



AGENDA

Audit, Risk and Improvement Committee

Tuesday 01 September 2026

5.30pm

Council Chambers

The Five Strategic Pillars



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AUDIT, RISK AND IMPROVEMENT
COMMITTEE
AGENDA – 01/09/2026

1. **DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

2. **PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS:**

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders past, present and emerging”.

3. **RECORD OF ATTENDANCE AND APOLOGIES:**

Deputy Presiding Member
Independent Member

P Martin
D Evers

Mayor
Councillors

G Stocks

Member
Member
Member
Member
Member
Member

Deputy Mayor Terry
Councillor Clarke APM
Councillor Stephens
Councillor MacLaren
Councillor Lionetti
Councillor Sutton

Executive

Chief Executive Officer
Executive Director Corporate & Commercial Services
Executive Director Community Services
Executive Director Infrastructure, Development &
Environment
Principal Strategic Projects, Risk & Governance Specialist
Manager Finance

A Sharpe
M Giffellon
N Watson
P Camins

Executive Officer Governance

J Williamson

Apologies/Leave of Absence

Presiding Member
Member

A Hammond
Councillor Brough (Parental
Leave)

Member

Councillor McKinley (Apology)

4. **DISCLOSURES OF INTEREST:**

Name	Report Item Number	Nature of Interest
Nil.		

5. **CONFIRMATION OF MINUTES**

DRAFT MOTION

THAT the minutes of the Audit & Risk Committee Meeting held on 02 June 2026, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

6. PRESENTATIONS
7. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

AR198: INTERNAL AUDIT ACTION STATUS REPORT (SEPTEMBER 2026)

Proponent / Owner	: City of Albany
Attachments	: Updated Master Audit Action Register link provided
Report Prepared By	: Principal Strategic Projects, Risk & Governance Specialist
Authorising Officers:	: Chief Executive Officer Executive Director Corporate & Commercial Services Executive Director Community Services Executive Director Infrastructure, Development and Environment

STRATEGIC IMPLICATIONS

Strategic Links: Governance, Risk Management, Continuous Improvement

1. This report supports good governance, risk management and continuous improvement by showing how internal audit actions are being tracked and completed.

In Brief:

- Internal audit actions are tracked through the Master Internal Audit Register, which now provides the detailed evidence base for ARIC oversight.
- As refreshed on 26 August 2026, there are 10 open actions: one high risk, seven medium risk and two low risk.
- The key escalation remains the infrastructure asset valuation action, which requires the independent valuer's report and successful audit outcome by the 31 December 2026 milestone; the remaining actions mainly require evidence, milestone delivery or formal review before closure.

RECOMMENDATION

AR198: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee (ARIC):

1. **NOTE the Internal Audit Action Status Report, updated to reflect the Master Audit Action Register on 26 August 2026; and**
2. **NOTE the continued evidence-based monitoring, closure and escalation of open internal audit actions.**

BACKGROUND

2. This report is regularly presented to ARIC to monitor internal audit recommendations, management actions and outstanding control improvements.
3. The current update is supported by the Master Audit Action Register, which records open and closed actions, responsible areas, target dates, evidence references, status health and review flags.
4. The register has improved previous reporting by separating open actions from historic evidence, showing risk and status health, and making evidence requirements clearer for ARIC oversight.

DISCUSSION

Table 1: Remaining Internal Audit Actions

Working view | Refreshed from Detailed Evidence Register on 26 August 2026

#	Open action	Risk	Responsible area	Next focus
1	Minor and portable asset stocktake	Medium	IDE / City Operations	Confirm scope, method and reconciliation process.
2	10-year asset forecasting consistency	Medium	IDE / Asset Team	Complete aligned forecasts for each asset class.
3	Asset policy and procedure coverage gaps	Medium	IDE / City Operations; CCS / Finance	Approve procedures for key asset controls.
4	Whole-of-City contract management framework	Medium	CCS / Governance & Risk; Procurement	Approve framework and mandate use.
5	Consolidated contracts manual and procedures	Low	CCS / Governance & Risk; Procurement	Publish manual and confirm staff use.
6	Formal risk assessment for high-risk procurement	Medium	CCS / Governance & Risk; Procurement	Provide PULSE assessments and compliance reporting.
7	Supplier ethics and conflict disclosure controls	Medium	CCS / Governance & Risk	Evidence supplier induction and conflict monitoring.
8	Risk identification and system maturity	Medium	CCS / Governance & Risk	Demonstrate full enterprise-risk cycle in PULSE.
9	Workforce Plan status reconciliation	Low	CEO / People & Culture	Reconcile status and evidence annual review.
10	Infrastructure valuation lacked sufficient supporting evidence	High	CCS / Finance; IDE / Asset Team	Obtain the independent valuer's report and successful audit outcome for the 31 December 2026 milestone.

5. The refreshed register identifies one high-risk item, seven medium-risk items and two low-risk items. Status health is one red, eight amber and one blue. The infrastructure valuation action is flagged for escalation because audit reliance remains pending and the 31 December 2026 milestone requires the independent valuer's report and successful audit outcome.

GOVERNMENT & PUBLIC CONSULTATION

6. Not applicable.

STATUTORY IMPLICATIONS

7. This report supports the City's obligations under Regulation 17 of the *Local Government (Audit) Regulations 1996* by showing that audit actions are tracked, actioned and monitored.

POLICY IMPLICATIONS

8. There are no direct policy implications. Any policy or procedure updates identified through audit actions will be progressed through the City's normal policy process.

RISK IDENTIFICATION & MITIGATION

9. Refer to attached report.

FINANCIAL IMPLICATIONS

10. There are no direct financial implications arising from this report. Any costs associated with implementing audit recommendations are managed within approved operational budgets or project funding, as applicable.

LEGAL IMPLICATIONS

11. There are no legal implications arising directly from this report. Implementation of audit recommendations assists the City in meeting its legislative and regulatory obligations and reducing exposure to compliance-related risk.

ENVIRONMENTAL CONSIDERATIONS

12. There are no environmental considerations arising from this report.

ALTERNATE OPTIONS

13. Not applicable. The report has been prepared in response to a request from ARIC and supports its assurance role to Council.

CONCLUSION

14. The updated Master Audit Action Register provides ARIC with a clear and evidence-based view of current internal audit actions. The register shows that most actions are progressing, with outstanding work focused on completing evidence, confirming milestones and formally closing actions when controls are demonstrated. The infrastructure asset valuation action remains the key escalation item and will continue to be closely monitored until the independent valuation assurance and audit outcome are achieved.

Consulted References	:	Internal Audit Reports (2019–2025) Master Internal Audit Register
File Number	:	FM.MEE.3
Previous Reference	:	Audit, Risk & Improvement Committee June 2026 report (AR188).

AR199: LEGAL REGISTER

Business Entity Name	: City of Albany
Attachments	: Legal Register - Confidential
Report Prepared By	: Principal Strategic Projects, Risk & Governance Specialist
Authorising Officers:	: Chief Executive Officer

Confidentiality: Only the attachment to this report is confidential.

The attachment may be discussed in a closed meeting where required, in accordance with section 5.23(4) of the Local Government Act 1995.

In Brief:

- This report presents the Legal Register to the Audit, Risk & Improvement Committee (ARIC) in accordance with its Terms of Reference.
- The Legal Register provides visibility of current and emerging legal risks, including matters involving actual or potential legal liability and matters where legal advice has been sought or may be required.

RECOMMENDATION

AR199: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee (ARIC) NOTE the Legal Register as at 26 August 2026.

STATUTORY & GOVERNANCE IMPLICATIONS

1. ARIC's Terms of Reference provide the governance basis for receiving this standing Legal Register report.
2. The report also supports the following legislative, regulatory and governance requirements:
 - a. Section 7.12A of the Local Government Act 1995, which requires the City to assist its auditor, consider audit matters and ensure appropriate action is taken;
 - b. Regulation 16 of the Local Government (Audit) Regulations 1996, which sets out the audit committee's role in reviewing and monitoring risk management, internal control, legislative compliance, internal audit and audit recommendations; and
 - c. ARIC's Terms of Reference, which require the Committee to monitor legal, compliance and governance risks and provide advice and assurance to Council.

Consulted References	: Local Government Act 1995 Local Government (Audit) Regulations 1996
Previous Reference	: ARIC Committee – June 2026 – Report AR189.

AR200: CYBER SECURITY POSTURE UPDATE – ESSENTIAL EIGHT

Proponent / Owner	: City of Albany
Attachments	: City of Albany Essential Eight Summary September 2026 - Confidential
Report Prepared By	: Principal Strategic Projects, Risk & Governance Specialist Cyber Security Officer
Authorising Officers:	: Executive Director Corporate & Commercial Services Manager IT

Confidentiality: The attached Essential Eight Summary is confidential and provided to ARIC to support oversight of cyber security risk, governance and assurance. It contains operational security information and must not be publicly released or distributed without appropriate authorisation.

This aligns with section 5.23(4)(f) of the *Local Government Act 1995*, which allows a meeting, or part of a meeting, to be closed where disclosure could reasonably impair lawful methods for preventing, detecting, investigating or dealing with contraventions of the law.

STRATEGIC IMPLICATIONS

1. This item supports ARIC's role in providing independent assurance to Council on the adequacy and effectiveness of the City's governance, risk management and internal control frameworks, with specific reference to cyber security risk.

In Brief:

- This report provides ARIC with a high-level update on the City's cyber security posture against the Australian Government's Essential Eight framework.
- This is the second time this report has been presented to ARIC, with the detailed maturity assessment, key metrics, risks, achievements and priority actions set out in the attached Essential Eight Summary as part of the intended quarterly reporting cycle.

RECOMMENDATION

AR200: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee NOTE the City's current cyber security posture and maturity position as outlined in the attached Essential Eight Summary.

BACKGROUND

2. Cyber security represents a key enterprise risk for the City of Albany, with potential impacts to service delivery, data security, financial sustainability and reputation.
3. The City has adopted the Australian Cyber Security Centre's Essential Eight framework as its primary maturity model for cyber security risk management.

DISCUSSION

4. The attached Essential Eight Summary provides ARIC with:
 - The City's current Essential Eight maturity position;
 - A status overview of each Essential Eight control;
 - Operational security metrics for the reporting period;
 - Key achievements and key risks; and
 - Identified priorities for the next 3–6 months.
5. The report demonstrates that baseline controls are in place and that the City is progressing toward improved consistency, automation and effectiveness across its cyber security environment.
6. As this is the second presentation of the report to ARIC, quarterly reporting will continue to enable trends, emerging risks and maturity uplift progress to be monitored over time.

STATUTORY & GOVERNMENT IMPLICATIONS

7. Regular reporting on cyber security risk supports sound governance practice and strengthens ARIC's assurance to Council regarding the management of technology and information security risks.

FINANCIAL, LEGAL & ENVIRONMENTAL IMPLICATIONS

8. There are no direct financial, legal or environmental implications arising from this report.

CONCLUSION

9. The attached Essential Eight Summary provides a clear, concise overview of the City's cyber security posture and planned uplift activity. Ongoing quarterly reporting to ARIC will support transparency, assurance and effective oversight of cyber security risk.

Consulted References	:	https://www.cyber.gov.au/business-government/asds-cyber-security-frameworks/essential-eight
Previous Reference	:	Audit, Risk & Improvement Committee, Report AR190, June 2026.

AR201: LOCAL GOVERNMENT REFORM – PROGRESS & STATUS UPDATE

Business Entity Name	: City of Albany
Attachment	: Local Government Reform Checklist – Updated 26 August 2026
Report Prepared By	: Principal Strategic Projects, Risk & Governance Specialist
Authorising Officers:	: Chief Executive Officer Executive Director Corporate & Commercial Services

STRATEGIC IMPLICATIONS

1. This item supports ARIC's role in providing independent assurance to Council on the adequacy and effectiveness of the City's governance, risk management and internal control frameworks, with specific reference to:
 - The City's legislative compliance with the Western Australian local government reform program;
 - Governance and assurance arrangements supporting ongoing compliance, including ARIC and the Local Government Inspector framework; and
 - The identification, monitoring and management of reform-related risks, including emerging regulatory requirements.

In Brief:

- This report provides a public-facing update on the City's local government reform implementation, based on the attached updated Checklist.
- The Checklist records reform status, assurance ratings and remaining watch items to support transparent reporting.
- Compared with AR194, it updates the City's current implementation position and more clearly separates embedded compliance from matters requiring monitoring or State finalisation.

RECOMMENDATION

AR201: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee (ARIC) NOTE the Local Government Reform Progress and Status Update, confirming the City remains up to date with enacted reforms, with no identified non-compliance, and noting Council should consider adopting the updated Model Code of Conduct to resolve the current governance watch item.

EXECUTIVE SUMMARY

2. The updated Local Government Reform Checklist attached to this report provides a consolidated public record of the City's reform implementation position as at 26 August 2026, and updates the reform position previously reported to ARIC through Report AR194 in June 2026. Management assessment confirms that:
 - a. High-impact reforms are embedded in business-as-usual operations, including the Local Government Inspector, ARIC reforms, strengthened penalties and closed meeting provisions; and
 - b. A defined group of reforms requires ongoing monitoring or is awaiting further regulatory release.
 - c. A number of items remain subject to State finalisation, transitional review or internal policy updates and are being monitored through existing governance processes.
3. No instances of non-compliance have been identified. The Model Code of Conduct applies by default despite not being formally adopted; however, adoption of the updated Code remains the preferred governance outcome and should be progressed.
4. The principal changes since Report AR194 are the updated reform checklist, revised assurance status model, confirmation that additional commenced reforms have moved into operational or embedded compliance status, and clearer identification of items that remain subject to State regulations or internal follow-up.
5. Key watch items include:
 - a. Consequential regulations;
 - b. Standardised meeting procedures;
 - c. Communications agreements; and
 - d. The financial management reform package.

STATUTORY & GOVERNANCE IMPLICATIONS

6. This report supports ARIC's oversight role in relation to legislative compliance, governance, risk management and organisational improvement.
7. The Reform Register provides a structured assessment of implementation status, including embedded reforms, monitored items and those dependent on further regulation.

DISCUSSION

Reform Implementation Status

8. Core reform elements previously reported (March 2026) are now operational, including:
 - a. Establishment of the Local Government Inspector (from 1 January 2026); and
 - b. Implementation of Audit, Risk and Improvement Committee requirements.
9. These reforms are embedded within the City's governance framework and reinforce the need for sustained compliance, oversight and assurance practices.

Comparison with Previous ARIC Report AR194

10. Report AR194 was listed in the City of Albany's June 2026 ARIC agenda as "Local Government Reform – Progress and Status Update" and was supported by the June 2026 ARIC attachments package.
11. The attached August 2026 checklist builds on that previous report by providing a fuller row-by-row assurance register, including accountable managers, implementation notes and assurance status descriptors.

12. The key movement since the previous report is not a change in the overall compliance conclusion, but a refinement of the evidence base: more reforms are now described as embedded compliance or operational monitoring, while pending reforms are separated from commenced statutory obligations.
13. The updated checklist also records matters that require continued public and management visibility, including the Model Code of Conduct position, the Record of Information About Conduct, local law review timing, legal representation policy alignment, outside employment disclosure requirements and future public registers.
14. On that basis, this report should be read as an update and assurance refresh rather than a new compliance exception report. The public-facing position remains that the City is up to date with enacted reforms, with identified watch items being managed through governance and executive oversight processes.

Reform Register Overview

15. The updated Checklist confirms that:
 - a. Tranche 1 reforms are fully embedded;
 - b. Tranche 2 reforms are implemented or subject to monitoring; and
 - c. Several reforms remain dependent on final regulations, including public registers, financial management reforms, CEO performance reporting, communications agreements and standardised meeting procedures.
 - d. The Checklist also identifies a small number of emerging reform risks for management attention, including the Model Code of Conduct position, the Record of Information About Conduct, local law review timing and selected internal policy updates.

Model Code of Conduct

16. The updated Model Code of Conduct commenced on 1 January 2026 with a requirement for local government adoption.
17. The matter was presented to Council, which resolved not to adopt the updated Code at this time.
18. Notwithstanding this decision, the Model Code applies by default under the legislative framework, and behavioural and complaint provisions remain in effect.
19. This position is recorded in the Reform Register as a governance watch item. Adoption of the updated Model Code would remove ambiguity, align the City's local governance documents with the default legislative position and provide a clearer public-facing governance position.
20. Management has applied assurance status descriptors across the Checklist to distinguish between embedded compliance, monitored reforms, transitional items, regulatory dependencies and emerging reform risks. These descriptors support ARIC oversight and public transparency but remain management assurance classifications rather than formal legal determinations.

ONGOING REGULATORY DEVELOPMENT

21. The updated Checklist records further regulations or guidance in development across key reform areas, including:
 - a. CEO performance and reporting requirements;
 - b. Public transparency registers;
 - c. Standardised meeting procedures; and
 - d. Communications agreements.

22. These reforms remain subject to State finalisation. Compared with the previous ARIC report, the current checklist more clearly separates these pending matters from reforms that have already commenced and are now business-as-usual. The City will continue to monitor published guidance, update internal processes as required and report material changes through established governance channels.

RISK & ASSURANCE CONSIDERATIONS

23. No high or critical compliance risks have been identified.
24. The Model Code position does not constitute a compliance breach because the Code applies by default; however, the absence of formal adoption remains a governance watch item that should be resolved through Council adoption of the updated Code.
25. Management focus remains on:
- a. Ensuring ongoing compliance with enacted reforms;
 - b. Preparing for forthcoming regulatory changes; and
 - c. Monitoring transitional and emerging reform risks.
26. The updated Checklist continues to provide a structured, risk-informed assurance tool for ARIC oversight and for public visibility of the City's reform implementation status. It also provides a clearer comparison point against the previous June 2026 ARIC report by identifying which items have moved to embedded compliance, which remain under monitoring and which are dependent on future State action.

CONSULTATION

27. Relevant responsible officers have been consulted to confirm reform status, assurance descriptors and required preparatory actions recorded in the updated Checklist. The report is framed for public release and does not include confidential legal advice, personnel information or other non-public operational material.

Consulted References	:	Local Government Act 1995 Listed in the attached report.
Previous Reference	:	Audit, Risk & Improvement Committee – June 2026 – Report AR194.

AR202: COMPLIANCE AUDIT RETURN (CAR) - 2025

Business Entity Name	: City of Albany
Attachments	: Albany – Compliance Audit Return 2025
Report Prepared By	: Principal Strategic Projects, Risk & Governance Specialist
Authorising Officers:	: Chief Executive Officer

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Council Plan 2026–2036:
 - **Pillar:** Leadership.
 - **Outcome:** Lead as a community-focused, values-led council.
 - **Strategic Priority:** Governance improvements — enhance governance frameworks, delegations and integrity systems to ensure governance arrangements remain fit-for-purpose as the City grows and operates in an increasingly complex regulatory environment.
 - **City service link:** Governance and Risk — deliver governance systems to achieve assurance over governance, compliance and risk-informed decision making.
 - **Applicable measure/KPI:** Compliance Annual Return — compliance requirements met annually.

In Brief:

- Review the updated Compliance Audit Return (CAR) Report – 2025 and note the identified non-compliance matters, transparency disclosure and corrective actions.
- Recommend that ARIC review the certified CAR for the period 1 January 2025 to 31 December 2025 and recommend Council endorsement and submission to the Local Government Inspector, together with the Council resolution and any explanatory information, by the deferred deadline of 30 September 2026.

RECOMMENDATION

AR202: AUTHORISING OFFICER RECOMMENDATION

THAT a Certified Copy of the Compliance Audit Return (CAR) for the period 1 January 2025 to 31 December 2025 be ENDORSED by Council and any additional information explaining or quantifying the compliance audit is to be submitted to the Office of the Local Government Inspector before 30 September 2026.

BACKGROUND

2. The City must complete an annual Compliance Audit Return (CAR) as a self-assessment against prescribed statutory requirements.
3. Governance and Risk coordinated the 2025 CAR with relevant business areas. Most items were assessed as compliant or not applicable, with limited administrative, disclosure, policy-compliance and timing matters recorded for action or transparency.
4. ARIC is asked to review the updated CAR, note the identified matters and corrective actions, and recommend Council endorsement before submission by 30 September 2026.

DISCUSSION

5. The 2025 Compliance Audit Return has been completed as the City's annual self-assessment against the prescribed statutory requirements for the period 1 January 2025 to 31 December 2025.
6. The return indicates that most items were assessed as compliant or not applicable. The key "No" responses are summarised separately below, together with the current corrective action or management response.

CAR item	Key issue	Corrective action / management response
Local law review	Review not completed within the period.	Review is in progress and scheduled to be presented to Council in November 2026.
Delegations review	Delegations were not reviewed by the delegator during the 2024/2025 financial year.	Delegations were formally reviewed and re-adopted on 1 July 2025, one day after year end.
Primary return	One elected member did not lodge their primary return within the prescribed period.	The non-compliance was reported and will continue to be monitored through governance processes.
Annual report disclosures	Regulation 19B was assessed as not fully met, primarily due to the need to review available demographic information about council members.	The matter will be reviewed for the 2025/2026 annual reporting period.
Strategic and corporate planning	Strategic Community Plan adoption and Corporate Business Plan review timing did not fall within the CAR reporting period.	The new Council Plan, combining strategic and corporate planning requirements, was adopted on 30 June 2026.
Purchasing policy compliance	Internal purchasing audits identified various purchases that did not comply with the City's Purchasing Policy.	Corrective action has been implemented, including officer training, approver checklists, ongoing monitoring and quarterly reporting to the Executive Management Team.

7. The timing matters are administrative in nature and, where relevant, have since been addressed. In particular, the delegation review was completed on 1 July 2025, one day after the end of the 2024/2025 financial year.
8. The matters requiring further attention are being managed through planned review processes, existing governance controls, or targeted corrective action. The most significant operational response relates to purchasing compliance, where additional officer training, approver checklists, monitoring and quarterly executive reporting have been implemented.
9. On this basis, the CAR provides ARIC and Council with a transparent position on the City's compliance status, including matters already addressed, matters being monitored, and matters requiring further review through existing governance and corrective action processes. These matters do not prevent ARIC from recommending Council endorsement and submission of the CAR.

STATUTORY AND LEGAL IMPLICATIONS

10. The CAR is required under regulation 14 of the Local Government (Audit) Regulations 1996.
11. The Local Government Inspector's published process requires the CAR to be completed by the local government administration, reviewed by the Audit, Risk and Improvement Committee, adopted by Council and then submitted to the Local Government Inspector with the Council resolution and any explanatory information.

12. For the 2025 CAR, the Inspector has deferred the submission deadline to 30 September 2026.

POLICY IMPLICATIONS

13. The CAR supports oversight of statutory obligations reflected in Council policies, delegations, procedures and public registers.

RISK IDENTIFICATION & MITIGATION

14. The risk identification and categorisation relies on the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Legal & Compliance: The updated CAR is not recommended by ARIC or endorsed by Council in time for submission to the Local Government Inspector by 30 September 2026.	Unlikely	Minor	Low	Mitigated through ARIC review, Council endorsement and submission by 30 September 2026, supported by the CAR action register for any further information or corrective action. Refer to the Alternate Options section for the timing implications of requesting further information before endorsement.
Opportunity: Provides ARIC with an opportunity to review and critique the updated CAR while preserving the required Council endorsement and submission timeframe.				

FINANCIAL / LEGAL / ENVIRONMENTAL CONSIDERATIONS

15. There are no direct implications associated with this report.

ALTERNATE OPTIONS

16. ARIC may request further information before recommending Council endorsement; however, this option is not recommended as the matter is scheduled to be presented to ARIC on 1 September 2026 and must be endorsed by Council at the September Ordinary Council Meeting to enable submission to the Local Government Inspector by the deferred deadline of 30 September 2026.
17. Any further information should be provided through the existing corrective action process, so the required endorsement and submission timetable is not delayed.

CONCLUSION

18. The 2025 CAR provides ARIC and Council with a structured annual review of the City's compliance with prescribed statutory requirements.
19. It is recommended that ARIC review the CAR, note the non-compliance matters and corrective actions, and recommend Council endorsement for submission to the Local Government Inspector.

Consulted References	:	- Local Government Act 1995. - Local Government (Audit) Regulations 1996. - Compliance Audit Return Questions 2025. - WA Government — Local Government Inspector, Compliance Audit Returns.
File Number:	:	CM.RPT.2 (Compliance Audit Returns)
Previous References	:	OCM 25/03/2025, Resolution AR172

AR203: STRATEGIC CORPORATE RISK REGISTER – STATUS UPDATE

Business Entity Name : City of Albany
Attachment : Strategic Corporate Risk Register – Internal Use Only
Report Prepared By : Principal Strategic Projects, Risk & Governance Specialist
Authorising Officers: : Chief Executive Officer
 Executive Directors

In Brief:

- This report presents a public governance snapshot of the Strategic Corporate Risk Register for ARIC consideration.
- The register retains 11 strategic risks, with a residual profile of 1 High, 9 Medium and 1 Low.
- Since the June 2026 AR197 baseline, the register has been reassessed against the City's current Risk and Opportunity Management Framework Policy.

RECOMMENDATION

AR203: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee (ARIC) NOTE:

- (1) The September 2026 Strategic Corporate Risk Register; and
 (2) The key changes since June 2026, including COA007 moving to inherent Extreme while remaining the only residual High risk, and COA011 recognising landfill and environmental liability matters at a strategic level.

EXECUTIVE SUMMARY

1. The September 2026 public snapshot provides a governance-level view of the Strategic Corporate Risk Register for ARIC consideration and public reporting.
2. The register retains 11 strategic risks and has been reassessed against the City's Risk and Opportunity Management Framework Policy dated 16 January 2026.
3. The current residual profile is 1 High, 9 Medium and 1 Low. COA007 Community safety and resilience has moved from inherent High to inherent Extreme and remains the only residual High risk.
4. COA011 recognises landfill and environmental liability matters at a strategic level, with site-specific assurance managed internally. Accountable officers are to confirm residual assessments, control effectiveness and treatment evidence before public release.

Strategic Risk Snapshot

SEPTEMBER 2026 STRATEGIC RISK SNAPSHOT		
<i>Draft for publication — subject to management confirmation before approval and public release</i>		
Measure	Current position	Governance focus
Inherent Extreme	COA007 — Community safety and resilience Likely × Severe = Extreme (20)	Confirm bushfire/fire danger as the leading life-safety scenario and test preparedness controls.
Residual High	COA007 — Community safety and resilience Possible × Severe = High (15)	Monitor warnings, treatment evidence, education reach and any "highest risk" claim.
Residual Medium	• COA001 — Integrity, fraud and financial loss • COA002 — Financial sustainability and revenue resilience • COA003 — Financial stewardship and long-term sustainability • COA004 — Governance, decision quality and accountability	Monitor controls, treatments and emerging deterioration.

SEPTEMBER 2026 STRATEGIC RISK SNAPSHOT		
Draft for publication — subject to management confirmation before approval and public release		
Measure	Current position	Governance focus
	- COA005 — Organisational capacity and resilience - COA006 — Organisational reputation and public confidence - COA008 — Workforce health, safety and wellbeing - COA010 — Essential services and strategic infrastructure resilience - COA011 — Environmental stewardship, community outcomes and sustainable development	
Residual Low	COA009 — Legislative and regulatory compliance resilience	Confirm compliance controls remain effective.

COA011 - Environmental Stewardship and Landfill Assurance

- COA011 recognises landfill operations, environmental monitoring, remediation and rehabilitation costs, closure planning, funding pressures and emerging environmental liabilities at a strategic level. The public snapshot identifies the strategic exposure without disclosing detailed operational controls, site-specific treatment information or sensitive implementation evidence.
- The register does not name Hanrahan Road Landfill and does not separately define, cost or schedule current remediation obligations and future closure or rehabilitation obligations.
- These matters require supporting internal assurance, including site-specific plans, cost estimates, funding pathways, monitoring evidence and escalation triggers.

Changed since May 2026

- The June 2026 AR197 register remains the published historical baseline. The September 2026 public snapshot updates that baseline through a framework-aligned reassessment.
 - Risk count unchanged:** 11 strategic risks continue to be reported.
 - Framework alignment completed:** titles, categories, likelihood, consequence, scores and assessment basis have been updated.
 - Key rating change:** COA007 has moved from inherent High to inherent Extreme and remains residual High.
 - Residual profile stable:** COA007 remains residual High, COA009 remains residual Low, and the other 9 risks remain residual Medium.
 - COA011 clarified:** landfill and environmental liability matters are recognised strategically, with site-specific assurance managed internally.
 - Approval requirement added:** accountable officers must confirm residual assessments and control effectiveness before finalisation.

Consulted References	:	Local Government Act 1995
Previous Reference	:	Audit, Risk & Improvement Committee – 02/06/2026 (AR197)

9. CLOSE OF MEETING