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# MINUTES

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## **Audit, Risk and Improvement Committee**

**Tuesday 03 March 2026**

5.30pm

Council Chambers

The Five Strategic Pillars



AUDIT, RISK AND IMPROVEMENT  
COMMITTEE  
MINUTES – 03/03/2026

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**AUDIT, RISK AND IMPROVEMENT  
COMMITTEE  
MINUTES – 03/03/2026**

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

The Presiding Member declared the meeting open at **5.30PM**

**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:**

<b>Deputy Presiding Member</b>	P Martin CHAIR
<b>Independent Member</b>	D Evers
<b>Mayor</b>	G Stocks
<b>Councillors</b>	
Member	Councillor Clarke APM
Member	Councillor Stephens
Member	Councillor MacLaren
Member	Councillor McKinley
Member	Councillor Lionetti
<b>Executive</b>	
Chief Executive Officer	A Sharpe
Executive Director Corporate & Commercial Services	M Giffellon
Executive Director Development, Infrastructure and Environment	P Camins
Manager Governance and Risk	S Jamieson
Manager Finance	S Van Nierop
Meeting Secretary	J Williamson
<b>Apologies/Leave of Absence</b>	
Presiding Member	A Hammond (Apology)
Member	Deputy Mayor Terry (Apology)
Member	Councillor Brough (Apology)
Member	Councillor Sutton (Apology)

**4. DISCLOSURES OF INTEREST:**

Name	Report Item Number	Nature of Interest
Nil.		

**5. CONFIRMATION OF MINUTES**

<p><b>RESOLUTION</b></p> <p><b>MOVED: DIANE EVERS</b> <b>SECONDED: COUNCILLOR LIONETTI</b></p> <p><b>THAT the minutes of the Audit &amp; Risk Committee Meeting held on 01 December 2025, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.</b></p> <p style="text-align: right;"><b>CARRIED 8-0</b></p>
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**6. PRESENTATIONS**

Asset Evaluation: Team Leader, Asset Management

**7. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil**

**AR184: ARIC TERMS OF REFERENCE**

<b>Proponent / Owner</b>	: City of Albany
<b>Business Entity Name</b>	: City of Albany
<b>Attachments</b>	: Audit, Risk and Improvement Committee Terms of Reference – ARIC TOR (Proposed)
<b>Report Prepared By</b>	: Manager Governance & Risk
<b>Authorising Officer:</b>	: Chief Executive Officer

**STRATEGIC IMPLICATIONS**

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan, informing plans or strategies:
  - **Pillar:** 5. Leadership. A well-governed city that uses resources wisely to meet local needs.
  - **Outcomes:** 5.3 A well-informed and engaged community.

**In Brief:**

- Review the updated Terms of Reference that align the Committee with contemporary governance, assurance and legislative expectations.

**RECOMMENDATION**

**AR184: AUTHCOMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR CLARKE  
SECONDED: COUNCILLOR STEPHENS**

**THAT the Audit, Risk and Improvement Committee (ARIC):**

- (1) **NOTE that ARIC operates under limited delegation (LG9.01) as recorded in the Register of Delegations and Authorisations, and that Officers have confirmed the current delegation remains appropriate and sufficient to support ARIC's assurance and advisory role, with no amendment required at this time.**
- (2) **RECOMMEND that Council adopt the Audit, Risk and Improvement Committee Terms of Reference, as detailed in the attachment to this report, *correction page 5 & 6 reference from Deputy Presiding Member to Deputy of the Presiding Member.***

**CARRIED 8-0**

**AR184: AUTHORISING OFFICER RECOMMENDATION**

**THAT the Audit, Risk and Improvement Committee (ARIC):**

- (1) **NOTE that ARIC operates under limited delegation (LG9.01) as recorded in the Register of Delegations and Authorisations, and that Officers have confirmed the current delegation remains appropriate and sufficient to support ARIC's assurance and advisory role, with no amendment required at this time.**
- (2) **RECOMMEND that Council adopt the Audit, Risk and Improvement Committee Terms of Reference, as detailed in the attachment to this report, *correction page 5 & 6 reference from Deputy Presiding Member to Deputy of the Presiding Member.***

## **BACKGROUND**

2. Section 7.12A of the Local Government Act 1995 requires local governments to establish an Audit, Risk and Improvement Committee (ARIC) as a committee of Council.
3. Recent governance reforms have strengthened expectations regarding:
  - a. independence of audit committees;
  - b. risk management oversight;
  - c. compliance audit assurance;
  - d. organisational improvement and governance maturity; and
  - e. Council oversight of matters that may be subject to regulatory review, including by the Local Government Inspector.
4. A review of the Terms of Reference has been undertaken to ensure alignment with amended legislation, contemporary assurance practice, and evolving expectations of audit committees within Western Australian local government.

## **DISCUSSION**

5. The proposed Terms of Reference modernise the role of ARIC by:
  - a. clearly establishing ARIC as Council's independent assurance and advisory committee;
  - b. defining statutory functions relating to audit oversight, enterprise risk management, legislative compliance and organisational improvement;
  - c. confirming independence requirements for the Presiding Member and Deputy Presiding Member;
  - d. aligning Committee operations with contemporary public-sector assurance models, including the Three Lines assurance framework;
  - e. recognising strengthened regulatory oversight environments while maintaining clear governance boundaries; and
  - f. clarifying reporting arrangements between ARIC, Administration and Council.
6. The revised TOR reinforce that ARIC:
  - a. provides assurance and advice to Council;
  - b. supports oversight of governance systems operated by the Chief Executive Officer; and
  - c. does not exercise executive, operational or decision-making authority.
7. A copy of the proposed Terms of Reference is provided as Attachment 1..

## **ARIC Delegation – Reference and Review**

8. The current delegation is recorded in the Register of Delegations and Authorisations as:  
**Delegation LG9.01 – Audit, Risk & Improvement Committee**, amended 17 September 2025 to reflect transition from Audit & Risk Committee to Audit, Risk & Improvement Committee.
9. Under the existing delegation, ARIC may:
  - a. meet with the Auditor on behalf of Council (Local Government Act 1995, s.7.12A(2));
  - b. identify matters requiring action arising from the Auditor's report (s.7.12A(3));
  - c. ensure appropriate action is taken on audit findings; and
  - d. endorse the City's response to the Auditor's report prior to submission to the Minister (s.7.12A(4)).

10. Explicit governance limitations apply:
  - a. ARIC does not hold executive or operational powers;
  - b. ARIC does not intervene in management functions;
  - c. serious audit matters remain reserved to Council decision-making.
11. The proposed TOR enhancements strengthen clarity of role and assurance practice but do not expand ARIC authority or confer additional powers.
12. Accordingly, no amendment to Delegation LG9.01 is required.

### GOVERNMENT & PUBLIC CONSULTATION

13. Community Engagement: Consultation is not required as the matter relates to internal governance arrangements and legislatively prescribed committee responsibilities.

### STATUTORY & POLICY IMPLICATONS

14. Adoption of the updated Terms of Reference strengthens governance transparency, accountability and assurance capability, supporting Council's oversight responsibilities.
15. The revised TOR align with:
  - a. Local Government Act 1995 — Part 7 Division 1A
  - b. Local Government (Audit) Regulations 1996
  - c. Local Government (Local Government Inspector) Regulations 2025
16. The updated TOR also introduce governance practices increasingly recognised across WA local government, including:
  - a. assurance-based committee agendas;
  - b. structured annual assurance oversight;
  - c. clearer separation between governance assurance and operational management responsibilities.
17. Adoption of the amended TOR will result in consequential amendment to Council Policy 1.29 – Governance & Meeting Framework.

### RISK IDENTIFICATION & MITIGATION

18. Risk assessment has been undertaken consistent with the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Compliance</b> – ambiguity between ARIC assurance role and management responsibilities	Possible	Major	High	Clear articulation of advisory role and adoption of assurance-based agenda structures
<b>Reputation</b> – perception ARIC exercises decision-making authority	Possible	Moderate	Medium	Consistent referral of decisions to Council and strengthened TOR governance statements
<b>Governance</b> – non-compliance due to outdated or unclear delegation	Unlikely	Major	Medium	Confirmation of delegation suitability and periodic governance review
<b>Operational</b> – reduced effectiveness of oversight due to scope uncertainty	Possible	Moderate	Medium	Implementation of ARIC Forward Work Program and Annual Assurance reporting approach

19. The identified risks relate primarily to governance clarity rather than legislative non-compliance.
20. Adoption of the revised TOR mitigates these risks by reinforcing ARIC’s assurance role, structured oversight processes and clear accountability boundaries between Council, ARIC and Administration.

**FINANCIAL IMPLICATIONS**

21. There are no additional financial implications arising from adoption of the proposed Terms of Reference. Independent member remuneration remains within existing approved budget allocations and statutory limits.

**LEGAL IMPLICATIONS**

22. Failure to update the ARIC Terms of Reference may create risk of legislative misalignment and reduced clarity regarding statutory oversight responsibilities.

**CONCLUSION:**

23. The review confirms the Audit, Risk and Improvement Committee operates effectively within its existing limited delegation (LG9.01), which remains appropriate for its statutory assurance and advisory role.
24. Adoption of the updated Terms of Reference will:
  - a. ensure continued legislative alignment;
  - b. strengthen Council governance assurance capability;
  - c. align ARIC operations with contemporary public-sector audit committee practice; and
  - d. support Council in maintaining effective oversight of financial management, risk, compliance and organisational improvement.

<b>Consulted References</b>	:	<ul style="list-style-type: none"> <li>• Local Government Act 1995</li> <li>• Local Government (Audit) Regulations 1996</li> <li>• Local Government (Administration) Regulations 1996</li> <li>• Local Government (Financial Management) Regulations 1996</li> <li>• City of Albany Register of Delegations and Authorisations</li> </ul>
<b>Previous Reference</b>	:	OCM 26/08/2025 Resolution CCS742.

## AR185: LOCAL GOVERNMENT REFORM – PROGRESS & STATUS UPDATE

<b>Business Entity Name</b>	: City of Albany
<b>Attachment</b>	: Local Government Reform Register – Status
<b>Report Prepared By</b>	: Manager Governance & Risk
<b>Authorising Officers:</b>	: Chief Executive Officer Executive Director Corporate & Commercial Services

### STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan:
  - **Pillar:** Leadership. A well-governed city that uses resources wisely to meet local needs.
  - **Outcome: Proactive**, visionary leaders who are aligned with community needs and values.

#### In Brief:

- This report is presented to the Audit, Risk and Improvement Committee (ARIC) to:
  - provide a routine management update on the implementation of Western Australian local government reforms;
  - confirm the City of Albany's current legislative compliance position; and
  - identify reforms subject to ongoing monitoring, clarification, or future regulatory commencement.
- The attached Local Government Reform Register includes management-applied assurance status descriptors, based on a proposed assurance status model developed for ARIC consideration. The model has not been formally adopted by ARIC and is provided to support transparency, consistency and clarity in reporting reform maturity and risk.
- The report complements Report AR184 (Audit, Risk and Improvement Committee Terms of Reference) by providing broader context on the State-wide reform program and its implications for governance, risk and compliance.

### RECOMMENDATION

#### AR185: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR MACLAREN**  
**SECONDED: COUNCILLOR MCKINLEY**

**THAT the Authorising Officer Recommendation be ADOPTED.**

**CARRIED 8-0**

#### AR185: AUTHORISING OFFICER RECOMMENDATION

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

- (1) The Local Government Reform Progress and Status Update (Report AR185);
- (2) That, based on management review of the attached Reform Register, the City of Albany remains up to date with enacted local government reforms, with no identified areas of non-compliance; and
- (3) That a small number of reforms remain subject to ongoing monitoring or future regulatory commencement and are being managed through established governance and executive oversight processes.

## **EXECUTIVE SUMMARY (FEBRUARY 2026)**

2. Review of the Local Government Reform Register confirms that management assesses:
  - a. high-impact reforms are now embedded in business-as-usual operations, including the establishment of the Local Government Inspector, Audit, Risk and Improvement Committee reforms, strengthened penalties, and revised closed meeting requirements; and
  - b. a defined group of reforms requires ongoing monitoring, preparatory action, or is awaiting further State regulatory commencement.
3. No instances of non-compliance have been identified through this review.
4. Key reform watch items for 2026 include:
  - a. further consequential regulations;
  - b. standardised meeting procedures;
  - c. Communications Agreement requirements; and
  - d. the financial management reform package.

## **STATUTORY & GOVERNANCE IMPLICATIONS**

5. This report is provided in accordance with ARIC's Terms of Reference, which require the Committee to provide independent oversight and advice to Council in relation to:
  - a. legislative compliance;
  - b. governance and integrity;
  - c. risk management; and
  - d. organisational and continuous improvement.
6. The Local Government Reform Register supports ARIC's assurance role by providing a structured management assessment of reform implementation status, including:
  - a. confirmation of reforms implemented and operating as business-as-usual;
  - b. identification of reforms dependent on future regulations or guidance; and
  - c. early visibility of reforms that may materially affect governance arrangements.

## **DISCUSSION**

### Updates Since the Last Audit & Risk Committee

(Audit & Risk Committee – 25 August 2026 – Report AR181)

### Establishment of the Local Government Inspector

7. The Office of the Local Government Inspector became operational on 1 January 2026, representing a significant milestone in the State Government's local government reform program.
8. Mr Anthony (Tony) Brown commenced his five-year term as Western Australia's inaugural Local Government Inspector on 20 October 2025.
9. The Inspector has broad statutory powers to investigate governance and compliance matters, dismiss vexatious complaints, appoint monitors, and recommend suspension or dismissal of council members or councils where dysfunction is identified.
10. These reforms materially strengthen external oversight across the sector and reinforce the importance of robust governance, compliance and risk management practices within the City of Albany.

Audit, Risk and Improvement Committee (ARIC) Reforms

11. Legislative provisions establishing Audit, Risk and Improvement Committees commenced on 1 January 2026, following the October 2025 Local Government Elections.
12. All local governments are required to have a compliant ARIC in place by 30 June 2026, replacing former audit committee arrangements and expanding responsibilities to include risk management, compliance and organisational improvement.
13. In response, the City of Albany has reviewed its ARIC governance arrangements.
14. Report AR184 details the proposed updated Terms of Reference, confirms ARIC's limited delegation (LG9.01), and addresses alignment with amended legislation and contemporary assurance practice.
15. Report AR184 addresses ARIC-specific reforms, while this report provides a broader overview of the reform program and its governance, risk and compliance implications.

Local Government Reform Register – Status Overview

16. Review of the Reform Register confirms that, based on management assessment:
  - a. Tranche 1 reforms have been implemented and embedded into business-as-usual practices;
  - b. Tranche 2 Act amendments have been appropriately actioned or are subject to ongoing monitoring; and
  - c. a number of reforms remain contingent on the finalisation of regulations, particularly those relating to inspector powers, statutory registers, financial regulations and meeting procedures.
17. For transparency, management has applied proposed assurance status descriptors to each reform item to distinguish between embedded compliance, monitored reforms, reforms in transition, regulatory dependencies and emerging reform risks.
18. These classifications do not represent ARIC determinations and are provided to assist the Committee in discharging its independent assurance and oversight responsibilities.

Ongoing Regulatory Development

19. State-level work continues on the development and staged implementation of supporting regulations, including:
  - a. publication of CEO performance criteria and performance review outcomes;
  - b. mandatory online public registers (contracts, leases, grants and sponsorships);
  - c. standardised meeting procedures and enhanced transparency requirements; and
  - d. communications agreements and community engagement provisions.
20. Further guidance and commencement details are anticipated from the Department as these regulatory instruments are finalised.

**RISK & ASSURANCE CONSIDERATIONS**

21. Based on management review of reform implementation status, no high or critical compliance risks have been identified.
22. Ongoing management attention is focused on reforms that are:
  - a. operational but subject to ongoing monitoring;
  - b. in transition or preparation pending further internal action; or
  - c. dependent on future State regulations or guidance.
23. The Reform Register functions as a management assurance and reporting tool, providing ARIC with a structured, risk-informed view of the local government reform landscape.

**CONSULTATION**

24. Relevant responsible officers have been consulted to confirm reform status, assurance descriptors and any required preparatory actions.

<b>Consulted References</b>	:	Local Government Act 1995 Guidance: <a href="https://www.dlgsc.wa.gov.au/department/publications/publication/ceo-kpis-and-online-registers">https://www.dlgsc.wa.gov.au/department/publications/publication/ceo-kpis-and-online-registers</a>
<b>Previous Reference</b>	:	Audit & Risk Committee – 25/08/2025 – Report AR181

## **AR186: LEGAL REGISTER**

<b>Business Entity Name</b>	: City of Albany
<b>Attachments</b>	: Legal Register - <b>Confidential</b>
<b>Report Prepared By</b>	: Manager Governance & Risk
<b>Authorising Officers:</b>	: Manager Governance & Risk

### **CONFIDENTIAL REPORT & ATTACHMENT**

Section 5.23(4) of the Local Government Act 1995

#### **CONFIDENTIALITY & STATUTORY CONSIDERATIONS**

This report is provided to the Audit, Risk & Improvement Committee as a confidential item.

In accordance with section 5.23(4) of the Local Government Act 1995, a committee may close a meeting to the public where information is to be considered that includes:

- information over which the local government holds legal professional privilege; and/or
- information the public disclosure of which would be likely to prejudice the security, financial management or operations of the local government.

The attached internal audit report contains:

- detailed findings relating to internal controls, financial systems and revenue management practices;
- identified control gaps and risk exposures; and
- management responses and proposed remediation actions.

Public disclosure of this information at this stage could reasonably be expected to:

- compromise the effectiveness of internal controls;
- expose the City to financial or operational risk; and
- undermine the integrity of ongoing governance and improvement activities.

Accordingly, the report and its attachments are recommended to be dealt with on a confidential basis.

**In Brief:**

- This report is presented to the Audit, Risk & Improvement Committee (ARIC) in accordance with its Terms of Reference, which establish ARIC’s role in providing independent oversight and advice to Council on risk management, internal control, legislative compliance, and continuous improvement.
- The Legal Register is provided as a standing report to support ARIC’s oversight role by providing 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**

**AR186: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR MACLAREN**  
**SECONDED: COUNCILLOR CLARKE**

**THAT the Audit, Risk & Improvement Committee (ARIC) NOTE the Legal Register as at 24 February 2026.**

**CARRIED 8-0**

AR186: AUTHORISING OFFICER RECOMMENDATION

THAT the Audit, Risk & Improvement Committee (ARIC) NOTE the Legal Register as at 24 February 2026.

**STATUTORY & GOVERNANCE IMPLICATIONS**

1. This report is submitted to ARIC in accordance with its Terms of Reference, which establish the Committee as Council’s independent assurance and advisory body for oversight of risk management, internal control, legislative compliance, and organisational improvement.
2. The Legal Register supports ARIC in discharging its oversight responsibilities under:
  - a. Section 7.12A of the Local Government Act 1995, which requires Council to consider audit matters and ensure appropriate action is taken;
  - b. The Local Government (Audit) Regulations 1996; and
  - c. ARIC’s Terms of Reference, which require the Committee to monitor matters that may expose the City to legal, compliance, or governance risk and to provide informed advice and assurance to Council.

<b>Consulted References</b>	:	Local Government Act 1995
<b>Previous Reference</b>	:	Audit and Risk Committee – August 2025 – Report AR180.

**AR187: CITY OF ALBANY RISK & OPPORTUNITY MANAGEMENT  
FRAMEWORK — ENTERPRISE RISK MANAGEMENT UPDATE**

<b>Business Entity Name</b>	: City of Albany
<b>Attachments</b>	: City of Albany Risk & Opportunity Management Framework (Proposed)
<b>Report Prepared By</b>	: Manager Governance & Risk
<b>Authorising Officer:</b>	: Chief Executive Officer

**STRATEGIC IMPLICATIONS**

1. This item supports delivery of the City of Albany Strategic Community Plan 2032 (2024 Update) and the Integrated Planning & Reporting Framework by strengthening governance, organisational capability and enterprise decision-making:
  - **Pillar:** 5. Leadership. A well-governed city that uses resources wisely to meet local needs.
  - **Outcomes:** 5.3 *A well-informed and engaged community.*
2. Effective enterprise risk management underpins informed decision-making, accountability and community confidence in local government governance.

**In Brief:**

This report:

- Advises ARIC that a fully revised Risk & Opportunity Management Framework has been developed, aligned with contemporary governance practice and supported by the NEW PULSE ERM system;
- Confirms the proposed Framework will be distributed at the meeting for information and review, and workshopped with Council prior to adoption; and
- Outlines how integrated enterprise risk management (including Corporate Planning and People & Culture/WHS) enables consistent capture, escalation and consolidation of risks to support enterprise oversight and assurance.

**RECOMMENDATION**

**AR187: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR CLARKE  
SECONDED: DIANE EVERS**

**THAT the Authorising Officer Recommendation be ADOPTED.**

**CARRIED 8-0**

AR187: AUTHORISING OFFICER RECOMMENDATION

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

- (1) NOTE the implementation of the NEW PULSE Enterprise Risk Management (ERM) system and associated integration of Corporate Planning and People & Culture risk modules.
- (2) NOTE the proposed revised City of Albany Risk & Opportunity Management Framework, whereby operational risks are recorded within operational systems and consolidated through the Enterprise Risk Management Register for enterprise oversight.
- (3) SUPPORT the continued maturity of integrated enterprise risk reporting to enable thematic analysis, identification of systemic risks and strengthened independent governance oversight.

*\*Thematic for the purpose of this report, meaning: looking for common patterns or recurring issues across many individual risks, rather than focusing on one risk at a time.*

City of Albany Risk & Opportunity Management Framework – Overview

3. The revised Risk & Opportunity Management Framework consolidates previous iterations into a single, contemporary enterprise model and is intended to be presented to Council for workshopping prior to adoption.
4. The City's Risk & Opportunity Management Framework establishes a consistent enterprise approach for identifying, assessing, managing and overseeing risk and opportunity across the organisation.
5. The Framework aligns with AS/NZS ISO 31000:2018 and the City's adopted Risk & Opportunity Management Policy.
6. The model is founded on two core principles:
  - a. **Operational ownership of risk:** Risks are managed closest to where activities occur; and
  - b. **Enterprise oversight and assurance:** Significant risks are escalated to enable executive visibility and independent governance review.
7. The Framework operates through a structured Three Lines assurance model:
  - a. **Operational Management (First Line):** Operational managers identify and manage risks, hazards and opportunities within business activities and operational systems including WHS, projects, assets and corporate planning functions.
  - b. **Executive Oversight (Second Line):** Risks that are strategic, cross-organisational, emerging or requiring coordinated treatment are escalated to the Executive Management Team (EMT) and incorporated into the Enterprise Risk Management Register.
  - c. **Independent Governance and Assurance (Third Line):** ARIC provides independent oversight of the effectiveness of risk management, governance systems and assurance arrangements.

## **BACKGROUND**

8. Contemporary public-sector governance practice emphasises integration between operational risk management and enterprise oversight.
9. The City is progressing toward an integrated enterprise model where:
  - a. risks and opportunities are recorded at the point of activity;
  - b. responsible managers maintain operational accountability; and
  - c. enterprise risks are consolidated to inform executive decision-making and governance assurance.
10. Implementation of the NEW PULSE ERM system provides the enabling platform to support this approach.

## **DISCUSSION**

### Risk Recording and Operational Management

11. Risks, hazards, issues and opportunities are recorded within relevant Enterprise Resource Planning (ERP) systems at the time they are identified, including:
  - a. Workplace Health and Safety systems;
  - b. project and program management systems;
  - c. asset and operational management platforms; and
  - d. corporate planning and performance frameworks.
12. This approach:
  - a. embeds risk management within normal business operations;
  - b. supports real-time monitoring of controls; and
  - c. maintains clear managerial accountability.

### Enterprise Escalation and ERM Register

13. Where a risk or opportunity:
  - a. has enterprise or strategic implications;
  - b. spans multiple directorates; or
  - c. requires coordinated organisational oversight,  
the matter is considered by the Executive Management Team.
14. Significant risks endorsed through this process are incorporated into the Enterprise Risk Management Register, forming the City's consolidated view of enterprise and strategic risk exposure.

PULSE ERM Integration

15. The NEW PULSE ERM platform establishes a single enterprise environment for risk governance and reporting.
16. Current integration activities include:
  - a. migration of Corporate Planning risk information into a dedicated PULSE module, strengthening alignment between strategy, performance and risk; and
  - b. integration of People & Culture risk information, improving visibility of workforce capability and organisational resilience risks.
17. Together, these modules support a unified enterprise risk view over time.

Enterprise Risk Reporting and ARIC Oversight

18. As integration progresses, consolidated enterprise reporting will enable:
  - a. thematic analysis across risk categories;
  - b. identification of systemic and emerging risks; and
  - c. continuous improvement of organisational risk maturity.
19. Enterprise risk themes and assurance insights will be reported periodically to ARIC to support independent governance oversight.

Role of ARIC

20. Within the Risk & Opportunity Management Framework, ARIC's role is to:
  - a. provide independent oversight of the effectiveness of risk management systems and processes;
  - b. review enterprise-level risk themes and systemic issues;
  - c. seek assurance that risks are appropriately identified, escalated and managed; and
  - d. provide governance advice to Council and the CEO regarding risk maturity and assurance coverage.
21. Operational ownership and management of risks remain with management.

**GOVERNMENT & PUBLIC CONSULTATION**

22. Consultation is not required. This matter relates to internal governance and enterprise management arrangements.

## STATUTORY & POLICY IMPLICATIONS

23. The approach supports obligations under:
  - a. Local Government Act 1995;
  - b. Local Government (Audit) Regulations 1996; and
  - c. recognised public-sector governance and assurance practices.
24. The report aligns with the City’s Risk & Opportunity Management Framework and Three Lines assurance model.

## RISK IDENTIFICATION & MITIGATION

25. Risk assessment has been undertaken in accordance with the City’s Enterprise Risk and Opportunity Management Framework:

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Governance:</b> <i>Fragmented visibility of risks across multiple systems.</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Progressive ERP integration into PULSE ERM and EMT oversight.</i>
<b>Assurance:</b> <i>Limited identification of systemic risks.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Consolidated enterprise reporting and thematic analysis.</i>
<b>Operational:</b> <i>Inconsistent risk recording practices.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Framework guidance, leadership expectations and system enablement.</i>

26. Risks identified relate primarily to organisational maturity and integration and are expected to reduce as enterprise capability develops.

## FINANCIAL IMPLICATIONS

27. No additional financial implications arise.
28. Implementation and integration activities are being delivered within approved resources..

## LEGAL IMPLICATIONS

29. The approach strengthens compliance with legislative expectations relating to governance, risk oversight and assurance.

## CONCLUSION

30. Implementation of the NEW PULSE ERM system represents a significant advancement in the City’s enterprise risk management capability.
31. The evolving model:
  - a. maintains operational ownership of risk;
  - b. strengthens executive visibility and coordination;
  - c. enables organisational learning through enterprise analysis; and
  - d. supports effective independent oversight by ARIC.

<b>Consulted References</b>	:	Local Government Act 1995
<b>Previous Reference</b>	:	Initial Review Draft – Audit & Risk Committee – August 2025

**AUDIT & RISK COMMITTEE**

MINUTES – 03/03/2026

**9. CLOSE OF MEETING**

There being no further business the Presiding Member declared the meeting closed at 7.08pm.

*(Unconfirmed Minutes)*

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Paul Martin  
**PRESIDING MEMBER**