

Audit, Risk and Improvement Committee Meeting

9 March 2026

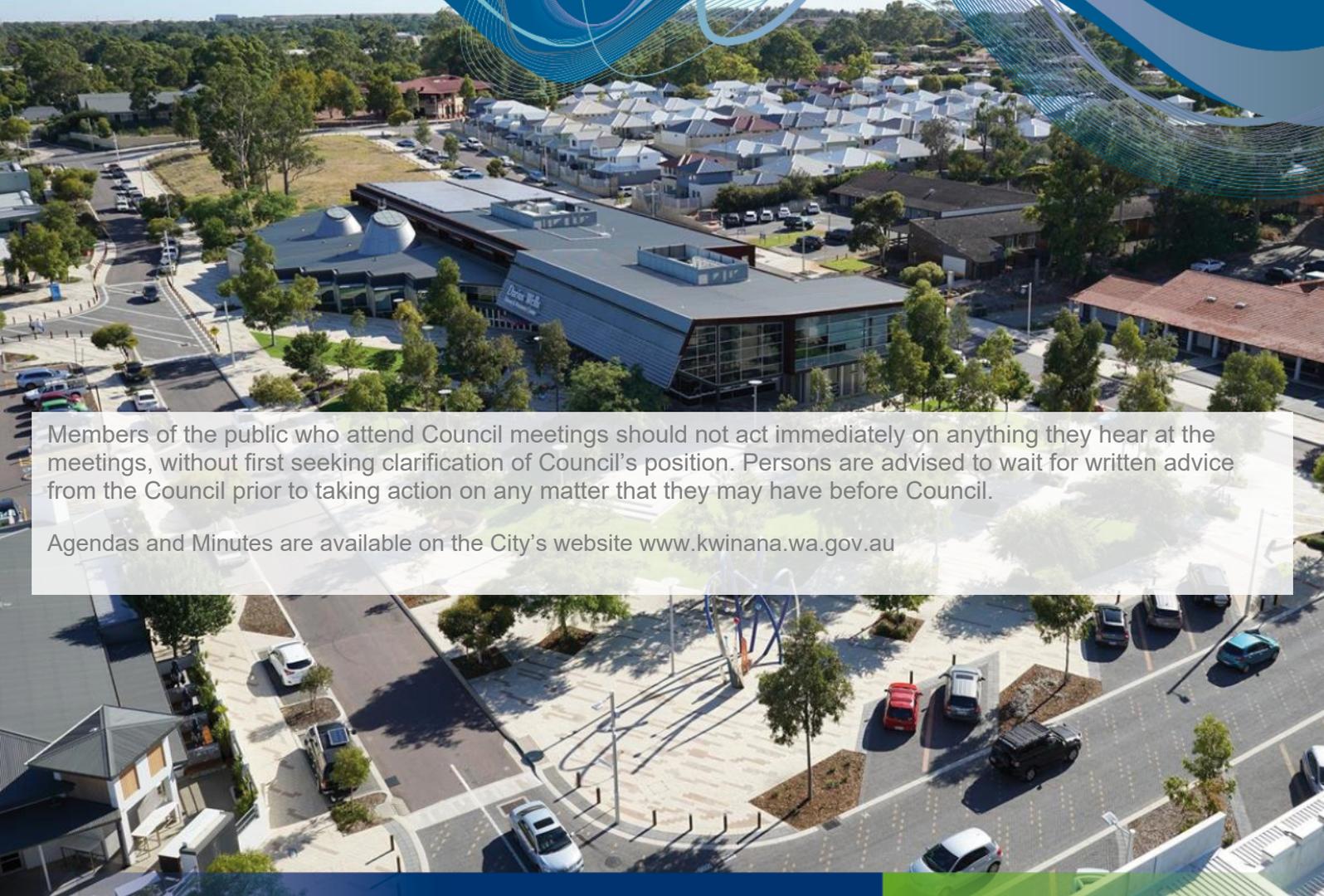
Agenda

Notice is hereby given of an Audit, Risk and Improvement Committee Meeting to be held in Business Incubator Boardroom, Kwinana Technology Business Centre, commencing at 5:30 pm.

Wayne Jack
Chief Executive Officer

Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

Agendas and Minutes are available on the City's website www.kwinana.wa.gov.au



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1 OPENING AND ANNOUNCEMENT OF VISITORS

Presiding Member to declare the meeting open and welcome all in attendance.

Presiding Member to announce that the Audit, Risk and Improvement Committee Meeting is being live streamed and recorded in accordance with the City's Live streaming and Recording Council Meetings policy.

By being present at this meeting, members of the public consent to the City recording and livestreaming their image and/or voice.

2 WELCOME TO COUNTRY AND ACKNOWLEDGEMENT OF COUNTRY

Deputy Mayor Barry Winmar to present the Welcome to Country:

"Ngullak nyinniny kooralong koora ngullak noitj nidja Nyoongar boodjar. Nyoongar moort djoorapiny nyinniny nidja ngulla quopadok Nyoongar boodjar kooralong.

From the beginning of time to the end, this is Nyoongar Country. Nyoongar people have been graceful keepers of our nation for many, many years.

Djinanginy katatjin djoorapiny nidja weern Nyoongar boodjar ngalla mia mia boorda.

Look, listen, understand and embrace all the elements of Nyoongar Country that is forever our home.

Kaya wandju ngaany koort djoorapiny nidja Nyoongar boodjar daadjaling waankganinyj Nyoongar Boodjar.

Hello and welcome my heart is happy as we are gathered on country and meeting here on Nyoongar Country.

Presiding Member to read the Acknowledgement of Country:

"It gives me great pleasure to welcome you all here and before commencing the proceedings, I would like to acknowledge that we come together tonight on the traditional land of the Nyoongar people and we pay our respects to their Elders past and present."

3 ATTENDANCE, APOLOGIES, LEAVE(S) OF ABSENCE (PREVIOUSLY APPROVED)

Apologies:

Unknown at the time of issuing the Agenda.

Leave(s) of Absence (previously approved):

Nil

4 PUBLIC QUESTION TIME

In accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*, any person may during Public Question Time ask any question.

In accordance with Regulation 6 of the *Local Government (Administration) Regulations 1996*, the minimum time allowed for Public Question Time is 15 minutes.

A member of the public who raises a question during Question Time is to state his or her name and address.

Members of the public must provide their questions in writing prior to the commencement of the meeting. A public question time form must contain all questions to be asked, include contact details and the form must be completed in a legible form.

Please note that in accordance with Section 3.4(5) of the *City of Kwinana Standing Orders Local Law 2019* a maximum of two questions are permitted initially. An additional question will be allowed by the Presiding Member if time permits following the conclusion of all questions by members of the public.

5 RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS

5.1 PETITIONS

A petition must –

- be addressed to the Mayor;
- be made by electors of the district;
- state the request on each page of the petition;
- contain at least five names, addresses and signatures of electors making the request;
- contain a summary of the reasons for the request;
- state the name of the person to whom, and an address at which, notice to the petitioners can be given; and
- be respectful and temperate in its language and not contain language disrespectful to Council.

The only motion which shall be considered by the Council on the presentation of any petition are –

- that the petition be received;
- that the petition be rejected; or
- that the petition be received and a report prepared for Council.

5.2 PRESENTATIONS

In accordance with Clause 3.6 of the *Standing Orders Local Law 2019* a presentation is the acceptance of a gift, grant or an award by the Council on behalf of the local government or the community.

Prior approval must be sought by the Presiding Member prior to a presentation being made at a Council meeting.

Any person or group wishing to make a presentation to the Council shall advise the CEO in writing before 12 noon on the day of the meeting. Where the CEO receives a request in terms of the

preceding clause the CEO shall refer it to the presiding member of the Council committee who shall determine whether the presentation should be received.

A presentation to Council is not to exceed a period of fifteen minutes, without the agreement of Council.

5.3 DEPUTATIONS

In accordance with Clause 3.7 of the *Standing Orders Local Law 2019*, any person or group of the public may, during the Deputations segment of the Agenda with the consent of the person presiding, speak on any matter before the Council or Committee provided that the person has requested the right to do so in writing addressed to the Chief Executive Officer by noon on the day of the meeting:

- setting out the agenda item to which the deputation relates;
- whether the deputation is supporting or opposing the officer's or committee's recommendation; and
- included sufficient detail to enable a general understanding of the purpose of the deputation.

A deputation to Council is not to exceed a period of fifteen minutes, without the agreement of Council.

6 DECLARATIONS OF INTEREST (FINANCIAL, PROXIMITY, IMPARTIALITY - BOTH REAL AND PERCEIVED) BY MEMBERS AND CITY OFFICERS

Section 5.65(1) of the *Local Government Act 1995* states:

A member who has an interest in any matter to be discussed at a council or committee meeting that will be attended by the member must disclose the nature of the interest —

- in a written notice given to the CEO before the meeting; or
- at the meeting immediately before the matter is discussed.

Section 5.66 of the *Local Government Act 1995* states:

If a member has disclosed an interest in a written notice given to the CEO before a meeting then —

- before the meeting the CEO is to cause the notice to be given to the person who is to preside at the meeting; and
- at the meeting the person presiding is to bring the notice and its contents to the attention of the persons present immediately before the matters to which the disclosure relates are discussed.

7 CONFIRMATION OF MINUTES

7.1 MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING HELD ON 20 NOVEMBER 2025

RECOMMENDATION

That the Minutes of the Audit, Risk and Improvement Committee Meeting held on 20 November 2025 be confirmed as a true and correct record of the meeting.

8 REPORTS

8.1 POLICY ADOPTION - PRIVACY AND RESPONSIBLE INFORMATION SHARING ACT

SUMMARY

The *Privacy and Responsible Information Sharing Act 2024* ('**PRIS Act**') received Royal Assent on 6 December 2024 and establishes, for the first time, a comprehensive and enforceable privacy and information-sharing framework applicable to Western Australian public sector agencies, including all local governments.

The PRIS Act introduces statutory privacy protections for individuals and imposes new governance, transparency and accountability obligations on Information Privacy Principle (IPP) entities, including local governments. While some administrative and oversight provisions have already commenced, the core privacy compliance provisions, including the Information Privacy Principles (IPPs) will commence 1 July 2026, with the mandatory notifiable information breach scheme commencing on 1 January 2027.

To ensure organisational readiness and demonstrate compliance with the PRIS Act, the City is required to adopt and implement governing privacy documents prior to the commencement of the substantive obligations. The following documents have been developed for this purpose and are provided for consideration and recommendation to Council for adoption:

- Privacy Policy (Attachment 8.1.1);
- Information Breach Policy (Attachment 8.1.2).

The City has additionally prepared the following administrative documents for internal use, which support the above framework and assist in meeting the City's obligations under the PRIS Act:

- Privacy Impact Assessment Guide;
- Privacy Impact Assessment Template; and
- Notifiable Data Breach Register.

Together, these documents establish the City's core privacy governance framework and will be integrated with existing information management, cyber security and risk management frameworks.

OFFICER RECOMMENDATION

That the Audit, Risk and Improvement Committee recommends to Council the adoption of the following:

- 1) Privacy Policy (Attachment 8.1.1); and**
- 2) Information Policy (Attachment 8.1.2).**

VOTING REQUIREMENT

Simple majority

DISCUSSION

Historically, the *Privacy Act 1988* (Cth) has not applied to Western Australian local governments, resulting in fragmented and inconsistent privacy protections across the public sector. The PRIS Act addresses this long-recognised regulatory gap by introducing a uniform, State based privacy framework overseen by an independent Information Commissioner.

The PRIS Act applies to Information Privacy Principle (IPP) entities, including:

- Ministers and Parliamentary Secretary;
- Public sector agencies;
- Local governments; and
- Contracted service providers performing functions on behalf of IPP entities.

Local governments are therefore directly subject to the PRIS Act requirements.

At the core of the PRIS Act are 11 Information Privacy Principles (IPPs), which regulate the collection, use, disclosure, security and disposal of personal information. IPP entities must not engage in a practice that is inconsistent with these IPPs, except where limited statutory exemptions apply (for example, law enforcement or emergency response functions).

In summary, the IPPs require IPP entities including the City to:

Principle 1: Collection

An IPP entity must not collect personal information (other than sensitive personal information) unless the information is necessary for one or more of the IPP entity's functions or activities.

At the time of (or as soon as practical after) collecting any personal information, an IPP entity must disclose:

- a) our identity and how we can be contacted;
- b) how the individual may access the information (if applicable);
- c) the purposes for which the information is collected and will be used or disclosed;
- d) whether the City usually discloses information of that kind and, if so, the persons or bodies or kinds of persons or bodies to which the information is usually disclosed;
- e) any law that requires the particular information to be collected;
- f) the main consequences (if any) for the individual if all or part of the information is not provided; and
- g) that individuals have the option of not identifying themselves when dealing with an IPP entity.

Example collection notice:

The City of Kwinana is committed to protecting your privacy. The personal information requested on this form is being collected by the City for the purpose of [insert purpose] or any other directly related purpose. The personal information will also be disclosed to [insert names of any other entities CoK will be disclosing the personal information to] for the purpose of [insert how those entities will be using the personal information]. It will not be disclosed to any other external party without your consent, unless required or authorised by law. If the personal information is not collected, [insert details of what will happen – can they still participate in the process, can they be anonymous etc].

If you wish to alter any of the personal information you have supplied to the City, please contact us via telephone [insert number for your work area] or email [insert email address for your work area].

Sensitive personal information cannot be collected unless additional criteria is met. For example, the entity must have either obtained the person's consent or have a legislative basis for collecting such information.

Principle 2: Use and disclosure

An IPP entity must not use personal information other than for the purpose for which it was collected unless an exemption applies.

Several examples of exemptions:

- a) the person would reasonably expect it to be used for the secondary purpose; or
- b) consent is obtained; or
- c) it's being used for research or analysis; or
- d) where authorised by law.

Where an IPP entity uses or discloses personal information for a secondary purpose, the entity must make a written record of the secondary purpose.

Principle 3: Information quality

An IPP entity must take such steps (if any) as are reasonable in the circumstances to ensure that personal information it collects, uses or discloses is accurate, complete and up-to-date.

Principle 4: Information security

An IPP entity must take reasonable steps to protect the personal information it holds from misuse and loss and from unauthorised access, modification or disclosure.

An IPP entity must take reasonable steps to destroy or permanently de-identify personal information if it is no longer needed for any purpose, unless the IPP entity is expressly required or authorised to retain the information by or under another law.

Principle 5: Openness and transparency

An IPP entity must develop a document setting out policies on its handling of personal information and must make the document available to anyone who requests it.

On request by a person, an IPP entity must take reasonable steps to let the person know, generally —

- a) the kinds of personal information that the IPP entity collects and holds; and
- b) how the IPP entity handles personal information; and
- c) the purposes for which the IPP entity handles personal information; and
- d) whether any personal information held by the IPP entity is used for an automated decision-making process.

Principle 6: Access and correction

If an IPP entity holds personal information that relates to an individual, it must provide the individual with access to the information on a request made by the individual unless an exemption applies.

Examples of exemptions:

- a) Where necessary to prevent or lessen a threat to the life, health, safety or welfare of any individual due to family violence; or

- b) the request for access is frivolous or vexatious.

Principle 7: Unique identifiers

An IPP entity must not assign unique identifiers to individuals unless the assignment of unique identifiers is necessary to enable the IPP entity to perform any of its functions or activities efficiently.

Principle 8: Anonymity

Individuals must have the option of not identifying themselves when dealing with an IPP entity.

Does not apply where:

- a) the IPP entity is required or authorised by or under law to deal with individuals who have identified themselves in relation to that matter; or
- b) it is impracticable for the IPP entity to deal with individuals who have not identified themselves in relation to that matter.

Principle 9: Disclosures outside Australia

An IPP entity must not disclose personal information that relates to an individual to a person (other than the individual) outside Australia unless an exemption applies.

Exemptions include:

- a) where the person provides their consent; or
- b) the disclosure is required or authorised by law.

Principle 10: Automated decision-making

Additional requirements apply to IPP entities who have automated decision-making processes.

Includes:

- conducting an assessment of the impact of the automated decision-making process on those individuals; and
- periodically evaluate the operation and effectiveness of the automated decision-making process.

Principle 11: De-identified information

An IPP entity must take reasonable steps to protect the de-identified information it holds from misuse and loss and from unauthorised re-identification, access, modification or disclosure.

While the PRIS Act does not prescribe specific documents by name, it requires IPP entities to establish structured, demonstrable privacy governance arrangements. The proposed documents fulfil these obligations as follows:

- The Privacy Policy gives effect to IPP 5 (Openness and Transparency) by publicly documenting how the City collects, uses, stores and discloses personal information.
- The Privacy Impact Assessment Guide operationalises IPPs 3, 4 and 10 by providing a structured risk based methodology for assessing high privacy impact activities, including new systems, programs and automated decision making based methodology for assessing high privacy impact activities, including new systems, programs and automated decision making based methodology for assessing high privacy impact activities, including new systems, programs and automated decision making.

- The Information Policy establishes overarching governance expectations for the lawful, secure and responsible handling of information assets, supporting compliance across all IPPs.

These documents form part of a broader privacy and information governance framework that also includes the City's Cyber Security Manual and supporting internal procedures.

STRATEGIC IMPLICATIONS

Outcome:	Leadership / Boordiya Katidjin (Leader of knowledge)
Objective:	Customer experience
Objective:	Accountable and ethical governance
Objective:	Continuous improvement and efficiency
Objective:	Proactive leadership

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

3 – Liveability

LEGAL/POLICY IMPLICATIONS

Privacy and Responsible Information Sharing Act 2024

73. Public entity must prepare information breach policy

- 1) A public entity must prepare a policy setting out the procedures to be followed by the public entity in complying with the requirements of Subdivisions 2 and 3.*
- 2) The public entity must make the policy publicly available.*

74. Register of notifiable information breaches

- 1) A public entity must establish and maintain a register of notifiable information breaches.*
- 2) The register must include the following information in relation to each assessed notifiable information breach of the public entity —*
 - a) whether the notifiable information breach is of a kind referred to in section 57(1), (2) or (3);*
 - b) whether the Information Commissioner was notified of the notifiable information breach under section 62;*
 - c) whether affected individuals were notified of the notifiable information breach under section 63 and, if so, the names of the affected individuals notified;*
 - d) details of the steps taken by the public entity to contain, and mitigate the harm caused by, the notifiable information breach;*
 - e) details of any action taken to prevent future notifiable information breaches of the same kind;*
 - f) the estimated cost of the notifiable information breach to the public entity.*

- 3) *If an assessment conducted under section 61 by a public entity in relation to a suspected notifiable information breach determines that there are not reasonable grounds to believe that a notifiable information breach has occurred, the register must include the following —*
 - a) *whether or not the assessment determined that an information breach involving personal information held by the public entity has occurred;*
 - b) *if the assessment determined that an information breach involving personal information held by the public entity has occurred —*
 - i) *whether the information breach involved unauthorised access to, unauthorised disclosure of, or loss of, personal information; and*
 - ii) *details of any steps taken by the public entity to contain, and mitigate the harm caused by, the information breach; and*
 - iii) *details of any action taken to prevent future information breaches of the same kind; and*
 - iv) *the estimated cost of the information breach to the public entity.*
- 4) *The register is not required to be published or otherwise made publicly available.*

75. Annual report to include information about notifiable information breaches

- 1) *A public entity that is required to prepare an annual report under the Financial Management Act 2006 or another written law must include in the report the information referred to in section 74(2)(a) to (f) in relation to each assessed notifiable information breach of the public entity the assessment of which concluded in the relevant year.*
- 2) *Despite subsection (1), the annual report is not required to include the names of affected individuals notified of an assessed notifiable information breach.*
- 3) *Subsection (1) does not apply to an assessed notifiable information breach in relation to which the public entity is not required to comply with section 63 (either wholly or to an extent).*
- 4) *Subsection (1) does not limit any provision of the written law under which the annual report is required.*

79. Privacy impact assessment relating to high privacy impact function or activity

- 1) *A function or activity of an IPP entity is a high privacy impact function or activity if the performance of the function or activity —*
 - a) *involves the handling of personal information; and*
 - b) *is likely to have a significant impact on the privacy of individuals.*
- 2) *Before an IPP entity first performs a high privacy impact function or activity, or makes a significant change to the way in which personal information is handled as part of a high privacy impact function or activity, the IPP entity must —*
 - a) *conduct an assessment (a privacy impact assessment) of the function or activity; and*
 - b) *prepare a written report on the assessment in accordance with subsection (3).*
- 3) *The report on the privacy impact assessment must —*
 - a) *set out an assessment of the likelihood that the performance of the function or activity will result in an interference with the privacy of any individual; and*
 - b) *identify the impact that the performance of the function or activity might have on the privacy of individuals; and*
 - c) *set out recommendations for managing, minimising or eliminating that impact; and*

- d) *include any other information the IPP entity considers is relevant.*
- 4) *In complying with the requirements of this section, the IPP entity must have regard to —*
 - a) *any privacy guidelines referred to in section 81; and*
 - b) *any other privacy guidelines relating to privacy impact assessments.*
- 5) *On request by the Information Commissioner, the IPP entity must give the Commissioner a copy of the report on the privacy impact assessment.*
- 6) *If the IPP entity is a contracted service provider, this section has effect subject to section 137.*

Local Government Act 1995

2.7. Role of council

- 1) *The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.*
- 2) *The council's governing role includes the following —*
 - a) *overseeing the allocation of the local government's finances and resources;*
 - b) *determining the local government's policies;*
 - c) *planning strategically for the future of the district;*
 - d) *determining the services and facilities to be provided by the local government in the district;*
 - e) *selecting the CEO and reviewing the CEO's performance;*
 - f) *providing strategic direction to the CEO.*

FINANCIAL/BUDGET IMPLICATIONS

Adopting the Privacy Policy and related documents does not have immediate budget impacts. However, ongoing compliance with the Privacy and Responsible Information Sharing Act 2024 (WA) will require internal resources for reviews, incident response, and policy updates, which can be managed within staffing budget allocations.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications as a result of this proposal.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

There are no environmental or public health implications as a result of this proposal.

COMMUNITY ENGAGEMENT

The adoption of these privacy documents constitutes an internal governance and compliance initiative. Accordingly, formal community consultation is not mandated for this process. However, the City will implement the necessary amendments to ensure community awareness of the City's privacy obligations.

Upon adoption, the privacy documents will be published on the City's website to promote transparency and support public confidence in the City's privacy practices.

ATTACHMENTS

- 1. Privacy Policy [8.1.1 - 10 pages]
- 2. Information Breach Policy [8.1.2 - 8 pages]

8.2 WORK HEALTH AND SAFETY (WHS) STATISTICAL REPORT - 1 NOVEMBER 2025 - 13 FEBRUARY 2026

SUMMARY

The City of Kwinana is committed to ensuring a safe and healthy work environment for its employees, contractors, and the community. This commitment extends to ensuring the City's operations do not place the community at risk of injury, illness, or property damage.

This report includes Work Health and Safety (WHS) statistical data for the period 1 November 2025 to 13 February 2026, during which 14 incidents were reported, including 5 injuries, 4 vehicle related incidents, 2 near misses and 3 public behaviour-related incidents. A summary of incident types and severity ratings is provided in **Attachment 8.2.1**.

OFFICER RECOMMENDATION

That the Audit, Risk and Improvement Committee note and provide comment where appropriate on the City of Kwinana WHS Statistical data report detailed in Attachment 8.2.1

VOTING REQUIREMENT

Simple majority

DISCUSSION

Summary of Statistical Data

During the reporting period of 1 November 2025 to 13 February 2026, 14 incidents were recorded across all directorates:

- 5 injury-related incidents (1 medical treatment, 3 first aid, 1 report only),
- 4 vehicle-related incidents,
- 3 incidents involving public violence or inappropriate behaviour, and
- 2 near miss incidents.

Breakdown by Directorate:

- City Infrastructure – 11 incidents
- City Life – 2 incidents
- City Development and Sustainability – 1 incident
- Office of the CEO – Nil.

Event severity (pre-controls) was assessed as:

- 4 medium risks
- 9 low risks
- 1 pending investigation.

Of the four medium (event severity – pre-controls) risks identified, two related to vehicle incidents. Investigations determined that these events were influenced by challenging driving conditions and circumstances rather than systemic failures. In response, the City has reinforced awareness and risk mitigation strategies through targeted education to reduce the likelihood of similar occurrences.

The remaining two incidents involved members of the public. Given the inherent human factors present in such interactions, there is always a potential risk of psychological harm. The City has implemented appropriate controls to mitigate these risks, including access to Employee Assistance Program (EAP) services and, where necessary, engagement with police to support the safety and wellbeing of staff and the community.

The data entered into the City's incident reporting software for the pending event severity (pre-controls) will be updated through the investigation process.

The City continues to monitor and respond to all incidents through corrective actions, reviews, and where required, revised procedures. Visual summaries are provided in **Attachment 8.2.1**.

STRATEGIC IMPLICATIONS

There are no strategic implications as a result of this proposal.

How does this proposal achieve the outcomes and strategic objectives?

The outcomes and strategic objectives are achieved through a compliant and robust work health and safety framework.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

8 - Integrated and Transparent Decision-making

Sustainability Priority Area

7 - Innovation

How does this proposal achieve the guiding principle and priority area?

Both the guiding principle and priority area is achieved through a compliant and robust work health and safety framework.

LEGAL/POLICY IMPLICATIONS

Regulation 17 of the Local Government (Audit) Regulations 1996 provides:

17. CEO to review certain systems and procedures

- (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —
 - (a) risk management; and
 - (b) internal control; and
 - (c) legislative compliance.
 - (2) The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.
 - (3) The CEO is to report to the audit committee the results of that review.
-

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. ATTACHMENT 8 2 1 WHS Statistical Data Report Audit Ris [8.2.1 - 6 pages]

8.3 AUDIT LOG REPORT

SUMMARY

In accordance with Regulation 16 of the *Local Government (Audit) Regulations 1996*, the Audit, Risk and Improvement Committee supports Council in exercising effective oversight of the City of Kwinana's internal and external audit programs.

To support this function, all areas for improvement identified through internal and external audits are recorded and tracked in the City's Audit Log until such actions are finalised. An updated version of the Audit Log, including updated comments from responsible officers, is presented as a standard item at each Committee meeting.

Following the Committee meeting held November 2025, the accompanying reports have been submitted for inclusion in this document:

- Facility Maintenance Service Review, as presented at **Confidential Attachment 8.3.2**;
- Workshop Review, as presented at **Attachment 8.3.3**.

As such, additional audit actions have been incorporated into the log as a result of these evaluations.

Facility Maintenance Service Review – GFG Consulting
EA: 2025/07 (8.1) Develop Integrated Master Schedule
EA: 2025/07 (8.2) Implement Reactive Maintenance Triage Process
EA: 2025/07 (8.3) Reduce Procurement Related Administration
EA: 2025/07 (8.4) Define Planning Cycles and Standardise Work Execution
EA: 2025/07 (8.5) Education of Internal Stakeholders
Workshop Review – IPWEA Fleet
EA: 2024/09 (1) Roles
EA: 2024/09 (2) KPIs
EA: 2024/09 (3) Barriers
EA: 2024/09 (4) Stock Control
EA: 2024/09 (5) Job Cards
EA: 2024/09 (6) Daily Checks
EA: 2024/09 (7) Servicing
EA: 2024/09 (8) Load Restraint Guide
EA: 2024/09 (9) EV Training

The City's Audit Log as of February 2026 is presented at **Attachment 8.3.1** for noting by the Committee.

During the Committee meeting held in November 2025, members reviewed the Office of the Auditor General's (OAG) Annual Financial Report for the year ending 30 June 2025, which included the IT General Control Audit. This audit identified 14 findings, including three classified as critical due to network and software vulnerabilities requiring immediate attention.

Following the OAG IT General Controls Audit, the City established the ICT Steering Committee (ITC Committee) to review and implement recommended actions. It is worth noting that the OAG General Controls Audit does not rely on a clearly defined set of compliance rules, often allowing outcomes and accepted solutions to be determined at the discretion of individual auditors.

To facilitate a comprehensive assessment, the ICT Committee engaged Avantgarde Technologies to conduct an in-depth review of the City's ICT environment. The objectives were to evaluate all aspects of the City's ICT systems, identify technical and cybersecurity risks, and verify compliance

with key standards. The resulting audit included detailed summaries, scoring, findings, and practical remediation recommendations.

The Avantgarde Technologies review was more detailed than the OAG audit and revealed a number of additional related gaps beyond those identified by the OAG IT General Controls Audit. As a result, Avantgarde recommend a total of 36 actions (inclusive of previous findings). Of these, 21 were classified as high risk, if uncontrolled, underscoring the importance of efficacious IT systems and controls. To address these risks, a prioritised works program was developed, recommending that all high risk items be resolved with 12 months.

Comprehensive findings and the prioritised works program from Avantgarde Technologies audit are provided at **Confidential Attachments 8.3.4 and 8.3.5**.

The City's ICT Committee is advancing the prioritised program of works, with a specific emphasis on addressing recommendations classified as high risk. Confidential progress reports will be provided to the Committee until all actions have been finalised.

In relation to the ongoing OAG Performance Audit of Local Governments Management of Gifts and Benefits, the City has received confirmation that the Auditor General intends to table the Summary of Findings report in Parliament in March 2026. Upon tabling, the City will be provided with a copy of the report immediately thereafter. The results and recommendations from the audit will then be presented to the Committee at the next scheduled meeting following receipt of the report. This process ensures the Committee remains informed and able to address any actions arising from the audit in a timely manner.

OFFICER RECOMMENDATION

That the Audit, Risk and Improvement Committee:

- 1. Acknowledge the status of audit actions as outlined in the City of Kwinana Audit Log, as presented at Attachment 8.3.1;**
- 2. Note the following reports:**
 - **Facility Maintenance Service Review, as presented at Confidential Attachment 8.3.2;**
 - **Workshop Review, as presented at Attachment 8.3.3;**
- 3. Note the following ICT audit documentation:**
 - **ICT Audit 2026, Executive Summary, as presented at Confidential Attachment 8.3.4;**
 - **ICT Audit 2026, as presented at Confidential Attachment 8.3.5.**

VOTING REQUIREMENT

Simple majority

DISCUSSION

The Audit Log at **Attachment 8.3.1** lists the status of all active actions arising from previous audits (both internal and external). Since the previous Committee meeting, the findings from the City’s Facility Maintenance Supervisor Position Review – GFG Consulting and Workshop Review – IPWEA Fleet have been included.

Update to the City’s audit framework

This section presents an update to the Audit, Risk and Improvement Committee regarding recent legislative changes resulting from the *Local Government Amendment Act 2024* and the *Local Government Regulations Amendment (No. 4) 2025*. It outlines the implications of these amendments for the City’s audit framework.

Amendments to regulation 17 of the *Local Government (Audit) Regulations 1996* have clarified and expanded the scope of the Chief Executive Officer’s (CEO) internal review responsibilities. Under the amended regulation, the CEO is required to review the appropriateness and effectiveness of the City’s systems and procedures in relation to financial management, legislative compliance and risk management, and to report the results of each review to the Audit, Risk and Improvement Committee.

The review frequency has also been amended from the previous legislative requirement of every three financial years to not less than once every four financial years. While the CEO may review one or more of these areas at any time, each area must now be reviewed within the four-year cycle.

These changes replace the former standalone review requirement under regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*, streamlining internal review processes and removing duplication.

Please be advised that, as the procurement process for the review under regulation 5 of the *Local Government (Financial Management) Regulations 1996* has commenced, the City will proceed with its planned review for the 2024/2025 financial year as scheduled, however now in accordance with regulations 17, of the *Local Government (Audit) Regulations 1996*.

Audit Regulations – Regulation 17

Topic	Old requirements	New requirements
<i>What the CEO must review</i>	<ul style="list-style-type: none"> • Risk management • Internal control • Legislative compliance 	<ul style="list-style-type: none"> • Financial management • Legislative compliance • Risk management
<i>Review frequency</i>	<ul style="list-style-type: none"> • Each area reviewed at least once every 3 financial years 	<ul style="list-style-type: none"> • Each area reviewed at least once every 4 financial years

In addition to the above, the submission deadline for the Compliance Audit Return (CAR) for the 2025 reporting period has been amended, with the due date deferred to 30 September 2026. This amended timeframe applies to the 2025 CAR only. Future CARs will revert to the standard 31 March reporting deadline.

These legislative requirement and timeframes were included in the City’s Three-Year Internal Audit Plan 2025/26 to 2028/29 (Plan) endorsed by the Audit, Risk and Improvement Committee at the meeting held, 20 November 2025, the amendment to the regulation 17 review cycle may require an

update to the Plan to ensure continued alignment with the *Local Government (Audit) Regulations 1996*.

STRATEGIC IMPLICATIONS

Outcome:	Leadership / Boordiya Katidjin (Leader of knowledge)
Objective:	Accountable and ethical governance
Objective:	Continuous improvement and efficiency
Objective:	Proactive leadership

How does this proposal achieve the outcomes and strategic objectives?

Although there is no direct connection to the Strategic Community Plan concerning the City's internal auditing, implementing this function supports the City's commitment to fostering a culture of continuous improvement and business excellence. It also ensures accountability and transparency in the delivery of services to the community.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

- 1 - Social Inclusion
- 2 - Community Wellbeing
- 8 - Integrated and Transparent Decision-making

Sustainability Priority Area

- 3 - Liveability
- 6 - Responsible Investment and Procurement
- 7 – Innovation

LEGAL/POLICY IMPLICATIONS

There are no legal/policy implications to this report, however this report supports the compliance with the *Local Government (Audit) Regulations 1996*.

16. Functions of audit, risk and improvement committee

An audit, risk and improvement committee has the following functions —

- a) *to receive and review reports on, and recommend to the council actions to be taken in relation to —*
 - (i) *audits under Part 7 of the Act; and*
 - (ii) *compliance audits; and*
 - (iii) *reviews under regulation 17;*
- b) *to otherwise receive and review reports on the appropriateness and effectiveness of, and recommend to the council improvements to, the local government's systems and procedures in relation to —*
 - (i) *financial management; and*
 - (ii) *legislative compliance; and*
 - (iii) *risk management;*
- c) *to receive and review reports on, and recommend to the council improvements to, the implementation of any actions that the local government —*

- (i) *is required to take under section 7.12A(3); and*
 - (ii) *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
 - (iii) *has otherwise decided to take in response to a report or recommendation referred to in paragraph (a) or (b); and*
 - (iv) *has stated it has done or proposes to do in written advice prepared under section 8.6(1)(a) or 8.23(4)(a);*
- d) *any other function conferred on the audit, risk and improvement committee under these regulations or another written law.*

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Audit Action Log Working Document (1) [8.3.1 - 19 pages]
2. CONFIDENTIAL REDACTED - City of Kwinana - Facility Maintenance Service Review - Final Report - July 2025 [8.3.2 - 17 pages]
3. City of Kwinana Council Workshop Review - September 24 [8.3.3 - 15 pages]
4. CONFIDENTIAL REDACTED - City of Kwinana ICT Audit 2026 - Executive Summary [8.3.4 - 8 pages]
5. CONFIDENTIAL REDACTED - City of Kwinana ICT Audit 2026 v 2.0 [8.3.5 - 268 pages]

8.4 RISK MANAGEMENT REPORT

SUMMARY

This report provides an update to the Audit, Risk and Improvement Committee (**Committee**) on the City of Kwinana's (**City**) operational and strategic risk profile for the purpose of facilitating appropriate and independent oversight. This report is a standard item at each Committee meeting and details all identified strategic risks as well as operational risks assessed as high or extreme (residual).

Since the last Committee meeting held November 2025, there have been no significant changes to the Strategic Risk Register. Only the required minor and tracking amendments have been undertaken to specific risk items.

As outlined in the risk management report submitted at the Committee meeting in November 2025, the Committee received notification that RiskWest was appointed to carry out a thorough GAP analysis of the City's Strategic Risk Register.

As a further update to the Committee, the strategic risk management workshop was undertaken on 9 February 2026 with the City's Executive Leadership Team, facilitated by Mark Humphreys from RiskWest, as part of the engagement to conduct a comprehensive GAP analysis of the City's Strategic Risk Register and risk management framework.

The City is thoroughly evaluating the recommendations arising from the strategic risk management workshop and remains dedicated to strengthening its risk management framework. The Committee will be provided with regular updates regarding this initiative, which aligns with the City's ongoing efforts to establish and sustain an effective risk management structure. The review encompasses the City's Strategic Risk Register and considers amending it by removing current risk items and shifting strategic risk items toward a critical success factor approach (what are the essential things we must get right to succeed?), identifying the key elements essential for achieving success, such as:

1. Clear, effective and robust governance (i.e conformance and performance) of the City;
2. Funding/revenue that aligns with, and financially sustains, the City's strategic focus and service delivery expectations and requirements;
3. Timely, robust and contemporary ICT architecture to support the new and evolving needs of the City;
4. Identify, manage and adapt to short, mid and long-term climate-related impacts on service delivery;
5. A competent, capable workforce (i.e. people) with the required capacity and culture that aligns with the vision, values and strategic objectives of the City;
6. Engagement, collaboration, commitment, and support of stakeholders to an effective and optimised City (and its strategic planning focus); and
7. Current and future 'fit for purpose' buildings, facilities and amenities (i.e. assets and infrastructure, excepting ICT/Cyber assets).

The City will maintain the existing strategic risk items until the proposed amendments can be implemented, however, no significant changes will be made to the current strategic items at this stage.

The City's Strategic Risk Register is provided at **Attachment 8.4.1** for noting and comment by the Committee.

There are presently no high or extreme rated operational risks for reporting.

OFFICER RECOMMENDATION

That the Audit, Risk and Improvement Committee note and provide comment where appropriate on the City of Kwinana Organisational Risk Register – Strategic Risks at Attachment 8.4.1.

VOTING REQUIREMENT

Simple majority

DISCUSSION

The following is a summary of all active risks within the City’s risk portfolio:

Risks		Risk by Ratings (Inherent)		Risks by Ratings (Residual)	
Operational Risks	91	Extreme	6	Extreme	0
		High	55	High	0
		Medium	26	Medium	42
		Low	3	Low	48
Strategic	6	Extreme	1	Extreme	0
		High	4	High	0
		Medium	1	Medium	3
		Low	0	Low	3

The City’s strategic risk register shows all six active strategic risks recorded for the City.

Of the 90 active operational risks recorded for the City, those that are recorded with a residual rating of ‘high’ or ‘extreme’ are presented to the Committee, presently there are nil.

Managing risk is integral to good governance and leadership and is fundamental to the management of the organisation at all levels.

The City is dedicated to an integrated approach to risk management, aiming to set appropriate strategies, achieve our objectives, and make informed decisions in the best interest of the community.

AS ISO 31000:2018 Risk Management – Guidelines defines risk as “the effect of uncertainty on objectives.” While it is not feasible to eliminate all risk, it is possible to manage uncertainty and create an environment where the occurrence of unexpected events is minimised.

The City’s risk management objectives as set out in the City’s Risk Management Strategy are as follows:

- Minimise the occurrence of serious injury or loss of life;
- Protect assets and resources, including natural and cultural;
- Meet legislative and compliance requirements;
- Minimise legal liability;
- Minimise disruption to operations and services;
- Minimise financial loss, including through theft or fraud;
- Improve the City’s governance, management capability and accountability;
- Ensure an effective response to critical incidents effecting services and operations;
- Effective emergency response and event recovery; and
- Minimise potential damage to reputation.

Achievement of these objectives requires the proactive identification and mitigation of strategic and operational risks.

The City’s Audit, Risk and Improvement Committee is responsible for providing guidance, assistance, and oversight to Council in relation to risk management, which includes:

- Review and consider Management’s risk management framework in line with Council’s risk appetite, which includes policies and procedures to effectively identify, treat and monitor significant risks, and regular reporting to the Council;
- Assist the Council to determine its appetite for risk;
- Review the principal risks that are determined by Council and Management, and consider whether appropriate action is being taken by Management to treat Council’s significant risks;
- Assess the effectiveness of, and monitor compliance with, the risk management framework; and
- Consider any emerging risks trends and report these to Council where appropriate.
- To examine and consider the transfer of risk through an annual review of Council’s insurances.

The City of Kwinana Risk Management Strategy establishes the following risk assessment criteria:

Measures of Likelihood			
Level	Rating	Description	Frequency
A	Almost Certain	80-100% probability that the event will occur in the time period being considered.	Likely to occur at least once in every 1 to 1 ¼ years.
B	Likely	50-79% probability that the event will occur in the time period being considered.	Likely to occur once every 1 ¼ years to 2 years.
C	Possible	25-49% probability that the event will occur in the time period being considered.	Likely to occur once every 2 years to every 4 years.
D	Unlikely	2-24% probability that the event will occur in the time period being considered.	Likely to occur once every 4 years to every 50 years.
E	Rare	0-2% probability that the event will occur in the time period being considered.	Not likely to occur more than once in 50 years.

The City’s risk appetite/attitude for residual risk set out in the Strategy is as follows:

Impact Category	Level of residual risk the City is willing to retain			
	Low	Medium	High	Extreme
Environment		●		
Financial	●			
Health and Safety	●			
ICT, Infrastructure and Assets		●		
Legislative Compliance	●			
Reputation/Image		●		
Service Delivery		●		

STRATEGIC IMPLICATIONS

There are no strategic implications as a result of this proposal.

SUSTAINABILITY FRAMEWORK

Sustainability Guiding Principle

- 1 - Social Inclusion
- 8 - Integrated and Transparent Decision-making

Sustainability Priority Area

- 3 - Liveability
- 6 - Responsible Investment and Procurement
- 7 – Innovation

How does this proposal achieve the guiding principle and priority area?

This report helps support the City’s Sustainability Framework by meeting the risk requirement of the City and ensuring services can be delivered appropriately and effectively.

LEGAL/POLICY IMPLICATIONS

Local Government (Audit) Regulations 1996:

17. CEO to review certain systems and procedures

- 1) *The CEO must review the appropriateness and effectiveness of the local government’s systems and procedures in relation to the following matters —*
 - (a) *financial management;*
 - (b) *legislative compliance;*
 - (c) *risk management.*
- 2) *Under subregulation (1), the CEO may review any or all of the matters referred to in subregulation (1)(a) to (c) at any time but must review each of those matters not less than once in every 4 financial years.*
- 3) *The CEO must report to the audit, risk and improvement committee the results of each review carried out under subregulation (1).*

FINANCIAL/BUDGET IMPLICATIONS

There are no financial implications that have been identified as a result of this report or recommendation.

ASSET MANAGEMENT IMPLICATIONS

No asset management implications have been identified as a result of this report or recommendation.

ENVIRONMENTAL/PUBLIC HEALTH IMPLICATIONS

No environmental or public health implications have been identified as a result of this report or recommendation.

COMMUNITY ENGAGEMENT

There are no community engagement implications as a result of this report or recommendation.

ATTACHMENTS

1. Attachment_-_ Risk Management Report_-_ March 2026 x G 2 Yh E 1 Usk 2 VH V 4 Xf ZQW E 6 k yot P k Pr [8.4.1 - 15 pages]

9 LATE AND URGENT BUSINESS

10 ANSWERS TO QUESTIONS WHICH WERE TAKEN ON NOTICE

11 CLOSE OF MEETING