Special Council Meeting

17 September 2026

Commencing at 4:30 PM

Agenda

Notice of Meeting.

To: The President and Councillors.

A Special Council Meeting of the Shire of Toodyay will be held at the Shire of Toodyay Council Chambers, 15 Fiennes Street, Toodyay WA 6566 on the above-mentioned date and time.

The Special Meeting of Council has been called by the Shire President.

The Special Meeting of Council is for the purpose of considering the following reports:

1. ARIC Recommendation regarding 2025 Annual Compliance Audit Return (CAR); and
2. ARIC Standing Reports – monthly reporting to ARIC and ARIC Recommendation No 069/08/26

Alan Hart

TEMPORARY CHIEF EXECUTIVE OFFICER

Information

Disclaimer

The business conducted at a Council Meeting may include a range of matters for consideration and decision by Council. Any discussion, statement or comment made by a Councillor or Officer during the course of the meeting is not to be taken as an indication or notice of a decision of Council unless and until a formal resolution is made.

No person should place reliance on any discussion or information contained in this agenda or arising during the meeting unless and until Council has resolved the matter and formal written notification of the decision has been issued.

Personal information contained in this agenda has been included in accordance with the Council's statutory functions and applicable legislation.

Availability of Agendas and Minutes

Information about Council Meetings, Agendas and Minutes is available on the Shire's website under Council Meetings:

http://www.toodyay.wa.gov.au/Council/Council-Meetings

http://www.toodyay.wa.gov.au/Council/Council-Meetings/Agendas-Minutes-and-Notes

Conduct of Members of the Public at Council Meetings

Members of the public attending Council meetings must comply with the Shire's meeting procedures, including the *Shire of Toodyay Standing Orders Local Law 2008*, and follow any directions given by the Presiding Member to ensure the orderly conduct of the meeting.

CONTENTS

ATTACHMENTS can be found in the Attachments Paper on the Council website alongside this agenda.

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Presiding Member is to run through the Preliminaries, and to declare the Ordinary Meeting of Council open.

Acknowledgement of Country: "*I acknowledge the Ballardong Noongar people, the traditional custodians of the land where we meet today and the Yued and Whadjuk people, who are traditional custodians of respective lands within the wider Shire of Toodyay. I pay my respect to their Elders, past, present and emerging*."

2 RECORDS OF ATTENDANCE

2.1 APOLOGIES

2.2 APPROVED LEAVE OF ABSENCE

Nil

3 DISCLOSURE OF INTERESTS

4 PUBLIC QUESTIONS

4.1 PUBLIC QUESTION TIME

5 PUBLIC SUBMISSIONS

6 OFFICER REPORTS

6.1 COMMITTEE REPORTS

6.1.1 ARIC Recommendation regarding the 2025 Annual Compliance Audit Return (CAR)

Date of Report:	4 September 2026
Applicant or Proponent:	Shire of Toodyay
File Reference:	GOVR-13
Author:	M Rebane – Governance Coordinator
Responsible Officer:	A Hart – Temporary Chief Executive Officer
Previously Before Council:	Annual occurrence
Author's Disclosure of Interest:	Nil
Council's Role in the matter:	Legislative
Attachments:	1. 2025 Compliance Audit Return.

PURPOSE OF THE REPORT

To consider the completed 2025 Compliance Audit Return in accordance with regulation 14(6) of the *Local Government (Audit) Regulations 1996.*

The Compliance Audit Return assesses the Shire's compliance with prescribed statutory requirements for the period 1 January 2025 to 31 December 2025.

BACKGROUND

Regulation 14 of the *Local Government (Audit) Regulations 1996* requires local governments to carry out a compliance audit for the previous calendar year in respect of prescribed statutory requirements. The audit is undertaken using the Compliance Audit Return issued by the Department of Local Government, Industry Regulation and Safety.

The completed Compliance Audit Return has been prepared by administration and is attached for the Committee's consideration. Following consideration by the Audit, Risk and Improvement Committee, the Return is required to be presented to Council for adoption and subsequent submission to the Inspector.

All Western Australian local governments must complete a CAR annually under Reg. 14 and submit it to the Department after Council adoption. ARIC's role is to review compliance performance, focus on systemic gaps, and advise on the adequacy of management responses.

COMMENTS AND DETAILS

Administration completed the 2025 Compliance Audit Return and assessed compliance with the prescribed statutory requirements applicable during the period 1 January 2025 to

31 December 2025. The majority of statutory requirements were assessed as compliant, with a small number of non-compliances and administrative issues identified during the review process. Several questions were not applicable due to the nature of the Shire's operations or because the relevant circumstances did not arise during the audit period.

The Compliance Audit Return identified areas where governance and compliance processes can be strengthened. In each instance, administration has either implemented corrective action or commenced measures to prevent recurrence.

Summary of Results

The assessment identified five instances of non-compliance. Corrective action has been implemented in relation to these matters. The remaining applicable requirements were assessed as compliant.

Non-Compliance Matters Identified

Primary Return Not Lodged Within Required Timeframe

The Compliance Audit Return identified that a Primary Return was not lodged within the required statutory timeframe by an employee who had been granted delegated authority. The omission was identified by administration in April 2025 and subsequently rectified, with the matter reported to the Department. At the time, Officers reviewed onboarding and delegation processes to ensure all required disclosures are completed prior to the exercise of delegated authority.

Delegation Instrument Not Issued

The Compliance Audit Return identified that an employee may have exercised delegated authority without a written instrument of delegation being issued as required under section 5.44(2) of the *Local Government Act 1995*.

The Executive Manager Economic Development and Community Services had commenced the role on 9 September 2025 and resigned 23 February 2026. The oversight was identified on 1 April 2026 when Certificates of Authority were provided to the person who was acting in the role. Additional control measures were subsequently introduced to ensure Officers are notified in writing of their delegations and returns are received before Officers are able to exercise delegated functions on commencement with the Shire.

Minutes not issued within legislative timeframe

It was noted in the Compliance Management Calendar and has been added as a reference in the Compliance Audit Return 2025 that the minutes of the Bush Fire Advisory Committee had not been published onto the Shire’s website within the 7 day timeframe.

The Shire had also received notification from the Department in August 2024 relating to the Special Council Meeting (SCM) held on Monday 12 August 2024 and the agenda for that council meeting not appearing on the website. The Department was responded to by saying that the matter of non-compliance would be put onto the 2024 Compliance Audit Return however that return had been lodged by 31 March 2026, well after the notification in August 2024. This is the reason why it has also been noted in 2025’s compliance audit return.

The website is often audited by the Governance Coordinator which is why there is also a notation on the compliance audit return that the public agenda for the special council meeting held in January 2025 had also not been published. Training was instigated in regard to special council meeting processes to ensure this would not occur in the future.

Additional Information in respect to Purpose of the Report and the alternative motion presented with this report.

Council is to consider the completed 2025 Compliance Audit Return in accordance with regulation 14(6) of the Local Government (Audit) Regulations 1996 which requires Council to determine whether any matters raised by the Audit, Risk and Improvement Committee at their meeting held on 21 August 2026 require action to be taken by the local government; and either:

(a) adopt the compliance audit return; or

(b) adopt the compliance audit return subject to amendments proposed by the Council.

The purpose of providing the Alternative Officer Recommendation is to assist Council in discharging its obligations under Regulation 14(6) of the Local Government (Audit) Regulations 1996.

The 2025 Compliance Audit Return has been amended as per the Audit, Risk and Improvement Committee recommendation to Council. Comments in regard to those amendments are as follows:

(a) Item 2 is incorrectly declared "Yes" while the comments confirm it should be "No";

The response to the question under s.3.16 should be yes because all local laws, including the Standing Orders Local Law 2008 were reviewed by Council in November 2023 however, as it is a **2025 Compliance Audit Return** it has been changed to say "No". The comment has remained which clearly establishes that the local laws have in fact been reviewed.

Advice received from the Department of Local Government LG Hotline on 14 August 2026 was as follows:

"As the Shire have conducted a review of the Standing Orders, the local law's 15 year auto-repeal period is reset. Accordingly, the local law will remain in force unless it is repealed by another local law or it reaches its next "automatic repeal date" due to lack of review (i.e. 15 years). My understanding is that if a mandatory standing order regulation ever came into effect, it would likely be accompanied by some mechanism (such as a Governor's local law) to switch all local governments to the new system. However, any shift of that kind is likely to be announced to the LG Sector well in advance."

(b) Item 17 requires correction of the resolution number to OCM089/04/25 to reflect the confirmed minutes;

This change has been made. The correct resolution was OCM089/04/25.

(c) Item 25 is incorrectly declared "N/A" and should be "Yes";

This change has been made.

(d) Item 39 is incorrectly declared "Yes" while the comments confirm it should be "No";

This change has been made to mark it as No with the comment to be as follows:

<u>Comment:</u> Special Council Meeting (SCM) on Monday 12 August 2024. Public agenda had not been published due to the matter being confidential, and a public agenda had not been prepared to put onto the website. The matter rectified and responded to the department.

A Special Meeting Notice and public Agenda was not distributed prior to the meeting of 13 Jan 2025 nor published on the website.

The omission occurred due to an administrative oversight during a period of staff absence.

Bush Fire Advisory Committee meeting May 2025 Minutes were published on 20 June 2025.

(e) Item 56 is incorrectly declared "No" while the comments confirm it should be "Yes";

This change has been made to say yes. The comment has been changed to the following:

Comment: The following two Councillors were elected in October 2025 and to date:

Cr Mills completed all modules of the certificate before 1 March 2026.

Cr Van der Heyden completed all modules except Meeting Procedures prior to 24 May 2026. The last module is to be completed by 30 September 2026.

(f) Item 63 is incorrectly declared "Yes", as ARIC is aware of duplicate payments of almost $250,000, indicating non-compliance and therefore the response should be "No".

This change has been made to mark it as No with the comment to be as follows:

Comment: During the audit of subsequent payments (payments after year end), we identified that an expenditure amount of $242,521.73 relating to financial year 2025 was paid twice in financial year 2026. The first payment was processed on 03/07/2025, and a second identical payment was processed again on 25/07/2025.

(g) Item 70 incorrect declared as "Yes", should be "No".

This change has been left as Yes because the following List of Payments and Monthly Financial Statements were presented to Council:

27 Feb 2025	January 2025 List of Payments
27 March 2025	February 2025 List of Payments
27 March 2025	January and February Monthly Financial Statements
24 April 2025	March 2025 List of Payments and Monthly Financial Statement
22 May 2025	April 2025 List of Payments and Monthly Financial Statements
26 June 2025	May 2025 List of Payments and Monthly Financial Statements
24 July 2025	June 2025 List of Payments
28 August 2025	June 2025 Monthly Financial Statements
28 August 2025	July 2025 List of Payments and Monthly Financial Statements
25 September 2025	August 2025 List of Payments and Monthly Financial Statements
30 October 2025	September 2025 List of Payments
27 November 2025	October 2025 List of Payments
27 November 2025	September 2025 and October 2025 Monthly Financial Statements
18 December 2025	November 2025 List of Payments and Monthly Financial Statements

For the comment to be "no" it would necessitate a comment as to why it is "no".

If Council wish to make it no then the suggested comment would be that in 2025 the December 2025 List of Payments and Monthly financial statements were not provided.

However the above comment does not mean non-compliance as most other local governments would be unable to present the December payments list until the following year.

(h) Request within ARIC recommendation a Statement of Assurance from the CEO.

The Committee has requested a formal Statement of Assurance from the CEO regarding the accuracy and completeness of the remaining data within the Return. The legislation does not require the CEO to provide a formal statement of assurance.

Conclusion

It is recommended that Council consider the Alternate Officer's Recommendation.

The Alternate Officer's Recommendation acknowledges the Audit, Risk and Improvement Committee's review and recommendations, notes the amendments made to the Compliance Audit Return in response to matters identified by the Committee, and enables Council to fulfil its obligations under Regulation 14(6) of the *Local Government (Audit) Regulations 1996* by:

- determining whether any matters raised by the Committee require further action by the local government; and
- either adopting the Compliance Audit Return or adopting the Compliance Audit Return subject to amendments proposed by Council.

IMPLICATIONS TO CONSIDER

Consultative:

Nil.

Strategic:

The Compliance Audit Return supports effective governance, regulatory compliance, accountability and continuous improvement across the organisation.

Policy related:

Nil.

Financial:

Nil.

Legal and Statutory:

Local Government Act 1995.

Local Government (Audit) Regulations 1996 in particular Regulations 13, 14 and 15 relating to compliance audits and the submission of Compliance Audit Returns

Risk related:

Failure to adopt and submit the Compliance Audit Return within the prescribed timeframe may result in non-compliance with legislative requirements.

Workforce related:

Nil.

VOTING REQUIREMENTS

Absolute Majority

AUDIT RECOMMENDATION NO. ARIC068/08/26 1

That Council:

1. *That Amended ARIC Recommendation to Council, that Council:*
2. *Notes that the Audit, Risk and Improvement Committee has reviewed the draft 2025 Compliance Audit Return (CAR) as required under Regulation 14 of the Local Government (Audit) Regulations 1996.*
3. *Notes the following inaccuracies identified during the Committee's review of the draft return:*
   - *(a) Item 2 is incorrectly declared "Yes" while the comments confirm it should be "No";*
   - *(b) Item 17 requires correction of the resolution number to OCM089/04/25 to reflect the confirmed minutes;*
   - *(c) Item 25 is incorrectly declared "N/A" and should be "Yes";*
   - *(d) Item 39 is incorrectly declared "Yes" while the comments confirm it should be "No";*
   - *(e) Item 56 is incorrectly declared "No" while the comments confirm it should be "Yes";*
   - *(f) Item 63 is incorrectly declared "Yes", as ARIC is aware of duplicate payments of almost $250,000, indicating non-compliance and therefore the response should be "No".*
   - *(g) Item 70 incorrect declared as "Yes", should be "No".*
4. *Notes that a number of items within the draft CAR cannot be independently verified, as several questions rely on administrative declarations or internal compliance systems rather than documentary evidence, and therefore the Committee is unable to provide assurance on those items' accuracy.*
5. *Directs the Chief Executive Officer to amend the 2025 Compliance Audit Return to rectify the inaccuracies identified in Clause 2 and present the amended Return to Council for formal adoption prior to any submission to the Inspectorate.*
6. *Requests that the Chief Executive Officer provide a formal Statement of Assurance to Council confirming the accuracy and completeness of the remaining data within the Return prior to its adoption.*

ALTERNATIVE OFFICER'S RECOMMENDATION

That Council, in accordance with regulation 14(6) of the Local Government (Audit) Regulations 1996:

1. Notes that the Audit, Risk and Improvement Committee has reviewed the draft 2025 Compliance Audit Return (CAR) as required under Regulation 14 of the *Local Government (Audit) Regulations 1996;*
2. Notes the amendments made to the Compliance Audit Return arising from the Audit, Risk and Improvement Committee's review as per their recommendation (No. ARIC068/08/26 as contained in this report);
3. Determines that the matters raised by the Audit, Risk and Improvement Committee do not prevent adoption of the Compliance Audit Return and will be addressed through the Shire's ongoing compliance improvement processes.
4. Adopts the 2025 Compliance Audit Return, as amended (**Attachment 1**); and
5. Authorises the Chief Executive Officer to lodge the adopted Compliance Audit Return with the Local Government Inspectorate by 30 September 2026.

In accordance with regulation 11(da) of the Local Government (Administration) Regulations 1996, Council considered the Audit, Risk and Improvement Committee's recommendation and determined that the inaccuracies identified by the Committee have been addressed through amendments to the Compliance Audit Return.

Council further determined that the matters raised by the Committee do not prevent adoption of the Compliance Audit Return and that any ongoing compliance and governance matters will continue to be addressed through the Shire's existing compliance improvement processes. In accordance with Regulation 14(6) of the Local Government (Audit) Regulations 1996, Council therefore resolved to adopt the amended Compliance Audit Return and authorise its submission to the Local Government Inspectorate.

6.1.2 ARIC Standing Reports - Monthly reporting to ARIC and ARIC Recommendation No 069/08/26

Date of Report:	4 September 2026
Applicant or Proponent:	N/A
File Reference:	COC2
Author:	M Rebane – Governance Coordinator C Delmage – Acting Executive Manager Finance and Corporate Services
Responsible Officer:	A Hart – Temporary Chief Executive Officer
Previously Before Council:	No – although strategic planning and workforce planning has been discussed at Councillor Workshops.
Author's Disclosure of Interest:	Nil
Council's Role in the matter:	Executive
Attachments:	1. ARIC Monthly Report June 2026; and 2. DSC Rates Aged Trial Balance by Period 2026/12

PURPOSE OF THE REPORT

At an Audit, Risk and Improvement Committee Meeting held on 21 August 2026, ARIC were provided with requested reports including Operational Overview Summary, Material Changes, Significant Incidents and Emerging Risks.

BACKGROUND

This was a standing report presented at each ARIC meeting to comply with the updated ARIC Work Plan and Schedule endorsed on 9 July 2026 (ARIC RESOLUTION NO. ARIC052/07/26).

COMMENTS AND DETAILS

Since the original directive, Shire staff have met with members of ARIC to discuss ways on how best to provide the requested information using existing Shire resources.

The attached report is based on the updated ARIC Workplan presented and endorsed by ARIC at its meeting held 9 July 2026 (Resolution ARIC052/07/26).

The goal is a standard process and format that meets ARIC requirements that is; assurance that the Shire has implemented and embedded procedures that minimise all financial, compliance, legislative and governance risk.

IMPLICATIONS TO CONSIDER

Consultative:

Consultation has occurred between senior staff, finance staff, Datacom, auditors and the Office of the Auditor General.

Strategic:

Shire of Toodyay Council Plan 2023-2033 Informing Strategies

Policy related:

Financial Management Policies

Financial:

Nil.

Legal and Statutory:

Local Government Act 1995 and applicable subsidiary legislation.

Risk related:

Shire staff are working to reduce risk relating to legacy issues back to 2020.

The main risk in meeting our objectives is resourcing and lack of support from Datacom.

Workforce related:

Additional staff are required to bring current financial processes and procedures up to optimum standards.

VOTING REQUIREMENTS

Simple Majority

AUDIT, RISK AND IMPROVEMENT COMMITTEE RECOMMENDATION NO. ARIC069/08/26

That the Audit, Risk and Improvement Committee recommends that Council:

1. Notes that the Audit, Risk and Improvement Committee (ARIC) has reviewed the information contained in the ARIC Monthly Report for June 2026 at item 4.2 of the Agenda of 13 August 2026.
2. Notes that ARIC has identified a significant internal control weakness, with the Acting Executive Manager Finance and Corporate Services performing both preparer and reviewer roles on the Reconciliation Status Report, Unreconciled Items Register, Aged Payables Report, and Aged Receivables Report.
3. Reviews the financial appropriation for human resources as a matter of priority, acknowledging the Chief Executive Officer’s commentary that the statutory obligations of ARIC’s oversight and the Infrastructure & Works Committee present an emerging risk of staff burnout, and that additional resourcing is required to ensure sufficient organisational capacity exists to meet all statutory governance obligations and rectify the Shire’s legacy compliance issues.

7 CLOSURE OF MEETING