SHIRE OF KOJONUP

MINUTES

Ordinary Council Meeting

28 July 2026

The Shire of Kojonup has a set of six guiding principles it uses when making decisions. These principles are checked and enhanced every two years in line with the Strategic Community Plan review schedule.

The Shire of Kojonup Decision Making Guiding Principles (2019)

Community members are encouraged to use the same six guiding principles when making local and working party decisions or recommendations.

1. **People First**
   when considering public spaces, people will be given precedence, over transport and business.

2. **Sharp Funding**
   short and long term financial implications will be considered, along with collaborative ownership options

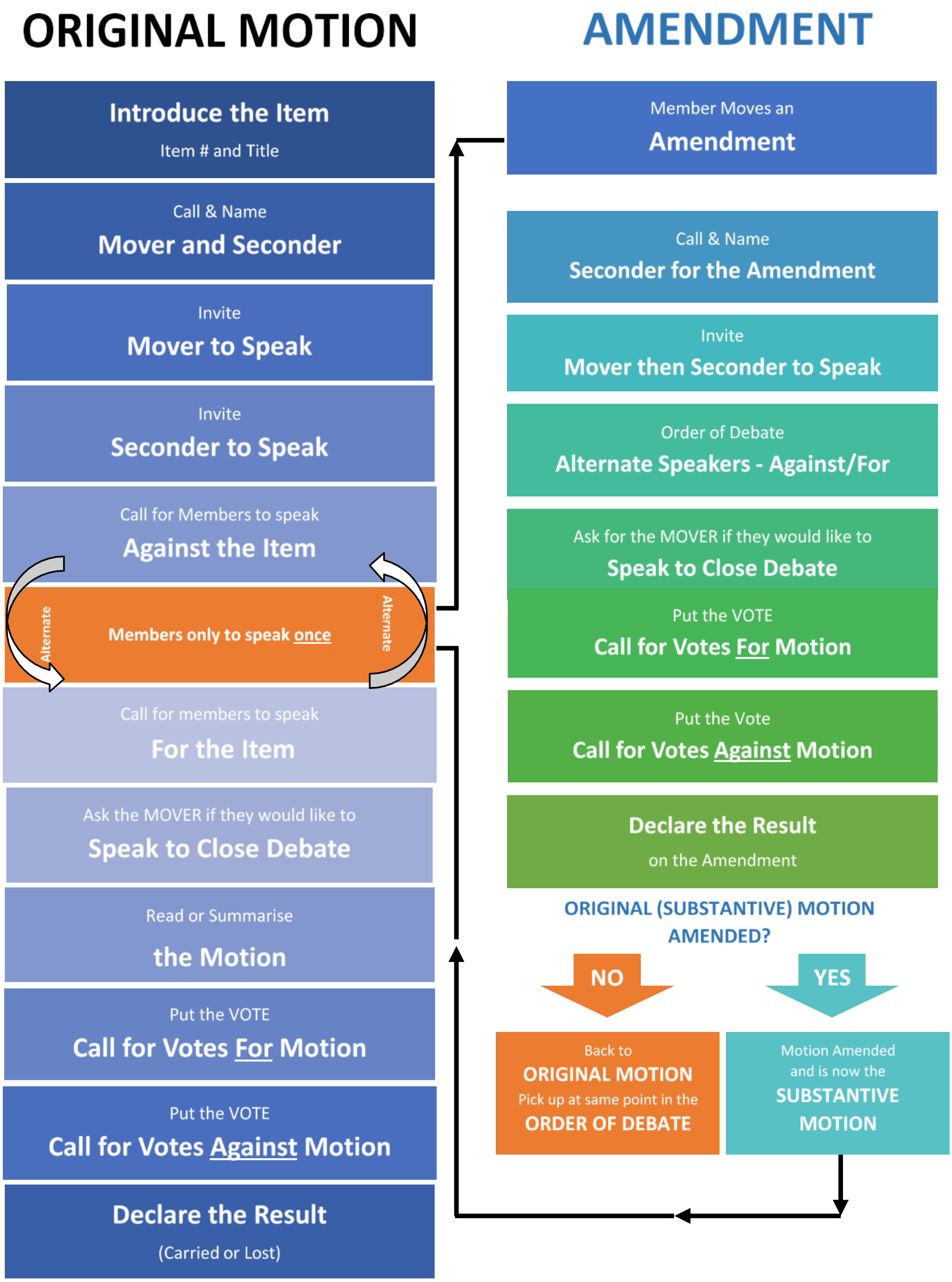
3. **Analysis-based**
   objective and evidence-based data and insights must support decision making

4. **Past and Present**
   forward-thinking growth is encouraged, whilst we consider and celebrate the past.

5. **Compliance**
   appropriate compliance and tolerable risk is considered, although not so much as to fatigue or delay growth.

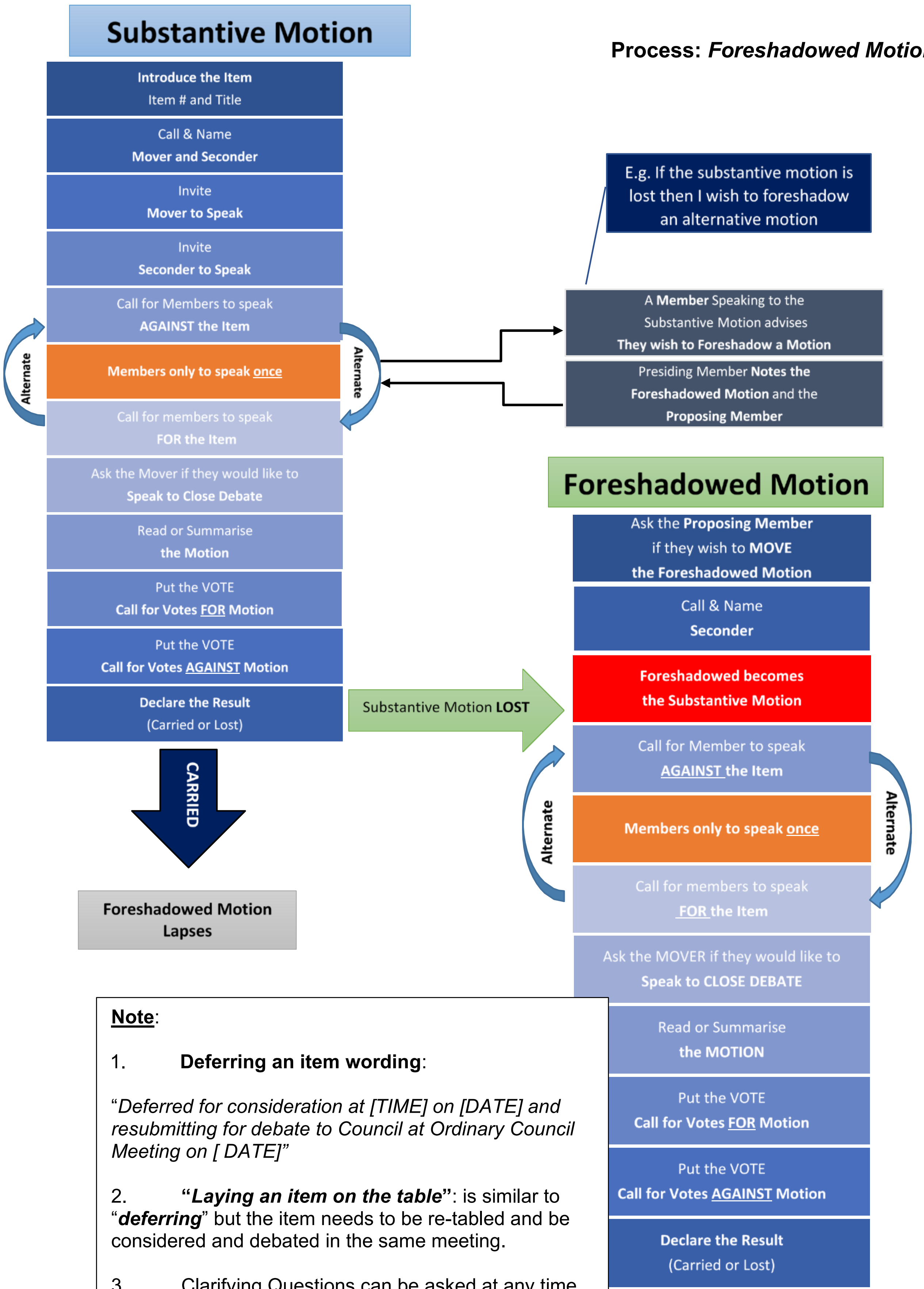
6. **Leading community outcomes**
   community strategic direction, plus regional impact and state-wide needs are fused together when making decisions.

Process of Substantive Motion, Amendment to Motion and Foreshadowed Motion



Minor clarification of wording of motions: A minor amendment of the motion can be done at any time through the Presiding Member with the approval of the Mover and the Seconder.

Process: *Foreshadowed Motion*



Note:

1. **Deferring an item wording**:

"*Deferred for consideration at [TIME] on [DATE] and resubmitting for debate to Council at Ordinary Council Meeting on [DATE]*"

2. ***"Laying an item on the table"***: is similar to "***deferring***" but the item needs to be re-tabled and be considered and debated in the same meeting.

3. Clarifying Questions can be asked at any time, BUT cannot be debated.

MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 28 JULY 2026

TABLE OF CONTENTS

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Shire President declared the meeting open at 3.04pm and drew the meeting's attention to the disclaimer below:

Disclaimer

No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting. No responsibility whatsoever is implied or accepted by the Shire of Kojonup for any act, omission or statement or intimation occurring during Council or committee meetings.

Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire cautions that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or committee meeting does so at that person's or legal entity's own risk.

The Shire of Kojonup advises that anyone who has any application lodged with the Shire of Kojonup shall obtain and should only rely on written confirmation of the outcome of the application, and any conditions attaching to the decision made by the Shire of Kojonup in respect of the application.

These minutes are not a verbatim record but include the contents pursuant to Regulation 11 of Local Government (Administration) Regulations 1996. The meeting is audio recorded.

Acknowledgement of Country

The Shire of Kojonup acknowledges the first nations people of Australia as the Traditional custodians of this land and in particular the Keneang people of the Noongar nation upon whose land we meet.
We pay our respect to their Elders past, present and emerging.

Prayer

Almighty God, we pray for wisdom for our reigning monarch King Charles.
We ask for guidance in our decision making and pray for the welfare of all the people of Kojonup.
Grant us grace to listen and work together as a Council to nurture the bonds of one community.
Amen

2. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

Nil

3. RECORD OF ATTENDANCE AND APOLOGIES

3.1 ATTENDANCE

COUNCILLORS

Cr Roger Bilney	Shire President
Cr Michael Mathwin	Deputy President
Cr Cindy Wieringa	Councillor
Cr Kerryn Mickle	Councillor
Cr Craig Mitchell	Councillor
Cr Cherilyne Michael	Councillor

SHIRE OFFICERS

Grant Thompson	Chief Executive Officer
Jill Johnson	Deputy Chief Executive Officer
Estelle Lottering	Manager Regulatory Services
Nerrida Robinson	Rates Officer
Judy Stewart	Governance Officer

3.2 APOLOGIES

Nil

3.3 PUBLIC GUESTS

Steve McGuire	Neighbour to Kojonup Wind Farm, Jingalup
Stacy Williams	Neighbour to Kojonup Wind Farm, Jingalup
Mark Conway	Frogfoot Goats

3.4 APPROVED LEAVE OF ABSENCE

Cr Ned Radford	

4. DECLARATION OF INTEREST

Nil

5. PUBLIC QUESTION TIME

5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5.2 PUBLIC QUESTION TIME

Steve McGuire (3.04pm)	Neighbour to Kojonup Wind Farm, Jingalup
Stacy Williams (3.04pm)	Neighbour to Kojonup Wind Farm, Jingalup
Marc Conway (3.14pm)	Frogfoot Goats, Kojonup

5.2.1 PUBLIC QUESTION TIME

5.2.1.1 STEVE MCGUIRE/STACY WILLIAMS – KOJONUP WIND FARM LIGHTING

On behalf of Mr Williams and himself, Mr McGuire expressed appreciation to the Shire of Kojonup (Shire) and its Administration for seeking a better deal for the Kojonup Wind Farm neighbours and the Shire.

Mr McGuire requested the Shire to take the position of lights either not being there or they be radar activated and to push for that position; the Shire President advised that this is the position the Shire strongly supports. The Chief Executive Officer (CEO) advised that further comment could not be made as the matter is still in mediation, but that the Shire appreciates comments and will take these onboard and into consideration.

In response to a query from Mr Williams regarding recipients of an email seeking submissions from neighbours, the Manager Regulatory Services and CEO clarified that the Shire is not conducting further public consultation but is seeking near neighbour input; in particular, from those people who do not have neighbour agreements. The Shire's previous position was that there needs to be lights and that they need to be radar controlled - this position was accepted, the DAP (Development Assessment Panel) has been appealed and the Shire is now in mediation in that process. The Shire is seeking feedback on that position, advising that all feedback will be taken onboard.

The CEO advised that a lot of discussion has taken place around each of the conditions that were appealed and there has been a position formed that will go back to the DAP for consideration.

The CEO also advised, in response to Mr Williams' request that the Shire continues to fight hard for the community, that the Shire's policy and its interaction with the DAP is clear and that a lot of the decisions are out of the Shire's hands; the Shire does not have the ability to have a third-party appeal and are dependent on the planning experts. Mr Williams requested the Shire use its leverage as much as possible. The CEO stated that the DAP and conditions for underground transmission lines are clear.

5.2.1.2 MARC CONWAY

Mr Marc Conway raised issues he had with St John Ambulance and the Police in Kojonup. Mr Conway explained an occasion where he was dissatisfied with those organisations' actions and asked if the Shire could look at whether ambulance officers can be re-trained and to look at our volunteer ambulance system.

The CEO advised Mr Conway that the Shire does not have any jurisdiction, influence or authority over the organisations referred to and suggested Mr Conway write to the organisations concerned.

Mr Conway also spoke about an organisation called Crisis Care that has previously operated across the shires of Kojonup and Katanning; however, he believed this organisation was no longer there. The Shire President stated that the Shire may review this with Katanning.

Some details from the above discussion have been omitted in accordance with legislative requirements restricting the disclosure of personal information in accordance with s. 5.23 (2) and s. 5.23A of the *Local Government Act 1995 (Act)* and various regulations within the Local Government (Administration) Regulations 1996.

Steve McGuire, Stacy Williams, and Marc Conway left the meeting at 3.23pm.

The Manager Regulatory Services left the meeting at 3.23pm and returned at 3.24pm.

6. CONFIRMATION OF MINUTES

6.1 MINUTES OF ORDINARY COUNCIL MEETING - 23 JUNE 2026

Unconfirmed Minutes of an Ordinary Council Meeting held 23 June 2026 are at Attachment 6.1.1 – Minutes Ordinary Council Meeting – 23 June 2026 Unconfirmed

OFFICER RECOMMENDATION/COUNCIL MOTION

That the Minutes of an Ordinary Council Meeting held 23 June 2026 be confirmed as a true record.

MOTION #:	65/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mickel
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

7. PRESENTATIONS

Nil

7.1 PETITIONS

Nil

7.2 PRESENTATIONS

Nil

7.3 DEPUTATIONS

Nil

7.4 DELEGATES' REPORTS

Nil

8. METHOD OF DEALING WITH AGENDA BUSINESS

Item 13.1.3 (Urgent Business) was inserted ahead of Council's consideration of Item 9.1.2.

9. REPORTS

9.1 KEY PILLAR '*LIFESTYLE*' REPORTS

9.1.1 SHIRE OF KOJONUP LIVEABILITY AND WELLBEING PLAN 2026-2031

REPORTING OFFICER:	Paul Clifton – Environmental Health Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.1.1.1 – Shire of Kojonup Liveability and Wellbeing Plan 2026-2031 - DRAFT

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Lifestyle	1. Proactive Community Spirit.	2.6 Wellbeing advancement

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council endorsement to advertise the Draft Shire of Kojonup Liveability and Wellbeing Plan 2026–2031 for public consultation prior to final adoption.

Should Council endorse the Shire of Kojonup Liveability and Wellbeing Plan 2026 – 2031, the document will be made available for a period of 28 days, commencing on a date determined by the Chief Executive Officer. Public notice will be provided through the Shire's website, social media platforms, and any other appropriate communication channels. Submissions received during the advertising period will be considered by administration and presented to Council for consideration prior to final adoption of the document.

BACKGROUND

In 2016, the *Public Health Act 2016* (the Act) was introduced to provide a modern more flexible and risk-based approach to public health regulation. Part 2, Division 2 stipulates that local governments must initiate, support and manage public health planning for its district.

The Act provides a framework that promotes and manages current and emerging public health risks in WA and acknowledges that the Department of Health and local governments share a statutory responsibility for public health.

Part 5 of the Act was mandated on 4 June 2024, requiring the Western Australian Chief Health Officer to publish the State Public Health Plan 2025-2030 by 4 June 2025, with local governments finalising their health plans by June 2026.

The Shire requested and received an extension for the adoption of a local public health plan. The due date for submission of the Shire of Kojonup Public Health Plan is 30 September 2026.

COMMENT

Local public health plans are required to be consistent with and align to the objectives of the State Public Health Plan whilst responding to local public health risks and emerging issues, for example, vaping.

Public health planning encompasses every aspect of our lives that enables us to thrive. It provides the safeguards, policies and programs designed to protect, maintain, promote, and improve the health of individuals and their communities and to prevent and reduce the incidence of illness and disability. By actively planning for the best public health outcomes, we can support and drive the changes required to ensure our communities remain healthy and resilient. The Plan will also provide an avenue for ongoing communication with the local community.

Public Health Plans are subject to ongoing review and reporting on an annual basis and must be renewed in their entirety every five years.

The Draft Shire of Kojonup Liveability and Wellbeing Plan 2026–2031 provides a strategic framework to support the health, safety and wellbeing of the Kojonup community. Endorsement for public consultation will enable community feedback to be considered before the Plan is returned to Council for final adoption.

CONSULTATION

West Australian Country Health Service
Injury Matters
Community Survey undertaken (Seventy one responses)
Workshops & information sessions
Local Emergency Management Committee

STATUTORY REQUIREMENTS

Public Health Act 2016(WA), Part 2 Division 2 and Part 5

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The Shire of Kojonup Liveability and Wellbeing Plan 2026 – 2031 has objects outlined in the plan that require budget considerations over the five-year period. Budget considerations will be requested annually when applicable.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Compliance	Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework.	External Audits	Annual Reporting

RISK RATING:	ADEQUATE
IMPLICATIONS	
Failure to prepare and implement a Local Public Health Plan may result in non-compliance with the *Public Health Act 2016* and reduced capacity to identify and respond to local health and wellbeing issues.	

ASSET MANAGEMENT IMPLICATIONS

Nil.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council endorse the Shire of Kojonup Liveability and Wellbeing Plan 2026 – 2031 for the purpose of public advertising and community consultation.

MOTION #:	66/26
MOVED:	Cr Mitchell
SECONDED:	Cr Micheal
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

13.3 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

This item needs to be considered by Council and a resolution reached.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COUNCIL MOTION That Council approves the following matter to be considered at this Ordinary Meeting of Council dated 28 July 2026, in accordance with clause 5.4 of the Shire of Kojonup (Council Meetings) Local Law 2020, as follows: • Item 13.1.3 – Muradup Community Advisory Committee - Terms of Reference Amendment	
MOTION #:	67/26
MOVED:	Cr Wieringa
SECONDED:	Cr Mickel
VOTE:	6/0 by Absolute Majority
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

13.1.3 MURADUP COMMUNITY ADVISORY COMMITTEE – TERMS OF REFERENCE AMENDMENT

REPORTING OFFICER:	Judy Stewart – Governance Officer
DATE:	Tuesday, 28 July 2026
ATTACHMENT(S):	9.1.2.1 - Muradup Community Advisory Committee -Terms of Reference 2025

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is for Council to consider amending the Muradup Community Advisory Committee (Committee) Terms of Reference by increasing the number of community committee members on the Committee.

BACKGROUND

Council established the Muradup Community Advisory Committee to provide advice and recommendations to Council on matters concerning the governance, planning, maintenance and operations of the Muradup Hall, together with other assets in the Muradup townsite as requested by Council.

The Terms of Reference provide that the Committee will support the community's involvement in the day-to-day management and minor maintenance of the Muradup Hall while the Shire retains governance, administrative and financial oversight.

The Terms of Reference currently allow for three to four Muradup community members to be appointed by Council. Community members are expected to act in the best interests of the Shire of Kojonup as a whole, apply good judgement, raise matters relevant to the Committee's responsibilities, observe applicable legal and regulatory obligations, and comply with confidentiality and Code of Conduct requirements.

COMMENT

Due to the level of interest expressed by the Community, by way of nominations for Committee membership, it is suggested that the Council consider increasing the number of members representing the community to five (5).

As the Committee is advisory only, appointments do not confer executive authority, delegated financial responsibility or operational control over Shire functions.

It is recommended that Council amend the Committee Terms of Reference to include five (5) community members.

CONSULTATION

Council Briefing Session – 28 July 2026

STATUTORY REQUIREMENTS

Local Government Act 1995 – sections 5.8 to 5.25 relating to committees, committee membership and committee meetings.

Local Government (Administration) Regulations 1996 – regulations 14 to 14B relating to committees and committee membership requirements.

POLICY IMPLICATIONS

Committee members are required to comply with the Shire's Code of Conduct for Council Members, Committee Members and Candidates, confidentiality requirements and any relevant governance procedures applying to advisory committees.

No policy amendments are required as a result of this report.

FINANCIAL IMPLICATIONS

Nil. Community members of the Muradup Community Advisory Committee are not remunerated. The Committee is advisory only and has no delegated financial responsibility.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
6 – Engagement Practices	Failure to maintain effective working relationships with community members, volunteers and stakeholders regarding the ongoing use, maintenance and governance of the Muradup Hall and related Muradup community matters.	Council-approved Terms of Reference, Code of Conduct requirements, confidentiality obligations, CEO administrative support and Council oversight of appointments.	Appoint community members to enable the Committee to commence its advisory role and provide structured community input to Council.

RISK RATING:	ADEQUATE
IMPLICATIONS	
Appointing community members supports structured engagement with the Muradup community and reduces the risk of informal or inconsistent advice being provided to Council. The Terms of Reference clarify that the Committee is advisory only and does not have executive powers, operational authority or delegated financial responsibility.	

ASSET MANAGEMENT IMPLICATIONS

The Muradup Hall remains vested in the Shire of Kojonup. The appointment of community members does not change the Shire's asset ownership or responsibility. The Committee will provide advice and community input on matters concerning maintenance, operations and future planning for the Muradup Hall and other Muradup townsite assets as requested by Council.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION
That Council amends its Muradup Community Advisory Committee Terms of Reference increasing community membership to five (5) community members.

COUNCIL MOTION **That Council amends its Muradup Community Advisory Committee Terms of Reference increasing community membership to a maximum of five (5) community members.**	
MOTION #:	68/26
MOVED:	Cr Michael
SECONDED:	Cr Wieringa
VOTE:	6/0 by Absolute Majority
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil
Reason for change to Officer Recommendation:	To allow flexibility of community membership, within quorum requirements, to a maximum of five (5).

9. REPORTS continued

9.1 KEY PILLAR ‘*LIFESTYLE*’ REPORTS CONTINUED…

9.1.2 APPOINTMENT OF COMMUNITY MEMBERS – MURADUP COMMUNITY ADVISORY COMMITTEE

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Friday, 24 July 2026
ATTACHMENT(S):	9.1.2.1 - Muradup Community Advisory Committee -Terms of Reference 2025 9.1.2.2 - Community Member nomination forms – Muradup Community Advisory Committee

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil.

PURPOSE OF THIS REPORT

The purpose of this report is for Council to consider the community member nominations received for the Muradup Community Advisory Committee and to appoint three community members in accordance with the Committee’s Terms of Reference.

BACKGROUND

Council has established the Muradup Community Advisory Committee to provide advice and recommendations to Council on matters concerning the governance, planning, maintenance and operations of the Muradup Hall, together with other assets in the Muradup townsite as requested by Council.

The Terms of Reference provide that the Committee will support the community’s involvement in the day-to-day management and minor maintenance of the Muradup Hall while the Shire retains governance, administrative and financial oversight.

The Terms of Reference allow for three to four Muradup community members to be appointed by Council. Community members are expected to act in the best interests of the Shire as a whole, apply good judgement, raise matters relevant to the Committee’s responsibilities, observe applicable legal and regulatory obligations, and comply with confidentiality and Code of Conduct requirements.

COMMENT

The Shire has received nominations for community membership of the Muradup Community Advisory Committee. The nomination material confirms nominations for:

1. Paul Joseph Grant,
2. Caroline Lindsell,
3. Courtney Piesse,
4. Nathan Leitch,
5. Brad Greeuw, and
6. Coral Greeuw.

The Committee's Terms of Reference provide for three to four Muradup community members as agreed and approved by Council; however, the matter before Council is to recommend three appointments at this stage.

Council may choose to add a fourth appointment if it so decides.

In making appointments, Council should have regard to the purpose of the Committee, the need for constructive and professional engagement with the Shire, and the ability of nominees to contribute to the management, maintenance and ongoing use of the Muradup Hall and related community matters.

As the Committee is advisory only, appointments do not confer executive authority, delegated financial responsibility or operational control over Shire functions.

It is recommended that Council appoint three community members at this stage. This maintains a workable Committee size, supports timely establishment of the Committee, and allows Council to consider further appointments in future should an additional community member be required within the Terms of Reference limit of three to four community members.

CONSULTATION

Muradup community nomination process.

Muradup community members and nominees.

Council Briefing Sessions

STATUTORY REQUIREMENTS

Local Government Act 1995 – sections 5.8 to 5.25 relating to committees, committee membership and committee meetings.

Local Government (Administration) Regulations 1996 – regulations 14 to 14B relating to committees and committee membership requirements.

POLICY IMPLICATIONS

Committee members are required to comply with the Shire's Code of Conduct for Council Members, Committee Members and Candidates, confidentiality requirements and any relevant governance procedures applying to advisory committees.

No policy amendments are required as a result of this report.

FINANCIAL IMPLICATIONS

Nil. Community members of the Muradup Community Advisory Committee are not remunerated. The Committee is advisory only and has no delegated financial responsibility. Any community funds made available for Muradup purposes are to be managed through the Shire's financial governance arrangements, including any relevant reserve account process.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
6 – Engagement Practices	Failure to maintain effective working relationships with community members, volunteers and stakeholders regarding the ongoing use, maintenance and governance of the Muradup Hall and related Muradup community matters.	Council-approved Terms of Reference, Code of Conduct requirements, confidentiality obligations, CEO administrative support and Council oversight of appointments.	Appoint community members to enable the Committee to commence its advisory role and provide structured community input to Council.
RISK RATING:	ADEQUATE		
IMPLICATIONS			
Appointing community members supports structured engagement with the Muradup community and reduces the risk of informal or inconsistent advice being provided to Council. The Terms of Reference clarify that the Committee is advisory only and does not have executive powers, operational authority or delegated financial responsibility.			

ASSET MANAGEMENT IMPLICATIONS

The Muradup Hall remains vested in the Shire of Kojonup. The appointment of community members does not change the Shire's asset ownership or responsibility. The Committee will provide advice and community input on matters concerning maintenance, operations and future planning for the Muradup Hall and other Muradup townsite assets as requested by Council.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION

That Council:

1. Appoints the following three community members to the Muradup Community Advisory Committee for the 2026/2027 period, term ends at the Local Government Election date 2027, being:

    a) ___________________________________;

    b) ___________________________________; and

    c) ___________________________________.

2. Notes that the Muradup Community Advisory Committee is advisory only and operates in accordance with its Council-approved Terms of Reference, including the requirement for members to comply with the Code of Conduct, confidentiality obligations and applicable local government meeting requirements.

COUNCIL MOTION	

COUNCIL MOTION

That Council:

1. Appoints the following five community members to the Muradup Community Advisory Committee for the 2026/2027 period, term ends at the Local Government Election date 2027, being:

    a) Paul Joseph Grant,
    b) Caroline Lindsell,
    c) Courtney Piesse,
    d) Nathan Leitch, and
    e) Brad Greeuw.

2. Notes that the Muradup Community Advisory Committee is advisory only and operates in accordance with its Council-approved Terms of Reference, including the requirement for members to comply with the Code of Conduct, confidentiality obligations and applicable local government meeting requirements.

MOTION #:	69/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mickel
VOTE:	6/0 by Absolute Majority
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil
Reason for change to Officer Recommendation:	To allow all five (5) nominees to be appointed.

9.2 KEY PILLAR '*ECONOMICS*' REPORTS

9.2.1 PROPOSED RESIDENTIAL HOUSING DEVELOPMENT – KATANNING ROAD SUBDIVISION

REPORTING OFFICER:	Grant Thompson - Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.2.1.1. Correspondence from prospective developer – affordable rental housing proposal for Kojonup

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Lifestyle	1 Diverse Accommodation Options	1.2 House, land development Stimulus

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to present Council with a proposal received from a prospective regional property developer seeking to acquire suitable land within the Katanning Road subdivision in Kojonup for the purpose of constructing affordable rental housing, and to seek Council direction on whether the Chief Executive Officer should progress preliminary due diligence and negotiations.

BACKGROUND

The Shire has received correspondence from a prospective regional property developer expressing interest in acquiring suitable land in Kojonup for a residential housing development. The proposal identifies land behind Katanning Road, being the Katanning Road subdivision, as the land available for potential development. The proponent has indicated an interest in constructing a mix of one-bedroom, two-bedroom and three-bedroom homes, with the stated objective of providing affordable rental housing for families, workers and essential service staff.

The proponent has advised that, if approximately 20 houses were developed, the project could potentially attract new families to Kojonup, increase school-aged population, support local businesses through increased local expenditure, and contribute to broader community and economic activity.

The proposal is preliminary and remains subject to land availability, Council decision-making, planning assessment, servicing capacity, commercial terms, valuation, statutory disposal requirements and any other due diligence required by the Shire.

COMMENT

The proposal aligns with Council's broader interest in addressing housing availability, supporting population growth and strengthening the economic and social sustainability of Kojonup. Affordable rental housing is a recognised constraint in many regional communities, particularly where housing supply affects the ability of families, workers and essential service staff to relocate or remain in town. A development of the scale proposed could contribute positively to local liveability and business confidence if appropriately planned and delivered.

At this stage, the proposal should be treated as an expression of interest rather than an approved project or agreed land transaction. The Shire would need to assess the suitability of the Katanning Road subdivision for the proposed housing mix, including zoning, lot configuration, servicing capacity, access, drainage, infrastructure obligations, planning approvals, tenure, market valuation and any restrictions or conditions applying to the land. Any future sale, lease or other disposal of Shire land would need to comply with the *Local Government Act 1995* and any relevant Council policy or statutory process.

It is recommended that Council authorise the Chief Executive Officer to undertake preliminary due diligence and engage with the proponent on a without-prejudice basis.

This would allow the Shire to clarify the proposal, confirm the status and development capacity of the Katanning Road subdivision, obtain any necessary valuation or servicing advice, and prepare a further report to Council before any binding decision is made.

CONSULTATION

Initial correspondence has been received from the proponent. Further consultation will be required with the proponent, Shire planning and infrastructure officers, relevant servicing agencies, and any other stakeholders identified through due diligence.

STATUTORY REQUIREMENTS

Local Government Act 1995 section 3.58 applies to the disposal of local government property and provides that, except as otherwise stated, a local government may dispose of property by public auction or public tender, or by giving local public notice of the proposed disposition, inviting submissions for at least two weeks, considering submissions, and recording the decision and reasons where the decision is made by Council or a committee. The statutory notice details include the parties, consideration and market value based on a valuation obtained within the required timeframe.

Any subdivision, development approval, servicing or built form requirements would also need to be assessed under the applicable planning framework, including the *Planning and Development Act 2005*, the Shire’s local planning scheme, relevant State Planning Policies and any Western Australian Planning Commission requirements.

POLICY IMPLICATIONS

Relevant Shire policies relating to land transactions, procurement, asset management, planning and community consultation may apply and will be reviewed as part of due diligence. No policy breach is proposed by this report, as the recommendation is limited to preliminary assessment and does not authorise disposal of land.

FINANCIAL IMPLICATIONS

There are no immediate financial implications arising from receiving the proposal or authorising preliminary due diligence, other than officer time and any minor advisory costs that may be required within existing budget capacity. Any future land disposal, development contribution, infrastructure upgrade, servicing obligation or incentive arrangement would require separate financial assessment and a further report to Council.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Compliance	Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation. It includes (amongst others) the *Local Government Act 1995, Planning & Development Act 2005, Health Act 2016, Building Act 2011, Dog Act 1976, Cat Act 2011, Freedom of Information Act 1992* and all other legislative based obligations for Local Government.	Tender and Procurement process	Process Review
RISK RATING:	HIGH/ADEQUATE		
IMPLICATIONS			
The principal risk is that expectations could be created before Council has confirmed the legal, planning, servicing and commercial feasibility of the proposal. This risk is managed by limiting the current decision to preliminary due diligence and requiring a further Council report before any binding commitment is made.			

ASSET MANAGEMENT IMPLICATIONS

Potential asset management implications include the future disposal or development of Shire-controlled land, possible infrastructure servicing requirements, access, drainage, road interface and any whole-of-life impacts on Shire assets. These matters will be assessed during due diligence and reported back to Council before any final decision.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil direct implications at this stage. Improved housing supply in Kojonup may have broader regional workforce and liveability benefits; however, no direct Great Southern VROC project impact has been identified.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Notes the proposal received from a prospective regional property developer seeking to acquire suitable land within the Katanning Road subdivision for the purpose of developing affordable rental housing in Kojonup;
2. Acknowledges that the proposal is preliminary and does not constitute approval of a land transaction, development application, incentive arrangement or binding commitment by the Shire;
3. Authorises the Chief Executive Officer (CEO) to undertake preliminary due diligence, including land status, planning, servicing, valuation, statutory compliance and commercial considerations;
4. Directs the CEO to undertake a Major Land Transaction Business case for Council's consideration; and
5. Requests that a further report be presented to Council before any decision is made to dispose of land, enter into an agreement or otherwise facilitate any proposed development.

MOTION #:	70/26
MOVED:	Cr Mitchell
SECONDED:	Cr Michael
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.3 KEY PILLAR '*VISITATION*' REPORTS

9.3.1 TESLA ELECTRIC VEHICLE EXPANSION

REPORTING OFFICER:	Dwayne Lottering – Property Services Manager
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.3.1.1 – Tesla – Supercharger License Deed of Amendment – Expansion – Kojonup WA 9.3.1.2 – Tesla Supercharger License Agreement

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil.

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council endorsement to enter into a First Deed of Amendment to the existing Tesla Supercharger Licence Agreement to allow Tesla Motors Australia Pty Ltd to expand the existing electric vehicle charging station at Benn Parade, Kojonup, by installing four additional charging posts.

The amendment increases the approved Supercharger Station from four dedicated parking/charging spaces to eight dedicated parking/charging spaces.

BACKGROUND

The Shire of Kojonup and Tesla Motors Australia Pty Ltd entered into a Tesla Supercharger Licence Agreement dated 4 September 2023 for the installation and operation of an electric vehicle charging station on part of Reserve 6171, under Management Order M697672, being Lot 300 on Deposited Plan 180687. The existing licence approved four dedicated charging stalls and associated equipment space for the Supercharger Station.

The Licence Agreement recognises the value of an electric vehicle charging station to provide services to electric vehicle drivers and to increase the visibility of, and visitation to, the property. The existing agreement provides that Tesla is responsible for the installation of the infrastructure and trade fixtures for the Supercharger Station, including utility connections, concrete pads, conduit, wiring and related installations.
Tesla has requested to expand the existing Supercharger Station by adding a further four charging posts at the current location. The proposed First Deed of Amendment gives effect to this expansion by amending the existing licence agreement rather than creating a new agreement.

COMMENT

The proposed amendment would update the existing licence arrangements so that the premises comprise eight parking spaces to house eight Superchargers and approximately 25–40 square metres of space for equipment. It also updates the dedicated stall wording from “all 4 parking spaces” to “all 8 parking spaces”.

The amendment also replaces the commencement date for the expanded Supercharger Station so that commencement occurs when the expansion works are complete and the Supercharger Station is operational and open to the public. The new Exhibit A identifies the additional four charging posts to be installed, shown in red/magenta on the proposed site plan. Schedule B is amended from four charging posts to eight charging posts and from one Tesla Supercharger to two Tesla Superchargers.

Except for the changes set out in the First Deed of Amendment, the existing terms and conditions of the Licence Agreement remain unchanged and in full force and effect. The existing agreement includes provisions dealing with installation, use, utilities, maintenance, signage, indemnity, insurance, confidentiality, Ministerial consent and removal/restoration obligations. Tesla remains responsible for its infrastructure, trade fixtures, utility services and maintenance obligations in accordance with the Licence Agreement.

The expansion would provide additional electric vehicle charging capacity at an already-established location.

This is expected to support residents, visitors and through-traffic using Benn Parade and the Kojonup townsite, while retaining the existing licence framework and land management controls.

CONSULTATION

Tesla Motors Australia Pty Ltd.
Chief Executive Officer and relevant Shire officers.
Minister for Lands/State approval processes, where required under the existing Crown land arrangements.

STATUTORY REQUIREMENTS

Land Administration Act 1997 (WA) – the existing Licence Agreement identifies that the premises are on Crown Reserve land and that entry into the licence is subject to prior written Ministerial approval under section 18 of the Act.

The Licence Agreement records that the land is Reserve 6171 under Management Order M697672, being Lot 300 on Deposited Plan 180687.

Any execution of the Deed of Amendment should be subject to all required approvals, consents or procedural requirements applicable to the Crown land management order and the Council’s execution processes.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

There are no direct unbudgeted financial implications identified for Council arising from the proposed amendment. Under the existing Licence Agreement, Tesla is responsible for the cost of installation of the Supercharger Station infrastructure and trade fixtures, licensee-related utility services and maintenance of the trade fixtures.

The Shire's normal responsibility to maintain common areas of the property continues to apply.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
3 – Compliance	Risk that the expansion proceeds without the required approvals, clear authorisation or consistency with the existing licence arrangements.	Existing Licence Agreement, First Deed of Amendment, Ministerial consent requirements, Council resolution and delegated execution controls.	Council consideration of the Deed of Amendment and execution subject to required consents and non-material final amendments.
6 – Infrastructure / Service Continuity	Risk of disruption to parking, public access or charging availability during expansion works and ongoing operation.	Existing license provisions for construction, maintenance, utilities, temporary impairment, signage and insurance	Tesla to coordinate works and ongoing operation with Shire officers under the license Framework.
RISK RATING:	**ADEQUATE**		
IMPLICATIONS			
The amendment formalizes the additional charging capacity and keeps the expansion within the existing license structure. Council authorization and required approvals reduce legal, property and operational risks.			

ASSET MANAGEMENT IMPLICATIONS

The additional charging infrastructure and trade fixtures will be installed, maintained and replaced at Tesla's cost under the Licence Agreement. The existing agreement provides that Tesla's trade fixtures remain Tesla's property, while infrastructure is to be left in a safe condition and becomes the property of the Licensor upon termination, except for infrastructure upstream of the meter.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION

That Council:

1. Notes the request from Tesla Motors Australia Pty Ltd to expand the existing Tesla Supercharger Station at Benn Parade, Kojonup by installing four additional charging posts, increasing the station from four to eight charging posts and dedicated charging spaces.

2. Endorses the First Deed of Amendment to the Tesla Supercharger Licence Agreement, substantially in the form presented at Attachment 9.3.1.1, for the expansion of the existing Supercharger Station.

3. Authorises the Chief Executive Officer to finalise the Deed of Amendment, including any minor administrative or non-material changes required to give effect to Council's decision.

4. Authorises the Shire President and Chief Executive Officer to execute the Deed of Amendment on behalf of the Shire of Kojonup, subject to any required Minister for Lands or State approval and satisfaction of the Shire's usual execution requirements.

MOVED:	Cr Wieringa
SECONDED:	Cr Mitchell

AMENDMENT TO THE MOTION That Point 2 be amended to read that Council: Endorses a Deed of Amendment to the Tesla Supercharger Licence Agreement with the Chief Executive Officer and President given delegated authority to re-negotiate conditions of the Licence Agreement (presented at Attachment 9.3.1.1);	
MOTION #:	71/26
MOVED:	Cr Mitchell
SECONDED:	Cr Michael
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

THE AMENDMENT BECAME PART OF THE MOTION AND WAS PUT

COUNCIL MOTION

That Council:

1. Notes the request from Tesla Motors Australia Pty Ltd to expand the existing Tesla Supercharger Station at Benn Parade, Kojonup by installing four additional charging posts, increasing the station from four to eight charging posts and dedicated charging spaces.

2. Endorses a Deed of Amendment to the Tesla Supercharger Licence Agreement with the Chief Executive Officer and President given delegated authority to re-negotiate conditions of the said Licence Agreement (presented at Attachment 9.3.1.1);

3. Authorises the Chief Executive Officer to finalise the Deed of Amendment, including any minor administrative or non-material changes required to give effect to Council's decision.

4. Authorises the Shire President and Chief Executive Officer to execute the Deed of Amendment on behalf of the Shire of Kojonup, subject to any required Minister for Lands or State approval and satisfaction of the Shire's usual execution requirements.

MOTION #:	72/26
MOVED:	Cr Wieringa
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil
Reason for change to Officer Recommendation:	To provide the President and Chief Executive Officer delegated authority to re-negotiate conditions of the Licence Agreement with Tesla.

The Manager Regulatory Services left the meeting at 3.56pm.

9.4 KEY PILLAR '*PERFORMANCE*' REPORTS

9.4.1 FINANCIAL MANAGEMENT – MONTHLY STATEMENT OF FINANCIAL ACTIVITY (JUNE 2026)

REPORTING OFFICER:	Jill Johnson – Deputy Chief Executive Officer
DATE:	Thursday, 23 July 2026
ATTACHMENT(S):	9.4.1.1 – Monthly Financial Statements 1 June 2026 – 30 June 2026

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to note the Monthly Financial Statement for the month ending 30 June 2026.

BACKGROUND

Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires a local government to prepare a Statement of Financial Activity each month, and to present it to an ordinary meeting of the Council within two (2) months after the end of the reporting period. The Statement of Financial Activity is the primary monthly financial reporting instrument and provides Council with an overview of the Shire's financial performance against the adopted budget for the year to date.

COMMENT

The attached Statement of Financial Activity for the period June 2026 represents twelve (12) months of the 2025/2026 financial year, or 100% of the year elapsed.

The statements are presented in accordance with Regulation 34 of the Local Government (Financial Management) Regulations 1996 and Council Policy 2.1.6. The overall financial position of the Shire remains sound.

The following items are worthy of noting:

- Closing surplus position of $2,838,448. This represents the net position after accounting for all operating revenues and expenditures to date and is broadly consistent with the expected year-to-date budget position for the financial year.
- Capital expenditure has achieved 117.4% of budgeted projects at the twelfth-month mark, indicating solid delivery of the capital works program. Any incomplete works will be considered for carryover as part of the 2026/2027 budget process.

- Cash holdings total $3,899m, of which $1,121m is held in cash-backed reserve accounts and $2,778m in unrestricted cash. The Shire's liquidity position remains strong and is sufficient to meet operational obligations and committed capital expenditure for the financial year.
- Rates debtors outstanding equate to 7% of total rates raised for 2025/2026. This is within an acceptable range for this point in the financial year and is being actively managed. Follow-up action on overdue accounts is ongoing in accordance with the Shire's debt recovery procedures.
- Major budget variations comparing year-to-date (amended) budget to year-to-date actuals are detailed on Page 11 of the statements, in accordance with Council Policy 2.1.6. Council's attention is drawn to any significant variances noted therein; these are explained in the statements and do not represent a cause for concern unless otherwise indicated.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Regulation 34(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to prepare a "*Statement of Financial Activity*" each month, reporting on the sources and applications of funds for the year to date.

Regulation 34(4) requires the Statement to be presented to an ordinary meeting of the Council within two (2) months after the end of the month to which it relates. This report satisfies that requirement for the month ending 30 June 2026, with the meeting occurring on 28 July 2026.

POLICY IMPLICATIONS

Council Policy 2.1.6 defines the content of the financial reports.

FINANCIAL IMPLICATIONS

This item reports on the current financial position of the Shire of Kojonup. The recommendation does not in itself have a financial implication.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
16) Financial Sustainability	Failure or reduction in controls associated with financial management, accounting standards, purchasing to pay, order to cash, plant, equipment or machinery lease or purchase, Treasury Functions, bank reconciliations, budget etc. These include processes and controls that are end to end in external and internal to the organisation.	*Budget Controls*	Cash Flow Budget and reporting to be implemented
RISK RATING:	ADEQUATE		
IMPLICATIONS			
Financial reporting is required to create transparency.			

ASSET MANAGEMENT IMPLICATIONS

Nil

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION That Council notes the monthly financial statements for the period ending 30 June 2026, as attached.	
MOTION #:	73/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.2 MONTHLY PAYMENT LISTING – JUNE 2026

AUTHOR	Rachael Egerton-Warburton – Finance Officer (Creditors)
DATE	Tuesday, 21 July 2026
ATTACHMENT	9.4.2.1 - Monthly Payment Listing June 2026

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

To receive the list of payments covering the month of June 2026.

BACKGROUND

Nil

COMMENT

The attached list of payments is submitted for receipt by the Council.

Any comments or queries regarding the list of payments are to be directed to the Chief Executive Officer prior to the meeting.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

Regulation 12(1)(a) of the Local Government (Financial Management) Regulations 1996 provides that payment may only be made from the municipal fund or trust fund if the Local Government has delegated the function to the Chief Executive Officer.

The Chief Executive Officer has delegated authority to authorise payments. Relevant staff have also been issued with delegated authority to issue orders for the supply of goods and services subject to budget limitations.

Regulation 13 of the Local Government (Financial Management) Regulations 1996 provides that if the function of authorising payments is delegated to the Chief Executive Officer then a list of payments is to be presented to the Council at the next ordinary meeting and recorded in the minutes.

POLICY IMPLICATIONS

Council's *Policy 2.1.2* provides authorisations and restrictions relative to purchasing commitments.

FINANCIAL IMPLICATIONS

All payments are made in line with Council Policy.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Financial	Lack of transparency or appropriate control over creditor payments made under delegated authority.	Monthly Payment Listing presented to Council in accordance with Regulation 13 of the Local Government (Financial Management) Regulations 1996.	Monthly reporting of payments to Council under delegated authority.
RISK RATING:	LOW		
IMPLICATIONS			
A control measure to ensure transparency of financial systems and controls regarding creditor payments.			

ASSET MANAGEMENT IMPLICATIONS

Nil

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

In accordance with Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, receives the list of payments as attached, made under delegated authority for the period 1 June 2026 to 30 June 2026, as follows:

Payment Type	Reference	Amount
Municipal Cheques	14418	$1,425.39
EFTs	38219-38398	$946,400.32
Direct Debits		$572,765.32
Total		**$1,520,591.03**

be received.

MOTION #:	74/26
MOVED:	Cr Wieringa
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.3 FINANCIAL MANAGEMENT – RATES WRITE-OFFS

REPORTING OFFICER:	Nerrida Robinson – Rates Officer
DATE:	Monday – 20 July 2026
ATTACHMENT(S):	9.4.3.1 – Rates to be written off Report

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council authorisation on the write-off of interest charges that were incorrectly levied against a number for rateable properties during a period in which the Shire of Kojonup was reviewing and correcting underlying rate account issues. The interest was generated automatically by the rates system and did not reflect amounts lawfully owing.

BACKGROUND

The Shire of Kojonup's rates system accrues interest daily on outstanding rate balances. During a review of rating accounts, it was identified that several properties had been incorrectly rated, resulting in rate charges being raised in error. While the underlying errors were corrected, interest that had accrued against these accounts during the review period was not automatically reversed. The properties and the interest amounts affected are listed in Attachment 9.4.3.1.

COMMENT

The interest charges listed in Attachment 9.4.3.1 were generated automatically by the Shire's rates system because of the incorrect rate assessments. As the underlying rates were raised in error, any interest flowing from those assessments is also incorrectly charged and should not be recoverable from the affected ratepayers.

The Rates Officer has reviewed each of the affected accounts and confirmed that the interest charges arose solely from the erroneous rate assessments. The total amount proposed to be written off is $145.25. The CEO and DCEO have reviewed the accounts and concur with the officer's assessment that write-off is appropriate in each case.

CONSULTATION

Chief Executive Officer
Deputy Chief Executive Officer

STATUTORY REQUIREMENTS

Section 6.12(1)(b) of the *Local Government Act 1995* provides that a local government may, by resolution, write off any amount of money. This is the applicable provision authorising Council to write off the incorrectly levied interest charges. Sections 6.25 to 6.82 of the *Local Government Act 1995* and Sections 52 to 78 of the Local Government (Financial Management) Regulations 1996 also relate to property rating requirements and procedures more broadly.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The write-off of interest charges totalling **$196.20** will result in a reduction of revenue receivable by the Shire. As these amounts were incorrectly levied and do not represent revenue lawfully owing, the write-off does not constitute a material impact on the Shire's adopted budget. The amounts have been reviewed and are not considered to be material to the Shire's overall financial position. Any budget impact will be managed within existing operational allocations.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
16) Financial Sustainability	Failure or reduction in controls associated with financial management, accounting standards, purchasing to pay, order to cash, plant, equipment or machinery lease or purchase, Treasury Functions, bank reconciliations, budget etc. These include processes and controls that are end to end in external and internal to the organisation.	*Budget Controls*	Cash Flow Budget and reporting to be implemented
RISK RATING:	ADEQUATE		
IMPLICATIONS			
Failure to write off the incorrectly levied interest charges carries reputational and legal risk for the Shire. Seeking payment of amounts that were not lawfully raised may expose the Shire to complaints, disputes, and potential legal challenge from affected ratepayers. Approving this write-off mitigates those risks and demonstrates sound and transparent financial administration.			

ASSET MANAGEMENT IMPLICATIONS

Nil

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council, pursuant to Section 6.12(1)(b) of the Local Government Act 1995, resolves to write off interest charges totalling $196.20 incorrectly levied against the properties listed in Attachment 9.4.3.1, on the basis that those charges were raised as a consequence of rate assessments that were themselves raised in error.

MOTION #:	75/26
MOVED:	Cr Mickle
SECONDED:	Cr Michael
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.4 FINANCIAL MANAGEMENT – DEBT WRITE-OFFS

REPORTING OFFICER:	Bree Cavanagh – Finance Officer (Debtors)
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.4.4.1 – Debtors to be written off – July 2026

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council authorisation to the write-off uncollected debts dating back to 2019 from debtors that we have had no response from and have exhausted all avenues of trying to recover debt.

BACKGROUND

During a review of debtor accounts, it was identified that several debtors had debt dating back as far as 12 years (2014 – 2024).

Several attempts have been made to recover these outstanding invoices. However, no resolution has been achieved. The debtors and the amounts affected are listed in Attachment 9.4.41.

COMMENT

The debtor charges listed in Attachment 9.4.4.1 were invoiced to the debtors by Shire’s invoicing system.

Over the past 2 years the Debtors Officer has managed to recover almost $90,000 of outstanding debt through pursuing Springhaven accounts prior to sale and other outstanding invoices.

It is the opinion of the Shire Officer that the cost of collecting the outstanding debts is now greater than the debt and is recommending the Shire write the debt off as presented

CONSULTATION

Chief Executive Officer
Deputy Chief Executive Officer

STATUTORY REQUIREMENTS

Section 6.12(1)(b) of the *Local Government Act 1995* provides that a local government may, by resolution, write off any amount of money.
This is the applicable regulation authorising Council to write off the debt.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The write-off of debt amounts **$10,134 (debt)** will result in a reduction of revenue receivable by the Shire.

The amounts have been reviewed and are not considered to be material to the Shire's overall financial position.

Any budget impact will be managed within existing operational allocations.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
16) Financial Sustainability	Failure or reduction in controls associated with financial management, accounting standards, purchasing to pay, order to cash, plant, equipment or machinery lease or purchase, Treasury Functions, bank reconciliations, budget etc. These include processes and controls that are end to end in external and internal to the organisation.	*Budget Controls*	Cash Flow Budget and reporting to be implemented
RISK RATING:	HIGH/INADEQUATE		
IMPLICATIONS			
Nil			

ASSET MANAGEMENT IMPLICATIONS

Nil

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COUNCIL MOTION That Council, pursuant to Section 6.12(1)(b) of the *Local Government Act 1995*, writes off debtor charges totalling $10,134, as presented.	
MOTION #:	76/26
MOVED:	Cr Mitchell
SECONDED:	Cr Michael
VOTE:	6/0 by Absolute Majority
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.5 AUDIT, RISK & IMPROVEMENT COMMITTEE MEETING MINUTES – 17 JUNE 2026

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Friday, 17 July 2026
ATTACHMENT(S):	9.4.5.1 – Unconfirmed Audit, Risk & Improvement Committee Meeting Minutes 17 June 2026

'PLACEMAKING' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance – Be organised and transparent with our financial management.	Increase the regularity and readability of financial reporting to the community.	Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is for Council to receive the unconfirmed minutes of the Audit, Risk & Improvement Committee meeting held on 17 June 2026 and consider the Committee's recommendations arising from that meeting.

BACKGROUND

The Audit, Risk & Improvement Committee is established under section 7.1 of the *Local Government Act 1995* to assist and independently advise Council in relation to audit, risk oversight, governance, finances, legislative compliance, systems of internal control and continuous improvement.

COMMENT

The unconfirmed minutes record that the Committee met on 17 June 2026.

The meeting was attended by the Independent Presiding Member, Independent Deputy Presiding Member, two elected delegates and the Chief Executive Officer as staff observer. One apology was recorded.

The Committee confirmed the previous Audit and Risk Committee minutes, considered the Committee timetable, received the Committee Issues/Action Status Report, and received presentations from the Chief Executive Officer on strategic issues, organisational structure, the risk framework and risk profile, compliance outcomes, internal management review of systems and controls, governance improvement initiatives, financial overview, work health and safety, interim audit process, Myrtle Benn risk update, compliance updates, risk review and superannuation update.

A key item considered by the Committee was the Internal Financial Management

Review 2026 prepared by the Chief Executive Officer under Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996.

The Committee resolved to receive the review and recommend it to Council for consideration, endorse prioritisation of open Extreme and High residual-risk findings, require recommendations and observations to be placed on the risk register and reported quarterly to the Committee, and recommend that the next triennial Financial Management Review be undertaken by an external forensic accountant selected through an Expression of Interest process.

The Committee also resolved to direct the Chief Executive Officer to add a new key risk area to the Shire's risk register outlining the organisational risk associated with Artificial Intelligence.

The next Committee meeting was scheduled for Wednesday, 30 September 2026 at 10:00am.

CONSULTATION

Audit, Risk & Improvement Committee members and relevant Shire officers.

STATUTORY REQUIREMENTS

Section 7.1 of the *Local Government Act 1995*; Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996; and relevant provisions of the Local Government (Audit) Regulations 1996.

POLICY IMPLICATIONS

The Committee's recommendations may require supporting updates or operational procedures in relation to risk management, purchasing thresholds, segregation of duties, journal review, IT and cyber security, and Artificial Intelligence governance.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from receiving the minutes. Any additional expenditure associated with implementing recommendations, including external review, IT and cyber security uplift, ERP modernisation or forensic accounting services, will be considered through the normal budget or budget review process.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Financial & Compliance – Internal Controls	Weaknesses in financial management systems, segregation of duties, reconciliations, journal review, IT and cyber controls, or emerging Artificial Intelligence use may result in compliance breaches, misstatement, fraud exposure, data or	ARIC oversight; external audit; CEO financial management review; risk register reporting; policy and procedure framework; quarterly	Prioritise open Extreme and High residual-risk findings, add Artificial Intelligence to the risk register, report quarterly to ARIC, and progress ERP,

	privacy risks, reputational impact or financial loss.	monitoring of remediation progress.	IT/cyber security and financial control improvements.
RISK RATING:	MEDIUM		

IMPLICATIONS
The minutes identify an active control improvement program, including remediation of financial management review findings, quarterly ARIC reporting, risk register updates and the addition of an Artificial Intelligence risk profile. Continued monitoring is required to maintain an acceptable residual risk position and ensure identified audit, compliance and systems matters are progressed.

ASSET MANAGEMENT IMPLICATIONS

The Internal Financial Management Review noted the importance of ERP and systems modernisation, asset register integrity, accurate cost journals and disciplined capitalisation processes to support the Long Term Financial Plan and Asset Management Plan.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil direct implications. Opportunities may exist through Great Southern VROC Member Councils to collaborate on common policy, regulatory frameworks, ICT and cyber security uplift, and regional efficiency improvements.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Receives the unconfirmed minutes of the Audit, Risk & Improvement Committee meeting held on 17 June 2026;
2. Note the recommendation of the ARIC committee that Council consider the Internal Financial Management Review 2026, in a subsequent Agenda Item, prepared by the Chief Executive Officer in accordance with Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996;
3. Endorses the prioritisation of open Extreme and High residual-risk findings detailed in the Internal Financial Management Review for remediation within the next 12 months;
4. Requires recommendations and observations raised within the Internal Financial Management Review to be placed on the risk register and reported back to the Audit, Risk & Improvement Committee on a quarterly basis;
5. Supports the Audit, Risk & Improvement Committee recommendation that the next triennial Financial Management Review be undertaken by an external forensic accountant selected by the Chief Executive Officer through an Expression of Interest process; and
6. Notes that the Chief Executive Officer is to add a new key risk area to the Shire's risk register outlining the organisational risk associated with Artificial Intelligence.

MOTION #:	77/26
MOVED:	Cr Mathwin
SECONDED:	Cr Wieringa
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.6 CHIEF EXECUTIVE OFFICER – INTERNAL FINANCIAL MANAGEMENT REVIEW 2026

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Thursday, 23 July 2026
ATTACHMENT(S):	9.4.6.1 Internal Financial Management Review – Findings Register (from April 2023 to April 2026)

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance – Be organised and transparent with our financial management.	Increase the regularity and readability of financial reporting to the community.	Act with sound long-term and transparent financial management and deliver residents considered value for money.

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is for the Council to consider the Internal Financial Management Review (FMR) undertaken by the Chief Executive Officer (CEO) on the appropriateness and effectiveness of the Shire of Kojonup's financial management systems, controls and procedures, as required by Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 (the Regulations).

This report is in no way a forensic review of the accounts and was not searching for material anomalies or fraud but rather looking at the appropriateness of controls and systems in place.

It is not an independent report and does not offer any assurance whether limited or otherwise. It is not possible for the CEO, in practice, to examine every activity, procedure or transaction.

It is a layered audit of the appropriateness of critical controls and systems in place and effectively a maturity assessment giving recommendations on areas that require attention based on risk.

BACKGROUND

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* requires the Chief Executive Officer to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures of the local government at least once every three financial years and report the results of that review to Council.

The previous CEO Internal Financial Management Review was adopted by Council on 21 March 2023 (Resolution 33/23). Consistent with that three-year cycle, this report addresses the period from April 2023 to the current date.

The review has been prepared for the Audit, Risk and Improvement Committee (ARIC) and Council of the Shire of Kojonup for the purpose of the CEO discharging their responsibilities under Regulation 5(2)(c) but also as good practice in monitoring the financial controls the Shire implements.

The review draws on the Office of the Auditor General (OAG) Interim and Final Management Letters for the years ended 30 June 2023, 30 June 2024 and 30 June 2025, the Shire's own assessments of the maturity of its financial systems and procedures, and a Financial Sustainability Overview prepared in readiness for the preparation of the Long Term Financial Plan and CEO Performance Review.

The findings raised since April 2023 have been consolidated into the embedded Findings Register Table, which records each finding, its nature (Systems & Procedures, Compliance or Governance), inherent risk, control effectiveness, residual risk rating, owner, target date and remediation status.

COMMENT

The risk-based maturity assessment covers Fifty-Seven (57) functional areas and returned an organisation-wide average maturity rating of 3.25/5.00 ("Defined").

The distribution is One (1) area at "Optimised" (Annual Financial Statements & External Audit Readiness, 4.5), Twenty-Six (26) areas (46%) at "Managed", Twenty-Three (23) areas (40%) at "Defined", Six (6) areas (11%) at "Developing" and One (1) area at "Initial".

Seven (7) priority areas sit below the "Defined" threshold (score < 2.5) and require focused uplift: Artificial Intelligence Usage – Enterprise-Wide (1.00 – Initial), IT General Environment & Cyber Security (2.00), Fraud & Corruption Control (2.00), Business Continuity / Disaster Recovery (2.00), Segregation of Duties / Authorisations (2.25), Cyber Incident Response & Data Breach Management (2.25) and Systems and Data Management (2.25). The highest-rated area scored 4.5/5.00 and the lowest 1.0/5.00, with Fourteen (14) open findings in total across the assessment.

Table 1.0: Financial Management Maturity Assessment

SHIRE OF KOJONUP

Financial Management Maturity Assessment — Summary Report

Reporting framework: 5-level maturity scale (Developing → Optimised). Prepared 14 June 2026. Covers all 57 functional areas.

OVERALL MATURITY SNAPSHOT	
Organisation-wide average maturity	3.25 / 5
Overall maturity level	Defined
Total functional areas assessed	57
Total open findings (all areas)	14
Highest-rated area average	4.5 / 5
Lowest-rated area average	1 / 5

MATURITY LEVEL DISTRIBUTION

Maturity Level	Score Band	No. of Areas	% of Total	Indicator
Optimised	4.5 – 5.0	1	2%	■
Managed	3.5 – 4.4	26	46%	■■■■■■■■■■■■■■■■■■■■■■■■■■
Defined	2.5 – 3.4	23	40%	■■■■■■■■■■■■■■■■■■■■■■■
Developing	1.5 – 2.4	6	11%	■■■■■■
Initial	1.0 – 1.4	1	2%	■
TOTAL		57	100%	

MATURITY RATING LEGEND (definitions of each maturity level)

Level	Rating	Score Band	Definition
1	Initial	1.0 – 1.4	Ad-hoc, undocumented, reactive. No formal controls.
2	Developing	1.5 – 2.4	Some processes documented but inconsistent application.
3	Defined	2.5 – 3.4	Documented, standardised and communicated processes.
4	Managed	3.5 – 4.4	Processes measured, monitored and reviewed regularly.
5	Optimised	4.5 – 5.0	Continuous improvement, automated, benchmarked best practice.

Limiting the scope to findings raised since April 2023, the Findings Register records Nineteen (19) findings (F36 – F54) identified through the three Office of Auditor General Management Letter cycles (years ended 30 June 2023, 2024 and 2025) and the Shire's internal layered audit/CEO review.

By residual risk, One (1) finding is rated Extreme (F53 – Artificial Intelligence Usage), Eight (8) are High, Ten (10) are Medium and none Low.

Table 2.0: CEO Identified Priority Areas for Improvement by Status

PRIORITY AREAS FOR IMPROVEMENT (Maturity below "Defined" — score < 2.5)				
Functional Area	Avg	Rating	Open Findings	Max Residual Risk
Artificial Intelligence Usage — Enterprise-Wide	1.00	Initial	0	0
IT General Environment & Cyber Security	2.00	Developing	1	1.6
Fraud & Corruption Control	2.00	Developing	0	0
Business Continuity / Disaster Recovery	2.00	Developing	0	0
Segregation of Duties / Authorisations	2.25	Developing	0	2.4
Cyber Incident Response & Data Breach Management	2.25	Developing	0	0
Systems and Data Management	2.25	Developing	0	0

Ten (10) findings (53%) have been Closed / Remediated, Two (2) are Substantially Complete and Seven (7) remain In Progress. By nature, Fourteen (14) relate to Systems and Procedures and Five (5) to Compliance Matters, with recurring themes centred on segregation of duties, independent review of journals and reconciliations, employee provisions and payroll, fixed-asset register integrity, IT general controls and cyber security uplift.

Table 3.0: Detailed Maturity by Functional Process

4. DETAILED MATURITY BY FUNCTIONAL AREA (all areas)				
Functional Area	Avg	Rating	Open Find.	Max Risk
Bank Reconciliations & Petty Cash	3.50	Managed	2	2.40
Trust/Reserve Funds	3.00	Defined	1	1.80
Receipts and Receivables	3.25	Defined	0	1.20
Rates	4.00	Managed	0	0.60
Fees and Charges	4.00	Managed	0	0.00
Purchases, Payments and Payables	2.75	Defined	1	2.40
Salaries and Wages / Payroll	2.75	Defined	3	2.40
Credit Card Procedures	3.50	Managed	0	1.80
Fixed Assets & Asset Management	4.00	Managed	2	1.20
Cost & Administration Allocations	4.00	Managed	0	0.00
Minutes and Meetings	3.75	Managed	0	0.00
Budget & Budgetary Control	3.75	Managed	0	0.00
Financial Reports	3.50	Managed	1	1.20
Registers (Annual & Primary Returns)	3.00	Defined	1	1.60
Integrated Planning & Reporting	3.50	Managed	0	0.80
Delegations	3.75	Managed	0	0.00
Audit, Risk & Improvement Committee	3.25	Defined	0	0.40
Insurance	4.00	Managed	0	0.00
Storage of Documents / Record Keeping	3.00	Defined	1	1.60
Investments	3.50	Managed	1	0.80
IT General Environment & Cyber Security	2.00	Developing	1	1.60
General Journals	3.25	Defined	0	1.80
Risk Management Plan & Framework	3.00	Defined	0	1.20
Fraud & Corruption Control	2.00	Developing	0	0.00
Procurement & Tendering	3.00	Defined	0	0.00
Segregation of Duties / Authorisations	2.25	Developing	0	2.40
Long Term Financial Plan	3.50	Managed	0	0.00

Business Continuity / Disaster Recovery	2.00	Developing	0	0.00
Grants Management & Acquittals	3.00	Defined	0	0.00
Council / Governance Oversight	3.00	Defined	0	0.00
Conflicts of Interest & Gifts/Benefits Register	2.75	Defined	0	0.00
Financial Interest Returns (Primary & Annual)	4.00	Managed	0	0.00
Procurement Card / Corporate Spend Acquittal Controls	3.75	Managed	0	0.00
Bank Account & EFT / Online Banking Controls	3.75	Managed	0	0.00
Master Data / Vendor & Bank Detail Change Controls	3.25	Defined	0	0.00
Payroll Master File & New Starter/Terminations Controls	3.50	Managed	0	0.00
Corporate Credit / Purchasing Threshold & Delegation Compliance	3.25	Defined	0	0.00
Records Management & Information Governance (State Records Act)	3.25	Defined	0	0.00
Privacy & Data Protection / Information Handling	3.00	Defined	0	0.00
Cyber Incident Response & Data Breach Management	2.25	Developing	0	0.00
IT Backup, Recovery & Change Management	3.50	Managed	0	0.00
Third-Party / Vendor & Contract Management	3.25	Defined	0	0.00
Capital Works & Project Management	3.50	Managed	0	0.00
Plant, Fleet & Fuel Management	3.75	Managed	0	0.00
Stores / Inventory Management	3.25	Defined	0	0.00
Leasing & Property/Land Management	3.25	Defined	0	0.00
Grants Income & Acquittal Compliance (Funding-Body)	2.75	Defined	0	0.00
Debt & Borrowings Management	4.00	Managed	0	0.00
Rates Concessions, Pensioner Rebates & Write-offs	2.50	Defined	0	0.00
Customer Service, Complaints & Public Interest Disclosures	3.00	Defined	0	0.00
Workforce / WHS & Workers Compensation	4.00	Managed	0	0.00
Code of Conduct & Ethics Compliance	4.00	Managed	0	0.00
Legislative Compliance Register / Obligations Framework	3.50	Managed	0	0.00
Strategic Risk & ERM Reporting to ARIC	4.00	Managed	0	0.00
Annual Financial Statements & External Audit Readiness	4.50	Optimised	0	0.00
Artificial Intelligence Usage — Enterprise-Wide	1.00	Initial	0	0.00
Systems and Data Management	2.25	Developing	0	0.00

Please Note: This summary is generated from the live Maturity Assessment. Average maturity is scored 1 (Initial) to 5 (Optimised). Open Findings and Max Residual Risk are drawn from the Findings Register. Figures update automatically as the underlying assessment changes.

In summary, this internal review of the Shire's financial systems has not identified any matters of material concern at this time and improving, as witnessed through previous audit commentary. However, although the Shire has generally sound and improving financial controls it should not be complacent as several areas still require significant improvement, investment and present elevated risk exposure to the Shire if left unaddressed.

These matters should be prioritised over the short to medium term, with most actions to be addressed within two years and some requiring more immediate attention. Accordingly, the Shire should continue to focus on the following areas:

1. Prioritise remediation of the open High residual-risk findings listed above;
2. Reinforce month-end reconciliation reviews and segregation-of-duties controls as standing items in the finance team's operating procedures;
3. Uplift the IT General Environment and Cyber Security maturity; and
4. Continue the ERP and Systems modernisation program initiated following the 2022/23 review.

In summary the:

1. Financial Management Systems and Controls are slowly maturing and will hasten as new systems come into effect.
2. Focus has been on:
    a. internal financial controls;
    b. prudent financial stewardship;
    c. Debt servicing;
    d. cost management balanced with service provision.

Addendum arising from the ARIC meeting:

3. The CEO recommended to the Audit Risk & improvement Committee that the next triennial review should be outsourced to a forensic accountant for best practice governance.

SHIRE OF KOJONUP

Audit Findings, Recommendations & Insights — 2023 Onwards

Summary report for attachment to Council / Audit, Risk & Improvement Committee papers. Source: Findings Register (F36–F54). Covers 2023, 2024 and 2025 external Management Letter findings plus internal layered audit / CEO review findings.

DETAILED FINDINGS, RECOMMENDATIONS & REMEDIATION STATUS

Ref	Audit Source	Functional Area	Nature	Risk	Finding / Observation	Key Recommendation	Owner	Target Date	Status
F36	External Audit 2023 (Mgmt Letter)	General Journals	S	High	Cost reallocation journal procedures: several general journals posted to roads infrastructure job ledgers (reallocation/allocation of capital costs) were not adequately supported by documented evidence of reasons and purpose. Rationale was subsequently substantiated as reasonable.	Ensure procedures for reviewing and recognising cost allocation journals are designed and implemented. Document reasons and retain evidence for every journal, including rationale for capitalising infrastructure costs with reference to actual costs incurred.	Manager Financial & Corporate Services	31/12/2023	Closed / Remediated
F37	External Audit 2023 (Mgmt Letter)	General Journals	S	High	General journal review processes: 4 of 10 general journals tested were not recorded as reviewed by an authorised reviewer; journals prepared by the external consultant are not being reviewed/approved by an authorised Shire officer. (Prior year finding - 2022.)	All general journals (and supporting documentation) to be reviewed and signed by an appropriate officer independent of the preparer, including journals received from the external consultant.	Manager Financial & Corporate Services	31/12/2023	Closed / Remediated
F38	External Audit 2023 (Mgmt Letter)	Salaries and Wages / Payroll	S	High	Employee related provisions: long-service leave provision balances still exist for 51 employees no longer employed; estimated overstatement of $92,840 at 30 June 2023. Balance has continued to grow with no process improvement.	Review employee data used to recognise provisions annually to ensure it is current; recognise adjustments to reduce liability balances for entitlements paid or no longer required. Add an LSL reconciliation to the EOFY process.	Finance & Payroll Officer	30/03/2024	Closed / Remediated
F39	External Audit 2023 (Mgmt Letter)	Receipts and Receivables	S	Medium	Monthly reconciliation - Debtors: April 2023 reconciliation completed with an unexplained negative balance; May 2023 reconciliation had no retained record of completion or review. Negative balance of $14,513 left uncorrected (reported as uncorrected misstatement).	Ensure all month-end reconciliations are completed and adequately reviewed promptly; retain evidence of review; investigate and action variances in a timely manner.	Manager Financial & Corporate Services	30/01/2024	Closed / Remediated
F40	External Audit 2023 (Mgmt Letter)	Purchases, Payments and Payables	S	Medium	Monthly reconciliation - Creditors: trade creditors balance differed from the filed reconciliation by $14,513 at 30 June 2023 with no evidence explaining the variance. Error left uncorrected (reported as uncorrected misstatement).	Ensure all month-end reconciliations are completed and adequately reviewed promptly; retain evidence of review; investigate and action variances in a timely manner.	Manager Financial & Corporate Services	30/01/2024	Closed / Remediated
F41	External Audit 2023 (Mgmt Letter)	Trust Funds	S	High	Builders’ retention funds: amounts held as a liability have not been reconciled in the last 2 years and records of individual amounts held could not be located during the audit.	Reconcile all retention funds, bonds and deposits by individual party; perform and review reconciliations of balances and movements on a regular basis with second-officer review.	Project Manager	30/03/2024	In Progress

F42	External Audit 2023 (Mgmt Letter)	Fixed Assets & Asset Management	S	Medium	Job card procedures: one new infrastructure job cost ledger was set up that incorrectly allocated costs to another earlier job ledger. No overall effect on total infrastructure value but misstates budget vs actual and grant acquittal reporting.	Establish and implement a process to review all newly created job ledgers and close completed ledgers regularly; do not journal costs between jobs without substantiating working papers.	Manager Financial & Corporate Services	31/12/2023	In Progress
F43	External Audit 2023 (Mgmt Letter)	Purchases, Payments and Payables	C	Medium	Purchasing policy deviation: 1 of 31 samples did not follow the Shire's purchasing policy - a $27,000 purchase requiring two written quotes where possible was made with no quotes obtained.	Prior to payment, review that the purchasing policy has been followed regarding required quotes; follow up any deviations with the appropriate person; retrain staff involved.	Chief Executive Officer	30/09/2023	Closed / Remediated
F44	External Audit 2023 (Mgmt Letter)	Salaries and Wages / Payroll	C	High	Superannuation guarantee calculation: for the pay period ended 17 January 2023, one sampled employee on annual leave did not have superannuation paid on the leave loading component. Systemic/historical issue not previously identified.	Investigate whether other employees missed super on leave loading and assess potential underpayment; review payroll system employee setup to ensure all eligible pay components are included in SG calculations.	Manager Financial & Corporate Services	30/11/2023	Substantially Complete
F45	External Audit 2024 (Mgmt Letter)	Salaries and Wages / Payroll	S	High	Employee related provisions: long-service leave provision balances still exist for 76 former employees no longer employed; estimated overstatement of $162,721 at 30 June 2024 (up from $92,840 at 2023). Subsequently corrected in the financial report. (Prior year finding - 2023, rated Significant.)	Review employee data used to develop and recognise employee related provisions each year to ensure it is current; recognise adjustments to reduce liability balances for entitlements paid or no longer required. Enforce an exit process/checklist when employees leave.	Manager Financial & Corporate Services	30/04/2025	In Progress
F46	External Audit 2024 (Mgmt Letter)	Credit Card Procedures	C	Medium	Credit card transactions not reported to Council: the accounts paid listing presented to Council did not include credit/purchasing card transactions, contrary to Reg 13A of the Local Government (Financial Management) Regulations 1996. No fraudulent transactions identified.	Submit all corporate credit and purchasing card transactions to Council for review and approval at the meeting immediately following payment, to ensure compliance with FM Reg 13A and enhance transparency.	Manager Financial & Corporate Services	25/02/2025	Closed / Remediated
F47	External Audit 2024 (Mgmt Letter)	Fixed Assets & Asset Management	S	Medium	Asset register - land & buildings: 2 properties (LB0097 $38,000; LB0236 $14,000) could not be located/confirmed via Landgate; 2 properties on the register are not owned by the Shire (LB0221 $35,000; LB0235 $500); land additions of $10,661 in the GL were not reflected in the register. Reported as uncorrected errors.	Regularly review asset records and registers; ensure period movements are reflected; remove assets not owned by the Shire using appropriate accounting treatment; include adequate detail to identify all assets. Verify ownership and review register at least annually.	Senior Finance Officer	30/06/2025	In Progress
F48	External Audit 2025 (Mgmt Letter)	Bank Reconciliations & Petty Cash	S	High	Monthly reconciliation process: several key reconciliations (bank, debtors, creditors, rates) not performed timely for Jul 2024-Jan 2025; Aug 2024 Trust & Reserve reconciliation had no evidence of review; Debtors reconciliations for Aug 2024, Feb & Mar 2025 not completed or not evidenced. (First identified 2023; 2024: Significant.)	Ensure all month-end reconciliations are completed and reviewed by an independent officer as soon as practicable in the following month; retain evidence of review and follow-up actions taken.	Manager Financial & Corporate Services	Immediately	In Progress

F49	External Audit 2025 (Mgmt Letter)	General Journals	S	Medium	General journal review processes: of 30 journals examined, 17 Department of Transport payments were incorrectly processed via general journals instead of the payment process; 2 rates journals (amalgamations/adjustments) had no evidence of review prior to posting. (First identified 2024; 2024: Significant.)	Ensure all general journals are reviewed and signed by an officer independent of the preparer; do not use general journals to recognise payments (use accounts payable functions with 2-factor authorisation); train Rates Officer on correct journal process.	Senior Finance Officer	Immediately	Closed / Remediated
F50	External Audit 2025 (Mgmt Letter)	IT General Environment & Cyber Security	S	Medium	General IT controls - access rights & permissions: four users held 'SUPERUSER' rights in Synergy, three of whom were external consultants. No misuse identified during testing. (2024: Moderate.)	Review all Synergy user accounts to ensure appropriate access levels are granted only to current officers whose role requires them; review external consultants' access immediately.	Manager Financial & Corporate Services	30/09/2025	Closed / Remediated
F51	External Audit 2025 (Mgmt Letter)	Purchases, Payments and Payables	C	Medium	Quotes: 1 of 30 sampled transactions did not include evidence of three written quotes required by the Shire's purchasing policy for purchases above $20,000.	Ensure all staff are aware of the purchasing policy requiring three written quotes for purchases exceeding $20,001 (CEO approval based on quotes); clarify CUA direct-purchase exemptions through the policy review.	Chief Executive Officer	Immediately	In Progress
F52	External Audit 2025 (Mgmt Letter)	Salaries and Wages / Payroll	C	Medium	Leave applications: the established Altus leave-application/approval process is not always followed (reliance placed on email); in testing of fortnightly pay runs, one employee's pay required reversal and reprocessing due to incorrect leave type entered.	Ensure all employees submit leave applications for manager approval per the Shire's established process prior to taking leave (or upon return where prior submission not possible); re-educate staff on the leave portal and reinforce timesheet completion.	Chief Executive Officer	Immediately	Closed / Remediated
F53	Internal Layered Audit - CEO Review	Artificial Intelligence Usage — Enterprise-Wide	S	Extreme	AI requires policy and procedures to ensure that systems and data and privacy is protected	Create an AI policy and procedures, Create an AI risk in the risk register, Do a risk assement on AI Copilot currently in use	Chief Executive Officer	Immediately	Substantially Complete
F54	Internal Layered Audit - CEO Review	IT General Environment & Cyber Security	S	High	ERP System requires Upgrade	Tender ERP providers, Select preferred Tendere, commence project implementation, 3 - 4 year timeframe	DCEO	01/12/2025	In Progress

Key — Nature: S = Systems and Procedures, C = Compliance Matter, G = Governance. Risk: Extreme / High / Medium / Low (residual, after controls). Please Note: This report summarises all audit findings from 2023 onwards — external audit Management Letter findings (2023–2025) and internal layered audit / CEO review findings. Refer to the full Findings Register for inherent risk, control effectiveness scores, residual risk scores and remediation progress.

CONSULTATION

Consultation in preparing this review has included:

- Office of the Auditor General (Interim and Final Management Letters – years ended 30 June 2023, 2024 and 2025)
- Shire President

STATUTORY REQUIREMENTS

This report is prepared to discharge the CEO's obligations under Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996, which provides:

"The CEO is to … (c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews."

Regulation 5(1) also requires the CEO to establish efficient systems and procedures for the collection of money owing to the local government, safe custody of money collected, maintenance of financial records, proper accounting, authorisation of liabilities and payments, payroll and stock control records, and assistance in preparing budgets, accounts and reports required by the *Local Government Act 1995* (the Act) or the Regulations. Section 5.121 of the Act regarding the maintenance of a Register of Complaints is also referenced in finding F29.

POLICY IMPLICATIONS

The review is consistent with the Shire's Risk Management Policy and Framework, Purchasing Policy, Investment Policy, Code of Conduct and the policy responsibilities of the Audit, Risk and Improvement Committee.

Recommended actions arising from the open findings may necessitate minor policy updates to reflect strengthened controls, particularly in relation to purchasing thresholds, segregation of duties, journal review, and IT and cyber security, Artificial Intelligence.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the adoption of this report. Remediation of the identified findings is expected to be absorbed within existing operational budgets and the ongoing ERP and systems modernisation program. Where individual remediation actions require additional funding (for example, IT and cyber security uplift), these will be brought to Council through the normal budget or budget review process. The broader financial sustainability indicators set out in the LGFI, DuPont and regional benchmarking summaries above will be monitored annually through the Long Term Financial Plan and Annual Report cycle.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
Financial & Compliance – Internal Controls	Weaknesses in segregation of duties, journal review, reconciliations and IT/cyber	Documented policies and procedures; ARIC oversight; monthly financial reporting; annual	Remediation of 25 open findings through the FMR Findings Register; ERP and systems modernisation

	controls could result in errors, non-compliance with the Local Government (Financial Management) Regulations 1996, or fraud/financial loss.	external audit; CEO financial management review every 3 years.	program; targeted uplift of IT & cyber security maturity; standing reporting of remediation progress to ARIC.
Risk rating – **Medium** (Residual). Inherent risk mitigated by existing controls and active remediation program.			
IMPLICATIONS			
Continued investment in systems, segregation of duties and staff capability is required to reduce risk and strive for a Low to Medium overall residual risk profile in financial management.			

ASSET MANAGEMENT IMPLICATIONS

Several findings reinforce the need to continue the Shire's Enterprise Resource Planning (ERP) and systems modernisation program, which underpins the integrity of asset, payroll, procurement and financial records.

The Asset Management Plan and, interdependently, the Long-Term Financial Plan also rely on accurate cost journals and disciplined capitalisation processes, which are addressed by findings F36 and F37.

These Plans are due to be revisited as per regulations in 2026.

Continued investment in records management and asset register integrity (including the verification of land and building ownership identified in the OAG's 30 June 2024 Management Letter) is required.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

However, it must be noted there may be opportunities to collaborate with Great Southern VROC Member Councils to improve liquidity and scale, share common policy and regulatory frameworks and ICT/cyber security uplift to improve efficiency and reduce risk across the region.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Receives the Internal Financial Management Review 2026, prepared by the Chief Executive Officer (CEO), in accordance with Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996;
2. Endorses the prioritisation of the open Extreme and High residual-risk findings detailed in the attached Findings Register for action within the next 12 months; and
3. Requires the recommendations and observations raised within the report to be placed on the risk action register and reported back to the Audit, Risk and Improvement Committee and Council on a quarterly basis for monitoring.
4. For probity and best practice governance the next triennial Financial Management Review be undertaken by an external Forensic Accountant selected by the CEO going to market with an Expression of Interest.

MOTION #:	78/26
MOVED:	Cr Mitchell
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.7 APPROPRIATENESS OF THE EMPLOYEE LEAVE RESERVE TO FUND EMPLOYEE LEAVE LIABILITIES

REPORTING OFFICER:	Grant Thompson - Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	Nil

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12 A High performing Shire	12.2 Monitoring and Reporting

DECLARATION OF INTEREST

Declaration of Conflict of Interest - Financial: The CEO and Author of this report has accrued leave benefits as an employee of the Shire and, although unlikely, may be affected by any decision.

PURPOSE OF THIS REPORT

The purpose of this report is to advise Council on the status and appropriateness of the Employee Leave Reserve to fund the Shire’s accrued employee leave liabilities, and to seek Council’s direction on the preferred funding posture for the reserve in future budget cycles.

BACKGROUND

The Shire’s Employee Leave Reserve is a restricted cash reserve established under section 6.11 of the *Local Government Act 1995* for the purpose of funding annual and long service leave requirements.

Employee Benefits Restricted Financial Reserve - Terms of Reference (ToR) reads as:

> "*to be used to fund annual and long service leave requirements.*"

Council Policy 2.1.6 - Financial Governance provides that:

> *at a minimum, the reserve should fund the Shire’s requirement for: the EBA sick leave liability under clause 29 of the Shire of Kojonup Team Member Agreement and the current portion of long service leave for staff with seven or more years’ service*.

At 30 June 2025, the audited Annual Financial Report recorded the Employee Leave Reserve balance as $296,408 against total employee benefit provisions of $618,814.

The employee benefits current liability is approximately $524,170, comprising annual leave of $365,727 and current long service leave of $158,443, with a further non-current long service leave provision of $94,599.

Table 1: sets out the employee leave liability by component. At 30 June 2025, the reserve balance of $296,408 compared with a total audited employee benefits liability of $618,814 and an audited current liability of approximately $524,170.

Table 1 - Employee leave liability by component ($)		
Component	Current ($)	Non-Current ($)
Long Service Leave	$158,442.73	$94,599.33
Annual Leave	$365,727.35	$0.00
Total current (AL + LSL)	$524,170.08	$94,599.33

All figures in this report are drawn from the audited Annual Financial Report as at 30 June 2025; for comparison, the Employee Leave Reserve is forecast to be approximately $304,000 by the end of June 2026.

The other matter to note is the discrepancy between the Shire Policy and the Terms of Reference of the reserve as described above. This report will consider a realignment with whichever profile the Council decides on funding for the financial reserve (Employee Benefits).

COMMENT

The benchmark analysis confirms the Employee Leave Reserve is only adequate against a minimum policy threshold but is not adequate against the Shire's broader near-term leave exposure or risk appetite as set out in **Table 2** below.

Table 2: Tests the Shire's current reserve balance against three coverage benchmarks - the statutory policy minimum, all leave, and the total current employee benefits liability - and summarises the resulting surplus or shortfall for each.

Table 2 - Reserve Coverage at a glance			
Coverage test	Requirement ($)	Surplus/(Shortfall) ($)	Outcome
Test A - Statutory minimum (Council Policy 2.1.6).	$282,873	+$13,535	104.8% - COVERED, but does not cover the Shire risk profile for current leave liability. Too low a threshold.
Test B - all leave	$618,814	($322,406)	Only 47.8% of liability covered- RISK NOT COVERED
Test C - Total current employee benefits liability	$524,170	($227,762)	56.5% of Current liability covered - RISK NOT COVERED

This report will layout the justification to change the Policy, Reserve Terms of Reference and a material increase to the Employee Benefits Reserve to satisfy the rias profile for the Shire in meeting its leave liabilities.

Employee Leave Reserve Cash Funding vs. Employee Benefits Liability Statutory Requirements

The research demonstrates there is no mandated, or *'official'* percentage in Australian Accounting Standards (AASB), the Fair Work Act, or state/territory long service leave legislation that mandates an organisation how much cash to hold against its employee benefits liability.

Neither AASB 119, the *Local Government Act 1995*, nor the WA leave-entitlement legislation prescribes a specific cash-funding percentage for employee leave liabilities.

Accounting standards govern recognition and measurement of the liability- they are silent on funding it with cash. Currently, the only applicable funding benchmark for the Shire is therefore the statutory minimum defined in ***Council Policy 2.1.6***, supplemented by the reserve terms of reference (to fund AL and LSL requirements) and contextualised by AASB 119 normal corporate practice.

That said, based on how the liability is structured under AASB 119 and corporate treasury benchmarks, a defensible position is as follows:

"*Hold cash equal to the portion of the employee benefits current liability - i.e. the amount expected to be settled within 12 months*". In the public sector it appears in practice this minimum is typically ~40% of the total employee benefits liability (current and non current), with a conservative full-coverage target being 100% of the annual leave balance plus the current portion of long service leave.

Unfortunately for the Shire the Annual Leave current liability is a sizeable quantum and the above AASB/Corporate practice benchmark is possibly not relevant to a Not for profit (NFP) /Local Government risk profile.

Table 3: sets out how each leave component is treated under AASB 119 and its associated cash-risk profile:

Table 3 - AASB 119 treatment and cash-risk profile by leave component		
Component	AASB 119 treatment	Cash-risk profile
Annual leave	Short-term benefit, measured at nominal (undiscounted) value	High- cashable on resignation at any time
Long service leave (LSL)- current / vested	Long-term benefit; vested portion presented as current	Medium-high- payable on exit once vested
LSL- non-current / pre-conditional	Measured at present value (discounted), probability-weighted for turnover, salary growth, mortality	Lower- many employees never reach eligibility
Termination & post-employment	Per AASB 119 rules	Event-driven

The practical implication of this benchmark is that a large proportion of the total liability - the non-current LSL - is discounted and probability-weighted downward to reflect the likelihood that many employees will leave before the entitlement vests. It is not certain this discounting fully reflects the Shire's position, given the size of its current LSL liability relative to the non-current portion (**refer Table 1**).

What all this means is the Shire has a large number of Team Members that are eligible (past the seven-year threshold) to either take or be paid out their LSL within a 12 month timeframe. This is also compounded by an ageing workforce who may be close to retirement.

The portion of the current LSL liability is 53.5% of the current Employee Leave Reserve leaving only 46.5% to cover the Annual Leave current liability of $365,727.35 or Vice Versa the LSL liability is not fully covered by the Reserve and only a portion of the Annual leave current liability is covered. Either way this creates a material gap in the Shires ability to fund its current liabilities.

In reality, the Council does not need cash sitting against the entire liability figure; the pragmatic funding target sits at a more prudent level but certainly above the current reserve level.

Practical Benchmark Tiers

Applying a framework to local-government, four broad funding postures can be identified and should be considered. Table 3 summarises each position, the indicative cash holding as a percentage of the total employee benefits liability, and the rationale, providing Council with a reference scale against which the Shire's current position can be benchmarked.

For noting is the "*Best-practice guidance*" for specialist Not-For-Profit (NFP)/CFO advisor's recommendation:

> "Recommend setting aside funds and holding cash on hand for leave entitlements, ideally in a dedicated/quarantined account, but quantify it as enough to meet expected payouts (in 12 months) rather than a fixed % of the whole liability."

Table 4: sets out different funding positions for the Council to consider.

Table 4: Practical Benchmark funding postures for an NFP/Local Government		
Funding posture	Cash as % of total employee benefits liability	Rationale
Minimum / prudent floor	~40% (close to the current portion)	Is meant to cover what is estimated to be payable within 12 months.
Conservative target	~50-60% of total liability	Current portion plus a buffer for turnover spikes and key-person exits.
Fully funded (risk-averse / NFP best practice)	100% of annual leave + vested LSL (often ~40-60% of total)	Specialist NFP accountants recommend *quarantining* cash in a dedicated account to avoid shortfalls on sudden resignations.
Over-funded	Approaching 100% of the total (incl. discounted non-current LSL)	Generally unnecessary- ties up cash against a probability-weighted, discounted liability that may never crystallise.

On this scale, a defensible position for the Shire sits close to the "conservative target" and the "Fully Funded (Risk Averse NFP best practice)" tiers- that is, cash coverage sufficient to meet the current portion of the liability with a modest buffer for turnover spikes and key-person exits recommended at between 50-60% of the total liability.

It is important to note that the Shire's current financial situation means that it is not in a position to fully fund the reserve to cover the whole current liability of $524,170.08.

Reserves approaching full coverage of a total liability (including the discounted non-current LSL) are generally regarded as over-funded for a workforce of the Shires size, and for an NFP.

While the Policy definition is technically satisfied, this threshold is low and is recommended to be adjusted upward; retaining it would leave the Shire exposed to a higher liability that would need to be funded from municipal accounts in any given financial year.

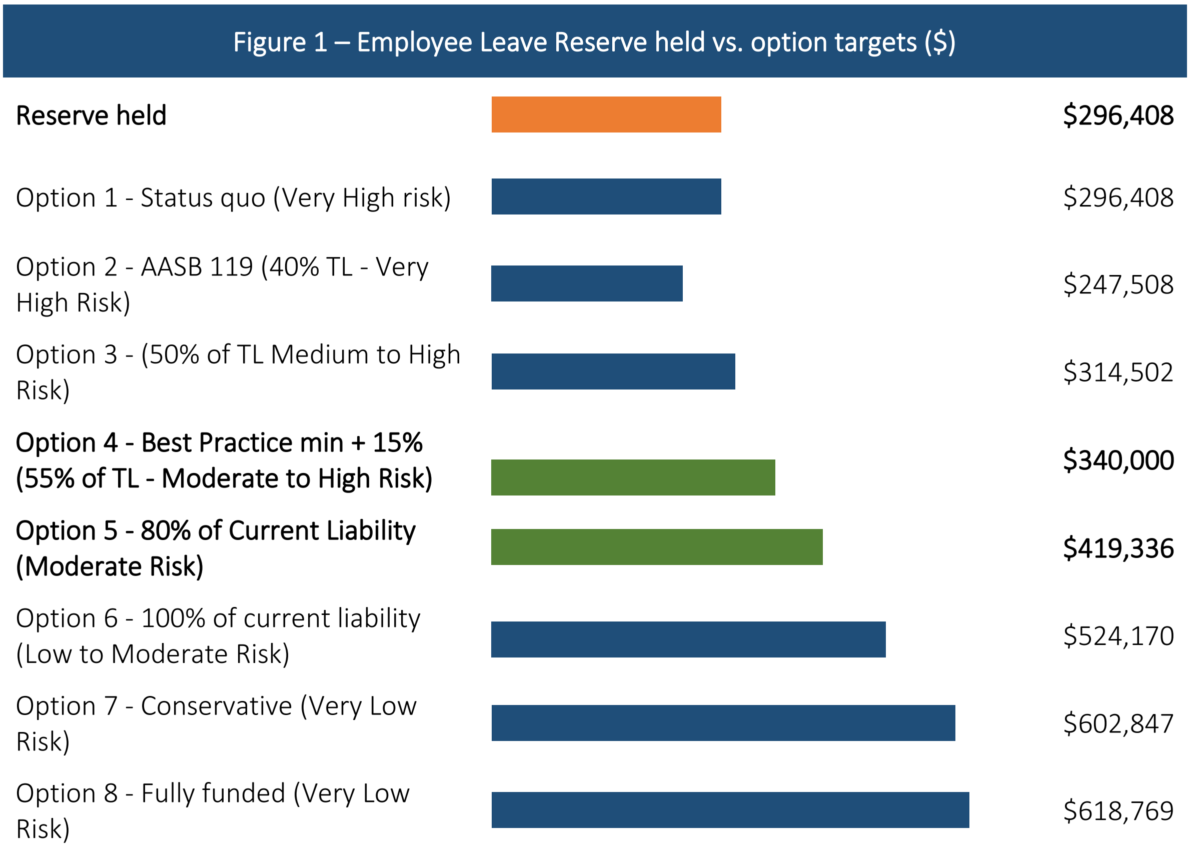
The reserve's terms of reference is also not being met, as the current liability is not covered. Given the size of the current liability, it is not considered financially achievable to fund 100% of the $524,170 current liability; rather, Council should determine how much risk it is prepared to carry each financial year and fund a lower portion of that liability accordingly.

Table 5: Sets out the eight (8) funding postures researched for Council's consideration:

Table 5 - Funding posture options for Council consideration				
Option	Target reserve ($)	Top-up required ($)	Risk	Considerations
Option 1 - Maintain status quo	$296,408	Nil	Very High	Meets regulatory minimum on current estimates only; meets Shire policy; carries material residual risk against annual leave and total current liability; no cash-flow impact. **Not recommended.**
Option 2 - AASB regulatory standard (40% of total liability)	$247,508	Nil	Very High	Meets AASB benchmark only; reserve held already exceeds this target. Carries material residual risk against annual leave and total current liability. **Not recommended.**
Option 3 - 60% coverage of current liability	$314,502	$18,094	High	Small cash-flow impact; aligns with the policy floor; does not address the broader workforce risk profile. **Considered**
Option 4 - Lift + 15%, 60% coverage of current liability, verification buffer	$340,000	$43,592	High to Moderate	Provides margin against the unverified sick-leave estimate; modest cash-flow impact; aligns with the policy floor. **Considered**
Option 5 - 80% coverage of current liability	$419,336	$122,928	Moderate	Current liability not fully covered; a modest, staged approach that materially reduces residual risk without the capital-tie of full coverage. **Considered**
Option 6 - Lift to portion of total current liability (100% current)	$524,170	$227,762	Low	Funds all current leave realistically payable within 12 months (AASB 119 compliant); phased top-ups required over at least 4 budget cycles. **Low-risk option, not viable in the short term.**
Option 7 - Lift to conservative target (current portion + 15% buffer)	$602,847	$306,439	Very Low	Optimal risk-averse posture; addresses elevated turnover and ageing-cohort risk; ties up capital against discounted non-current LSL that may not crystallise; phased top-ups required over at least 4

				budget cycles. Funding Not achievable in short timeframe. **Not Recommended**
Option 8 - Fully fund total liability (100% coverage)	$618,769	$322,361	Very Low - Overfunded	Maximum risk-averse posture; ties up capital against discounted non-current LSL that may not crystallise; addresses elevated turnover and ageing-cohort risk; phased top-ups required over at least 4 budget cycles. Funding Not achievable in short timeframe. **Not Recommended**

Figure 1: Highlights the option targets for Council consideration.



Bar widths are scaled proportionally to dollar value relative to the maximum ($618,769). Orange = current reserve held; green = recommended option; dark blue = other options.

Based on the options analysed, the financial position of the Shire to fund large reserves, and the risk profile of the quantum of leave being paid out in Twelve (12) months or less, the Author requests Council to consider the following:

1. That the minimum Council Policy threshold is removed and not used as it presents a very low threshold and doesn't control the risk profile.
2. Neither is the Author recommending that the reserve be funded to 100% of the total leave liability, as this would unnecessarily tie up cash against liabilities that may not crystallise in the near term, effectively overfunding the reserve.

   If all leave is included, the combined cash-at-risk requirement increases to approximately $618,769.
3. **Option 6, 7 & 8** are material financial gaps compared to the actual reserve balance. Funding either of these targets would require a significant cash injection, even staged over five years or more and it seems impractical to achieve this result in the current

economic climate and is not recommended.

4. Unless a catastrophic event took place it is an unlikely scenario that all the leave liability would be required to be paid in one year.

   A short-term step in the right direction is recommended: a balanced financial **floor** target of '**60% of current liability plus a 15% buffer**' - equating to approximately $340,000, or 55% of the total liability - representing a modest $43,592 increase to the reserve that is achievable in the medium term.

5. That Council apply a **ceiling** target of '**80% of the current liability**' ~$420,000 to offset the risk of an ageing workforce. This equates to 68% of the total liability or a target increase of $122,928. Still within the realms of achievability and could be funded over three (3) to four (4) year budget cycles.

6. That Council set an effective '**floor**' and '**ceiling**' range between $340,000 and $420,000 for the reserve to be sitting within, (55% to 68% of the total liability). This matches best practice and industry benchmark targets.

   In all probability, this represents a range most likely to crystallise as a near-term cash obligation through annual leave, vested long service leave over a twelve-month timeframe and a fluid, ageing workforce.

In summary, while the Employee Leave Reserve is compliant with the minimum Council Policy threshold, that threshold is itself set too low and does not adequately fund the Shire's practical current leave liability risk over a twelve-month timeframe.

CONSULTATION

Chief Executive Officer;
Shire President;
Briefing Session;
Annual Financial Report for the year ended 30 June 2025.

STATUTORY REQUIREMENTS

The Employee Leave Reserve is established and maintained under section 6.11 of the *Local Government Act 1995*. Any change to the purpose of the reserve, or use of reserve money for another purpose, requires an **absolute majority** resolution and must be dealt with in accordance with section 6.11, including one month's local public notice (unless disclosed in the annual budget) and disclosure in the annual financial report.

The recommendation does not change the reserve's purpose, which remains to fund annual and long service leave requirements, as set out in the following section of the Act:

Table 6: *sets out the legislation and accounting standards that establish the framework within which the Employee Leave Reserve is held, the employee benefits liability is recognised and measured, and any change to the purpose or use of the reserve must be authorised.*

Table 6 - Legislative and accounting framework	
Reference	Requirement / relevance
Local Government Act 1995 (WA), s. 6.11 - Reserve accounts	(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose. (2) Subject to subsection (3), before a local government- (a) changes* the purpose of a reserve account; or (b) uses* the money in a reserve account for another purpose, it must give one month's local public notice of the proposed change of purpose or proposed use. * Absolute majority required. (3) A local government is not required to give local public notice under subsection (2)- (a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or (b) in such other circumstances as are prescribed. (4) A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs. (5) Regulations may prescribe the circumstances and the manner in which a local government may set aside money for use for a purpose in a future financial year without the requirement to establish and maintain a reserve account.
Local Government Act 1995 (WA), s. 6.11- Reserve accounts	Establishment and maintenance of a reserve account for each future-year purpose; one month's local public notice (unless disclosed in annual budget) and absolute majority required to change the purpose, or use money for another purpose; change to be disclosed in the annual financial report.
Local Government Act 1995 (WA), s. 6.5, s. 6.7, s. 6.8	CEO's duty to keep proper accounts; municipal fund framework within which restricted cash reserves operate; authorisation of expenditure.
Local Government (Financial Management) Regulations 1996 (WA), reg. 27(g)-(ga)	Notes to the annual budget must disclose, for each reserve account, the opening balance, amount to be set aside, amount to be used, closing balance, and the purpose (including whether it is related to a government policy/direction, a written law or an agreement).
Local Government (Financial Management) Regulations 1996 (WA), reg. 38	Information about reserve accounts to be included in the annual financial report (purpose, movements, opening/closing balances and classification of purpose).
Local Government (Financial Management) Regulations 1996 (WA), reg. 18	Limited circumstances in which local public notice is not required to change the use of money in a reserve account.
Minimum Conditions of Employment Act 1993 (WA)	Statutory minimum entitlements for annual leave and personal/sick leave for State-system employees.

Long Service Leave Act 1958 (WA)	Statutory long service leave entitlement (7 years' continuous service to pro-rata vesting, 10 years' to full entitlement under State LSL provisions) underpinning the LSL component of the leave provision.
Corporations Act 2001 (Cth), s. 334 / AASB 119 *Employee Benefits*	Governs recognition and measurement of the employee benefits liability (annual leave as a short-term, undiscounted benefit; LSL split between current/vested and non-current/discounted components). The standards do not mandate a cash-funding percentage- funding is a treasury/risk decision.

In summary, the legislative framework requires the Shire to establish, maintain, and properly disclose the Employee Leave Reserve, and to follow due process if its purpose or use is changed, but it does not prescribe how much cash must be held against the liability.

POLICY IMPLICATIONS

Council Policy 2.1.6 - Financial Governance is directly relevant, as it sets the minimum funding expectation for the reserve and requires the CEO to conduct an annual appropriateness review. The recommendation in this report strengthens the reserve above that minimum threshold and sets a target range; a Policy amendment is recommended to realign the targets if adopted.

Table 8: sets out the Council policies, reserve terms of reference and supporting strategic documents that frame the local context against which the appropriateness of the Employee Leave Reserve is tested.

Table 8 - Council policies, reserve terms of reference and strategic documents

Reference	Requirement / relevance
Council Policy 2.1.6- Financial Governance (Cash Reserves)	Sets the goal that the Employee Leave Reserve, as a minimum, fund the EBA clause 29 sick leave liability and the current portion of LSL for staff with 7+ years' service. Also requires the CEO to conduct an annual review of reserve appropriateness for Council.
Employee Leave Reserve- terms of reference (Annual Financial Report Note 38)	"To be used to fund annual and long service leave requirements." Establishes the permitted use of money in the reserve.
Reserve Appropriateness Review 2025/2026 (April 2026 Council resolution)	Confirms continuation of the Employee Leave Reserve and prioritisation of restoring/strengthening Employee Leave reserve balances ahead of new reserves.
Shire of Kojonup Annual Leave Policy (Draft CEO Review undertaken June 2026 to be presented to Council)	Sets out the entitlement, accrual and cash-out arrangements for annual leave; payout obligations on termination feed the current portion of the annual leave liability.
Shire of Kojonup Workforce & Diversity Plan 2023-2027	Provides workforce profile (FTE, age, tenure, turnover) supporting the risk context for setting the funding target.

The Policy and ToR of the reserve require review and should be tightened and aligned into a clearer targeted requirement for the Shire.

FINANCIAL IMPLICATIONS

Adopting the recommended funding posture would set a target Employee Leave Reserve balance of between $340,000 and $420,000, but the terms of reference and Council Policy would need to reflect the new targeted range to cover the risk portion of the total Employee Benefits Liability (EBL).

In the short term this requires a minimum top-up of approximately $45,000 in the medium term to meet the lower end of the range.

The financial impact can be managed through staged annual transfers in a scheduled payment pattern. This is subject to Council's annual budget deliberations and free cash-flow capacity in any given year.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
Financial sustainability	Failure or reduction in controls associated with financial management, accounting standards, purchasing to pay, order to cash, plant, equipment or machinery lease or purchase, Treasury Functions, bank reconciliations, budget etc. These include processes and controls that are end to end in external and internal to the organisation.	Budget Controls	Leave Provision Management
RISK RATING:	**HIGH - INADEQUATE**		
IMPLICATIONS			
If the Employee Leave Reserve is maintained only at the minimum policy threshold, the Shire remains exposed to unfunded cash demand from annual leave and vested long service leave. A staged increase to the current liability target materially reduces that exposure while avoiding the full capital tie-up associated with funding the total liability, including discounted non-current long service leave that may not crystallise. The Employee Leave Reserve may be insufficient to meet near-term cash obligations arising from annual leave and vested long service leave if multiple resignations, retirements or key-person exits occur within a short period.			

ASSET MANAGEMENT IMPLICATIONS

Nil.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Receives the report on the appropriateness of the Employee Leave Reserve to fund employee leave liabilities dated 23 June 2026.
2. Notes that the Employee Leave Reserve at 30 June 2025 was $296,408 and only meets a statutory minimum threshold defined in Council Policy 2.1.6 - Financial Governance but does not cover the Shires risk funding profile.
3. Notes that the Employee Leave Reserve does not cover the total employee benefits current liability of approximately $524,170, with an estimated shortfall of $227,762.
4. Adopts a ranged option of a Floor and Ceiling minimum $340,000 to a maximum $420,000 being a funding posture that lifts the Employee Leave Reserve to cover a material amount of the current leave liability risk.
5. Publicly Advertises the changes as per Local Government ACT 1995 - Sect. 6.11 - Reserve accounts.
6. Council approves a staged approach to reaching the target range and will consider the amount of reserve transfer necessary within the budget creation process year on year.
7. Requests the Chief Executive Officer to report annually to Council on the Employee Leave Reserve appropriateness in accordance with Council Policy 2.1.6.
8. Update the Shire Policy 2.1.6 to reflect the upward threshold changes as presented and approved by Council;
9. Update the current Terms of Reference of the Shire Employee Leave Benefits Reserve to reflect the upward threshold changes as presented and approved by Council.

MOTION #:	79/26
MOVED:	Cr Michael
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.8 SHIRE OF KOJONUP INTEGRITY PLAN 2025-2027

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.4.8.1 – Shire of Kojonup Integrity Plan 2025-2027

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoKO Monitoring and Reporting

DECLARATION OF INTEREST

Nil.

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council consideration and adoption of the Shire of Kojonup Integrity Plan 2025-2027 and to note the supporting 2026 Implementation Plan and Integrity Maturity Dashboard as practical tools for strengthening integrity, accountability, governance oversight and public trust.

BACKGROUND

The Shire has prepared an Integrity Plan to provide a coordinated, risk-based and practical framework for preventing, detecting, responding to and continuously improving the management of fraud, corruption, misconduct and broader integrity risks.

The Plan applies to Elected Members, Committee Members, the Chief Executive Officer, Team Members, Contractors, Consultants, Volunteers and any other person undertaking work or exercising authority on behalf of the Shire.

It is supported by an implementation schedule, annual reporting template and maturity self-assessment dashboard that align integrity actions with governance, risk, internal control, reporting, training and oversight responsibilities.

COMMENT

The Integrity Plan formalises the Shire’s expectation that all people who work for, represent or do business with the organisation act honestly, lawfully, respectfully and in the public interest. It brings together existing governance instruments, including the codes of conduct, policy manual, risk management framework, delegations, complaint processes, public interest disclosure procedures and public registers, into a single operating framework for integrity management.

The attached implementation workbook identifies 15 detailed implementation actions across five phases: establishing foundations, reviewing risks and controls, building capability and culture, strengthening reporting and response arrangements, and embedding oversight and continuous improvement.

The current maturity assessment records an average current maturity score of 2.31 against a target of 3.46, with priority improvement areas including internal controls and audit, fraud and corruption detection, organisation culture, response to breaches, and self-analysis and review.

Adoption of the Plan will not create a separate compliance regime; rather, it will clarify accountabilities, provide a structured basis for reporting progress through the Audit, Risk and Improvement Committee and Council where required and make the governance task visible within the organisation.

The Plan also supports recent Western Australian local government integrity reforms, including the commencement of the Local Government Inspector, updated breach pathways, and strengthened expectations for audit, risk and improvement oversight.

CONSULTATION

The Integrity Plan has been prepared by the Chief Executive Officer with reference to the Shire's existing governance framework, policy manual, risk management arrangements, public registers, internal control obligations and the WA Public Sector Commission integrity framework resources.

The implementation schedule is intended to be reviewed with the Leadership Team and reported through the Audit, Risk and Improvement Committee as part of ongoing governance oversight.

STATUTORY REQUIREMENTS

The Integrity Plan is informed by, and supports compliance with, the *Local Government Act 1995, Local Government Regulations, Corruption, Crime and Misconduct Act 2003, Public Interest Disclosure Act 2003, State Records Act 2000, Freedom of Information Act 1992* and related governance, conduct, complaint, procurement, financial management and recordkeeping obligations.

The Plan also recognises the new Local Government Inspector framework and contemporary expectations for breach reporting, transparency, internal control, risk management and continuous improvement.

POLICY IMPLICATIONS

The Plan is consistent with the Shire's Policy Manual and is intended to operate alongside the Employee Manual, Employee and Elected Member Codes of Conduct, Risk Management Plan, Business Continuity and Disaster Recovery Plan, Volunteer Management Plan, Public Interest Disclosure Procedure, complaint processes and supporting governance instruments.

The implementation plan includes review actions to confirm that integrity-related policies, procedures, manuals and public registers remain current, accessible and allocated to responsible officers.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from adoption of the Integrity Plan.

Implementation is expected to be managed within existing operational resources and governance work programs. Any future resourcing implications arising from audit activity, training, system improvements or external advice will be considered through the ordinary budget and management reporting processes.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
3. Compliance	Ineffective policies & processes	Audit Risk & Improvement Committee	Risk review
RISK RATING:	**HIGH/INADEQUATE**		
IMPLICATIONS			
Adoption of the Integrity Plan reduces governance, compliance and reputational risk by establishing a clear framework for integrity expectations, roles, reporting pathways, control assurance, breach response, training and continuous improvement. Failure to adopt or implement the Plan may reduce the Shire's ability to demonstrate a mature, coordinated and evidence-based approach to integrity management.			

ASSET MANAGEMENT IMPLICATIONS

Nil direct asset management implications. The Plan supports appropriate stewardship of public assets through stronger controls over procurement, delegations, records, information, fleet, plant, equipment and other Shire resources.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil direct Great Southern VROC implications. The Plan may support future regional benchmarking, shared learning and governance improvement discussions where integrity, risk, audit or compliance practices are considered across the region.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION	
That Council: 1. Adopts the Shire of Kojonup Integrity Plan #1.0 2025-2027 as an operational governance framework to strengthen integrity, accountability and public trust; 2. Notes the Integrity Implementation Plan 2026, including the phased implementation schedule and priority improvement actions; 3. Notes the Integrity Maturity Dashboard and current priority improvement areas identified through the self-assessment process; and 4. Requests the Chief Executive Officer to report implementation progress through the Audit, Risk and Improvement Committee and to Council where directed and required.	
MOTION #:	80/26
MOVED:	Cr Mickle
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

The Deputy Chief Executive Officer left the meeting at 4.28pm.

Cr Mathwin left the meeting at 4.28pm and returned at 4.29pm.

9.4.9 RISK MANAGEMENT PLAN REVIEW 2026

REPORTING OFFICER:	Grant Thompson - Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.4.9.1 - Risk Management Plan Review 2026 CEO

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 Monitoring & Reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is for Council to consider the reviewed Shire of Kojonup Risk Management Plan and endorse its continued implementation as the practical framework for identifying, assessing, treating, monitoring, escalating and reporting strategic, corporate, operational, project, financial, compliance and work health and safety risks across the organisation.

BACKGROUND

The Shire's Risk Management Plan provides the practical framework for applying risk management across Council decision-making, administration, service delivery and projects. The reviewed Plan confirms that risk is to be managed consistently through identification, analysis, evaluation, treatment, monitoring, review and reporting, aligned with AS ISO 31000 principles and the Shire's governance responsibilities.

The Plan supports the Risk Management Policy by setting a roadmap by which to implement the Polic. The plan maps out roles and responsibilities for Council, the CEO, leadership and management, a Management Review Committee, risk owners and work health and safety representatives.

It also strengthens the link between risk management, integrated planning, budgeting, procurement, project governance, audit, business continuity and statutory compliance.

COMMENT

The reviewed Risk Management Plan is intended to be the Shire's operational roadmap for applying the Risk Management Policy in practice.

It moves risk management beyond a policy statement and sets out how risk is to be identified, assessed, prioritised, treated, monitored and reported across Council decision-making, corporate planning, service delivery, work health and safety, financial management, asset management and project delivery.

The Plan is designed to support a more mature and consistent risk culture, where risks are visible, accountable, escalated where required and linked to treatment actions rather than being managed informally or in isolation.

The Plan confirms that risk management is not a stand-alone compliance exercise. It is intended to be embedded into ordinary business processes, including Council and committee reports, annual budgeting, long-term financial planning, procurement, contracts, asset renewal, workforce planning, project management, emergency management, business continuity, audit and statutory compliance.

This approach ensures that risks are considered before decisions are made, monitored during implementation and reviewed after actions, projects or incidents occur.

A key feature of the reviewed Plan is the clearer allocation of roles and responsibilities. Council retains oversight of strategic and material risks; the CEO is responsible for implementation and escalation; managers and risk owners are responsible for maintaining current risk information and progressing treatments; and the Management Review Committee provides an internal review pathway for risks that cannot be closed out at officer level.

The Independent Audit Risk and Improvement Committee provides a further assurance and oversight pathway for risk management, internal controls and legislative compliance.

Plan component	What the Plan provides	Council relevance
Risk governance	Defines the roles of Council, CEO, management, risk owners, MRC, ARIC and WHS representatives.	Clarifies governance oversight and escalation of material risks.
Risk appetite and assessment	Uses consequence, likelihood, risk-rating and control-effectiveness criteria to prioritise risks.	Supports consistent decision-making and proportional management response.
Risk registers and reporting	Requires risks to record owners, ratings, controls, treatments, due dates, funding status, review dates and escalation pathways.	Improves visibility of unresolved, overdue, unfunded or escalating risks.
Critical controls	Introduces Critical Control Management for material risks where failure of a key control could have serious consequences.	Strengthens assurance over high-consequence risks such as WHS, cyber, emergency management, financial controls and project governance.
Implementation and culture	Sets milestones for MRC governance, risk appetite, dashboards, reporting, training, assurance reviews and risk-register integration.	Provides Council with a clear pathway for monitoring implementation progress.

The Plan also provides a practical implementation program rather than requiring all risk maturity improvements to occur immediately.

Current priorities include confirming the Management Review Committee (MRC) governance and meeting cycle, finalising risk appetite and reporting thresholds, integrating the strategic risk register with Council and management reporting, improving dashboard and action tracking, communicating risk expectations to team members and commencing targeted control assurance reviews.

This staged approach is appropriate because some risk treatments may require future resourcing, budget consideration, training or process change.

Council endorsement of the reviewed Plan does not of itself resolve every risk currently recorded by the Shire.

Rather, it confirms the framework, responsibilities and reporting discipline required to ensure those risks are visible, assigned, treated and escalated appropriately. It also provides a stronger basis for future Council reports to identify strategic, financial, asset, compliance, project and WHS risks in a consistent manner.

CONSULTATION

The reviewed Plan has been prepared by the Chief Executive Officer having regard to the Shire's current Risk Management Policy, risk governance requirements, risk register and implementation needs.

Further consultation will occur with the Management Review Committee (MRC), Audit Risk and Improvement Committee (ARIC), managers and risk owners as the Plan is implemented.

STATUTORY REQUIREMENTS

Section 5.56 of the *Local Government Act 1995* requires local governments to plan for the future of the district. The Risk Management Plan supports integrated planning and informed decision-making by embedding risk assessment into strategic, corporate, operational, financial, asset, workforce and project planning processes.

The Plan also supports the Shire's governance and assurance obligations under the Local Government (Audit) Regulations 1996, including the review of risk management, internal control and legislative compliance arrangements, and supports compliance with the Work Health and Safety Act 2020 where risks relate to workplace health and safety.

POLICY IMPLICATIONS

The reviewed Risk Management Plan is intended to operate alongside the Shire's Risk Management Policy and Risk Framework.

The accompanying policy review modernises Policy 2.3.4 by confirming Council's commitment to an organisation-wide risk management approach, clarifying roles and responsibilities, aligning terminology with AS ISO 31000:2018 and requiring material, High and Extreme risks, inadequate controls, critical control failures and overdue treatment actions to be escalated in accordance with the Plan.

FINANCIAL IMPLICATIONS

There are no immediate budget amendments arising from Council's consideration of the reviewed Risk Management Plan. Implementation will primarily be managed through existing governance, management, reporting and training processes.

Some treatment actions identified through risk registers, control reviews or project risk assessments may require future budget consideration, resourcing decisions or staged implementation where risks cannot be reduced within existing resources.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
3. Compliance	Ineffective policies & processes	Audit Risk & Improvement Committee	Risk review
RISK RATING:	HIGH/INADEQUATE		
IMPLICATIONS			
Endorsement of the reviewed Plan will reduce governance and operational exposure by clarifying responsibilities, strengthening escalation of material risks, improving treatment action visibility and supporting assurance over critical controls. If the Plan is not endorsed or implemented, the Shire may have reduced visibility of High and Extreme risks, inconsistent treatment monitoring, delayed escalation of inadequate controls and weaker evidence of risk management maturity.			

ASSET MANAGEMENT IMPLICATIONS

The reviewed Plan supports improved asset stewardship by requiring risk considerations to be applied to asset management planning, major capital works, renewal programs, critical asset failure risks, project variations and post-implementation reviews.

Any asset-related treatment actions requiring funding will be considered through normal budget, long-term financial planning and asset management processes.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil direct regional implications. The Plan may assist future regional collaboration, shared services, emergency management, business continuity and project governance by providing a consistent internal approach to identifying, assessing and reporting risks associated with partnerships and resource-sharing arrangements.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Accepts and approves the reviewed Shire of Kojonup Risk Management Plan 2026 as presented;
2. Endorses the continued implementation of the Risk Management Plan 2026 as the Shire's practical framework for identifying, assessing, treating, monitoring, escalating and reporting risk;
3. Notes that the Risk Management Plan 2026 supports the reviewed Risk Management Policy; and
4. Requests the Chief Executive Officer to progress implementation of the Plan, including risk appetite and reporting thresholds, risk registers, dashboard reporting, treatment action tracking, Management Review Committee oversight, training and periodic reporting to the Audit Risk and Improvement Committee and Council where directed or required.

MOTION #:	81/26
MOVED:	Cr Wieringa
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.10 REVISED RISK MANAGEMENT POLICY 2.3.4 – ADOPTION BY COUNCIL

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.4.10.1 – Risk Management Policy 2.3.4 – Revised Draft (2026) 9.4.9.1 – Risk Management Plan Review 2026 CEO

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil.

PURPOSE OF THIS REPORT

The purpose of this report is for Council to consider and adopt the revised Risk Management Policy 2.3.4 (Version 5.0), which has been comprehensively reviewed and updated to align with AS ISO 31000:2018, current legislative requirements and contemporary local government risk-governance practice.

The Policy is the headline governance document and is supported by the Shire's Risk Management Plan and the 2026 Risk Framework, which together provide the detailed framework, registers and reporting mechanisms through which the Policy is implemented.

BACKGROUND

The Shire of Kojonup Risk Management Policy 2.3.4 was originally adopted on 17 November 2015 (Council Minute 183/15) and has since been reviewed and amended on m1 May 2019 (Minute 52/19), 19 November 2019 (Minute 156/19) and 16 November 2021 (Minute 135/21).

After this review the Policy will be due for its next review post July 2027 and will be aligned to the Shire's annual policy review cycle.

The current review has modernised the Policy to align with AS ISO 31000:2018 Risk Management - Guidelines, section 5.56 of the *Local Government Act 1995* (planning for the future of the district), the *Work Health and Safety Act 2020* (WA) and the risk management review obligations of the Audit Risk and Improvement Committee (ARIC) under the *Local Government (Audit) Regulations 1996*.

The Policy was benchmarked against other relevant and comparable Western Australian local government risk policies.

The modernised Policy is supported by two companion documents that give effect to it: the Shire's Risk Management Plan (reviewed May 2026 in a subsequent agenda item), which establishes the detailed framework for identifying, assessing, treating, monitoring, escalating and reporting risk; and the 2026 Risk Framework and Implementation plan, which provides the live Risk Register, Dashboard, Implementation Tracker and KPI Scorecard used to monitor the Shire's risk profile against the Policy's requirements.

COMMENT

The revised Policy (Attachment 9.4.10.1 – Risk Management Policy 2.3.4 – Revised Draft (2026)) is the headline governance document for risk management at the Shire. It sets out Council's commitment to an ISO 31000-aligned approach, clarifies roles and responsibilities from Council through to the CEO, Management Review Committee (MRC), Risk Management Co-ordinator and individual risk owners, and establishes the escalation, control-rating and reporting expectations that apply across the organisation.

The Policy is structured across twelve sections, summarised below.

Table 1: Structure of the Modernised Risk Management Policy 2.3.4

Section	Key Content
1-3	Purpose, Policy Statement and Definitions – commits Council to an ISO 31000-aligned, organisation-wide approach to risk.
4	Scope/Application – embeds risk in planning, budgeting, procurement, projects, WHS, emergency management and asset management.
5	Roles & Responsibilities – Council, ARIC, CEO, Leadership Team, MRC and Risk Management Co-ordinator.
6-7	Principles and Procedure – risk appetite, escalation thresholds and control-effectiveness ratings (Effective, Adequate, Inadequate, Not Rated).
8-9	Compliance, Monitoring & Breaches; Risk Management – annual review cycle and escalation of material, High and Extreme risks.
10-11	Legislation & Regulatory Basis; Related Documents – links the Policy to the Risk Management Plan and registers.
12	Human Rights/Equity & Inclusion – commitment to safety, wellbeing and fair treatment in risk management.

The Policy operates in conjunction with the 2026 Risk Framework, which is the Shire's live evidence base for monitoring the risk framework the Policy establishes.

As at the reporting date, the Shire's portfolio comprises 17 risk categories, of which 2 are rated Extreme, 14 High and 1 Moderate, with 6 categories currently assessed as having Inadequate controls and 37 open treatment actions.

Figure 1: Shire of Kojonup Strategic Risk Profile 2026 (by inherent exposure score)

Table 2: Shire of Kojonup Strategic areas of Priority based on the profile.

Table 2: Priority Risks – Highest Inherent Exposure (2026 Risk Register)				
Risk Category	Inherent Score	Rating	Control Rating	Open Actions
Artificial Intelligence	25	Extreme	Inadequate	5
Supplier-Contract	20	Extreme	Inadequate	0
Project-Change Management	16	High	Inadequate	3
Document Management	16	High	Inadequate	4
Financial Sustainability	15	High	Adequate	4

The two Extreme-rated categories, Artificial Intelligence and Supplier-Contract risk, together with the three High-rated categories with Inadequate controls, represent the Shire's most material exposures and are the priority areas that the modernised Policy and its Critical Control Management (CCM) provisions are intended to address.

The Policy's requirement that Extreme risks only be accepted with CEO, ARIC and Council oversight directly targets these categories.

Officer advice is that adoption of the revised Policy is warranted because it formally introduces:

Critical Control Management for the seven material risks most likely to cause a serious

1. safety,
2. service,
3. compliance,
4. financial, or
5. reputational

event.

Sets clear escalation thresholds tied to the control-effectiveness ratings already used in the Risk Register; and

Aligns governance oversight (Council, ARIC, MRC) with the CEO's obligation to report material, High and Extreme risks.

Adoption will not, of itself, resolve the Inadequate control ratings currently recorded against six risk categories; these remain subject to the treatment actions tracked in the Implementation Tracker and will continue to be reported to Council and ARIC until resolved.

CONSULTATION

Chief Executive Officer (Reviewer/Author of the Policy);
Audit Risk & Improvement Committee
Benchmarking review against comparable Western Australian local government risk policies (Katanning, Plantagenet, Donnybrook-Balingup, Serpentine-Jarrahdale, Albany, City of Perth), July 2026.

STATUTORY REQUIREMENTS

Local Government Act 1995 (WA), section 5.56 (planning for the future of the district / integrated planning). AS ISO 31000:2018 Risk Management – Guidelines. Work Health and Safety Act 2020 (WA) and associated Regulations. Local Government (Audit) Regulations 1996 (risk management review obligations of the Audit Risk and Improvement Committee).

POLICY IMPLICATIONS

This report proposes adoption of a modernised version of Policy 2.3.4 - Risk Management, replacing the version last amended 16/11/2021 (Minute 135/21).

The revised Policy is the Shire's overarching risk governance document and is directly supported by, and should be read together with, the Shire of Kojonup Risk Management Plan and the 2026 Risk Profile and Reporting Tool, both of which give practical effect to the Policy's requirements. No other adopted Council policies are affected.

FINANCIAL IMPLICATIONS

There is no direct cost associated with adopting the Policy itself.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
3. Compliance	Ineffective policies & processes	Audit Risk & Improvement Committee	Risk review
RISK RATING:	HIGH/INADEQUATE		

IMPLICATIONS
If the revised Policy is not adopted, the Shire's risk governance arrangements will remain based on the 2021 version of the Policy, which does not reflect current ISO 31000:2018 guidance, does not formally introduce Critical Control Management for the Shire's most material risks, and may not adequately support ARIC and Council oversight of the 2 Extreme and 14 High-rated risk categories currently recorded in the Risk Register. This increases the likelihood that material control weaknesses are not escalated and that the Shire's governance arrangements fall behind comparable Western Australian local governments.

ASSET MANAGEMENT IMPLICATIONS

The revised Policy applies risk management principles to asset planning and renewal decisions. The Risk Register identifies Asset Sustainability as a High risk (inherent score 12) with Inadequate controls, and the Risk Management Plan's Critical Control Management provisions specifically address critical asset failure (e.g. bridges, key roads, sewerage, public buildings). Adoption of the Policy strengthens governance oversight of asset renewal and condition-inspection reporting to the Management Review Committee (MRC) and Council but does not itself commit any additional asset funding.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil. The revised Policy does not alter any existing Great Southern VROC project arrangements. Where future shared-service, resource-sharing or regional partnership arrangements are considered, the Policy's scope (section 4) already requires risk management to be applied to partnerships and shared-service arrangements.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. **Adopt the revised Risk Management Policy 2.3.4 (Version 5.0), as set out in Attachment 9.4.10.1 Risk Management Policy 2.3.4 – Revised Draft (2026), effective from the date of this meeting, replacing the version amended 16/11/2021 (Minute 135/21); and**
2. **Note that the Policy is supported by, and should be read in conjunction with, the Shire of Kojonup Risk Management Plan (Attachment 9.4.10.2 Risk Management Plan Review 2026 CEO) and the 2026 Risk Framework (too large to attach).**

MOTION #:	82/26
MOVED:	Cr Michael
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

Cr Wieringa left the meeting at 4.34pm and re-entered the meeting at 4.35pm.

9.4.11 ARTIFICIAL INTELLIGENCE POLICY – ADOPTION FOR COUNCIL CONSIDERATION

REPORTING OFFICER:	Grant Thompson – Chief Executive Officer
DATE:	Monday, 20 July 2026
ATTACHMENT(S):	9.4.11.1 - Draft Artificial Intelligence Policy 9.4.11.2 - 17) Artificial Intelligence Risk Profile 9.4.11.3 - AI Microsoft Copilot Implementation Risk Assessment

'*PLACEMAKING*' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 Monitoring and Reporting

DECLARATION OF INTEREST

Nil.

PURPOSE OF THIS REPORT

The purpose of this report is to present a draft Artificial Intelligence Policy to Council for consideration and adoption. The policy has been prepared by the Chief Executive Officer to establish an ethical, secure and accountable framework, governing the use of Artificial Intelligence tools across the Shire of Kojonup.

The report also informs and presents to Council a formal risk assessment undertaken and added to the Risk Framework, as directed by the Audit Risk & Improvement Committee (ARIC), and that identified AI-related risks have been considered and integrated into this Policy and the Shire Risk Framework.

BACKGROUND

Artificial Intelligence (AI) tools, including generative AI platforms and in particular Microsoft 365 Copilot, are increasingly being used across local government operations. The rapid proliferation of AI technologies presents both significant opportunities but also material risk for local governments, including risks relating to data privacy, cyber security, regulatory compliance, bias and the inappropriate use of sensitive information.

In response to these emerging risks, the Shire of Kojonup commenced developing an AI Policy in 2026. Tab 17: 2026 Risk Framework, identified Artificial Intelligence and Microsoft Copilot Practices as a new and significant organisational risk, with an overall risk rating of **EXTREME** (Consequence: Catastrophic; Likelihood: Possible; Score: 20), and with existing controls assessed as **Inadequate**.

Mainly, due the fact this is a new rapidly evolving technology and the controls are not in place in the Shire as yet. The adoption of this Policy and Risk Framework will act toward rectifying this.

This Policy is the foundation step to implementing critical controls for AI.

Notable is that prior to rolling out and licensing the new MS365 Copilot suite, a Risk and Impact Assessment was undertaken in early 2026, identifying 14 AI-related risks; Three (3) Urgent, Three (3) High Priority, three (3) Moderate, and Five (5) Not Urgent - with a highest risk score of 20 relating to 1. Data Privacy and Confidentiality, 2. Inaccurate Outputs in decision making and 3. Shadow AI where team members are not using approved AI systems.

Refer to Attachment 9.4.11.2 – 17) Artificial Intelligence Risk Profile for more information on the risks and critical controls required to manage AI systems.

COMMENT

The Draft Artificial Intelligence Policy has been prepared to address the organisational and governance risk arising from the adoption and use of AI systems within the Shire.

The policy establishes requirements across 13 areas including (but not limited to):

1. approved AI tools and authorised use;
2. AI data handling and secure use controls;
3. prohibited and elevated-risk uses;
4. AI vendor assurance and procurement;
5. quality, reliability and security;
6. transparency and contestability;
7. human oversight and control over AI outputs;
8. new AI use case procedures; and
9. incident management and escalation.

The Policy directly responds to the risks identified in the Shire's formal risk assessment process.

In particular, it establishes the governance framework and acceptable use policy required as a primary control action and provides the overarching framework within which the remaining risk treatment actions; including configuration of Data Loss Prevention (DLP), least-privilege access reviews, mandatory user training, and a Data Privacy Impact Assessment (DPIA).

These controls will be progressed based on their priority ranking in conjunction with the Managed Systems Services Provider, Ramped Technology.

The policy aligns with Australia's AI Ethics Principles, the Shire's existing Privacy Policy, Records Management Policy, Information Security Policy, Code of Conduct, and Procurement Policy.

It applies to all Team Members, volunteers, contractors and Councillors.

Council's adoption of this policy will formalise the Shire's governance position on AI and provide Team Members with a clear and lawful framework for AI use, with non-compliance subject to disciplinary or other actions. The CEO recommends that Council adopt the policy as presented in 9.4.11.1 - Draft Artificial Intelligence Policy.

It is important to note that the Policy does not recommend to <u>not</u> use AI, in fact the Policy supports the use of AI across the organization in a controlled manner.

It is structured so the AI tools that are approved are controlled and rolled out in a structured format and that no Shire data will be fed into unauthorized AI systems or external to the organization without the permission from the CEO.

CONSULTATION

The Chief Executive Officer consulted the following in the preparation of this report and the Draft Policy:

- Shire Officers;
- Councillor Briefing Session;
- Managed Systems Service Provider (MSSP); Ramped Technology - review of current Microsoft 365 Copilot configuration, access controls and DLP capability.
- This policy has been developed internally and does not require external public consultation prior to Council adoption.

STATUTORY REQUIREMENTS

The following statutory provisions are relevant to the adoption and operation of this policy:

- *Local Government Act 1995* (WA); Section 3.1: general function of a local government to provide for the good government of persons in its district; obligations for sound financial management, accountability and transparency.
- *Privacy and Responsible Information Sharing Act 2024* (WA) (PRIS Act); commenced 1 July 2026. The Shire of Kojonup is an entity covered under the new PRIS Act and is directly subject to all 11 Information Privacy Principles (IPPs) governing the collection, use, storage, disclosure, security and disposal of personal information. AI systems that collect or process personal information must comply with the IPPs, in particular IPP 1 (collection for authorised purposes), IPP 2 (fair and transparent collection), IPP 4 (accuracy), IPP 5 (data security), and IPP 6 (access and correction). A mandatory serious data breach notification regime, requiring reporting to the Information Commissioner and affected individuals, commences 1 January 2027.
- The adoption of this AI Policy directly supports the Shire's PRIS Act compliance obligations.
- *State Records Act 2000* (WA); obligations relating to the creation, management and retention of records, including AI-assisted records and outputs.
- *Work Health and Safety Act 2020* (WA); duties of care relevant to the deployment of AI systems affecting workers.
- Australia's AI Ethics Principles (CSIRO/DISR, 2019); non-binding but adopted as a benchmark for ethical AI use under this policy.

POLICY IMPLICATIONS

The adoption of the Artificial Intelligence Policy will constitute a new policy addition to the Shire's Policy Manual. Upon adoption, the following existing policies are to be read in conjunction with, and remain consistent with each other related to data and information management:

- Privacy Policy;
- Data Breach Policy
- Information Management Policy;
- Employee and Councillor Code of Conduct;

- Procurement Policy;
- Delegations Framework;

No existing policies are in conflict with the Draft AI Policy. A policy number is to be assigned upon Council adoption.

FINANCIAL IMPLICATIONS

The cost of developing this policy has been absorbed within the existing operational budget of the Office of the CEO. Future financial implications associated with implementing the risk treatment actions identified in the AI risk profile will be considered in budget reviews prior to implementation.

There are no direct financial implications arising from the adoption of this Policy itself.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
17) Artificial Intelligence (AI) & MS Copilot Practices	Risks arising from the adoption and use of AI tools, in particular Microsoft 365 Copilot, including: exposure of sensitive or confidential data through prompts and outputs; data leakage to external parties; inaccurate or "hallucinated" outputs informing decisions; bias and discrimination; intellectual property infringement; regulatory non-compliance (privacy); security vulnerabilities; and use of unapproved AI tools ("Shadow AI").	10. AI Governance Policy & Acceptable Use Policy (being established — this report)	1. Establish AI Governance Policy, Acceptable Use Policy & Ethics and Risk Framework. 2. Apply least-privilege access & conduct access reviews.
RISK RATING:	*EXTREME*		
CONTROLS:	*INADEQUATE*		
IMPLICATIONS			
The Shire's 2026 Risk Profile and Reporting Tool (***Tab: 17)Artificial Intelligence***) identifies AI as an **EXTREME** organisational risk with an increasing risk trend. This formal risk assessment, supported by the 2026 AI Copilot Risk and Impact Assessment, underpins the development of this policy. Without an adopted AI governance framework, the Shire is exposed to potential data breaches involving personal or sensitive information, reputational damage, regulatory non-compliance under privacy legislation, and financial consequences arising from AI-related incidents. The adoption of this policy represents the primary risk treatment and will significantly strengthen the Shire's governance position. Remaining control treatments are scheduled for completion by 25 December 2026 under the oversight of the CEO.			

ASSET MANAGEMENT IMPLICATIONS

The adoption of this policy does not directly create, modify or impact upon any physical assets of the Shire. Indirect asset implications may arise in the future where AI systems are integrated with asset management platforms (e.g. ERP, RAMM); any such use cases will be subject to the risk screening and approval processes established by this policy.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

The adoption of this AI Policy has no direct implication for the Great Southern VROC at this time. However, as AI governance frameworks evolve across the sector, the Shire may wish to consider sharing this policy model with GSVROC member shires to promote a consistent regional approach to responsible AI use across Great Southern local governments.

VOTING REQUIREMENTS

Simple Majority.

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council:

1. Adopts the Artificial Intelligence Policy as presented in 9.4.11.1- Draft Artificial Intelligence Policy, effective immediately upon adoption; and
2. Receives and notes the corresponding risk assessment and critical controls outlined in 17) Artificial Intelligence Risk Assessment in the 2026 Kojonup Risk Framework Reporting Tool (Attachment 9.4.11.2 – 17) Artificial Intelligence Risk Profile); and
3. Receives and notes the AI (Microsoft Copilot Implementation) Risk Assessment (Attachment 9.4.11.3 – Microsoft Copilot Implementation – Risk Assessment) for the implementation and use of licensed AI Microsoft Copilot within the controlled framework of the Shire of Kojonup's managed systems, ICT architecture and within adopted policies; and
4. Acknowledges the formal risk assessment presented, identifying Artificial Intelligence as an EXTREME organisational risk, and that the risks identified have been considered and integrated into the Shire of Kojonup Risk Framework as per Audit Risk & Improvement Committees recommendation; and
5. Notes that the Chief Executive Officer will progress any remaining AI risk treatment and critical control actions based on priority ranking as resources become available and will report back to Council and the Audit Risk & Improvement Committee on progress.

MOTION #:	83/26
MOVED:	Cr Mitchell
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

COUNCIL MOTION That Council suspends Standing Orders at 4.37pm to seek the Deputy Chief Executive Officer's attendance in the meeting.	
MOTION #:	84/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

The Deputy Chief Executive Officer re-entered the meeting at 4.55pm.

COUNCIL MOTION That Council resumes Standing Orders at 4.57pm.	
MOTION #:	85/26
MOVED:	Cr Mitchell
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

9.4.12 REDUCTION OF THE EMERGENCY PLANT REPAIR AND REPLACEMENT RESERVE THRESHOLD

REPORTING OFFICER:	Grant Thompson, Chief Executive Officer, Shire of Kojonup
DATE:	Friday, 24 July 2026
ATTACHMENT(S):	Nil

‘*PLACEMAKING*’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *“The Cultural Experience Centre of the Great Southern”* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to seek Council's consideration of a reduction in the funding cap set out in the Terms of Reference for the Emergency Plant Repair and Replacement Reserve, from the current $250,000 cap to a maximum threshold of circa $118,000, with any surplus above the new threshold transferred back to the Shire of Kojonup Municipal Fund for use mainly in plant replacement for the 2026 2027 budget.

BACKGROUND

At its Special Council Meeting held 28 February 2023, and subsequently ratified at the Ordinary Council Meeting held in May 2023 (Motion 55/23), Council resolved to rename the Plant and Equipment Reserve to the Emergency Plant Repair and Replacement Reserve, with the Terms of Reference amended to cap the reserve at $250,000, with any surplus above that cap to be returned to the Shire of Kojonup Municipal Fund.

The Reserve Appropriateness Review 2025/2026, presented to Council on 28 April 2026, noted the Emergency Plant Repair and Replacement Reserve's actual balance at 30 June 2025 as $269,951, with a budgeted balance of $277,571 at 30 June 2026, and recommended the reserve be retained with the existing $250,000 cap, transferring any surplus above that cap to the Municipal Fund in accordance with the Terms of Reference.

This report considers a further reduction to the reserve's Terms of Reference, lowering the funding cap from $250,000 to a maximum threshold of $150,000, on the basis that this more closely aligns the reserve balance with the Shire's ordinary cost of plant repairs, with the resulting surplus of approximately $127,571 (based on the budgeted $277,571 balance at 30 June 2026) being transferred to the Shire of Kojonup Municipal Fund.

COMMENT

The Emergency Plant Repair and Replacement Reserve exists to fund emergency repairs, maintenance and replacement of Shire plant and equipment, with the Terms of Reference presently capping the reserve at $250,000 and directing any surplus above that cap to the Shire's Municipal Fund.

The current reserve balance as at 30 June 2026 is ~$238,987 due to some monies being used for emergency repairs in 2025 2026 financial year.

A general observation, at a qualitative level, is that the ordinary annual cost of plant repairs (as distinct from planned plant replacement, which is separately funded through the Shire's plant replacement program) is understood to sit well below the current $250,000 cap.

On this basis, it is proposed that a maximum threshold of circa ~$118,000 would be more appropriately aligned with the reserve's practical purpose of covering emergency and unplanned plant repair costs, while avoiding cash being unnecessarily tied up in the reserve at the expense of the Municipal Fund's working capital position.

Subject to Council's endorsement of the reduced threshold the resulting surplus, approximately $120,987 would be transferred from the Emergency Plant Repair and Replacement Reserve to the Shire of Kojonup Municipal Fund, consistent with the existing Terms of Reference mechanism for surplus funds above the cap. These monies will be used for plant Replacement decisions in the 2026 2027 budget to at least align to the intent of the fund.

Any change of purpose or threshold to a reserve account, or use of reserve monies for another purpose, requires an absolute majority resolution of Council and compliance with the public notice provisions of section 6.11 of the Local Government Act 1995, unless the change is disclosed in the annual budget for the relevant financial year.

CONSULTATION

Council Briefing Session
Deputy CEO

STATUTORY REQUIREMENTS

Section 6.11 of the Local Government Act 1995 governs reserve accounts and provides:

> *"(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.*
> *(2) Subject to subsection (3), before a local government - (a) changes* the purpose of a reserve account; or (b) uses* the money in a reserve account for another purpose, it must give one month's local public notice of the proposed change of purpose or proposed use. * Absolute majority required.*
> *(3) A local government is not required to give local public notice under subsection (2) - (a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or (b) in such other circumstances as are prescribed.*
> *(4) A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs."*

The recommendation in this report does not change the underlying purpose of the reserve, which remains to fund emergency repairs, maintenance and replacement of Shire plant and equipment; it amends the funding threshold within the Terms of Reference.

Council should note that, subject to advice, a reduction in the reserve's funding cap and the resulting transfer of surplus monies to the Municipal Fund may be considered a change of use requiring the one month local public notice referred to above, unless disclosed in the annual budget. Therefore, because this decision is a part of the budget process the CEO will disclose it in the budget and not advertise.

Statutory Process and Verification Note

This amendment does not alter the underlying purpose of the reserve.

Adoption of the tracked changes above requires an absolute majority resolution of Council and, **unless disclosed in the annual budget**, one month's local public notice under section 6.11 of the *Local Government Act 1995*.

POLICY IMPLICATIONS

Council Policy 2.1.6 - Financial Governance addresses the establishment, maintenance and appropriateness review of reserve accounts. Should Council endorse the reduction in threshold, the Terms of Reference for the Emergency Plant Repair and Replacement Reserve, and any relevant references within Policy 2.1.6, will need to be updated to reflect the new threshold, subject to verification of the figure as outlined in the Comment section of this report.

This following sets out the proposed tracked-change amendments to Council Policy 2.1.6 – Financial Governance (Cash Reserves section) and the Terms of Reference for the Emergency Plant Repair and Replacement Reserve, reflecting the reduction in the reserve's funding threshold from $250,000 to $150,000 considered in Item 9.4.2 of this Agenda.

Deletions are shown with ~~strikethrough red text~~ and insertions are shown as underlined blue text, consistent with Word's Track Changes convention.

This amendment is presented for Council's consideration and is subject to the verification of the $150,000 threshold against actual plant repair and maintenance expenditure data, as outlined in the Comment section of the accompanying Officer Report.

Table 1.0: Reserve Terms of Reference – Emergency Plant Repair and Replacement Reserve

Tracked Changes of the Emergency Plant Repair and Replacement Reserve Terms of Reference	
Current Terms of Reference (as adopted, Motion 55/23, May 2023)	**Proposed Terms of Reference (tracked changes)**
"To be utilized for emergency repairs, maintenance and replacement of Shire plant and equipment. The fund is to be capped at $250,000 with any surplus returned to the Shire of Kojonup Municipal Fund."	"To be utilized for emergency repairs, maintenance and replacement of Shire plant and equipment. The fund is to be capped at ~~$250,000~~ $118,000 with any surplus returned to the Shire of Kojonup Municipal Fund."

2. Council Policy 2.1.6 – Financial Governance (Cash Reserves section)

Policy 2.1.6 does not currently prescribe a specific dollar threshold for the Emergency Plant Repair and Replacement Reserve within its list of individual reserve account goals; the threshold is instead held solely within the Terms of Reference.

To ensure alignment between the Policy and the Terms of Reference, and consistent with the treatment of other reserves (e.g. Employee Leave, Sports Complex P&E Upgrade & Renewal) which are specifically referenced in the Policy, it is proposed that a new bullet point be inserted into the list of individual reserve account goals in Policy 2.1.6, as follows:

Table 1.2 – Tracked Changes of Policy 2.1.6, Cash Reserves – individual reserve account goals

Current Policy wording	Proposed Policy wording (tracked changes)
… Independent Living Units - Operating profits from Loton Close & Soldier Road units should be transferred to this reserve where Council decides free cash flow is available to do so; Sports Complex P&E Upgrade & Renewal – A $3,500 annual contribution will be made to this reserve to make provision for the resurfacing of the acrylic surface at the end of its useful life.	… Independent Living Units - Operating profits from Loton Close & Soldier Road units should be transferred to this reserve where Council decides free cash flow is available to do so; Sports Complex P&E Upgrade & Renewal – A $3,500 annual contribution will be made to this reserve to make provision for the resurfacing of the acrylic surface at the end of its useful life; <u>Emergency Plant Repair and Replacement – The reserve is to be capped at a maximum of $118,000 (previously $250,000), in line with the Shire's ordinary cost of plant repairs, with any surplus above this threshold returned to the Shire of Kojonup Municipal Fund.</u>

FINANCIAL IMPLICATIONS

Based on the budgeted Emergency Plant Repair and Replacement Reserve balance of $238,987 at 30 June 2026, a reduction of the reserve's cap to $118,000 would result in an estimated surplus of approximately $120,987 being transferred from the reserve to the Shire of Kojonup Municipal Fund.

This transfer would improve the Municipal Fund's working capital and cashflow position.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
Asset Sustainability	Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet, buildings, roads, playgrounds, boat ramps and all other assets during their lifecycle from procurement to disposal.	Routine maintenance schedule: Plant, fleet & equipment	Review and Update Long Term Asset Management Plan, Road Plan, P&E Plan
RISK RATING:	HIGH/INADEQUATE		
IMPLICATIONS			
Nil			

ASSET MANAGEMENT IMPLICATIONS

The Emergency Plant Repair and Replacement Reserve directly supports the Shire's ability to fund emergency plant repairs outside the ordinary capital replacement program. A reduced reserve threshold should be considered alongside the Shire's broader plant replacement schedule and asset management planning to ensure ongoing plant reliability is not compromised.

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATION

Nil.

VOTING REQUIREMENTS

Absolute Majority.

OFFICER RECOMMENDATION

That Council:

1. Notes that the Emergency Plant Repair and Replacement Reserve had a budgeted balance of $238,987 at 30 June 2026, against a current Terms of Reference cap of $250,000;
2. Approves a reduction of the Terms of Reference funding threshold for the Emergency Plant Repair and Replacement Reserve from $250,000 to a maximum of $118,000;
3. Notes the CEO will declare this as a part of the 2026 2027 budget as required substituting this declaration for public advertising in accordance with section 6.11 of the *Local Government Act 1995*; and
4. Authorises the Chief Executive Officer to update Council Policy 2.1.6 and the Reserve's Terms of Reference to reflect the revised threshold, once verified and adopted by Council as presented in section: Policy Implications.

OFFICER RECOMMENDATION/COUNCIL MOTION That Council: 1. Notes that the Emergency Plant Repair and Replacement Reserve had a budgeted balance of $238,987 at 30 June 2026, against a current Terms of Reference cap of $250,000; 2. Approves a reduction of the Terms of Reference funding threshold for the Emergency Plant Repair and Replacement Reserve from $250,000 to a maximum of $150,000; 3. Notes the CEO will declare this as a part of the 2026 2027 budget as required substituting this declaration for public advertising in accordance with section 6.11 of the *Local Government Act 1995*; and 4. Authorises the Chief Executive Officer to update Council Policy 2.1.6 and the Reserve's Terms of Reference to reflect the revised threshold, once verified and adopted by Council as presented in section: Policy Implications.	
MOTION #:	86/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil
Reason for change to Officer Recommendation:	To amend and clarify the maximum amount in Point 2 to be $150,000.

10. APPLICATIONS FOR LEAVE OF ABSENCE

OFFICERS RECOMMENDATION/COUNCIL MOTION That Council approve a leave of absence for Cr Mitchell during the period of 1 August 2026 to 30 August 2026.	
MOTION #:	87/26
MOVED:	Cr Michael
SECONDED:	Cr Mathwin
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12. QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil

The Deputy Chief Executive Officer left the meeting at 5.00pm.

13 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

These items need to be considered by Council and a resolution reached.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COUNCIL MOTION

That Council approves the following items to be considered at this Ordinary Meeting of Council dated 28 July 2026, in accordance with clause 5.4 of the Shire of Kojonup (Council Meetings) Local Law 2020, as follows:

- Item 13.1.1 – Reserve 10345 – proposed management order and purpose change to 'gravel and water'
- Item 13.1.2 - Information Statement 2025-2026

MOTION #:	88/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mitchell
VOTE:	6/0 by Absolute Majority
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

13.1 LATE ITEM – RESERVE 10345 – PROPOSED MANAGEMENT ORDER AND PURPOSE CHANGE TO 'GRAVEL AND WATER'

AUTHOR	Estelle Lottering – Manager Regulatory Services
DATE	Tuesday, 28 July 2026
ATTACHMENT(S)	13.1.1 – DPLH Correspondence – Case 2501696 - Investigations into encroachment and unauthorised use of Unmanaged Reserve 10345 (Lot 340 on Deposited Plan 123396) Boscabel, Shire of Kojonup

'PLACEMAKING' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	Community Goal/s	Corporate Objective/s
KP – 4 Performance	12.6 SoK asset management	This is the Shire of Kojonup's greater focus on asset and resource performance management.

DECLARATION OF INTEREST
Nil

SUMMARY
The purpose of this late item is for Council to consider the Department of Planning, Lands and Heritage's request for the Shire of Kojonup (Shire) to confirm acceptance of a proposed Management Order for Reserve 10345, Lot 340 on Deposited Plan 123396, Boscabel, in its current "as-is" condition, and to confirm that the proposed Reserve purpose of "Gravel and Water" is acceptable.

BACKGROUND
The Department of Planning, Lands and Heritage (Department) has been investigating encroachment and long-standing use of Unmanaged Reserve 10345 (Reserve), being Lot 340 on Deposited Plan 123396, Boscabel.

The Department has advised that Shire records, including the asset register and Council minutes, support that the tanks, standpipe and associated infrastructure located on the reserve are Shire assets. The Department has also acknowledged that the Reserve has been utilised for many years by the Shire and the Kojonup community, particularly for emergency water access and gravel stores.

Reserve 10345 is currently designated for "Gravel". The Department proposes to issue a Management Order to the Shire of Kojonup and to include "Water" in the purpose so that the established water use is formally recognised.

COMMENT
The issuing of a Management Order would regularise the Shire's ongoing care, control and management of a reserve that has historically supported community and operational needs. The proposed "Gravel and Water" purpose aligns with the Department's advice that the reserve has an established role for gravel storage and water access.
The Department has asked the Shire to confirm that the Management Order may be issued in the current "as-is" condition and that the amended purpose is acceptable. The Department has further advised that confirmation should be provided on Council letterhead and endorsed by an officer with appropriate delegated authority, such as the Chief Executive Officer, or otherwise by Council resolution.

As this request requires timely confirmation to the Department and relates to the proper management of Crown land used for public and emergency purposes, it is recommended that Council support the proposed Management Order and authorise the Chief Executive Officer to provide the necessary written confirmation to the Department.

CONSULTATION

Department of Planning, Lands and Heritage – Simon Judge, State Land Officer (Graduate).
Chief Executive Officer – Grant Thompson
Property Services Manager & NRM – Dwayne Lottering

STATUTORY REQUIREMENTS

Land Administration Act 1997 (WA) – section 41 provides for Crown land to be set aside as a reserve for a particular purpose in the public interest. Section 46 provides that the Minister may place the care, control and management of a reserve with a management body for the reserve purpose and ancillary or beneficial purposes, subject to conditions specified in the order.
Local Government Act 1995 (WA) – relevant to Council decision-making and authorisation of the Chief Executive Officer to provide formal correspondence on behalf of the Shire.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

There are no immediate financial implications arising from confirming the proposed Management Order. Any future maintenance, renewal, compliance, risk, insurance or capital works implications relating to Shire-owned infrastructure on the reserve will need to be considered through the Shire’s normal asset management and budget processes.

RISK MANAGEMENT IMPLICATIONS

Failure to formalise the Shire’s management role may leave ambiguity regarding responsibility for existing Shire assets and the ongoing public use of the Reserve. Accepting a Management Order in “as-is” condition may also confirm the Shire’s ongoing responsibility for inspection, maintenance and risk controls associated with the site and infrastructure. These risks can be managed through asset inspections, record keeping, and inclusion of the Reserve in relevant asset and risk management processes.

ASSET MANAGEMENT IMPLICATIONS

The tanks, standpipe and associated infrastructure have been identified by the Department as Shire assets. If the Management Order is issued, the Reserve and associated infrastructure should be reviewed and captured in relevant Shire asset, maintenance and inspection records as required.

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS
Simple Majority

OFFICER RECOMMENDATION/COUNCIL MOTION	
That Council: 1. Receives the late item report regarding Reserve 10345, Lot 340 on Deposited Plan 123396, Boscabel; 2. Confirms that the proposed Management Order for Reserve 10345 may be issued to the Shire of Kojonup in its current “as-is” condition; 3. Confirms that the proposed purpose of “Gravel and Water” for Reserve 10345 is acceptable; 4. Authorises the Chief Executive Officer to provide written confirmation to the Department of Planning, Lands and Heritage on Council letterhead, and to do all things reasonably necessary to progress the issue of the Management Order; and 5. Requests that the Chief Executive Officer ensure Reserve 10345 and the associated tanks, standpipe and infrastructure are reviewed and recorded in relevant Shire asset and risk management systems as required.	
MOTION #:	89/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mickle
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil

13.2 LATE ITEM - FREEDOM OF INFORMATION – INFORMATION STATEMENT 2025/2026

REPORTING OFFICER:	Nerrida Robinson – Rates and Records Officer
DATE:	Tuesday, 28 July 2026
ATTACHMENT(S):	13.2.1 – Shire of Kojonup Information Statement 2025/2026

'PLACEMAKING' STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be *"The Cultural Experience Centre of the Great Southern"* STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	*Community Goal/s*	*Corporate Objective/s*
4 Performance	12. High Performing Shire	12.2 Monitoring and Reporting

DECLARATION OF INTEREST

Nil

PURPOSE OF THIS REPORT

The purpose of this report is to present the Shire of Kojonup Information Statement 2025/2026 for Council adoption and subsequent publication in accordance with the *Freedom of Information Act 1992*.

BACKGROUND

Section 96(1) of the *Freedom of Information Act 1992* requires each government agency, including local governments, to prepare and publish annually an Information Statement.

The Information Statement must set out the agency's mission statement, legislation administered, agency structure, decision-making functions, opportunities for public participation, documents held by the agency and the operation of Freedom of Information within the agency.

The attached Shire of Kojonup (Shire) Information Statement 2025/2026 has been prepared to satisfy these requirements and to provide the community with clear information about how to access documents and information held by the Shire.

COMMENT

The Information Statement 2025/2026 has been updated to reflect the Shire's current structure, elected member information, executive management arrangements, local laws, public participation mechanisms, documents held by the Shire, Freedom of Information procedures, fees and charges, review rights and privacy-related access arrangements.

The document also identifies that it is reviewed annually and is intended to be made available through the Shire's website and administration office.

Adoption and publication of the Information Statement supports transparent, accountable and accessible local governance.

It also assists the Shire to provide information to the public promptly and at the lowest reasonable cost, while preserving the formal Freedom of Information process for documents that are not otherwise routinely available.

CONSULTATION

Nil

STATUTORY REQUIREMENTS

The statutory requirement for this item arises under Part 5 of the *Freedom of Information Act 1992*, including sections 96 and 97, which require agencies to prepare and publish an Information Statement annually and to include prescribed information about agency functions, documents and access arrangements.

POLICY IMPLICATIONS

The Information Statement is linked to the Shire's records management, information access and governance arrangements, including the Records Management Policy and Recordkeeping Plan.

FINANCIAL IMPLICATIONS

Nil. The preparation, adoption and publication of the Information Statement can be accommodated within existing operational resources.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	**Risk Description/Cause**	**Key Control**	**Current Action**
Compliance	Failure to adopt and publish the Information Statement annually may result in non-compliance with the Freedom of Information Act 1992 and reduced transparency in public access to information.	Annual review, Council adoption, publication of the Information Statement and alignment with records management and FOI procedures.	Council consideration and, if adopted, publication of the Information Statement 2025/2026 and forwarding or notification as required.
RISK RATING:	**HIGH ADEQUATE**		
IMPLICATIONS			
The risk can be managed provided the Information Statement is adopted, published and kept current. Annual review and publication maintain compliance with statutory requirements and support open, accountable and accessible decision-making.			

ASSET MANAGEMENT IMPLICATIONS

Nil

GREAT SOUTHERN VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That Council:

1. Adopts the Shire of Kojonup Information Statement 2025/2026 as attached; and
2. Authorises the Chief Executive Officer to publish the Information Statement in accordance with the *Freedom of Information Act 1992*.

COUNCIL MOTION

That Council:

1. Adopts the Shire of Kojonup Information Statement 2025/2026 (Information Statement) as attached;
2. Authorises the Chief Executive Officer to publish the Information Statement in accordance with the *Freedom of Information Act 1992;* and
3. Makes corrects the tenure of Councillors within the Information Statement.

MOTION #:	90/26
MOVED:	Cr Mathwin
SECONDED:	Cr Mitchell
VOTE:	6/0
FOR:	Cr Bilney, Cr Mathwin, Cr Wieringa, Cr Mickle, Cr Mitchell, Cr Michael
AGAINST:	Nil
Reason for change to Officer Recommendation:	To include a correction to Councillor tenures within the Information Statement.

14. MEETING CLOSED TO THE PUBLIC

14.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

14.1.1 Nil

STATUTORY REQUIREMENT

Section 5.23 of the *Local Government Act 1995* provides as follows: —

Meetings generally open to public

(1) The following are to be open to members of the public —

(a) all council meetings;

(b) all meetings of a committee.

(2) Despite subsection (1), if any of the following matters is to be dealt with at a meeting, the council or committee must close the meeting to members of the public to the extent necessary to ensure that the matter is dealt with at the meeting on a confidential basis —

(a) a matter that a committee of a House of Parliament, or a joint committee of both Houses, has advised the local government must be dealt with on a confidential basis;

(b) a matter relating to the recruitment or employment of the CEO or a senior employee, including the following —

(i) the termination of employment;

(ii) a review of performance under section 5.38;

(c) a prescribed matter;

(d) a matter that is the subject of a direction given under section 5.23AA(1).

(3) Despite subsection (1), the council or committee must close a meeting to members of the public to the extent necessary to ensure compliance with a requirement (however formulated) —

(a) that is imposed under a written law, excluding this Act and local laws; and

(b) that prohibits or restricts the making public of information.

(4) Despite subsection (1), if any of the following information is to be dealt with at a meeting, the council or committee may close the meeting to members of the public to the extent necessary to ensure that the information is dealt with at the meeting on a confidential basis —

(a) legal advice, or other information, over which the local government holds legal professional privilege;

(b) information relating to the personal affairs of an individual;

(c) information contained in a tender received by the local government for a contract to the extent that the information —

(i) is a tendered price; or

(ii) a tendered methodology for calculating a price;

(d) information contained in a tender received by the local government for a contract to the extent that —

(i) the information discloses any technology, or any manufacturing, industrial or trade process, that the tenderer proposes to use in performing the contract; and

(ii) the information has not previously been made public; and

(iii) the making public of the information would be likely to have an adverse effect on the tenderer's business interests;

(e) information the making public of which would be likely to endanger the security (including cyber-security) of any of the local government's property or operations;

(f) information the making public of which would be likely to impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;

(g) prescribed information;

(h) information that is the subject of a direction given under section 5.23AA(2).

(5) For the purpose of deciding whether to close a meeting to members of the public under subsection (4) in relation to any information, the following matters are irrelevant —

(a) whether making the information public would cause embarrassment to any of the following —

(i) the local government;

(ii) the council or a council member;

(iii) a committee of the council or a member of a committee of the council;

(iv) an employee;

(b) whether making the information public would —

(i) cause a loss of confidence in the local government; or

(ii) make the local government susceptible to adverse criticism;

(c) whether the information relates to a matter that is controversial in the district;

(d) a prescribed matter.

(6) Subsection (5) does not prevent other matters from being regarded as irrelevant.

(7) A decision to close a meeting to members of the public under subsection (2), (3) or (4) must be made (including voted on if necessary) at the meeting and while the meeting is open to members of the public.

(8) If a decision is made to close a meeting to members of the public under subsection (2), (3) or (4), the following must be recorded in the minutes of the meeting —

(a) the decision;

(b) the subsection under which the decision is made and, if that subsection is subsection (2) or (4), the paragraph of that subsection under which the decision is made;

(c) if the provision recorded under paragraph (b) is subsection (2)(c) or (4)(g) — the applicable regulation (including any applicable subregulation or paragraph);

(d) if the provision recorded under paragraph (b) is subsection (2)(d) or (4)(h) — a statement that a direction was given under section 5.23AA(1) or (2) (as the case requires);

(e) an explanation of how the matter or information to which the decision relates falls within the scope of the provision recorded under paragraph (b);

(f) a summary of the steps taken to ensure that the closure to members of the public is for no longer than required or

authorised under the provision recorded under paragraph (b);
(g) any prescribed information.

(9) Sections 5.95(3) and 5.96A(2) do not apply to information that is required to be recorded in the minutes of a meeting under subsection (8).

PROCEDURAL MOTION That the meeting proceeds behind closed doors in accordance with Section 5.23 of the *Local Government Act 1995* at _______ pm.	
MOTION #:	
MOVED:	
SECONDED:	
VOTE:	
FOR:	
AGAINST:	

PROCEDURAL MOTION That the meeting be reopened to the public at ……. pm.	
MOTION #:	
MOVED:	
SECONDED:	
VOTE:	
FOR:	
AGAINST:	

14.2 PUBLIC READING RESOLUTIONS THAT MAY BE MADE PUBLIC

14.2.1 – Nil

15 CLOSE

There being no further business to discuss, the President thanked the members for their attendance and declared the meeting closed at 5.09 pm.

Attachments:

6.1.1	6.1.1 - 05-Minutes-Ordinary-Council-Meeting-23-June-2026-Unconfirmed
9.1.1	9.1.1.1 – Shire of Kojonup Liveability and Wellbeing Plan 2026-2031 – DRAFT
9.1.2/ 13.1.3	9.1.2.1 - Muradup Community Advisory Committee – Terms of Reference
9.2.1	9.1.2.2 - Community Member Nomination forms – Muradup Community Advisory Committee
	9.2.1.1 – Correspondence from prospective developer – affordable rental housing proposal for Kojonup
9.3.1	9.3.1.1 – Tesla – Supercharger License Deed of Amendment Expansion Kojonup WA
	9.3.1.2 – Tesla Supercharger License Agreement
9.4.1	9.4.1.1 – Monthly Financial Statements 1 June 2026 to 30 June 2026
9.4.2	9.4.2.1 – Monthly Payment Listing June 2026
9.4.3	9.4.3.1 – Rates to be written off Report
9.4.4	9.4.4.1 – Debtors to be written off – July 2026
9.4.5	9.4.5.1 – Unconfirmed Audit, Risk & Improvement Committee Meeting Minutes 17 June 2026
9.4.6	9.4.6.1 – Internal Financial Management Review – Findings Register (From April 2023 – April 2026)
9.4.8	9.4.8.1 – Shire of Kojonup Integrity Plan 2025-2027
9.4.9	9.4.9.1 – Risk Management Plan Review 2026 CEO
9.4.10	9.4.10.1 – Risk Management Policy 2.3.4 – Revised Draft (2026)
	9.4.9.1 – Risk Management Plan Review 2026 CEO
9.4.11	9.4.11.1 - Draft Artificial Intelligence Policy
	9.4.11.2 - 17) Artificial Intelligence Risk Profile
	9.4.11.3 - AI Microsoft Copilot Implementation Risk Assessment

13.1	13.1.1 – DPLH Correspondence – Case 2501696 - Investigations into encroachment and unauthorised use of Unmanaged Reserve 10345 (Lot 340 on Deposited Plan 123396) Boscabel, Shire of Kojonup
13.2	13.1.2 – Shire of Kojonup Information Statement 2025/2026