



# AUDIT RISK & IMPROVEMENT COMMITTEE AGENDA

Wednesday, 15 April 2026 1:00PM

DISCLAIMER: The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used. Please note this agenda contains recommendations, which have not yet been adopted by Council.

A handwritten signature in black ink, appearing to be 'Alan Leeson', written over a white background.

Alan Leeson  
Chief Executive Officer  
13 April 2026

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## 1 DECLARATION OF OPENING

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The Chair, Independent Presiding Member, Mr Darren Mollenoyux declares the meeting open.

## 2 RECORD OF ATTENDANCE

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### ATTENDANCE

D Mollenoyux	Chair, Independent Presiding Member
Cr G Robins (Shire President)	Committee Member
Cr B Smoker (Deputy President)	Committee Member
Cr J Noble	Committee Member
Cr C Mullan	Committee Member
Cr R Bowey	Committee Member
Cr B Miller	Committee Member
Cr L Siviour	Committee Member
A Leeson	Chief Executive Officer (staff)
F Murphy	Executive Manager Financial Services (staff)
C Lewis	Executive Manager of Governance and Risk (staff)
C Higgins	Executive Support Officer (staff)

### APOLOGIES

## 3 DECLARATIONS OF INTEREST BY MEMBERS

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### 3.1 Declarations of Financial Interest

### 3.2 Declarations of Proximity Interest

### 3.3 Declarations of Impartiality Interest

### 3.4 Declarations of Indirect Financial Interest

## 4 PUBLIC QUESTION TIME

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## 5 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

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## 6 APPLICATIONS FOR LEAVE OF ABSENCE

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## 7 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

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### 7.1 Previous Meeting

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Minutes of the Audit and Risk Committee meeting held on 16 December 2025 provided to committee members and provided as an attachment.

[Attachment 1 – Audit and Risk Committee Meeting Minutes 16 December 2025](#)

#### **OFFICER'S RECOMMENDATION**

That the minutes of the Shire of Kulin Audit and Risk Committee meeting held on 16 December 2025 be confirmed as a true and correct record.

## 8 AGENDA BUSINESS - MATTERS REQUIRING DECISION

### 8.1 Audit, Risk and Improvement Committee (ARIC) – Independent Deputy Presiding Member and Draft Terms of Reference

<b>Responsible Officer:</b>	Chief Executive Officer, Alan Leeson
<b>File Reference:</b>	13.0
<b>Author:</b>	Chief Executive Officer, Alan Leeson
<b>Strategic Reference:</b>	11 – Civic Leadership and Governance
<b>Disclosure of Interest:</b>	Nil
<b>Attachment:</b>	Attachment 2 – Draft Audit, Risk and Improvement Committee Terms of Reference

#### SUMMARY

Amendments were introduced in 2024 to the *Local Government Act 1995* (“the Act”) which included a range of reforms that will apply to all local governments. The reforms introduce a requirement to establish a committee of Council to be called the Audit, Risk and Improvement (“ARIC”) committee and other requirements that need to be met to ensure full compliance with the reforms by 30 June 2026.

The Shire of Kulin Council is deemed to have established an ARIC because the Audit Committee of Council that existed immediately before the amendment day of the changes to the Act, met the requirements of Regulation 19 of the *Local Government (Audit Regulations) 1996*.

It is noted that the existing ‘Audit Committee’ is now known as the ‘Audit, Risk and Improvement Committee’ and the purpose of this report is to seek that the Committee:

1. Notes the establishment of the ARIC;
2. Recommends to Council it take appropriate action to appoint an independent Deputy Presiding Member to the ARIC by 30 June 2026;
3. Confirms the composition of the ARIC; and
4. Reviews, and if appropriate, endorses the attached draft Terms of Reference for the ARIC for adoption by Council.

#### BACKGROUND & COMMENT

The relevant amendments to the Act include requirements that:

1. an ARIC be established;
2. the ARIC include an Independent Presiding Member (Chair) and Deputy Presiding Member (Deputy Chair);
3. members of the ARIC must not be employees;
4. the ARIC have a minimum of three (3) members;
5. Council adopt appropriate governance documentation, including a Terms of Reference to guide the role and function of the ARIC.

In compliance with the amendments to the Act, it is noted that Council has already:

- established an ARIC (deemed established *pursuant to Regulation 19 of the Local Government (Audit Regulations) 1996* as explained above); and
- appointed an independent Presiding Member (Mr Darren Mollenoyux) in accordance with the requirements of the Act (appointed in June 2025).

The composition of the ARIC is noted to be as follows:

- all elected Councillors of the Shire of Kulin, noted to currently be seven (7);
- an independent Presiding Member (Mr Darren Mollenoyux); and
- an independent Deputy Presiding Member (to be appointed).

#### STATUTORY AND PLANNING IMPLICATIONS

*Local Government (Audit) Regulations 1996*

*Local Government Act 1995 (and Local Government Amendment Act 2024)*

To ensure compliance with the requirements of the Act, an independent Deputy Presiding Member needs to be appointed by 30 June 2026. Council is required to establish appropriate governance framework, including by adopting a Terms of Reference for the ARIC.

#### **POLICY IMPLICATIONS**

The role of the Committee in reviewing and endorsing an appropriate Terms of Reference for the ARIC for Council's adoption and guide the approach regarding appointment of an independent Deputy Presiding Member will support Council in its obligations. Council is required to establish appropriate governance framework regarding the ARIC and adopt a Terms of Reference.

**FINANCIAL IMPLICATIONS** Sitting fees for Elected Members and independent committee members will be set in accordance with Council policy, within the limits prescribed by the *Salaries and Allowances Tribunal*, and incorporated into Council's annual budget each financial year.

#### **RISK IMPLICATIONS**

The legislative reforms require compliance by 30 June 2026. To remove and mitigate the risk of legislative non-compliance, endorsement of the process for appointment of an independent Deputy Presiding Member and review and input into the attached draft Terms of Reference needs to be undertaken in a timely manner.

#### **WORKFORCE IMPLICATIONS**

Nil

#### **COMMUNITY CONSULTATION**

There is no requirement for community consultation. There has been appropriate internal consultation amongst the Executive Management Team and review of sector practice.

#### **RECOMMENDATION**

That the Committee:

1. Notes the establishment of the ARIC;
2. Endorses the current composition of the ARIC;
3. Recommends to Council that it takes appropriate action to appoint an independent Deputy Presiding Member prior to 30 June 2026; and
4. Endorses the draft Terms of Reference for the ARIC and recommends that Council adopt the Terms of Reference.

#### **VOTING REQUIREMENTS**

Simple Majority

[Attachment 2 – Draft Terms of Reference](#)

## 9 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DISCUSSION OF THE MEETING

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Nil

## 10 CLOSURE / DATE AND TIME OF NEXT MEETING

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

Next Meeting date: *To be advised*