financial sustainability. Further information on the methodology and application of the LGFI is available through the MyCouncil FAQs¹².

LGFI data was first published on the MyCouncil website in May 2025 for the 2019 to 2023 financial years. As the indicator relies on audited financial information, data publication necessarily follows the completion of audit and associated validation processes. At 23 February 2026, LGFI results were available up to the 2023 reporting period, with subsequent years to be released in line with established update schedules. However, the indicator is only genuinely useful when it is updated in a timely manner after audited financial reports and grant information returns are released.

LGIRS has established a benchmark score of 70 for the LGFI. Scores below this benchmark indicate that an entity may warrant further consideration in relation to its financial position. Looking back, the LGFI for the Shire of Coolgardie had been declining for some time, indicating emerging concerns well before the issues became public in June 2025, acknowledging that the department had been engaging with the Shire, and our Office, since early 2024 in respect of a variety of concerns identified by them through other available information.

Financial analysis

For 2025, we analysed the current ratios of all local government entities with audits finalised by 31 December 2025. The current ratio is an indicator of an entity's ability to meet its short-term obligations for payment, with a ratio of less than one suggesting that an entity owes more in the short term than it may be able to afford to pay. Four entities recorded a current ratio of less than one (2024: 2; 2023: 1). The four entities with ratios less than one were:

- Shire of Coolgardie
- Shire of Derby-West Kimberley
- Shire of Irwin
- Shire of Victoria Plains.

A further 13 entities reported a ratio between 1 and 2 (2024: 11; 2023: 13), which also indicates potential financial pressure.

Appendix 9 contains a complete listing of the current ratio for each entity for 2024 and 2025.

Case study 2: Historical financial viability concerns at the Shire of Coolgardie

For 2025, the Shire of Coolgardie recorded a current ratio of 0.57. Given the heightened concern with the Shire's financial viability, we performed further audit procedures to satisfy ourselves that the going concern basis for preparation of the financial report was appropriate and a material uncertainty was not required to be included in the audit report. The procedures included:

- deeper and more intensive analysis of cashflow forecasts
- review of budgets
- status of financial facilities
- asset disposal alternatives
- year to date actual financial information for 2026.

¹² Government of Western Australia, *MyCouncil*, mycouncil.wa.gov.au, n.d., 9 February 2026.

Entities hovering around a score of one or trending downwards, should pay particular attention to their cashflow needs and forecasts. Sector-wide results also show a gradual decline. The sector-average current ratio decreased from 5.5 in both 2023 and 2024 to 5.0 in 2025. Median ratios similarly declined from 4.1 in 2023 to 3.75 in 2024 and 3.63 in 2025. The decline in the median indicates that this trend is not driven by outliers but reflects a broader sector decline in entities' ability to meet their short-term payment obligations.

While a number of entities report large surpluses each year, the sector is facing increasing cost pressures with a limited ability for entities to expand their revenue base. Local governments will need to closely monitor their financial outlays and positions to ensure they can continue to deliver essential community services and maintain appropriate levels of investment in their community infrastructure.

Valuations

This year we encountered several instances where a valuer did not comply with the LGIRS (previously the Department of Local Government, Sports and Cultural Industries) directive requiring the use of the market approach for valuing land, including the consideration of public sector restrictions. In all cases, entities were unaware that their valuations were non-compliant with the above requirements, resulting in additional auditor involvement to resolve the matter with the valuer. Adjustments were required to valuations and financial reports.

Assets (PPE and infrastructure) are generally the largest balances in the financial report, meaning that errors in this area tend to be large and carry significant exposure for entities. This is also an area where we see significant numbers of prior period errors, as discussed in the quality section of this report¹³.

For several years, we have recommended LGIRS develop and finalise their valuation guidance for the sector. We have provided input on various drafts since September 2023; and this guide has recently been published on 5 March 2026. This guidance will support a consistent understanding of valuation obligations and improve valuation practices generally. Ahead of their 2026 audits, entities should review this guidance to ensure their compliance with the guidelines.

Advocacy and reform

We engage closely with stakeholders and maintain a sector-wide view of emerging risks and systemic issues through our ongoing liaison with key stakeholders. This enabled us to raise with LGIRS a duplication in review requirements. As a result, regulation 5(2)(c)¹⁴ of the Local Government (Financial Management) Regulations 1996, which required a three-yearly CEO review of the appropriateness and effectiveness of financial management systems, was removed effective 1 January 2026. Enhancements have been made to the remaining review obligations under regulations 16 and 17 of the Local Government (Audit) Regulations 1996.

Further reforms have also progressed, importantly the Local Government Inspector has been established to strengthen the regulation of council members and local government staff conduct. In addition, audit committees have been re-constituted as audit, risk and improvement committees, with a requirement for an independent chair to enhance objectivity, accountability and oversight across the sector.

¹³ Prior period errors are increasing.

¹⁴ Government of Western Australia, [Local Government Regulations Amendment Regulations \(No 4\) 2025](#), Western Australian Legislation, 17 Dec 2025, 9 February 2026.

We welcome these regulatory changes, which streamline oversight and reduce unnecessary administrative burden on entities. We hope to see positive impacts from these changes when we audit entities.

Governance expectations

We are often asked to meet separately with the council outside of entrance and exit meetings and may also be asked to attend the annual electors meeting. The requests stem from the requirement in 7.12A of the *Local Government Act 1995*, which requires a local government to meet with the auditor of the local government at least once in every year. LGIRS advice is if council formally delegated this responsibility, a meeting between the audit, risk and improvement committee and the auditor would satisfy this requirement.

Meeting with the auditors should occur in a non-public audit entrance and/or exit meeting. This is so conversations can occur outside of normal standing order meeting protocols and confidential matters can be discussed. These are the forum for members of council, the audit committee and administration to speak to their auditors. They are meetings to discuss risks, issues, progress, status and results. It's important these meetings are closed to the public to maintain confidentiality around audit sensitivities and to ensure public or media enquiries are addressed to the Auditor General directly for consideration, rather than audit staff.

We plan to provide guidance on meeting attendance to support a consistent approach to audit related meetings across the sector. This will help streamline processes for entities and ensure best value for money.

We are often asked by entities to meet pre-determined deliverable dates to attend meetings with council, audit, risk and improvement committees, and electors. This can become challenging when there are delays in the audit process. These delays are commonly linked to issues with entity work papers supporting the financial report, or matters requiring formal technical resolution. Greater flexibility from councils is appreciated when necessary to ensure timelines remain reasonable and achievable. The alternative is to stay with the set meetings and report based on the status at that point and specify what is outstanding and plan to resolution.

OAG insights and tips

Our observations from the year are largely unchanged from previous years, indicating entities need continued refinement of their operations.

Streamline the audit process

Entities should:

1. Submit good quality, reviewed and CEO-signed financial reports for audit, no later than 30 September. Earlier submission is encouraged. CEO certification should indicate that management and those charged with governance are satisfied the financial report is complete, accurate and supported by underlying work papers. Supporting work papers and reconciliations should be available when financial reports are lodged. All content should be error free.
2. Communicate to the auditor their assessment of the significance of errors and determine whether adjustments are required. Entities should also analyse the root cause of identified errors.
3. Communicate delays to financial report submission early to minimise disruptions and enable effective resource allocation. Flexibility may be required when rescheduling audits.
4. Evaluate opportunities to submit financial reports earlier for audit.
5. Exercise greater flexibility around committee and council meeting times.
6. Ensure council attend audit entrance and exit meetings with the audit, risk and improvement committee, or that an appropriate delegation is in place. Audit entry and exit meetings are not intended to be part of public proceedings, but are undertaken to communicate audit plans, timeframes and findings with relevant entity staff and committee members.

Better support for entities

The Department of Local Government, Industry Regulation and Safety (LGIRS) should:

7. Update LGFI data on the MyCouncil website as a priority following audit finalisation
8. Consider LGFI information along with other intelligence to proactively intervene and support entities with challenges.

LGIRS response to 7 and 8:

LGIRS recognises the importance of timely publication and updates LGFI data on the MyCouncil website once governance and quality assurance processes are completed. For future reporting years, LGFI data will be published by the end of April following finalisation of audited financial statements by 31 December and receipt of grant information by the end of February each year. This timing will be communicated to local governments via an LG Alert and on the MyCouncil website.

LGIRS continues to strengthen its governance and quality assurance processes to support timely reporting and enhanced transparency, including clearer internal verification milestones, more structured follow-up with local governments, and improved monitoring and oversight arrangements, in coordination with the Local Government Inspector where appropriate. These measures support earlier identification of emerging risks and more proactive engagement with local governments. LGFI information is considered within a

broader monitoring and assurance framework and is assessed alongside audit outcomes, compliance activity and direct engagement, rather than in isolation.

The Local Government Inspector has the statutory powers to intervene where this is considered necessary. Any proactive engagement or intervention is undertaken in a measured and proportionate manner, having regard to the specific circumstances of each local government. LGIRS' approach is focused on the early identification of risk and the provision of guidance and support to assist local governments in addressing emerging challenges.

Improve reporting and accounting for fixed assets

Entities should:

9. Conduct asset counts/stocktakes to support the completeness and accuracy of asset records.
10. Review the newly released LGIRS valuation guide to ensure compliance.

Reduce financial report errors, versions and management letter findings

Entities should:

11. Establish robust financial report quality control procedures, incorporating review by the audit, risk and improvement committee and council.
12. Seek appropriate and timely independent advice when unsure on accounting and disclosure obligations.
13. Alert OAG audit engagement leaders to new processes or systems, issues encountered during the year, or any area of concern or technical accounting determinations.

LGIRS should:

14. Provide guidance for entities via model accounts on how to account for prior period errors.

LGIRS response to 14:

Guidance on the correction of prior period errors is included in the Guidance Material Annual Financial Report Models (2025) for Class 1 and 2 local governments and for Class 3 and 4 local governments. This guidance references the relevant disclosure and retrospective application requirements under AASB 101 and AASB 108.

While the existing material provides an appropriate framework, it is acknowledged that additional practical guidance may assist entities in applying these requirements in particular circumstances. Further enhancements to the guidance are being considered for inclusion in the 2026 annual guidelines. Where a local government identifies a material prior period error, early engagement with LGIRS is expected. While this expectation is not currently formalised in published guidance, it will be communicated through an LG Alert accompanying the updated annual Model Financial Statements, which will be published in Q2 of 2026.

LGIRS will provide guidance as required, including examples where appropriate, to support compliance with the applicable accounting and disclosure requirements. This approach maintains consistency with the existing legislative and accounting framework while allowing LGIRS to provide targeted and proportionate support based on the specific circumstances of each case.

Resources

OAG provide various tools to assist entities with audit readiness and better practice and are available on our website:

- [Audit Readiness Tool](#)
- [Prepared by client listing](#)
- [Financial statements review](#)
- [Going concern assessment](#)
- [Western Australian Public Sector Audit Committees –Better Practice Guide](#)
- [Better practice guidance](#)

LGIRS provide the following to assist entities monitor their performance and prepare their financial report.

- Government of Western Australia, *MyCouncil*, mycouncil.wa.gov.au, n.d., 9 February 2026.
- Department of Local Government, Industry Regulation and Safety, *Financial policy and accounting*, dlsgrsc.wa.gov.au, 5 March 2026, 9 February 2026.

Appendix 1: Status and timeliness of audits

Type of audit opinion	
Clear (unmodified)	
Clear opinion with emphasis of matter, matter of significance paragraph or material uncertainty related to going concern	
Material uncertainty related to going concern	
Qualified or a disclaimer of opinion	
Qualified opinion with an emphasis of matter, matter of significance paragraph or material uncertainty related to going concern	 

Financial report timeliness – audit ready submissions*	
Received financial report by statutory deadline of 30 September 2025 and assessed audit ready	
Received an extension from DLGSC to the statutory deadline and met this extension with audit ready financial report	
Extension or statutory deadline was not met with audit ready financial report	

* Financial report initially provided may not be of a quality that is audit ready. The icon in the table below reflects the date we assessed the financial report as audit ready.

Entities listed in alphabetical order with opinion type, opinion date and audit ready financial report submission status.

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
1	Catalina Regional Council	Other		24/09/2025	
2	City of Albany	1		4/12/2025	
3	City of Armadale	1		12/12/2025	
4	City of Bayswater	1		1/12/2025	
5	City of Belmont	1		21/11/2025	
6	City of Bunbury	1		19/11/2025	
7	City of Busselton	1		19/11/2025	
8	City of Canning	1		3/12/2025	
9	City of Cockburn	1		26/11/2025	
10	City of Fremantle	1		3/12/2025	
11	City of Gosnells	1		5/12/2025	
12	City of Greater Geraldton	1		4/12/2025	

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
13	City of Joondalup	1	✓	17/11/2025	📄
14	City of Kalamunda	2	✓	12/11/2025	📄
15	City of Kalgoorlie-Boulder	1	✓	8/12/2025	📄
16	City of Karratha	1	✓	28/11/2025	📄
17	City of Kwinana	1	✓	25/11/2025	📄
18	City of Mandurah	1	✓	11/12/2025	📄
19	City of Melville	1	✓	15/12/2025	📄
20	City of Perth	1	✓	28/11/2025	📄
21	City of Rockingham	1	✓	24/10/2025	📄
22	City of South Perth	2	✓	12/11/2025	📄
23	City of Stirling	1	✓	16/12/2025	📄
24	City of Subiaco	2	✓	5/12/2025	📄
25	City of Swan	1	✓	25/11/2025	📄
26	City of Vincent	2	✓	14/11/2025	📄
27	City of Wanneroo	1	✓	19/11/2025	📄
28	Eastern Metropolitan Regional Council	Other	✓	7/10/2025	📄
29	Mindarie Regional Council	Other	✓	10/11/2025	📄
30	Murchison Regional Vermin Council	Other	✓	12/12/2025	📄
31	Resource Recovery Group	Other	✓	18/12/2025	📄
32	Rivers Regional Council	Other	✓	21/02/2025	📄
33	Shire of Ashburton	2	✓	21/11/2025	📄
34	Shire of Augusta-Margaret River	2	✓	14/11/2025	📄
35	Shire of Beverley	4	✓	4/11/2025	📄
36	Shire of Boddington	4	✓	8/12/2025	📄
37	Shire of Boyup Brook	4	✗	19/12/2025	📄
38	Shire of Bridgetown-Greenbushes	3	✓	8/12/2025	📄
39	Shire of Brookton	4	✓	20/11/2025	📄

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
40	Shire of Broome	2	✓	2/12/2025	🔴
41	Shire of Broomehill-Tambellup	4	✓	5/11/2025	🟢
42	Shire of Bruce Rock	4	✓	8/12/2025	🟢
43	Shire of Capel	3	✓	3/12/2025	🟢
44	Shire of Carnamah	4	✓	5/12/2025	🔴
45	Shire of Carnarvon	2	✓	5/12/2025	🟢
46	Shire of Chapman Valley	4	✓	4/12/2025	🟢
47	Shire of Chittering	3	✓	8/12/2025	🟢
48	Shire of Christmas Island	3	✓	4/12/2025	🟢
49	Shire of Collie	3	✓	19/12/2025	🔴
50	Shire of Coolgardie	3	✓	3/12/2025	🟢
51	Shire of Corrigin	4	✓	24/11/2025	🟢
52	Shire of Cranbrook	4	✓	11/11/2025	🟢
53	Shire of Cuballing	4	✓	4/12/2025	🟢
54	Shire of Cue	4	✓	8/12/2025	🟢
55	Shire of Cunderdin	4	✓	8/12/2025	🟢
56	Shire of Dandaragan	3	✓	4/12/2025	🟢
57	Shire of Dardanup	3	✓	21/11/2025	🟢
58	Shire of Denmark	3	✓	3/12/2025	🟢
59	Shire of Derby-West Kimberley	2	✓	24/11/2025	🟢
60	Shire of Donnybrook Balingup	3	✓	9/12/2025	🟢
61	Shire of Dowerin	4	✓	10/12/2025	🟢
62	Shire of Dumbleyung	4	✓	4/12/2025	🟢
63	Shire of Dundas	4	✓	10/12/2025	🔴
64	Shire of East Pilbara	2	✓	27/11/2025	🔴
65	Shire of Esperance	2	✓	5/12/2025	🟢
66	Shire of Exmouth	3	✓	3/12/2025	🟢

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
67	Shire of Gingin	3	✓	20/11/2025	📄
68	Shire of Gnowangerup	4	✓	21/11/2025	📄
69	Shire of Goomalling	4	✓	26/11/2025	📄
70	Shire of Harvey	2	✓	20/11/2025	📄
71	Shire of Irwin	3	✓	1/12/2025	📄
72	Shire of Jerramungup	4	✓	27/11/2025	📄
73	Shire of Katanning	3	✓	10/12/2025	📄
74	Shire of Kellerberrin	4	✓	25/11/2025	📄
75	Shire of Kent	4	✓	2/12/2025	📄
76	Shire of Kojonup	3	✓	2/12/2025	📄
77	Shire of Kondinin	4	✓	5/12/2025	📄
78	Shire of Koorda	4	✓	16/10/2025	📄
79	Shire of Kulin	4	✓	5/12/2025	📄
80	Shire of Lake Grace	4	✓	25/11/2025	📄
81	Shire of Laverton	3	✓	5/12/2025	📄
82	Shire of Leonora	3	✓	22/12/2025	📄
83	Shire of Manjimup	2	✓	25/11/2025	📄
84	Shire of Meekatharra	3	✓	18/12/2025	📄
85	Shire of Menzies	4	✓	21/11/2025	📄
86	Shire of Merredin	3	✓	25/11/2025	📄
87	Shire of Mingenew	4	✓	24/11/2025	📄
88	Shire of Moora	3	✓	28/11/2025	📄
89	Shire of Morawa	4	✓	27/11/2025	📄
90	Shire of Mount Marshall	4	✓	1/12/2025	📄
91	Shire of Mukinbudin	4	✓	13/11/2025	📄
92	Shire of Mundaring	2	✓	2/12/2025	📄
93	Shire of Murchison	4	✓	27/11/2025	📄

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
94	Shire of Murray	2	✓	18/11/2025	📄
95	Shire of Nannup	4	✓	4/12/2025	📄
96	Shire of Narembeen	4	✓	28/11/2025	📄
97	Shire of Narrogin	3	✓	14/11/2025	📄
98	Shire of Ngaanyatjaraku	4	✓	4/12/2025	📄
99	Shire of Northam	2	✓	1/12/2025	📄
100	Shire of Northampton	3	✓	15/12/2025	📄
101	Shire of Nungarin	4	✓	3/12/2025	📄
102	Shire of Peppermint Grove	4	✓	27/11/2025	📄
103	Shire of Perenjori	4	✓	4/12/2025	📄
104	Shire of Pingelly	4	✓	19/12/2025	📄
105	Shire of Plantagenet	3	✓	15/12/2025	📄
106	Shire of Quairading	4	✓	4/12/2025	📄
107	Shire of Ravensthorpe	3	✓	4/12/2025	📄
108	Shire of Sandstone	4	✓	15/12/2025	📄
109	Shire of Serpentine-Jarrahdale	2	⚠	12/11/2025	📄
110	Shire of Shark Bay	4	⚠	11/12/2025	📄
111	Shire of Tammin	4	✓	2/12/2025	📄
112	Shire of Three Springs	4	✓	2/12/2025	📄
113	Shire of Toodyay	3	✗	23/12/2025	📄
114	Shire of Trayning	4	✓	2/12/2025	📄
115	Shire of Upper Gascoyne	4	✓	5/12/2025	📄
116	Shire of Victoria Plains	4	✓	28/11/2025	📄
117	Shire of Wagin	4	✓	14/11/2025	📄
118	Shire of Wandering	4	✓	15/12/2025	📄
119	Shire of Waroona	3	✓	21/11/2025	📄
120	Shire of West Arthur	4	✓	10/12/2025	📄

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
121	Shire of Westonia	4	✓	4/12/2025	📄
122	Shire of Wickpin	4	✓	4/12/2025	📄
123	Shire of Williams	4	✓	9/12/2025	📄
124	Shire of Wiluna	4	✓	2/12/2025	📄
125	Shire of Wongan-Ballidu	4	✓	12/12/2025	📄
126	Shire of Woodanilling	4	✓	4/12/2025	📄
127	Shire of Wyalkatchem	4	✓	28/11/2025	📄
128	Shire of Wyndham-East Kimberley	2	✓	25/11/2025	📄
129	Shire of Yilgarn	3	✓	9/10/2025	📄
130	Shire of York	3	✓	27/11/2025	📄
131	Town of Bassendean	3	✓	14/11/2025	📄
132	Town of Cambridge	2	✓	4/12/2025	📄
133	Town of Claremont	3	✓	10/12/2025	📄
134	Town of Cottesloe	3	✓	3/12/2025	📄
135	Town of Mosman Park	3	✓	8/12/2025	📄
136	Town of Port Hedland	1	✓	17/12/2025	📄
137	Town of Victoria Park	2	✓	8/12/2025	📄
138	Western Metropolitan Regional Council	Other	✓	17/10/2025	📄

Source: OAG

Opinion type by entity band allocations

Band of entity	Number of entities	Opinions issued	Clean opinions	Modified opinions	Opinions including EoM paragraphs
Band 1	23 (23)	23 (23)	23 (22)	0 (1)	6 (4)
Band 2	21 (21)	20 (21)	20 (20)	0 (1)	6 (5)
Band 3	35 (35)	32 (35)	31 (32)	1 (3)	5 (5)
Band 4	60 (60)	56 (59)	55 (52)	1 (7)	3 (5)
Other (e.g. councils)	8 (8)	7 (8)	7 (7)	0 (1)	2 (1)
Total	147 (147)	138 (146)	136 (133)	2 (13)	22 (20)

Source: OAG

Notes: 2024 numbers included in brackets.

Audits from prior years finalised in 2025

Entity	Balance date	Opinion issued	Opinion type
City of Greater Geraldton	30 June 2024	28 March 2025	✓
City of Nedlands*	30 June 2024	5 September 2025	✗ ✓
Shire of Bridgetown Greenbushes	30 June 2024	4 April 2025	✓
Shire of Collie	30 June 2024	20 May 2025	✓
Shire of Coolgardie	30 June 2024	23 June 2025	✓ ✓
Shire of Dundas	30 June 2024	9 April 2025	✓
Shire of Halls Creek*	30 June 2024	19 December 2025	✗
Shire of Nannup	30 June 2024	4 February 2025	✗
Shire of Toodyay	30 June 2024	13 June 2025	✗
Shire of Wickiepin	30 June 2024	14 February 2025	✗
Town of Cottesloe	30 June 2024	14 February 2025	✓ ✓

Source: OAG

* These entities audits are also delayed for 2025 and were included in our *Status of Local Government Audits 2025 report*¹⁵

¹⁵ Office of the Auditor General, [Status of Local Government Audits 2025](#), OAG website, 28 January 2026.

Appendix 2: Entities who received an extension from LGIRS to submit their financial report after the 30 September legislated deadline

Entity	Approved extension date
Resource Recovery Group	17 October 2025
Shire of Dundas	3 November 2025
Shire of Halls Creek	18 December 2025
Shire of Leonora	31 October 2025
Shire of Merredin	14 October 2025
Shire of Toodyay	1 October 2025
Shire of Wongan-Ballidu	10 October 2025
Town of Cottesloe	13 October 2025
Town of East Fremantle	31 October 2025

Source: LGIRS

Appendix 3: Qualified and disclaimer of opinions

2025 qualifications

Entity	Details of qualification
Shire of Boyup Brook	Biological assets We were unable to obtain sufficient appropriate audit evidence to verify the existence and number of biological assets at 30 June 2024, nor were we able to confirm the biological assets by alternative means. Our audit opinion on the annual financial report for the period ending 30 June 2024 was modified accordingly. Since the closing balance at 30 June 2024 of biological assets is the opening balance at 1 July 2024 and forms the basis for the determination of operations for the year, we were unable to determine whether any adjustments to the operations net result for the year ended 30 June 2025 may be necessary.
Shire of Toodyay	Financial report comparative information not supported with complete and accurate underlying records We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. Our opinion on the financial report for the year ended 30 June 2024 was modified accordingly. Our opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures. Cash and cash equivalents The Shire's bank reconciliation at 30 June 2025 included an unreconciled balance of \$22,991. We were unable to confirm this figure by alternative means and consequently were unable to determine whether any adjustments were necessary on cash and cash equivalents at 30 June 2025. Restatement of corresponding figures We were unable to obtain sufficient and appropriate audit evidence for the restatement of corresponding figures as set out in Note 28. We were unable to confirm these restatements by alternative means and consequently were unable to determine whether any adjustments were necessary to Note 28. In addition, Note 28 does not comply with the disclosure requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and it did not include all corrected line items in the statement of cash flow and the statement of financial activity.

Source: OAG

Delayed 2024 qualified and disclaimer of opinions

The below list of qualified and disclaimer of opinions is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Details of qualification or disclaimer
City of Nedlands	Qualification Financial report comparative information not supported with complete and accurate underlying records We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. The opinion on the financial report for the year ended 30 June 2023 was modified accordingly. The opinion on the current year financial report is also modified because of the

Entity	Details of qualification or disclaimer
	possible effect of this matter on the comparability of the current year's figures and the corresponding figures.
Shire of Halls Creek	Qualification Financial report comparative information not supported with complete and accurate underlying records We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. The opinion on the financial report for the year ended 30 June 2023 was modified accordingly. The opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.
	Qualification Restatement of corresponding figures We were unable to obtain sufficient and appropriate audit evidence for the restatement of corresponding figures as stated in the Statement of Comprehensive Income, Statement of Cash Flows, Statement of Financial Activity and Note 28 of the financial report. We were unable to confirm these restatements by alternative means and consequently were unable to determine whether any adjustments were necessary on the corresponding figures of these statements.
	Qualification Infrastructure assets not revalued as required by the Local Government (Financial Management) Regulations Other Infrastructure assets reported at the carrying values of \$6,460,241 and \$6,963,171 as at 30 June 2023 and 30 June 2022 respectively in Note 9 (a) of the financial report have not been revalued as required by Regulation 17A(4A)(b) of the Local Government (Financial Management) Regulations 1996 since 30 June 2018. Consequently, we were unable to determine the extent to which the carrying amounts of other infrastructure assets are misstated, as it was impracticable to do so. Additionally, we are unable to determine whether there may be any consequential impact on Revaluation Surplus as at 30 June 2023 and 30 June 2022, as well as Depreciation, Net Result for the Period and Retained Surplus as at 30 June 2023.
Shire of Nannup	Qualification Land and buildings and infrastructure The opinion in the prior year was qualified because land, buildings and infrastructure with carrying values of \$1,615,000, \$8,737,435 and \$100,957,611 respectively disclosed in Notes 8(a) and 9(a) of the financial report as at 30 June 2023, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Wickiepin	Qualification Infrastructure asset valuation The opinion in the prior year was qualified because infrastructure assets reported at the carrying value of \$92,213,435 as disclosed in Note 7(a) as at 30 June 2023, had not been revalued as required by the Regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

Entity	Details of qualification or disclaimer
Shire of Toodyay	Disclaimer Financial report not supported with complete and accurate underlying records We were unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole, as the financial report was submitted for audit purposes without complete and accurate underlying records. We were unable to audit the financial report by alternative means. Consequently, we are unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2024.

Source: OAG

Appendix 4: Prior year qualifications and disclaimers removed in 2025

Entity	Details of prior year qualification
Shire of Goomalling	Infrastructure The opinion in the prior year was qualified because infrastructure asset classes of roads, drainage and footpaths (as disclosed in note 8(a) of the financial report at 30 June 2023) with the carrying values of \$40,811,938, \$2,153,484 and \$770,060 respectively, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Kent	Infrastructure The opinion in the prior year was qualified because other infrastructure assets (as disclosed in note 9(a) of the financial report at 30 June 2023) with a carrying value of \$4,867,091, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Nannup	Land and buildings and infrastructure The opinion in the prior year was qualified because land, buildings and infrastructure assets (disclosed in notes 8(a) and 9(a) of the financial report at 30 June 2023) with carrying values of \$1,615,000, \$8,737,435 and \$100,957,611 respectively, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Westonia	Infrastructure The opinion in the prior year was qualified because infrastructure assets (as disclosed in note 9(a) of the financial report at 30 June 2023) with a carrying value of \$43,562,879, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Wickpin	Infrastructure assets valuation The opinion in the prior year was qualified because infrastructure assets (as disclosed in note 7(a) of the financial report at 30 June 2023) reported at the carrying value of \$92,213,435, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.
Town of Port Hedland	Infrastructure assets valuations The Town did not recognise 670 (2023:797) infrastructure assets with a value of \$17,371,521 (2023: \$25,112,117) in accordance with the Regulation 17A(2)(a) of the Local Government Financial Management Regulations 1996, as these assets could not be located due to weaknesses in the asset management system. The assets were instead adjusted to a nil carrying value while still being in use and accounted for in the asset register. We were unable to determine the

Entity	Details of prior year qualification
	impact on the net carrying amount of infrastructure assets and the consequential impact on retained earnings, revaluation reserves, depreciation and net surplus for the year, as it is impracticable to do so. In addition, the opinion in the prior year was qualified because drainage and other infrastructure assets, reported at a carrying value of \$33,243,203 and \$47,582,860 respectively (as disclosed in note 9 to the financial statements at 30 June 2023), were not all revalued as required by the regulations. The Town was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures. Investment property The opinion in the prior year was qualified because investment property (as disclosed in note 12 of the financial report at 30 June 2023) with the carrying value of \$45,027,262, had not been revalued as required by the regulations. The Town was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

Source: OAG

Entity	Details of prior year disclaimer
Shire of Toodyay	Financial report not supported with complete and accurate underlying records We were unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole, as the financial report was submitted for audit purposes without complete and accurate underlying records. We were unable to audit the financial report by alternative means. Consequently, we were unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2024.

Source: OAG

Appendix 5: Emphasis of matter paragraphs included in auditor reports

2025 emphasis of matter paragraphs

Entity	Description of EoM paragraphs
City of Bayswater	Investment in Associates We draw attention to note 27 to the financial report, which states that effective 1 July 2025, two member participants have resolved to withdraw as member participants from Eastern Metropolitan Regional Council effective from 1 July 2025. The City continues to be a member council participant. Our opinion is not modified in respect of this matter.
City of Busselton	Restatement of Comparative balances We draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Joondalup	Restatement of Comparative balances We draw attention to Note 26 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.
City of Kwinana	Restatement of comparative figures We draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Subiaco	Restatement of comparative balances We draw attention to Note 31 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Swan	Investment in Associates We draw attention to Note 25 to the financial report, which states that the City has resolved to withdraw as a member participant from Eastern Metropolitan Regional Council effective from 1 July 2025. Our opinion is not modified in respect of this matter.
Rivers Regional Council	Basis of accounting We draw attention to Note 1 of the financial report, which discloses that the Council has decided to wind up Rivers Regional Council. Consequently, the financial report has been prepared on a liquidation basis. Our opinion is not modified in respect of this matter.
Shire of Bruce Rock	Restatement of comparative balances We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Coolgardie	Restatement of comparative figures We draw attention to Note 31 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated

Entity	Description of EoM paragraphs
	and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Dardanup	Restatement of comparative balances We draw attention to Note 30 of the financial statements which states that the amounts reported in the previously issued 30 June 2024 financial statements have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.
Shire of Denmark	Restatement of Comparative balances We draw attention to Note 29 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Manjimup	Restatement of Comparative Balances We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Meekatharra	Restatement of Comparative balances We draw attention to Note 25 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Mundaring	Investment in Associates We draw attention to Note 22 to the financial report, which states that the Shire has resolved to withdraw as a member participant from Eastern Metropolitan Regional Council effective from 1 July 2025. Our opinion is not modified in respect of this matter.
Shire of Serpentine-Jarrahdale	Correction of Error We draw attention to Note 34 of the financial report which states that previously unrecognised assets have been recognised prospectively at 30 June 2025 as retrospective restatement was impracticable. Our opinion is not modified in respect of this matter.
Shire of Shark Bay	Restatement of Comparative Balances We draw attention to Note 27 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Williams	Restatement of comparative figures We draw attention to Note 29 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Resource Recovery Group	Basis of Accounting We draw attention to Note 1 of the financial report which describes the basis of accounting and that the financial report has been prepared on a non-going concern basis for the reasons set out therein. Our opinion is not modified in respect of this matter.
Town of Bassendean	Investment in Associates We draw attention to Note 22 to the financial report, which states that effective 1 July 2025, two member participants have resolved to withdraw as member

Entity	Description of EoM paragraphs
	participants from Eastern Metropolitan Regional Council effective from 1 July 2025. The Town continues to be a member council participant. Our opinion is not modified in respect of this matter.
Town of Cambridge	Restatement of Comparative Balances We draw attention to Note 31 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Town of Port Hedland	Restatement of comparative figures We draw attention to Note 33 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Town of Victoria Park	Restatement of comparative figures We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.

Source: OAG

2024 delayed emphasis of matter paragraphs

The below list of emphasis of matter paragraphs is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Description of EoM paragraphs
City of Nedlands	Restatement of assets, liabilities and equity as at 1 July 2023 We draw attention to Note 29 of the financial report which states that historical errors in assets, liabilities and equity amounts reported have been corrected in opening balances as at 1 July 2023 in this financial report. Our opinion is not modified in respect of this matter.
Town of Cottesloe	Restatement of Comparative balances We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2023 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.

Source: OAG

Appendix 6: Delayed 2024 audit material uncertainty related to going concern paragraph

The below list of material uncertainty relating to going concern (MURGC) paragraph is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Description of MURGC paragraph
Shire of Coolgardie	Material uncertainty related to going concern We draw attention to Note 1 in the financial report, which indicates that the Shire incurred a net loss of \$4,617,984 for the year ended 30 June 2024 and as of that date, the Shire's current liabilities exceeded its current assets by \$14,210,643 and the unrestricted cash balance was overdrawn by \$934,081. As stated in Note 1, these events, or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Shire's ability to continue as a going concern. The audit opinion is not modified in respect of this matter.

Source: OAG

Appendix 7: Local government certifications issued since September 2025

Certifications issued for 2025

Entity and opinion	Opinion issued
City of Bayswater Local Roads and Community Infrastructure Program (Phases 1-4)	31 October 2025
City of Mandurah Roads to Recovery Local Roads and Community Infrastructure Program (Phase 4)	5 November 2025 5 November 2025
City of Busselton Roads to Recovery Local Roads and Community Infrastructure Program	14 November 2025 14 November 2025

Source: OAG

Outstanding certifications issued from 2021-22

Entity and opinion	Opinion issued
Shire of Halls Creek Local Roads and Community Infrastructure Program	23 December 2025

Source: OAG

Note: the cut-off date is 24 March 2026.

Appendix 8: Other local government opinions issued since September 2025

Entity	Opinion issued
Shire of Yalgoo 2023	19 February 2026
Shire of Yalgoo 2024	19 February 2026
Shire of Dalwallinu	23 March 2026

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 9: Local government current ratios for 2025

Below are the calculated current ratios for each local government for the past two years. The current ratio calculated as the current assets divided by current liabilities. A current ratio of less than one means an entity has more current liabilities than current assets, meaning they may not be able to pay their debts as and when they fall due.

Entity	Band	Current ratio 2025	Current ratio 2024
Bunbury-Harvey Regional Council	Other	NCWST	1.70
City of Albany	1	3.30	3.46
City of Armadale	1	3.52	3.11
City of Bayswater	1	4.41	4.27
City of Belmont	1	5.34	6.92
City of Bunbury	1	2.29	2.24
City of Busselton	1	3.90	4.26
City of Canning	1	4.14	4.11
City of Cockburn	1	4.75	5.56
City of Fremantle	1	2.39	2.75
City of Gosnells	1	2.41	3.17
City of Greater Geraldton	1	1.91	2.66
City of Joondalup	1	3.47	3.60
City of Kalamunda	2	3.57	2.78
City of Kalgoorlie - Boulder	1	1.61	2.55
City of Karratha	1	9.15	8.45
City of Kwinana	1	1.90	1.99
City of Mandurah	1	2.35	2.41
City of Melville	1	4.32	5.25
City of Nedlands	2	NCWST	2.31
City of Perth	1	6.10	5.94
City of Rockingham	1	3.40	3.99
City of South Perth	2	3.88	3.55
City of Stirling	1	3.16	2.77
City of Subiaco	2	12.03	9.87
City of Swan	1	4.36	3.57
City of Vincent	2	3.06	2.72
City of Wanneroo	1	4.40	4.90
Eastern Metropolitan Regional Council	Other	1.75	2.32
Mindarie Regional Council	Other	3.28	4.83
Murchison Regional Vermin Council	Other	3.10	2.33

Entity	Band	Current ratio 2025	Current ratio 2024
Rivers Regional Council	Other	8.31	5.06
Shire of Ashburton	2	4.92	4.46
Shire of Augusta-Margaret River	2	2.48	2.77
Shire of Beverley	4	2.70	2.14
Shire of Boddington	4	1.92	1.84
Shire of Boyup Brook	4	2.32	2.91
Shire of Bridgetown-Greenbushes	3	1.70	2.55
Shire of Brookton	4	11.38	10.52
Shire of Broome	2	3.64	4.01
Shire of Broomehill-Tambellup	4	2.89	4.18
Shire of Bruce Rock	4	3.01	3.15
Shire of Capel	3	2.30	4.21
Shire of Carnamah	4	4.07	5.03
Shire of Carnarvon	2	2.17	2.46
Shire of Chapman Valley	4	2.00	2.36
Shire of Chittering	3	2.18	1.89
Shire of Christmas Island	3	2.52	2.45
Shire of Cocos (Keeling) Islands	4	NCWST	9.42
Shire of Collie	3	2.22	1.86
Shire of Coolgardie	3	0.57	0.17
Shire of Coorow	4	NCWST	3.75
Shire of Corrigin	4	10.60	7.10
Shire of Cranbrook	4	5.97	7.99
Shire of Cuballing	4	2.15	2.33
Shire of Cue	4	17.13	12.93
Shire of Cunderdin	4	4.25	7.00
Shire of Dalwallinu	3	NCWST	6.08
Shire of Dandaragan	3	4.81	3.83
Shire of Dardanup	3	2.98	3.53
Shire of Denmark	3	2.49	2.24
Shire of Derby-West Kimberley	2	0.96	0.95
Shire of Donnybrook-Balingup	3	2.82	2.24
Shire of Dowerin	4	5.13	4.87
Shire of Dumbleyung	4	9.66	7.15
Shire of Dundas	4	3.68	5.81
Shire of East Pilbara	2	5.43	7.34
Shire of Esperance	2	5.07	5.32

Entity	Band	Current ratio 2025	Current ratio 2024
Shire of Exmouth	3	8.39	6.71
Shire of Gingin	3	2.70	2.60
Shire of Gnowangerup	4	4.19	5.46
Shire of Goomalling	4	1.07	1.30
Shire of Halls Creek	3	NCWST	2.73
Shire of Harvey	2	2.30	2.35
Shire of Irwin	3	0.92	1.09
Shire of Jerramungup	4	4.32	4.14
Shire of Katanning	3	2.27	2.40
Shire of Kellerberrin	4	2.51	3.43
Shire of Kent	4	12.23	10.26
Shire of Kojonup	3	2.46	1.50
Shire of Kondinin	4	3.90	6.45
Shire of Koorda	4	7.27	6.92
Shire of Kulin	4	4.90	4.04
Shire of Lake Grace	4	7.62	13.96
Shire of Laverton	3	6.17	4.54
Shire of Leonora	3	4.42	3.75
Shire of Manjimup	2	3.42	3.50
Shire of Meekatharra	3	28.45	25.36
Shire of Menzies	4	11.32	11.85
Shire of Merredin	3	4.90	3.25
Shire of Mingenew	4	2.87	2.98
Shire of Moora	3	1.94	3.65
Shire of Morawa	4	6.64	6.61
Shire of Mount Magnet	4	NCWST	5.90
Shire of Mount Marshall	4	4.37	2.85
Shire of Mukinbudin	4	4.83	4.19
Shire of Mundaring	2	3.71	3.89
Shire of Murchison	4	2.26	3.05
Shire of Murray	2	2.38	2.89
Shire of Nannup	4	2.53	2.96
Shire of Narembeen	4	6.14	8.24
Shire of Narrogin	3	3.85	3.41
Shire of Ngaanyatjaraku	4	37.74	10.03
Shire of Northam	2	2.38	2.45
Shire of Northampton	3	1.47	2.10

Entity	Band	Current ratio 2025	Current ratio 2024
Shire of Nungarin	4	5.04	5.93
Shire of Peppermint Grove	4	4.83	4.50
Shire of Perenjori	4	4.69	3.99
Shire of Pingelly	4	2.84	2.09
Shire of Plantagenet	3	3.49	5.41
Shire of Quairading	4	5.38	4.50
Shire of Ravensthorpe	3	3.96	3.80
Shire of Sandstone	4	16.22	32.52
Shire of Serpentine-Jarrahdale	2	2.53	2.56
Shire of Shark Bay	4	6.94	2.70
Shire of Tammin	4	11.07	12.76
Shire of Three Springs	4	7.97	5.34
Shire of Toodyay	3	2.19	2.21
Shire of Trayning	4	6.39	4.31
Shire of Upper Gascoyne	4	3.24	3.30
Shire of Victoria Plains	4	0.81	1.52
Shire of Wagin	4	5.19	6.45
Shire of Wandering	4	1.13	1.55
Shire of Waroona	3	2.60	2.28
Shire of West Arthur	4	4.07	4.46
Shire of Westonia	4	9.74	14.69
Shire of Wickepin	4	8.48	10.74
Shire of Williams	4	3.38	4.82
Shire of Wiluna	4	6.79	11.30
Shire of Wongan-Ballidu	4	4.02	5.87
Shire of Woodanilling	4	3.63	2.95
Shire of Wyalkatchem	4	4.53	14.88
Shire of Wyndam-East Kimberley	2	1.82	3.12
Shire of Yalgoo	4	NCWST	NCWST
Shire of Yilgarn	3	10.45	10.53
Shire of York	3	1.77	2.95
Resource Recovery Group	Other	1.58	1.94
Catalina Regional Council	Other	30.98	93.29
Town of Bassendean	3	2.77	2.55
Town of Cambridge	2	5.89	5.31
Town of Claremont	3	4.25	3.94
Town of Cottesloe	3	2.91	3.05

Entity	Band	Current ratio 2025	Current ratio 2024
Town of East Fremantle	3	NCWST	2.08
Town of Mosman Park	3	3.48	3.17
Town of Port Hedland	1	8.95	12.07
Town of Victoria Park	2	3.60	3.78
Western Metropolitan Regional Council	Other	2.41	2.13

Source: OAG

NCWST: audit not completed within statutory timeframes, data was not available at the cut-off date of this report.

Average current ratio by band

Refer to the below table which shows the average ratio across each band of local government.

Band	2025 Average	2025 Median	2024 Average	2024 Median
Band 1	3.98	3.52	4.35	3.60
Band 2	3.76	3.42	3.73	3.12
Band 3	4.08	2.60	3.89	2.95
Band 4	6.11	4.35	6.38	4.84
Other (regional councils)	7.35	2.76	14.20	2.33
Sector overall	5.00	3.63	5.51	3.75

Source: OAG

Appendix 10: Other certifications issued since September 2025

Certifications issued for 2025

Entity and opinion	Opinion issued
Western Australian Land Authority Royalties for Regions - Collie Eco-Concrete Feasibility Study & Peel Business Park Activation - Aryzta Bakery	1 December 2025
Commissioner for Main Roads National Partnership on Infrastructure Projects in Western Australia Black Spot Projects (<i>National Land Transport Act 2014</i>) Land Transport Infrastructure Projects (<i>National Land Transport Act 2014</i>)	18 December 2025 18 December 2025 18 December 2025
Department of Local Government, Industrial Relations and Safety <i>Local Government Financial Assistance Act 1995</i>	20 January 2026
Department of Creative Industries, Tourism and Sport Royalties for Regions– Regional Exhibition Touring Boost Project- Final Report	26 February 2026

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 11: Other opinions issued since September 2025

Entity and opinion	Opinion issued
Albany Cemetery Board	25 November 2025
Bunbury Cemetery Board	26 November 2025
Electricity Networks Corporation trading as Western Power - agreed upon procedures	17 December 2025
Kalgoorlie-Boulder Cemetery Board	5 December 2025
Keep Australia Beautiful Council (W.A.)	11 November 2025
Trustees of the Public Education Endowment	26 November 2025
Western Australian Greyhound Racing Association	1 December 2025

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 12: Opinion and management letter definitions

In the auditor's report we include the audit opinion on the annual financial report and any other matters that, in our judgement, need to be highlighted. This year the Auditor General has issued the following types of opinions:

- **Clear opinion:** Indicates satisfactory financial controls. The financial report is based on proper accounts, complies with relevant legislation and accounting standards, and fairly represents performance and financial position.
- **Clear opinion with an EoM:** Draws attention to a matter disclosed in the financial report to aid the readers understanding but does not result in a qualified opinion.
- **Qualified opinion:** Given when the audit identifies materially misleading information, inadequate controls or conflicts with the financial reporting frameworks.
- **Disclaimer of opinion:** The most serious audit outcome, issued when the auditor is unable to form an opinion due to insufficient evidence to form an opinion after all reasonable efforts.

We report weaknesses in the control environment to the CEO, mayor, president or chairperson and the Minister for Local Government. Findings will be rated as significant, moderate or minor. We also indicate if the finding has the potential to impact the audit opinion and if it relates to the prior year and remains unresolved. Both quantitative and qualitative aspects guide our ratings.

Risk category	Audit impact	Management action required
Significant	Findings where there is potentially a significant risk to the entity should it 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.	Priority or urgent action by management to correct the material misstatement in the financial report to avoid a qualified opinion or for control risks, implement a detailed action plan as soon as possible, within one to two months.
Moderate	Findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.	Control weaknesses of sufficient concern to warrant action being taken as soon as practicable, within three to six months. If not addressed promptly, they may escalate to significant or high risk.
Minor	Those findings that are not of primary concern but still warrant action being taken.	Management to implement an action plan within six to 12 months to improve existing process or internal control.

Source: OAG

We give management the opportunity to review our audit findings and provide comments prior to completion of the audit. Each control finding is documented in a management letter which identifies weakness, implications for the entity, risk category and a recommended improvement action.

Auditor General's 2025-26 reports

Number	Title	Date tabled
13	Local Government 2025 – Financial Audit Results	15 April 2026
12	Local Government 2025 – Information System Audit Results	25 March 2026
11	Local Government Management of Gifts and Benefits	18 March 2026
10	Controls Over Portable Assets – State Entities	6 March 2026
9	Microsoft 365 Security Controls – State Entities	6 March 2026
8	Local Government Audit Status Report	28 January 2026
7	State Government 2025 – Information Systems Audit Results	3 December 2025
6	State Government 2025 – Financial Audit Results	3 December 2025
5	Valuation of Property Held by the Public Education Endowment Trust	3 December 2025
4	WA's Progress to Implement the National Principles for Child Safe Organisations (arising from the Royal Commission into Institutional Responses to Child Sexual Abuse)	27 November 2025
3	Maintaining Regional Local Roads	12 November 2025
2	Gold Corporation – Trade Applications	29 October 2025
1	Management of Housing Maintenance Information	6 August 2025

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Office of the Auditor General
for Western Australia

SHIRE OF BRIDGETOWN-GREENBUSHES						
WHS Risk Activity Report						
Report to: Audit and Risk Committee (ARIC)						
Reporting Period:		24-Apr-26		to 14-Aug-26		
Prepared by: Steve Meyer WHS Officer		Date Prepared:				
1. PRE-STARTS ATTENDED						
Date	Department/Crew	Location	Attendees	Key Topics Discussed	Actions Arising	
27/05/2026	Outdoor Works	Bridgetown Shire Depot	Outdoor Works/WHS Officer	Safe Operating Procedures	Safe Operating Procedures delivered and shown to employees	
13/05/2026	Outdoor Works	Bridgetown Shire Depot	Outdoor Works/WHS Officer	Mobile Plant- Housekeeping expectations	Outdoor works employees advised of mobile plant operator cab housekeeping expectations	
27/04/2026	Outdoor Works	Bridgetown Shire Depot	Outdoor Works	Incident and Hazard Reporting	Outdoor works employees advised of reporting mechanism	
30/06/2026	Outdoor Works	Bridgetown Shire Depot	Outdoor Works	GFM Contracting to develop SWMS for skytrust application	GFM Contracting given 4 SWMS and 1 ISA to be developed for skytrust application.	
7/07/2026	Outdoor Works	Bridgetown Shire Depot	Outdoor Works	Skytrust App Feedback	ISA's and pre starts to be included in Skytrust (parks and Gardens)	
2. INSPECTIONS						
Date	Inspection Type	Location/Area	Conducted By	Findings Summary	Actions Required	
Daily Pre-start inspections on all machinery/outdoor work vehicles	Vehicle Pre-start Inspection	Bridgetown Shire Depot	Outdoor works employees	Ongoing	Daily inspections required.	
Inspections of Bridgetown Leisure Centre Aquatic facilities- Chlorine storage facility	For cause inspection	Bridgetown Leisure Centre	Executive Services Manager + WHS Officer	Recommendation to review alternatives away from chlorine gas	Costing undertaken to covert from chlorine gas to alternatives, ongoing discussion with potential funding providers.	
Bridgetown Shire Depot site inspection	Site Inspection	Bridgetown Shire Depot	WHS officer, 2 x Health and Safety Representatives	Slips trips falls	List of slips, trips, falls to address	
Bridgetown Shire Depot site inspection	Site Inspection	Bridgetown Shire Depot	WHS officer follow-up to improvement notices and general site housekeeping check	General tidiness noted and communicated reminder	Leaders communicated with on general housekeeping	
3. INCIDENT REPORTS						
Date	Incident Type	Location	Description	Severity	Status/Outcome	
8/07/2026	Injury	Waste Facility	Shoulder injury to worker	Low to medium	Time off work 2 weeks.	
1/07/2026	Property Damage	Library	Vehicle hit bollard adjacent to the disabled parking bay.	Low	Clean up any debris, check bollard secure.	
11/06/2026	Injury	Recreation Centre	Member of public slipped on stairmaster gym equipment	Low	Abrasion to left shin, sore right shoulder- First Aid applied.	
10/06/2026	Other Incident	Recreation Centre	Chlorine Gas alarm	Medium- High	Chlorine gas testing- no leak detected- chlorine identified from balance tanks and wind blowing towards sensor in shed.	
8/06/2026	Injury	Public Area	Worker walking to get lunch and slipped on footpath	Low-medium	Back and right middle neck strain, booked chiro, stretches and ice.	
Severity: Minor / Moderate / Serious / Critical						
4. NEAR MISSES						
Date	Location	Description	Potential Consequence	Reported By	Corrective Action Taken	
15/05/2026	Library	Volunteer feeling unwell presented to work.	Exacerbation of illness, fainting.	Library Coordinator	Informed staff that if a worker or volunteer call to advise they are unfit for work, if they later present to work, they wont be able to attend work without clearance from a medical practioner.	
5. IMPROVEMENT NOTICES AND OUTCOMES						
Date Issued	Notice Type	Issued By	Description/Requirement	Due Date	Status/Outcome	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Emergency Eye Wash Facilities Reference ID: 90040976	1/05/2026	Closed- 2 x Eye wash station installed.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Loose Tooling in operator cab ReferenceID: 90040988	1/05/2026	Closed- Toolbox storage provided, housekeeping expectations communicated.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Failing to notify regulator Reference ID: 90040974	1/05/2026	Closed- Incident reporting process implemented/communicated	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Skid Steer Dangerous Condition Reference ID: 90040986	1/05/2026	Closed- Skid steer tagged out sent to auction.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Insecure Gas Bottles Reference ID: 90040983	1/05/2026	Closed- Gas bottles secured, removal of unused bottles.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Chains and Slings not inspected Reference ID: 90040981	1/05/2026	All Chains, slings and tow ropes inspected and tagged	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	No Hazardous chemical safety data registers Reference ID: 90040980	1/05/2026	Closed- Chemicals have all been identified with SDS folder available in each location.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Unlabelled hazardous chemicals Reference ID: 90040978	1/05/2026	Closed- Chemical decanting procedure in place	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	No spill containment system Reference ID: 90040977	1/05/2026	Closed- Spill containment bunds in place, spill kits also in place.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Slips trips falls Reference ID: 90040984	1/05/2026	Closed- Slips trip fall hazards address at depot facility.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Safety signs on chemical shed Reference ID: 90040987	1/05/2026	Closed- Chemical signage place on sheds to identify chemical hazards	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	Traffic Management reference ID: 90040985	1/05/2026	Closed- Traffic management review and line marking and worker crossing paths implemented.	
6/03/2026	Improvement Notice	Benjamin Ayres (Worksafe)	No Safe work procedures Reference ID: 90040975	1/05/2026	Closed- 29 safe work procedures have been created and available on site.	

6/03/2026	Prohibition Notice	Benjamin Ayres (Worksafe)	Operating Plant without competency tickets	1/05/2026	Closed-All licence requirements and competency conducted through registered training organisation with outdoor workers.
Status: Open / In Progress / Completed / Overdue					
6. TRAINING					
Date	Training Topic	Provider/Facilitator	Attendees/No.	Department	Compliance Requirement
16-17th April	Incident Investigation Training (ICAM)	Trainwest	Steve Meyer- WHS Officer	Executive Services	Investigation training
8/04/2026	Hazard, Near Miss and Incident Training	Internal- WHS Officer	Outdoor Works Employees	Outdoor Works	WHS Legislation- Training
9/04/2026	Notifiable Incident Worksafe Training	Internal WHS Officer	Outdoor Works Employees	Outdoor Works	WHS Legislation- Training
9/07/2026	Webinar- Managing workforce health risks	Sonic Health	Steve Meyer- WHS Officer	Executive Services	Continuous learning
10/06/2026	Appropriate use of emergency showers	Damon Lukins- Works Manager	Outdoor Works Employes	Outdoor Works	Familiarisation- new emergency eye wash facilities (depot)
24/03/2026	Bullying & Harassment Training	External Provider	All Shire Employees	All Staff	Psychosocial Education and awareness
13/05/2026	Elevated Work Platform	Civil Safety	Building Maintenance, WHS, Parks and Gardens, Outdoor works.	Multiple	Licence
7. SAFETY INITIATIVES					
KEY INITIATIVE: SkyTrust Implementation					
SkyTrust is a software system for reporting and managing hazards, corrective actions and WHS compliance.					
Implementation Status:	In Progress	Go-Live Date:	Aug-26		
Training Provided:	15/07/2026	Staff Trained:	Directors, Managers, Supervisors- Managing Actions in Skytrust.		
Key Features/Benefits:	Safety reporting				
Other Safety Initiatives					
Initiative	Description	Start Date	Status	Responsible Officer	Expected Outcome
All Staff meeting	Short safety video presented to all staff, discussed statistics on workplace deaths in Australia and how this applies to the shires work.	2/07/2026	Completed	WHS Officer	Highlighting major hazards and the importance to slow down, ask for assistance. Do not do anything you are unsure of and reporting hazards
Safety Conversations- Executive Leadership Team	Executive Leadership Team conducts in field safety conversation 2 monthly on rotation with different areas of the shire.	1/06/2026	In Progress	Executive Leadership Team	Completed in field safety conversations, shared at the executive leadership meeting in August for discussion.
Workplace Wellbeing- Skin Checks	External contractor- Work Health Professionals- On site skin checks	6/05/2026	Completed	HR Manager	Finding cancer early and providing the service free to workers encouraging the health check participation and gaining knowledge through the process.
Workplace Audiometric 2 Yearly testing	External Contractor- Work Health Professionals- Audiometric testing (2 yearly) monitoring	22/05/2026	Completed	WHS Officer	Audiometric testing results. Options for those wanting to follow up further with their results.
Health and Safety Committee	Health and Safety Committee established with	1/01/2026	In progress	WHS Officer	
12 Month WHS Improvement Plan	CFO endorsed 12 month WHS improvement plan across the shire	Jul-26	In Progress	CEO/WHS Officer	



POLICY FA13 – Disposal of Surplus Assets

Responsible Officer: Chief Executive Officer	Approved By: Council
Adoption Date:	Last Reviewed:
Version: 1	Next Review Date:

1. Purpose

To provide a transparent, equitable and legally compliant framework for the disposal of local government property that is surplus to the operational requirements of the Shire of Bridgetown-Greenbushes, ensuring value for money, probity, and proper record keeping and in accordance with section 3.58 of the *Local Government Act 1995* and Regulation 30 of the *Local Government (Functions and General) Regulations 1996*.

2. Scope

This policy applies to the disposal of all property owned by, vested in, or under the care, control or management of the Shire of Bridgetown-Greenbushes, except where a specific legislative or policy exemption applies.

3. Statutory Framework

All disposals must comply with:

- *Local Government Act 1995*, section 3.58
- *Local Government (Functions and General) Regulations 1996*, regulations 30 and 31
- Any other applicable legislation, Council policies, and delegated authority instruments relevant to the disposal

Disposals must occur by public auction, public tender, or another lawful method permitted under section 3.58 of the Act or regulation 30. Where property is proposed to be disposed of other than by public auction or public tender under section 3.58(3), the Shire must give local public notice of the proposed disposition, invite submissions for the required period, consider any submissions received, and ensure the notice includes the required market value and consideration details. Officers must first confirm whether a proposed disposal is an exempt disposition under regulation 30 before determining the disposal pathway.

4. Definitions

Term	Definition
Act	<i>Local Government Act 1995</i>
Asset	A resource controlled by the Shire as a result of past events and from which future economic benefits or service potential are expected to flow to the Shire. (Australian Accounting Standards Board)
Disused equipment, machinery and materials	Items that, in the opinion of the Chief Executive Officer or delegated officer, are no longer required and cannot be readily sold, traded or reused, or have little or no residual value. Disposal

Term	Definition
	of such items must still comply with section 3.58 of the Act unless an exempt disposition under regulation 30 applies.
Non-profit community organisation	A not-for-profit organisation or group whose primary purpose is to improve quality of life or provide community, welfare, sporting, recreational, cultural or similar community benefit.
Worker	An employee, contractor, volunteer, work experience student or other person carrying out work for or on behalf of the Shire.
Public notice and application	A process involving local public notice of a proposed disposition and invitation for submissions in accordance with section 3.58(3) of the Act.
Private treaty	A negotiated sale of property at an agreed price, undertaken only where lawful under section 3.58 of the Act and associated regulations.
Tender	An externally advertised process inviting offers to purchase property in accordance with legislative requirements.

5. Policy Statement

- The Shire may dispose of surplus assets through sale, donation, trade-in, recycling or lawful refuse disposal where those assets no longer provide operational value and where disposal is lawful, transparent and appropriately approved.
- The disposal method selected must reflect legislative compliance, value for money, probity, environmental responsibility, risk management and, where relevant, community benefit.
- Surplus assets must not be donated to Council Members or Workers.
- Any sale involving a Council Member or Worker may only occur through a lawful competitive public process, with conflicts of interest transparently managed and documented.
- Where a disposal is undertaken under section 3.58(3), the Shire must give local public notice, consider submissions received, and record reasons for the decision in accordance with legislative requirements.

5. Roles and Responsibilities

Role	Responsibility
CEO	The CEO is responsible for ensuring the Shire has appropriate systems, delegations, and governance arrangements in place to support lawful and compliant disposal of surplus assets under this policy.
Delegated Officer	An officer authorised under the Shire's Delegations Register to approve and manage asset disposals within their delegated authority, ensuring compliance with legislation, this policy, and associated procedures.
Responsible Officer (Project / Operational)	Officers leading projects or operational activities involving assets are responsible for identifying assets affected by works, consulting with

Role	Responsibility
	asset custodians, and ensuring disposal requirements are documented and addressed.
Council	Council is responsible for making decisions on disposal of property where required by legislation or where the disposal exceeds delegated authority.

6. Reasons for Disposal

An asset may be determined surplus where it:

- Has reached its predetermined economic life
- Is due for replacement or renewal
- Is no longer required due to changes in service delivery or usage patterns
- Does not meet work health and safety requirements
- Is damaged, beyond economical repair or no longer operable
- No longer provides an acceptable level of service to the community

7. Order of Disposal

Disposal methods are to be selected based on lawfulness, value for money, probity, risk, environmental responsibility and, where relevant, community benefit. Subject to these considerations, disposal will generally occur by sale, donation, trade-in, recycling or lawful refuse disposal.

- Sale by public auction or public tender may be used where this is expected to achieve a competitive and transparent outcome.
- Private treaty may only be used where lawful under section 3.58(3) or where the disposal is exempt under regulation 30. Where section 3.58(3) is used, local public notice, invitation for submissions, market value disclosure and consideration of submissions are required.
- Donation to eligible non-profit community organisations or schools may occur only where lawful and supported by objective assessment criteria such as community benefit, capacity to use the asset, alignment with Shire outcomes, equity, and value/risk considerations. Priority may be given to organisations and schools located within the Shire where this is consistent with those criteria and the law.
- Trade-in may be used where the entire consideration received for the disposal is applied to the purchase of replacement property and the value of the replacement property does not exceed \$75,000, or where another lawful pathway applies.
- Recycling or lawful refuse disposal may be used where assets cannot be practically sold, donated or traded and all environmental, safety and records requirements are met.

In applying this policy, officers must also comply with the Shire's current delegated authority. As at Delegation 1.22, disposal of land to an adjoining owner may be treated as exempt where the market value is less than \$5,000 and the delegate determines the land would not benefit anyone other than the adjoining owner.

Disposal of property other than land or buildings may be exempt where the market value is less than \$20,000, or where the property is disposed of within 6 months after an unsuccessful auction, public tender or private treaty via statewide public notice. Trade-in type disposals may also be exempt where the entire consideration is applied to the purchase of other property and the value of that property does not exceed \$75,000.

Staff exercising delegated authority must also observe the delegation condition that disposal of property for any single project, or single transaction, is limited to a value of less than \$20,000 unless otherwise approved.

Where public auction is used, a reserve price is to be set by independent valuation. If the reserve price is not achieved at auction, negotiation may be undertaken to achieve a sale at up to a 10% reduction from the reserve price, where permitted by the relevant delegation or approval.

Where private treaty under section 3.58(3) is used, negotiation may be undertaken at up to a 10% variance from the valuation where permitted by the relevant delegation or approval, and reasons for the final decision must be recorded.

Disposal methodology should, wherever practicable, demonstrate environmentally responsible outcomes.

8. Conditions of Disposal or Sale

All surplus assets disposed of by sale or donation are subject to the following conditions:

- Items are disposed of on an "as is, where is" basis, with all faults.
- Payment (where applicable) must be received prior to collection.
- The Shire will not provide consumables, installation, maintenance or technical support.
- The Chief Executive Officer, or delegated officer, may:
 - Withdraw items from sale or donation processes.
 - Reject any tender or application.
 - Decline to enter into a private treaty.

9. Asset Management and Reporting

- All disposed assets must be recorded and removed from the asset register or relevant inventory systems.
- A Disposal Register must be maintained, recording as applicable the date, asset description, disposal method, purchaser or recipient, consideration or estimated value, approval pathway, and relevant decision record.
- All documentation relating to tenders, expressions of interest, private treaties, donations or other disposal decisions must be retained in accordance with records management requirements.
- Details of assets disposed of by sale, donation, trade-in, recycling or refuse disposal must be reported through the monthly financial statements or other approved financial reporting mechanisms where applicable.

10. Legislative and Other References

- *Local Government Act 1995* – s.3.58
- *Local Government (Functions and General) Regulations 1996* – regs 30 and 31
- Delegation 1.22 – Disposing of Property (Staff)
- Delegations Register

11. Review and Monitoring

This policy will be reviewed every three (3) years, or earlier if legislative or governance changes occur. Compliance monitoring is the responsibility of the Chief Executive Officer.

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Shire of Bridgetown-Greenbushes Compliance Audit Return January – 31 December 2025		
Reference	Question	Draft Response
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?	Yes. All elected or appointed members made the required declaration in the prescribed form before acting in office. Declarations are retained in governance records and relevant Council/OCM minutes are available on the Shire website.
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?	Yes. No local laws reached the eight-year review threshold during the audit period. Local laws were monitored for compliance and are scheduled for review in 2026.
s. 3.57	Subject to regulation 31(2), did the local government invite tenders for all contracts above the prescribed threshold?	Yes. All contracts above the prescribed threshold were undertaken through a compliant public tender process in accordance with the Act and Regulations. Details are recorded in the Tenders Register.
s. 3.58(3)	Where property was disposed of other than by public auction or tender, was it disposed of in accordance with section 3.58(3)?	Not Applicable
s. 3.58(4)	Where property was disposed of under section 3.58(3), were required details included in the local public notice?	Not Applicable
s. 3.59(2)(a)	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2025?	Not Applicable. No non-exempt major trading undertaking requiring a business plan under section 3.59(2)(a) was identified for 2025.
s. 3.59(2)(b)	Has the local government prepared a business plan for each major land transaction that was not exempt in 2025?	Not Applicable
s. 3.59(2)(c)	Has the local government prepared a business plan before entering into each preparatory land transaction in 2025?	Not Applicable
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 preparatory land transaction for 2025?	Not Applicable
s. 3.59(5)	During 2025, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	Not Applicable
s. 5.16(1)	Were all delegations to committees resolved by absolute majority?	Yes. Delegations to committees were adopted by Council by absolute majority and recorded in the minutes.
s. 5.16(2)	Were all delegations to committees in writing?	Yes. Delegations to committees are documented in writing and maintained in the delegations register managed through Attain.
s. 5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	Yes. Delegations to committees were reviewed to ensure they remained within statutory limits.
s. 5.18	Were all delegations to committees recorded in a register of delegations?	Yes. Council reviewed and adopted the Delegations Register by absolute majority in June 2025 (OCM 030-24/25). The Delegations Register is maintained through Attain and forms part of the Shire's governance assurance framework.
s. 3.36(4) & s. 5.37(3)	Were all CEO and/or senior employee vacancies advertised in accordance with regulation 18A?	Yes, where applicable. CEO and senior employee vacancies were advertised in accordance with regulation 18A of the Local Government (Administration) Regulations 1996.
s. 5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a senior employee, and where council rejected a recommendation, did it inform the CEO of the reasons?	Yes, where applicable. The CEO informed Council of proposals to employ or dismiss senior employees, and Council decisions were recorded in the minutes.
s. 5.39B	Has the local government adopted and maintained model standards within required timeframes, by absolute majority, published them on its website, and avoided inconsistent provisions?	Yes. Council has adopted and maintains model standards for CEO recruitment, performance review and termination in accordance with section 5.39B and the relevant regulations. The standards are published on the Shire website and are not supplemented by inconsistent provisions.
s. 5.42	Were all delegations to the CEO resolved by absolute majority and in writing?	Yes. Delegations to the CEO are maintained within the Delegations Register and were reviewed and adopted by Council by absolute majority during the 2025 statutory review cycle (OCM June 2025, Resolution OCM 030-24/25). This arrangement is formally documented in writing, tracked via Attain, and supports continued legislative oversight during the audit period.
s. 5.43	Did the powers and duties delegated to the CEO exclude those listed in section 5.43?	Yes. Delegations to the CEO were reviewed to ensure excluded powers and duties under section 5.43 were not delegated.
s. 5.44(2)	Were all employees delegated authority by the CEO issued with a written instrument of delegation?	Yes. Employee delegations are issued in writing, maintained in the delegation register and managed through Attain.
s. 5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Not Applicable. No delegations were amended or revoked during the 2025 calendar year period.
s. 5.46	Has the CEO kept a register of delegations, reviewed delegations at least once during the 2024/2025 financial year, and ensured written records were kept when delegated powers or duties were exercised?	Yes. The CEO maintains the Delegations Register through Attain. The Delegations Register forms part of the Shire's governance assurance framework and is reviewed in accordance with legislative requirements.
s. 5.50	If additional payments were made to finishing employees, were they made in accordance with adopted policy and public notice requirements?	Yes. Termination and additional payments were managed in accordance with adopted policy and statutory notice requirements.
s. 5.51A	Has the CEO prepared, implemented and published an up-to-date employee code of conduct?	Yes. The CEO has prepared, implemented and published the Shire of Bridgetown-Greenbushes Employee Code of Conduct dated 25 July 2024. The Code states that it was prepared under section 5.51A of the Local Government Act 1995 and Part 4A of the Local Government (Administration) Regulations 1996, and applies to all employees, including the CEO, while on Shire premises or engaged in Shire-related activities. It addresses prescribed matters including employee roles and conduct, honesty and integrity, performance of duties, lawful directions, administrative practices, recordkeeping, workplace and community dealings, communications, gifts, conflicts of interest, secondary employment, financial and impartiality disclosures, use and disclosure of information, improper influence, use of Shire resources and finances, and reporting and handling suspected breaches, misconduct, fraud and corruption. The document control box identifies the next review due in July 2027.
s. 5.67	Where a council member disclosed an interest and did not have participation approval, did they leave and not participate?	Yes. Disclosures of interest were managed through meeting procedures, and members did not participate unless authorised under the Act.
s. 5.68(2)	Were all decisions regarding participation approval under section 5.68(2) recorded in the minutes?	Yes, where applicable. Participation approvals and required particulars were recorded in the relevant Council or committee minutes.
s. 5.69(5)	Were all decisions regarding participation approval under section 5.69(5) recorded in the minutes?	Yes, where applicable. Any participation approvals were recorded in the minutes, including the extent of permitted participation.
s. 5.70	Where an employee had an interest in a 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?	Yes, where applicable. Employee interest disclosures were made at the time advice or reports were provided and were managed through meeting and governance procedures. The Employee Code of Conduct requires employees to ensure there is no actual or perceived conflict between personal interests and the impartial fulfilment of professional duties, and requires relevant interests to be disclosed to the CEO or at the relevant meeting in accordance with clauses 3.16 and 3.19. Where a written notice is provided before a meeting, the Code requires the CEO to give the notice to the presiding person and for the disclosure to be brought to the attention of the meeting before the matter is discussed.
s. 5.71B(5) and (7)	Where council applied to the Minister to allow the CEO to provide advice or a report relating to a disclosed interest, did the application include required details, and was any Ministerial decision recorded in the minutes?	Not applicable.
s. 5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes. Disclosures were recorded in the minutes of the relevant Council or committee meeting, with OCM minutes available on the Shire website.
s. 5.75	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes. All required primary returns were lodged within three months of commencement. Returns are recorded in the Register of Financial Interests and monitored through Attain.
s. 5.76	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2025?	Yes. All required annual returns were lodged by 31 August 2025 and recorded in the Register of Financial Interests.
s. 5.77	On receipt of a primary or annual return, did the CEO or Shire President give written acknowledgment of having received the return?	Yes. Written acknowledgments were issued upon receipt of primary and annual returns and retained with governance records.
s. 5.88	Did the CEO keep a register of financial interests containing returns and disclosures, remove returns when required, and retain removed returns for at least five years?	Yes. The CEO maintains a Register of Financial Interests, including required returns and disclosures, in accordance with the Act.
s. 5.89A	Did the CEO keep a register of gifts containing required disclosures and publish an up-to-date version on the local government's website?	Yes. The gift register is maintained and published on the Shire website. Clause 3.15 of the Employee Code of Conduct applies to employees other than the CEO, prohibits acceptance of prohibited gifts from associated persons, requires reportable gifts from associated persons to be disclosed to the CEO in writing within 10 days, specifies the details to be included in the notification, and requires the CEO to maintain and publish a register of reportable gifts. The Code sets the prohibited gift threshold at \$300 and defines reportable gifts as gifts worth more than \$50 but less than \$300, including cumulative gifts from the same person within one year.
s. 5.90A	Did the local government prepare, adopt by absolute majority and publish an up-to-date policy dealing with attendance of council members and the CEO at events?	Yes. The G24 Attendance at Events Policy was adopted by absolute majority on 30 May 2025 and is published on the Shire website. The policy is scheduled for review in 2027.
s. 5.94	Does the local government have prescribed information available for public inspection free of charge, except where restricted?	Yes. Prescribed information is available for public inspection, including through the Shire website and administrative access arrangements.

Shire of Bridgetown-Greenbushes Compliance Audit Return January – 31 December 2025		
Reference	Question	Draft Response
s. 5.96	Where a person is entitled to inspect information, are copies available at no more than the cost of providing them unless otherwise prescribed?	Yes. Copies are made available in accordance with statutory requirements and charges do not exceed the cost of providing them unless otherwise prescribed.
s. 5.96A	Did the CEO publish required information on the local government's website in accordance with sections 5.96A(1) to (4)?	Yes. Required information was published on the Shire website in accordance with statutory requirements. The ARIC Audit Log confirms the compliance framework, registers and Attain automation are embedded.
s. 5.104	Did the local government adopt and publish a code of conduct for council members, committee members and candidates, incorporating the model code and any compliant additional requirements?	Yes. The local government maintained and published a Code of Conduct for Council Members, Committee Members and Candidates incorporating the Model Code throughout 2025. The current version was reviewed and adopted by absolute majority on 26 February 2026 (OCM 014-25/26).
s. 5.128	Did the local government prepare and adopt by absolute majority a policy on continuing professional development of council members?	Yes. The continuing professional development policy was adopted by absolute majority on 29 February 2024 and maintained as part of the Shire's governance systems. Council member training and annual reporting requirements are monitored and reported to the CEO.
s. 7.12A(3), (4) and (5)	Where audit matters required action, did the local government undertake appropriate action, prepare any required report to the Minister within three months, and publish the report within 14 days?	Yes, where applicable. Audit findings and significant matters were actioned and reported through the Shire's audit, risk and improvement framework. The 2024/25 audit identified a significant matter relating to purchase order segregation, and management actions are being monitored through ARIC, the Financial Management Log and relevant reporting processes.
Local Government (Administration) Regulations 1996		
Reg 18F	Was CEO remuneration and benefits on appointment the same as advertised for the position?	Yes, where applicable. CEO remuneration and benefits were consistent with advertised requirements and appointment documentation.
Reg 19AB	Does the employee code of conduct prohibit employees, other than the CEO, from accepting prohibited gifts from associated persons?	Yes. Clause 3.15(d) of the Employee Code of Conduct provides that employees must not accept a prohibited gift from an associated person. The Code adopts the prescribed concepts of associated person, gift, prohibited gift, reportable gift and threshold amount from the Local Government (Administration) Regulations 1996 and the Local Government Act 1995. The CEO has determined \$300 as the threshold amount for prohibited gifts, and the clause does not apply to the CEO.
Reg 19AC	Does the employee code of conduct include requirements for recording, storing, disclosing and using information about gifts accepted by employees?	Yes. Clause 3.15 of the Employee Code of Conduct requires employees who accept a reportable gift from an associated person to notify the CEO in writing within 10 days. The notification must include the giver's name, date accepted, description and estimated value of the gift, the relationship between the employee and giver, and details of any other gifts accepted from the same person within the previous year. The Code requires the CEO to maintain a register of reportable gifts, publish the register on the Shire's website, remove records when a person ceases to be an employee, and retain removed records for at least five years.
Reg 19AE	Does the employee code of conduct include required provisions for employee behaviour, use of resources, records, information, finances and suspected breaches?	Yes. The Employee Code of Conduct includes the required provisions for employee conduct and governance controls. It covers personal behaviour, honesty and integrity, performance of duties, compliance with lawful and reasonable directions and policies, administrative and management practices, intellectual property, recordkeeping, dealings with employees and the community, professional communications, personal communications and social media, personal presentation, gifts, conflicts of interest, secondary employment, financial interests, impartiality interests, use and disclosure of information, improper or undue influence, use of Shire resources, use of Shire finances, and reporting and handling suspected breaches, unethical conduct, fraud, dishonesty, illegal conduct and corruption. These provisions align with regulation 19AF.
Reg 19B	Did the annual report include all required information, including remuneration, allowances, attendance, demographics and plan modifications?	Yes. The annual report included all required statutory disclosures and information.
Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If yes, provide the date of the most recent review.	Yes. The Strategic Community Plan remained in force throughout 2025. A major review of the Integrated Planning and Reporting Framework was undertaken during 2025 and culminated in adoption of the Council Plan 2025-2035 on 26 March 2026.
Reg 19DA	Has the local government reviewed its corporate business plan in accordance with regulation 19DA(4), and does the corporate business plan comply with regulations 19DA(2) and (3)?	Yes. The Corporate Business Plan remained in effect throughout 2025 and was reviewed in accordance with Regulation 19DA. Its integration into the Council Plan 2025-2035 was adopted on 26 March 2026.
Reg 22	Asked as part of question s. 5.75.	Yes. Compliance is addressed under the response to section 5.75 regarding primary returns lodged within the required timeframe.
Reg 23	Asked as part of question s. 5.76.	Yes. Compliance is addressed under the response to section 5.76 regarding annual returns lodged by 31 August 2025.
Reg 28	Asked as part of question s. 5.88(1).	Yes. Compliance is addressed under the response to section 5.88 regarding the register of financial interests.
Reg 28A	Asked as part of question s. 5.89A(1).	Yes. Compliance is addressed under the response to section 5.89A regarding the gift register and website publication.
Reg 29	Asked as part of question s. 5.94.	Yes. Compliance is addressed under the response to section 5.94 regarding public inspection of prescribed information.
Reg 29C	Does the local government publish all prescribed information on its official website within specified timeframes and in accordance with legislative requirements?	Yes. Prescribed information, including policies, registers, returns, fees, allowances and notices, is published and maintained on the Shire website.
Reg 35	Has every council member completed and passed the Council Member Essentials course within 12 months of being elected?	Yes. Council member training requirements are monitored, and members complete the required Council Member Essentials modules within statutory timeframes unless an exemption applies.
Reg 36	Does the local government appropriately identify and document council members who are exempt from training requirements under section 5.126(1)?	Yes, where applicable. Training exemptions are assessed, verified and documented in governance records in accordance with regulation 36.
Local Government (Audit) Regulations 1996		
Reg 10	Was the auditor's report for the financial year ending 30 June 2025 received within 30 days of completion of the audit?	Yes. The auditor's report was received within the required timeframe following completion of the audit and retained with the Shire's audit records.
Reg 17	Did the CEO review systems and procedures for risk management, internal control and legislative compliance within the three financial years prior to 31 December 2025, and was the report accepted by Council?	Yes. The Regulation 17 Audit Log and Assurance Summary were reported to the Audit, Risk and Improvement Committee. All recommendations arising from the 2023 Regulation 17 Review have either been completed, embedded into business as-usual controls, incorporated into governance and compliance frameworks, or scheduled within the forward review program. No unplanned remediation or escalation to Council was identified during the reporting period.
Local Government (Constitution) Regulations 1998		
Reg 11FA	Did the CEO provide the Minister with the election result report within 14 days of the declaration and in the required form?	Yes. The CEO provided the election result report to the Minister within the required timeframe and in the prescribed form.
Reg 13	Were all required oaths, affirmations and declarations for Commissioners made in the correct form before an authorised person?	Yes. Required declarations were completed in the correct form before an authorised person.
Local Government (Elections) Regulations 1997		
Reg 30G	Did the CEO establish, maintain, retain and publish the electoral gift register in accordance with regulation 30G?	Yes. The electoral gift register was maintained, disclosures were recorded on receipt, completed candidate records were retained as required, and the up-to-date register was published on the Shire website.
Local Government (Financial Management) Regulations 1996		
Reg 5	Has the CEO ensured efficient systems and procedures are established under provisions set out in Financial Management Regulations 5(1)(a) to (g)?	Yes. Appropriate financial management systems and procedures were maintained throughout 2025, including regular financial reporting, budget reviews and Council oversight.
Reg 6	Has the local government ensured that any employee delegated responsibility for day-to-day accounting or financial management operations is not also delegated responsibility for internal audits, reviewing their own duties, or managing, directing or supervising someone who carries out these functions?	Yes. Strict segregation of duties and internal review controls were maintained throughout the 2025 audit period. Under these controls, no employee delegated day-to-day accounting or financial operations had delegated authority to conduct internal audits or review their own duties. These operational boundaries are verified through the FMSR internal control maps and reinforced by the values embedded in the Employee Code of Conduct.
Reg 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?	Yes. The Shire of Bridgetown-Greenbushes does not operate under a ward structure. Financial planning, budget creation, and allocation decisions are made exclusively for the needs of the district as a whole. Ordinary Council Meeting minutes and Monthly Financial Reports confirm that all operating and capital budgets were evaluated and executed at a whole-of-Shire level throughout 2025.
Reg 8	Does the local government maintain separate accounts with a bank or other financial institution for money held in the municipal fund, trust fund and reserve account purposes?	Yes. Separate banking and accounting arrangements are maintained for municipal, trust and reserve funds in accordance with the regulations.
Reg 9	Did the local government keep separate financial records for each trading undertaking and each major land transaction?	Not Applicable.
Reg 11	Has the local government developed procedures for the authorisation of, and payment of, accounts in accordance with regulations 11(1), (2) and (3)?	Yes. Robust procedures were in place throughout 2025 for the authorisation and payment of accounts, strictly supported by written CEO delegated authority and monthly Council disclosure. All transactions were executed under the explicit governance frameworks of Policy FM 4 (Procurement, Budget Management and Supporting Local Business) and Policy FM 7 (Corporate Credit Cards).
Reg 12	Were payments made from the municipal fund or trust fund made by the CEO under delegated authority or authorised in advance by a Council resolution?	Yes. Payments from municipal and trust funds were made under CEO delegated authority or otherwise authorised in advance by Council resolution. All payments made under CEO delegated authority per Local Government (Financial Management) Regulations 1996.

Shire of Bridgetown-Greenbushes Compliance Audit Return January – 31 December 2025		
Reference	Question	Draft Response
Reg 13	Where the CEO has delegated authority to make payments, were accurate monthly payment lists prepared, presented to the next ordinary council meeting and recorded in the minutes?	Yes. For each month of the 2025 calendar year, accurate Monthly Lists of Accounts were prepared, presented at the next ordinary council meeting, and formally recorded in the minutes. These reports systematically detailed payee names, transactional values, dates, and clear descriptions in strict compliance with Regulation 13.
Reg 13A	Did the local government prepare a monthly list of payments made using employee-authorised credit, debit or purchasing cards, include required payment details, present the list at the next ordinary council meeting and record it in the minutes?	Yes. A summary report detailing all payments made using employee-authorised credit, debit, or purchasing cards was compiled each month during 2025. These lists included all prescribed data points, were presented as a standard component of the monthly accounts process to Council, and are explicitly embedded in the minutes.
Reg 19	Has the local government established and documented internal control procedures to identify the nature and location of all investments and related transactions?	Yes. Documented internal controls are in place for investments, including identification of investment type, location, transactions and reporting.
Reg 19C	Has the local government ensured that all investments made under section 6.14(1) comply with statutory restrictions in regulation 19C?	Yes. All investments were made within the limits prescribed by section 6.14 and regulation 19C.
Local Government (Functions and General) Regulations 1996		
Reg 7	Asked as part of question s. 3.59(2).	Yes. Compliance is addressed under the section 3.59(2) responses for major trading undertakings and major land transactions.
Reg 9	Asked as part of question s. 3.59(2).	Yes. Compliance is addressed under the section 3.59(2) responses for applicable business plan requirements.
Reg 10	Asked as part of question s. 3.59(2).	Yes. Compliance is addressed under the section 3.59(2) responses for major land and trading transactions.
Reg 11A	Did the local government comply with its current purchasing policy for contracts valued at \$250,000 or less?	Yes. Purchases valued at \$250,000 or less were undertaken in accordance with the Shire's adopted Purchasing Policy and procurement procedures.
Reg 11	Asked as part of question s. 3.57.	Yes. Compliance is addressed under section 3.57 regarding tender requirements for contracts above the prescribed threshold. This relates to s. 3.57 is appropriate. The Tenders Register confirms tender processes for contracts above threshold.
Reg 12	Did the local government consider regulation 12 when deciding to enter into multiple contracts rather than a single contract?	Yes. Contract structures and procurement scopes were systematically assessed prior to market launch in 2025.
Reg 14(1), (3) and (5)	If the local government sought to vary information supplied to tenderers, was every reasonable step taken to notify relevant tender document recipients or acceptable tenderers?	Yes, where applicable. Any variation to tender information was communicated to relevant tenderers in accordance with regulation 14 requirements.
Reg 15	Did the local government's procedure for receiving and opening tenders comply with regulations 15 and 16?	Yes. Tender receipt and opening procedures complied with Regulations 15 and 16. Tender opening details are recorded in the Tenders Register.
Reg 16	Asked as part of question Reg 15.	Yes. Compliance is addressed under the response to Regulation 15 regarding tender receipt and opening procedures. This relates to Reg 15 is appropriate. Opening procedures confirmed in the Tenders Register.
Reg 17	Did the information recorded in the local government's tender register comply with regulation 17, and did the CEO make the tender register available for public inspection and publish it on the official website?	Yes. The Tenders Register contains the prescribed information for each tender, is available for public inspection and is published on the Shire website.
Reg 18(1) and (4)	Did the local government reject late or incorrectly submitted tenders, and were all non-rejected tenders assessed by written evaluation against the tender criteria?	Yes. Non-compliant tenders were managed in accordance with the Regulations and valid tenders were assessed through documented evaluation processes against the advertised criteria.
Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes. Following formal Council award determinations for all finalized tenders during the audit period, the CEO issued comprehensive written notices to all successful and unsuccessful tenderers. Copies of these official notifications are securely filed within the Shire's central recordkeeping system, matching the public summaries recorded in the Tenders Register.
Reg 21	Did advertising and expression of interest processes for limiting who can tender comply with regulations 21 and 22?	Yes. Expression of Interest processes used to limit tendering were conducted in accordance with Regulations 21 and 22 and are recorded in procurement records.
Reg 22	Asked as part of question Reg 21.	Yes. Compliance is addressed under the response to Regulation 21. The Tenders Register records the EO01-25/26 Lease of Greenbushes Roads Board Office process and its advertising details, linked to the subsequent RFT02-25/26 tender process. This relates to Reg 21 is appropriate. EO01-25/26 details confirmed in Register support both Reg 21 and 22 compliance.
Reg 23	Did the local government reject non-compliant expressions of interest, assess non-rejected expressions of interest, and did the CEO list each person as an acceptable tenderer?	Yes. For the Expression of Interest process executed during the audit window (EO01-25/26 for the Lease of Greenbushes Roads Board Office), compliance criteria were strictly applied. Detailed evaluation assessments and the final listing of acceptable tenderers approved by the CEO are fully documented and preserved within the individual procurement project file.
Reg 24	Did the CEO give each person who submitted an expression of interest written notice of the outcome in accordance with regulation 24?	Yes. The CEO provided direct written outcome notifications to all entities that submitted an expression of interest for EO01-25/26. These formal correspondence records are linked and retained as part of the public and administrative record of the subsequent RFT02-25/26 procurement pathway.
Reg 24AD(2), (4) and (6)	Did the local government invite applicants for a panel of pre-qualified suppliers by Statewide public notice, and if information supplied about the panel was varied, was notice of the variation given as required?	Not Applicable. The Shire did not establish or manage a panel of pre-qualified suppliers during the audit period.
Reg 24AE	Asked as part of question Reg 24AD(2), (4) and (6).	Not Applicable. Refer Regulation 24AD.
Reg 24AF	Asked as part of question Reg 24AD(2), (4) and (6).	Not Applicable. Refer Regulation 24AD.
Reg 24AG	Did the information recorded in the tender register about panels of pre-qualified suppliers comply with regulation 24AG?	Not Applicable. The Shire did not maintain a panel of pre-qualified suppliers during the audit period.
Reg 24AH(1) and (3)	Did the local government reject late or non-compliant panel applications, and assess all non-rejected applications by written evaluation against the acceptance criteria?	Not Applicable. Refer Regulation 24AD.
Reg 24Ai	Did the CEO send each applicant written notice advising them of the outcome of their application?	Not Applicable. Refer Regulation 24AD.
Reg 24E	Where the local government gave regional price preference, did it comply with regulations 24E and 24F?	Yes, where applicable. Any regional price preference applied during procurement activities was in accordance with the Regulations and the Shire's adopted Purchasing Policy.
Reg 24F	Asked as part of question Reg 24E.	Yes, where applicable. Any regional price preference applied during procurement activities was in accordance with the Regulations and the Shire's adopted Purchasing Policy.



POLICY # - Organisational Structure and Senior Designated Employees

Responsible Officer: Chief Executive Officer	Approved By: Council
Adoption Date: [To be advised]	Last Reviewed: New policy
Version: 1.0	Next Review Date: [Adoption date + 2 years]

1. Purpose

To provide guidance to the Council and the Chief Executive Officer concerning the Organisation Structure for the Shire's administration and the designation of positions within the Shire of Bridgetown-Greenbushes as senior employees in accordance with section 5.37(1) of the *Local Government Act 1995*.

2. Scope

This Policy applies across the organisation.

3. Policy Statement

In accordance with Section 5.37 (1) of the *Local Government Act 1995*, in addition to the Chief Executive Officer, Council designates the following staff positions, as senior employees of the Shire:

- Director Corporate, Economic and Community Development.
- Director Projects and Environment.

4. Organisation Structure

In accordance with section 5.2 of the *Local Government Act 1995*, Council determines that the organisation structure of the Shire of Bridgetown-Greenbushes shall be:



- **Determining Organisation Sub-Structure**

To ensure the efficient, effective and orderly administration of the Shire, the Chief Executive Officer shall, within established budget parameters, determine:

- the operational responsibilities of each Directorate and the sub-structure sections within each Directorate needed to fulfil these responsibilities; and

- the sub-structure of each section, including the positions required to ensure the efficient and effective delivery of operational outcomes.

- **Council's Satisfaction with the Organisation Structure**

If Council is not satisfied that an appropriate structure exists, Council may, by resolution, request the Chief Executive Officer to review the structure.

5. **Legislative and Other References**

Local Government Act 1995

Local Government Amendment Act 2023

Local Government (Model Code of Conduct) Regulations 2021

6. **Review and Monitoring**

This Policy will be reviewed every two years, or earlier if:

- Legislative changes occur
- Governance requirements change

Monitoring of compliance will be undertaken by the Chief Executive Officer.

7. **Related Documents / Forms**

Document / Form	Description / Purpose
Senior Employee Contracts of Employment	Individual employment contracts for each designated senior employee position, entered into in accordance with section 5.39 of the Act.
CEO Recruitment, Selection and Performance Review Policy	Sets out the process for recruiting and appraising the performance of the Chief Executive Officer.

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Ref	Finding Title	Finding Rating	Finding Summary	Implications / Risks	Recommendation	Responsible Officer	Original Target Completion Date	Current Target Completion Date	Progress	Notes / Status
4.2.1	Council and Audit Committee Meeting Minutes	Breach	Council minutes 1 Aug 2024–31 Oct 2025 not signed by Chairperson; Audit Committee minutes (15 Feb 2024) not confirmed at Feb or Mar 2024 Council meetings; Audit Committee minutes not available on Shire website.	Non-compliance with s5.22(1)-(3) Local Government Act 1995; reduced transparency/accountability; higher risk of statutory non-compliance; weakened integrity of governance records.	Ensure minutes are confirmed, signed and published on the website in a timely manner; review/update Audit Committee governance documentation in line with legislative amendments.	Manager Executive Services Unit	30/06/2026	30/06/2026	Complete	April 26 - Processes will be updated to ensure all minutes are signed and uploaded to the website to ensure compliance August 26 - All processes have been updated and all Minutes have been confirmed and signed. Website being updated to publish ARIC Minutes and Agendas.
4.2.2	Information Technology Framework	High	IT contract expired Jun 2025 and not renewed; no overarching IT governance framework; no IT risk evaluation; no periodic security testing; no security training/awareness; no password minimum criteria or MFA; BCP not tested; unsecured server at Recreation Centre kiosk area.	Unresolved issues handled inconsistently; unmanaged high-risk areas; undetected vulnerabilities; increased phishing/sensitive data mishandling; unauthorised access/data compromise; untested BCP may fail; physical tampering/system compromise risk.	Establish formal IT contract with SLAs; perform comprehensive IT risk assessment; implement regular vulnerability/security testing; include IT security in induction and ongoing awareness; implement password policy and MFA; test BCP periodically; secure server with restricted physical access.	Director Corporate, Economic & Community Development	30/06/2026	31/12/2026	In Progress	April 26 - The contract with the Shire's managed services provider has been continued on an ad hoc basis since its expiry and the Shire is in negotiations with the provider for the contract. A full ICT review is required and is being scoped. August 26 - Managed Services Contract has been entered into. Cyber security controls (Managed Detection and response and Threat locker to block unapproved software) has been implemented. Password criteria updated, and works to relocate the BLC server have been scheduled within the next month.
7.2.1	Payroll Exceptions	High	Payroll masterfile change audit trail not consistently reviewed/signed; excessive leave balances (3 employees at 30 Jun 2025); missing sick leave forms; unsigned termination timesheet; termination checklist not completed; no probation reviews; WHS inductions not completed (3/4 new starters); Code of Conduct not acknowledged (1/4 new starters).	Risk of fraud/errors in payroll; higher leave liability cost; incorrect leave balances/misuse; termination payment disputes; incomplete offboarding; underperformance risk; higher WHS incident/penalty exposure; misconduct risk.	Implement review/sign-off of masterfile changes; manage leave to ensure regular leave taken; complete/retain leave forms; require signatures on termination timesheets; implement termination checklist; conduct probation reviews; require WHS induction before commencement; require Code of Conduct acknowledgement and maintain register.	Director Corporate, Economic & Community Development; Manager People and Culture	30/06/2026	31/12/2026	In Progress	April 26 - Masterfile changes are signed off by senior finance staff, leave balances have been reviewed by ELT and process changes to ensure all leave has an approved leave form. Employee induction process through to probation is being reviewed. August 26 - Controls are currently in place for Masterfile changes, leave form and timesheet approvals. Leave balances to be reported quarterly to ELT. Probation management practise and associated documents have been drafted and presented to ELT for feedback.
4.2.3	Information Technology Policies	High	Missing key ICT governance documents (ICT Strategic Plan; acceptable use; cyber security response/policy; BYOD; IT risk register). Potentially out-of-date documents (ICT review date Apr 2023; Social Media policy review date Nov 2025; BCP last reviewed 2020; COVID-19 BCP last reviewed 2022; ICT BCP last updated Sep 2020).	Without current documentation, staff may be unaware of expectations; increased likelihood of errors, fraud and/or non-compliance.	Develop/implement missing documents; review/update potentially out-of-date documents; ensure all documentation includes last reviewed date, next review date and authorising officer.	Director Corporate, Economic & Community Development; Manager Executive Services	31/12/2026	31/12/2026	In Progress	April 26 - A full ICT review is to be scoped to ensure that all required documents and plans are identified and either updated or developed. August 26 - Review has been on hold, pending the start date of the Manager Finance and Administration. This work will be scheduled after the preparation of the 25/26 Financial Statements Social Media Policy Revoked and New Communications and Media Policy adopted by Council

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Ref	Finding Title	Finding Rating	Finding Summary	Implications / Risks	Recommendation	Responsible Officer	Original Target Completion Date	Current Target Completion Date	Progress	Notes / Status
5.2.1	Key Monthly Reconciliations	Moderate	Untimely bank reconciliations; reserve/investment reconciliations not dated; municipal bank reconciliations missing adjustment reports (2 months tested); term deposit not reconciled Nov 2024; visitor centre daily banking reconciliation not signed for independent review; debtor reconciliation (Jun 2025) not signed as reviewed until 29 Aug 2025; rates debtor reconciliations missing trial balance attachments (Jun & Oct 2025); asset register reconciliations missing supporting docs (Jun & Sep 2025).	Increased risk of undetected errors, fraud and misstatements due to delays, poor documentation and lack of independent review.	Complete key reconciliations promptly; attach supporting documentation; ensure independent review with evidence.	Manager Finance and Administration	30/06/2026	31/12/2026	In Progress	April 26 - This was a prior finding during annual interim audit in 2024/25. Improvements have been made to this process and it was removed as a finding in the final audit of 24/25. A review of all asset related processes is ongoing. August 26 - The review of all reconciliation and asset processes is currently ongoing
6.2.1	Fuel and Credit Cards	Moderate	Fuel statements not reviewed/signed; credit card agreements missing for two former employees.	Higher risk of error/fraud undetected; risk of non-compliance with purchasing rules/unapproved expenditure.	Implement formal review/sign-off of fuel statements; ensure credit card agreements signed before activation and retained after employment ends.	Manager Finance and Administration	30/06/2026	31/12/2026	In Progress	April 26 - Process to be formally documented. All new credit cards and fuel cards issued are signed off and documented on a register. August 26 - Process is still to be formally documented
6.2.2	Payments and Tender Testing	Moderate	2/20 purchase orders dated after invoice; 2/20 purchase orders less than invoiced amount; tender evaluation report not signed (RFT 02-24/25).	Risk of unbudgeted/unapproved expenditure; potential breach of delegations where invoices exceed approved PO; evidence suggests procurement non-compliance.	Raise/approve POs before ordering; document approvals for increases in line with delegation; ensure tender evaluation reports are signed and add periodic compliance checks.	Manager Finance and Administration	30/06/2026	31/12/2026	In Progress	April 26 - Training will be prepared for all staff with access to the procurement systems to ensure that obligations under the policy and regulations are imbedded. August 26 - Training scheduled to be prepared now the Manager Finance and Administration commenced with the Shire in late June 2026
7.2.2	Depot Security	Moderate	Keys stored openly (no locked cabinet); unleaded fuel tank not locked; fuel usage analysis not conducted; full depot asset stocktake not completed or scheduled.	Increased risk of misappropriation and unauthorised use of Shire assets.	Secure keys in locked cabinet; lock fuel tank; conduct regular fuel usage analysis; perform full stocktake on predetermined basis.	Director Projects and Environment; Manager Finance and Administration	30/06/2026	30/09/2026	In Progress	April 26 - Keys are stored in a locked room, key cabinet to be obtained and installed in the new depot building. Stocktakes to be undertaken at 30 June and usage audit planned. August 26 - Key storage will be installed in the new depot building when build is completed. Stocktakes completed on 30 June 26
7.2.3	Out-of-date Policies (Payroll/Costing)	Moderate	Policies potentially out of date: P11 Supplementary Superannuation Contributions (scheduled review 14 May 2025); PES 3 Private Works Policy (scheduled review 27 Apr 2023).	Staff may be unaware of expectations; increased likelihood of errors, fraud or non-compliance.	Review and update policies where required.	Director Corporate, Economic & Community Development; Director Projects and Environment	30/06/2026	31/12/2026	In Progress	April 26 - Policies have been scheduled for review. August 26 - Policies have been scheduled for review
8.2.4	Fraud and Corruption Policy – No Next Review Date	Moderate	Fraud and Corruption Policy last reviewed 27 Jun 2024, but does not include a next scheduled review date.	Policy may become outdated and fail to reflect current Council requirements.	Include a scheduled review date to ensure timely updates.	Director Corporate, Economic & Community Development	30/06/2026	30/06/2026	Complete	April 26 - Policy has been updated and provided to ARIC for review at April 2026 Meeting. August 26 - Policy adopted by council at OCM 28 May 26
6.2.3	Asset Management Plan	Moderate	Asset Management Plan not reviewed since adoption in May 2020.	Plan may not reflect current asset conditions or service level expectations.	Review/update AMP as required; review periodically to ensure currency and alignment with strategic objectives.	Director Projects and Environment	31/12/2026	30/06/2027	In Progress	April 26 - Noted that review is required August 26 - Noted that review is required

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Ref	Finding Title	Finding Rating	Finding Summary	Implications / Risks	Recommendation	Responsible Officer	Original Target Completion Date	Current Target Completion Date	Progress	Notes / Status
6.2.4	Asset Disposal Policy	Moderate	No documented policy for disposal of Shire assets, including IT assets.	Risk assets not disposed to maximise value/ensure transparency/comply with governance; insecure IT disposal increases data breach and privacy non-compliance risk.	Develop and implement Asset Disposal Policy, including secure IT asset disposal and data wiping prior to disposal.	Director Corporate, Economic & Community Development	31/12/2026	31/12/2026	In Progress	April 26 - Asset disposal policy drafted and will be brought to council as part of the scheduled policy review. August 26 - Policy to be presented to ARIC in August 26
8.2.1	Non-compliance with Act and Regulations	Compliance Breach	Variance threshold for 2025/26 not adopted; FMSR not completed within three years; Elected Members Primary/Annual return register (2024/25) not updated for lodgement dates of 2025 returns; Financial Interests Register kept as open Excel and not all interests recorded vs 30 Jun 2024 register; two councillors had not signed annual returns.	Non-compliance with LG (Financial Management) Regs 1996 reg 34; reg 5(2)(c) (noting repeal) and related amended requirements; LG Act 1995 ss 5.88 and 5.76.	Adopt variance threshold annually as part of budget process; implement policies/procedures for amended statutory requirements (review period extended to four years per amended Audit Regulations); update Elected Members returns and Financial Interests registers promptly; ensure primary/annual returns are signed.	Chief Executive Officer; Director Corporate, Economic & Community Development; Manager Executive Services	30/06/2026	23/07/2026	Complete	April 26 - Threshold has been consistent with variance adopted in 24/25 and will be included as a officer recommendation in 26/27 budget. FMSR completed in 25/26. All Primary Returns are automated and managed through Attain. August 26 - Budget Variance adopted July 2026, All Primary and Annual Returns/Registers are up to date and recorded through Attain.
8.2.2	Governance and Compliance Documents Out of Date	Moderate	LTFP not reviewed annually with strategic planning/budget; Annual Electors Meeting advertised 11 Jun 2025 but minutes indicate 28 May 2025; Related Party Disclosures Policy due Apr 2023 not reviewed; Workforce Plan (Dec 2018–2022) not updated; Complaints Handling procedure last reviewed Nov 2018.	Risk of misalignment between financial plan and budget; confusion for ratepayers; outdated related party policy; weak workforce planning/succession; complaints handling may not reflect legislative/best practice changes.	Integrate LTFP review into annual budget; verify advertised meeting date accuracy; review/update related party policy; develop updated workforce plan with review cycle; review/update complaints procedure with review cycle and compliance monitoring.	Chief Executive Officer; Director Corporate, Economic & Community Development; Manager Executive Services	31/12/2026	31/12/2026	In Progress	April 26 - LTFP update is currently in progress and policies are scheduled for review August 26 - LTFP has been drafted and will be workshopped with Council in August26. Policies have been scheduled and each has been assigned a month to be reviewed and presented to council. August 26 - Related Party Disclosure Policy is being reviewed , Complaints Handling procedure is being reviewed an updated , Dates for Electors Meeting are being amended to the correct dates.
8.2.3	Risk Management Framework – Supporting Documents Missing	Moderate	Supporting documents referenced but not developed/implemented: operational and strategic risk registers; procedures/templates; records disaster recovery plan; annual assurance plan; local emergency plan; WHS plan.	Framework weakened; higher likelihood of unmanaged risks and inadequate incident response.	Develop and implement all referenced supporting documentation.	Chief Executive Officer; Manager Executive Services	31/12/2026	31/12/2026	In Progress	April 26 - Works have commenced on these plans and supporting documentation August 26 - Works are in development and progressing
5.2.2	Insurance Claim Registers	Low	Insurance claim registers not up to date; general insurance register included finalised claims.	Reduced reliability for decision-making/reporting; potential incorrect financial statement disclosures.	Update register promptly upon settlement/status change; conduct periodic reviews for accuracy.	Manager Finance and Administration	30/06/2026	30/06/2026	Complete	April 26 - Register has been updated post audit August 26 - Register is updated, period reviews will continue
5.2.3	Investment Policy	Low	Investment Policy due for review 15 Apr 2025; review not completed at time of visit.	Outdated policy may not align with legislation or Council financial objectives.	Review and update policy as soon as possible; present to Council for adoption.	Director Corporate, Economic & Community Development	30/06/2026	30/09/2026	In Progress	April 26 - Policies have been scheduled for review. August 26 - Policy is currently being reviewed

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Ref	Finding Title	Finding Rating	Finding Summary	Implications / Risks	Recommendation	Responsible Officer	Original Taget Completion Date	Current Target Completion Date	Progress	Notes / Status
5.2.4	General Journals	Low	General journals signed by preparer and reviewer but not dated.	Reduced reliability; increased risk of undetected errors or unauthorised transactions.	Ensure journals include preparer/reviewer signatures and dates.	Manager Finance and Administration	30/06/2026	30/06/2026	Complete	April 26 - Date was listed on the report, but not with the signature. Is now being written next to signature. August 26 - Reports are being dated with signatures