



AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING

AGENDA

5 OCTOBER 2026

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PUBLIC

CITY OF GREATER GERALDTON**AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING
TO BE HELD ON MONDAY 5 OCTOBER 2026 AT 3.00PM AT
CHAMBERS – CATHEDRAL AVENUE****A G E N D A****1 DECLARATION OF OPENING****2 ATTENDANCE**Present:

Michael Librizzi, Presiding Member
Mayor Clune
Deputy Mayor Colliver
Cr Milnes
Cr Van Styn

Officers:

R McKim, Chief Executive Officer
P Radalj, Director Corporate Services
N Jane, Chief Financial Officer
T Machukera, Financial Accountant
N Robins, Coordinator Governance & Risk, Minute Secretary
C Lee, Director Infrastructure Services
T Free, Director Development Services
F Norling, Director Community & Culture
N Hope, Manager People, Safety & Wellbeing
D Duff, Manager ERP
S Bishop, Manager ICT Services
A Maple, Senior Cybersecurity Engineer

By Invitation:Apologies:Leave of Absence:**3 CONFIRMATION OF PREVIOUS MINUTES**

Recommendation: That the minutes of the City of Greater Geraldton Audit, Risk and Improvement Committee (ARIC) meeting held on **20 July 2026** as attached be accepted as a true and correct record of proceedings.

4 ITEMS FOR AUDIT, RISK AND IMPROVEMENT COMMITTEE REVIEW

AC195	PROGRESS REPORT ON AUDIT RECOMMENDATIONS– OCTOBER 2026
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AGENDA REFERENCE:	D-26-115989
AUTHOR:	N Jane, Chief Financial Officer
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	21 September 2026
FILE REFERENCE:	GO/11/0020-003
ATTACHMENTS:	Yes x1 Confidential Progress Report on Audit Recommendations – October 2026

EXECUTIVE SUMMARY:

The purpose of this report is to provide the Audit, Risk and Improvement Committee with an update on the progress of actions taken by management to implement audit recommendations.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. RECEIVE the Progress Report on Audit Recommendations for October 2026.

PROPONENT:

The proponent is the City of Greater Geraldton (the City).

BACKGROUND:

When receiving audit reports, the Audit, Risk and Improvement Committee requested progress updates on implementation of the proposed management actions. The progress report provided, addresses audits completed up to June 2026. Items previously reported as completed have been removed and updates included on all remaining actions.

The report provides updates on actions from:

- 2024 Financial Management Systems Review
- 2024 Audit Regulation 17 Review
- 2020 Audit Regulation 17 Review
- 2024 Compliance Obligations Review
- 2024 Fraud and Corruption Control Plan Review
- 2024-25 IT General Controls Audit
- 2025 Asset Management and Disposal of Assets
- 25-26 IT General Controls Audit

CONNECTED, LIVEABLE, THRIVING, LEADING – ISSUES AND OPPORTUNITIES:

Connected:

There are no adverse impacts.

Liveable:

There are no adverse impacts.

Thriving:

There are no adverse impacts.

Leading:

There are no adverse impacts.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

A progress report on audit recommendations is provided to the Committee regularly. The most recent was AC191 – Progress Report on Audit Recommendations – July 2026, received on 20 July 2026.

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

Local Government (Audit) Regulations 1996, regulation 16 outlines the functions of the audit risk and improvement committee including its role to receive and review reports on and recommend to the council actions to be taken in relation to audits, compliance audits, reviews under regulation 17 systems and procedures in relation to financial management, legislative compliance and risk management.

FINANCIAL AND RESOURCE IMPLICATIONS:

Where audit recommendations have financial or resource implications, provision is made in subsequent budgets to implement the recommendations.

INTEGRATED PLANNING LINKS:

Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drive sustainable regional growth.
Goal 5	Provide the community with clear and accessible information about the City's programs, services and decisions.
Goal 6	Ensure high-quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

Part of the Audit, Risk and Improvement Committee function is to mitigate risks to Council. Each audit report, both internal and external, assigns a risk rating to findings. These ratings are based on the audit team's assessment of risks.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

PUBLIC

AC196 INTERIM AUDIT 2025-26

AGENDA REFERENCE:	D-26-117347
AUTHOR:	N Jane, Chief Financial Officer
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	21 September 2026
FILE REFERENCE:	GO/11/0020-003
ATTACHMENTS:	Yes x1 Confidential Interim Audit – Management Letter

EXECUTIVE SUMMARY:

The purpose of this report is to provide the Audit, Risk and Improvement Committee with an update on the Interim Audit for 2025-26.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. RECEIVE the Interim Management letter for 2025-26.

PROPONENT:

The proponent is the City of Greater Geraldton (the City).

BACKGROUND:

The Auditor General is responsible for the auditing of local governments within Western Australia as required by *Local Government (Audit) Regulations 1996*. The Auditor General engaged RSM to conduct the financial audit for the City on their behalf, initially for the three years to 30 June 2023. The contract was extended to include a further three years to 30 June 2026.

In accordance with section 7.12A(2) of the *Local Government Act 1995* (the Act), a local government is to meet with its auditor at least once each year. The Audit Risk and Improvement Committee met with representatives of the Auditor General and contract auditors RSM Australia on 24 February 2026 for the Audit Entrance Meeting (AC177) and receive the Audit Planning Memorandum for the year ending 30 June 2026.

The interim audit was conducted by RSM on behalf of the OAG and included an onsite visit from 18 to 22 May 2026. Following the interim audit an Interim Audit Management Letter has been issued, identifying three findings with recommendations and management comments.

Section 6.4(3)(b) of the Act requires submission of the annual financial report by 30 September following each financial year. The 2025-26 Financial Report preparation is well advanced and will be submitted by 30 September 2026, in compliance with the Act.

The final audit will be conducted by RSM on behalf of the OAG with an onsite visit scheduled for 5 to 9 October 2026.

CONNECTED, LIVEABLE, THRIVING, LEADING – ISSUES AND OPPORTUNITIES:

Connected:

There are no adverse impacts.

Liveable:

There are no adverse impacts.

Thriving:

There are no adverse impacts.

Leading:

There are no adverse impacts.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

An interim audit letter is issued each year however previously has been provided to the Committee once the final audit is completed. Providing the interim audit letter now provides the Committee with an update sooner.

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

Local Government (Audit) Regulations 1996, regulation 16 outlines the functions of the audit risk and improvement committee including its role to receive and review reports on and recommend to the council actions to be taken in relation to audits.

FINANCIAL AND RESOURCE IMPLICATIONS:

Where audit recommendations have financial or resource implications, provision is made in subsequent budgets to implement the recommendations.

INTEGRATED PLANNING LINKS:

Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drive sustainable regional growth.
Goal 5	Provide the community with clear and accessible information about the City's programs, services and decisions.
Goal 6	Ensure high-quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

Part of the Audit, Risk and Improvement Committee function is to mitigate risks to Council. Each audit report, both internal and external, assigns a risk rating to findings. These ratings are based on the audit team's assessment of risks.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

PUBLIC

AC197 FRAUD AND CORRUPTION CONTROL UPDATE

AGENDA REFERENCE:	D-26-115984
AUTHOR:	N Jane, Chief Financial Officer, L Maldea, Manager Corporate Compliance
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	21 September 2026
FILE REFERENCE:	GO/11/0020-003
ATTACHMENTS:	No

EXECUTIVE SUMMARY:

The purpose of this report is to provide the Audit, Risk and Improvement Committee (ARIC) with an update on the implementation of the City's Fraud and Corruption Control Framework since the last update provided in July 2026.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. NOTE the work completed since the July 2026 update bringing to completion actions remaining under the 2022 Internal Audit – Fraud and Corruption Control Plan Audit; and
2. NOTE that Fraud and Corruption Control is listed on the auditable areas of the Strategic Internal Audit Plan 2025 – 2030 for the 2028 financial year.

PROPONENT:

The proponent is the City of Greater Geraldton (the City).

BACKGROUND:

At its July 2026 meeting, ARIC approved revised versions of the City's Fraud and Corruption Control Policy and Fraud and Corruption Control Plan for endorsement by Council. Since that update, the Plan and Policy have been endorsed by Council and progressed to implementation. The Fraud and Corruption Control Policy and Fraud and Corruption Control Plan are available on the City's website.

The Chief Executive Officer has issued an all-staff communication summarising the Fraud and Corruption Control Plan, advising where the Policy and Plan can be accessed, and outlining the role of employees, Council Members and ARIC in addressing fraud and corruption. This supports organisational awareness of the City's expectations, reporting pathways, and prevention, detection and response arrangements.

A further related control improvement has been completed through the Delegations Register 2026-27, with the inclusion of "Delegation 1.1.25 Grant Concessions, Waive or Write off Debts". This incorporates the relevant component of the former policy "Fraud Control, Write-off Debt & Waive Fees and Charges", which was revised in response to audit recommendations. The

revised content now forms part of the City's Delegations Register, strengthening alignment between debt write-off decisions, delegated authority, and the City's broader governance and fraud and corruption control arrangements.

Council Member fraud and corruption control awareness training is continuing, with further reminders issued to Council Members. Four of the nine Council Members have completed the training to date, all of whom are members of the Audit, Risk and Improvement Committee. This provides targeted awareness for Council Members with oversight responsibility for audit, risk and improvement matters, while broader completion remains subject to ongoing follow-up.

The following recommendations remained under consideration at the 20 July 2026 meeting. City Officers provide the following comments:

- Annual fraud risk reassessment requirement
 - The City's Strategic Risk Register includes a risk titled 'Integrity and Compliance Failure', which incorporates fraud and corruption-related actions. Strategic risks are reported regularly to ARIC.
- Annual employee declarations
 - The Fraud and Corruption Control Policy is issued through the City's TechnologyOne eLearning platform, which records completion declarations. Fraud and Corruption Awareness training is also provided annually to City staff and to all new starters.
- Anonymous reporting mechanisms
 - The City has one Public Interest Disclosure Officer. City Officers are also investigating whether the TechnologyOne system can support anonymous staff reporting mechanisms.
- Fraud incident register
 - Human Resources maintains a register of employee conduct matters, which is reported monthly to the Executive Management Team. A Fraud, Corruption and Integrity Register has also been developed and is maintained by the Manager Corporate Compliance. The register will capture matters relating to:
 - Fraud allegations;
 - Corruption allegations;
 - Integrity concerns;
 - Conflicts of interest;
 - Gift and benefit breaches;
 - Public Interest Disclosures;
 - Significant misconduct with integrity implications;
 - External referrals to CCC, PSC, WA Police or auditors;
 - Fraud and corruption control weaknesses identified through audits or investigations.
 - There are no such incidents to report.
- Data analytics controls
 - The strongest controls in the purchasing module relate to financial delegations, approval workflows, segregation of duties

and system-enforced purchasing processes. The ERP system verifies that the approving officer holds the required financial delegation before a requisition can proceed. Users are assigned approval profiles by the System Administrator, and these profiles are reconciled against Operational Policy Financial Authorisations. Where delegation requirements are not met, the requisition cannot progress.

- The same delegation controls apply to requisitions, purchase order amendments and goods receipts. The City's ERP system prevents officers from approving their own requisitions; if attempted, the approval check fails and the transaction cannot proceed. This is a key segregation-of-duties control.
- Fidelity guarantee insurance monitoring
 - The City holds Commercial Crime and Cyber Liability insurance. Council Policy 4.22 Fraud and Corruption Control also includes a commitment to maintaining appropriate insurance.
- Enhanced conflict of interest management controls
 - The Employee Code of Conduct requires employees to disclose and obtain approval for any secondary paid employment or volunteering. The City also has the following existing controls:
 - Primary and annual return disclosures.
 - Financial and proximity interest declarations at Council and committee meetings.
 - Employee Code of Conduct requirements.
 - Procurement conflict declarations for evaluation panels.
 - Gifts and benefits register.
 - Council Member and employee conduct frameworks.
 - While no consolidated register is maintained, City staff receive education through Governance training, Fraud and Corruption Awareness training and Conflicts of Interest training.

CONNECTED, LIVEABLE, THRIVING, LEADING – ISSUES AND OPPORTUNITIES:

Connected:

There are no adverse impacts.

Liveable:

There are no adverse impacts.

Thriving:

There are no adverse impacts.

Leading:

The update intends to strengthen governance, transparency, accountability and organisational integrity through implementation of endorsed fraud and corruption control documents, staff communication, improved alignment of delegated authority arrangements, and continuation of Council Member and staff awareness training.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

AC188 – Fraud and Corruption Control Policy and Plan Review 2026
 AC165 – Fraud and Corruption Control Plan Review – 20 May 2025
 AC152 – Strategic Internal Audit Plan 2021-2025 – 18 February 2025
 AC143 – Fraud and Corruption Control Plan Audit 2022 – 23 January 2024
 AC118 – Fraud and Corruption Control Plan Audit 2021 – 22 February 2022

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

This update supports compliance with:

- Fraud and Corruption Control Plan 2026;
- *Corruption, Crime and Misconduct Act 2003*;
- *Corruption, Crime and Misconduct Amendment Act 2023*;
- *Public Interest Disclosure Act 2003*;
- *Public Sector Management Act 1994*;
- *State Records Act 2000*;
- *Freedom of Information Act 1992*; and
- Australian Standard AS8001:2021 Fraud and Corruption Control

FINANCIAL AND RESOURCE IMPLICATIONS:

There are no financial or resource implications. This update and associated obligations form part of City Officers' normal duties.

INTEGRATED PLANNING LINKS:

Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drives sustainable regional growth.
Goal 2	Efficiently and effectively deliver community services and projects, through optimal use of our resources.
Goal 6	Ensure high quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

Implementation of the Fraud and Corruption Control Framework assists in mitigating risks associated with fraud, corruption, misconduct, financial loss, reputational harm and inconsistent decision-making. The completed actions since July 2026 demonstrate continued progress in embedding the framework across the organisation by ensuring the key documents are endorsed, accessible to staff and the community, communicated to employees, supported

by relevant policy and delegation updates, and reinforced through targeted staff and Council Member awareness training.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

PUBLIC

AC197 RISK MANAGEMENT UPDATE

AGENDA REFERENCE:	D-26-115991
AUTHOR:	L Maldea, Manager Corporate Compliance
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	18 September 2026
FILE REFERENCE:	GO/11/0020
ATTACHMENTS:	Yes (x2) x2 Confidential
	A. Confidential – Strategic Risk Register
	B. Confidential – Major Projects Risk Register

EXECUTIVE SUMMARY:

The purpose of this report is to provide an update to the Audit, Risk and Improvement Committee (ARIC) on the City's risk management activities, including completion of the departmental risk review, operationalisation of the risk management system, and updates to the Strategic Risk Register and Major Projects Risk Register.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. NOTE that the departmental risk review has been finalised and the risk management system is now operational; and
2. NOTE the update to the City's Strategic Risk Register and Major Projects Risk Register and that all remaining treatments and actions have been reaffirmed as current, with inherent and residual risk ratings unchanged.

PROPONENT:

The proponent is the City of Greater Geraldton (the City).

BACKGROUND:

A full review of the City's Risk Management Framework and related documentation was undertaken and endorsed by ARIC in February 2026 and by Council at the March 2026 Ordinary Council Meeting. Following this review, Officers commenced a whole-of-organisation review of departmental risks to strengthen risk identification, treatment planning, ownership and reporting across operational areas.

The departmental risk review has now been finalised, and the risk management system is in operation. This represents an important maturity step in the City's implementation of the Risk Management Framework, providing a centralised and more consistent mechanism for recording risks, assigning ownership, monitoring treatment actions and supporting ongoing reporting.

Updates to the Strategic Risk Register and Major Projects Risk Register have been provided by the relevant risk owners. These updates assist in maintaining visibility of key risks that may impact delivery of the City's strategic objectives,

major initiatives and project outcomes. They also support clearer accountability for controls, treatment actions and reporting requirements.

The Strategic Risk Register and Major Projects Risk Register are intended to be reviewed quarterly and as required, with updates to continue to be provided to ARIC as part of the City's ongoing risk management reporting cycle.

CONNECTED, LIVEABLE, THRIVING, LEADING – ISSUES AND OPPORTUNITIES:

Connected:

Risk management supports the identification of barriers that may impact community safety, inclusion, engagement and social cohesion, enabling the City to consider appropriate controls and actions to support achievement of the City's strategic objectives.

Liveable:

Risk management assists in identifying barriers to delivering and maintaining safe, accessible and sustainable community infrastructure, services and natural environment outcomes, supporting informed planning and action.

Thriving:

Risk management helps identify barriers to sustainable growth, economic development, investment attraction and service delivery, enabling risks to be considered and managed.

Leading:

Review of the City's Departmental, Strategic and Major Project Risk Registers pursuant to the Risk Management Framework supports effective oversight of risk management activities and assists ARIC to remain informed of key strategic organisational risks and treatment actions.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

AC190 – Risk Management Update – 20 July 2026.

AC181 – Risk Management Update – 24 February 2026.

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

This item has compliance and policy implications as follows:

- *Local Government (Audit) Regulations 1996*, Regulation 17
- City of Greater Geraldton Risk Management Framework
- Council Policy 4.7 Risk Management
- Council Policy 4.25 Business Continuity Management

FINANCIAL AND RESOURCE IMPLICATIONS:

The review has been managed by the Governance & Risk team with whole-of-organisation input and resourcing through established business-as-usual

processes. No additional financial or resource implications have been identified at this time.

INTEGRATED PLANNING LINKS:

Strategic Theme: Connected	An engaged and diverse community where everyone feels included and safe.
Goal 1	Provide safe and inviting public spaces for people to enjoy.
Strategic Theme: Liveable	A protected and enhanced natural environment with facilities and services to support community health and wellbeing.
Goal 3	Manage and protect the City's natural environment and identify strategies to mitigate climate change.
Strategic Theme: Thriving	An economically diverse and prosperous City, driving sustainable growth while preserving our local spirit.
Goal 3	Plan for the sustainable growth of the City, balancing the needs of current and future populations.
Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drives sustainable regional growth.
Goal 3	Financial sustainability, actively seeking and leveraging external funding to deliver for the community.
Goal 6	Ensure high quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

The continued development of Departmental, Strategic and Major Project Risk Registers supports a more consistent and integrated approach to risk management across the City. Completion of the departmental risk review and operationalisation of the risk management system strengthens governance, transparency and accountability by ensuring risks are identified, assessed, assigned to risk owners and monitored as part of business-as-usual activities and decision-making processes.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

AC199 WORK HEALTH AND SAFETY UPDATE

AGENDA REFERENCE:	D-26-117336
AUTHOR:	N Hope, Manager People Safety and Wellbeing
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	7 September 2026
FILE REFERENCE:	GO/11/0020-003
ATTACHMENTS:	Yes x1
	A. City Safety Management Plan and Strategy - Report

EXECUTIVE SUMMARY:

To update the Audit, Risk and Improvement Committee (ARIC) on the City's WHS performance, implementation of the Safety Management System and progress against the City Safety Strategy 2025–2029.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. RECEIVE the Work Health and Safety Performance Update Report.
2. NOTE progress against the City Safety Management Plan and Strategy – Report (Attachment A).

PROPONENT:

The proponent is the City of Greater Geraldton (the City).

BACKGROUND:

The City's WHS Management System and Safety Strategy 2025–2029 provide the framework for strengthening safety governance, performance and continuous improvement.

Attachment A provides the detailed strategy update. This report highlights key performance, assurance and priority matters for ARIC noting.

Progress Against the City Safety Strategy 2025-2029

Implementation of the City Safety Strategy 2025–2029 is progressing across leadership, planning, capability, assurance, incident learning and consultation. Key work has focused on safety leadership activity, inspections, WHS training, trend analysis, corrective action monitoring, IBIS WHS rollout and improved assurance records.

LGIS WHS Foundation Audit and WorkSafe improvement actions have been completed and closed, with ongoing monitoring now embedded in WHS governance processes.

Next-period priorities are inspection completion, IBIS reporting and dashboards, hazard and near miss trends, ICAM capability, and contractor and volunteer safety management.

IBIS Implementation – WHS

IBIS WHS functionality is improving safety reporting, corrective action tracking and centralised record management. Employees now have a more consistent process for submitting hazard reports, incidents, inspections and WHS documentation.

Mobile functionality and dashboards will further improve visibility of WHS performance, including incident and hazard trends, inspection completion, corrective actions, training and accreditation records.



Incidents and Hazard Reporting

Incident and hazard trends remain broadly consistent, with security events, vehicle incidents and property damage the main reported categories. From July to September 2026, the City received 91 incident reports and 14 hazard reports.

Targeted communications and training are being directed to key risk areas, including driver awareness and challenging behaviours.

WorkSafe Reporting

WorkSafe attended several City workplaces during the past 12 months, with no enforcement action arising from the Civic Centre inspection.

The City Depot inspection identified improvement actions relating to chemical storage, guarding, equipment registration, electrical testing and forklift seating. All identified actions have been completed and closed.

Incident Cause Analysis Method (ICAM) Reporting

Six ICAM investigations were completed, with findings used to reinforce controls and inform continuous improvement.

Workers Compensation Injury Frequency Rates (WCRFR)

The City continues to manage injuries through early intervention, injury management and wellbeing support. No Lost Time Injuries have been recorded in 2026/27 to date. The current WorkCover Injury Frequency Rate is 0.00%.

**CONNECTED, LIVEABLE, THRIVING, LEADING –
ISSUES AND OPPORTUNITIES:****Connected:**

WHS governance supports a coordinated, informed and collaborative safety culture.

Liveable:

A safe workplace supports employee wellbeing and reliable service delivery.

Thriving:

A proactive safety culture strengthens workforce capability, productivity and resilience.

Leading:

Transparent WHS reporting supports accountable governance and continuous improvement.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

The Audit Committee previously considered WHS as follows:

- WorkSafe Plan Report – Audit Findings
- CGG Tier 3 LGIS Report – Audit Findings
- 2024 WHS Implementation Plan – Status Update September 2025
- AC091 Work Health & Safety Bill update.
- AC108 Work Health & Safety update.
- AC116 Internal audit safety management systems improvement action plan update.
- AC123 LGIS External Audit of Work Health & Safety Systems.
- AC137 2023 - 2024 Work Health & Safety Implementation Plan

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no Community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

Work Health & Safety Act 2020

Work Health & Safety Regulations 2022

Operational Policy OP041 Occupational Health & Safety

City of Greater Geraldton Safety Management Plan

City of Greater Geraldton Safety Management System

FINANCIAL AND RESOURCE IMPLICATIONS:

WHS compliance and continuous improvement require ongoing operational resourcing, which is incorporated into workforce planning and annual budgets.

INTEGRATED PLANNING LINKS:

Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drives sustainable regional growth.
Goal 5	Provide the community with clear and accessible information about the City's programs, services and decisions.
Goal 6	Ensure high quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

The WHS Management System is a key control for identifying, managing and monitoring workplace health and safety risks across City operations.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

Safety Management Plan - Reporting

Objectives and Targets

The Following have been set as the City's Objectives and targets:

#	Objective	Target	Purpose	Measure	Action and Reporting
1.	Improve Safety Leadership	All Executives complete 8 leadership walks per year.	Demonstrate visible WHS leadership and reinforce management commitment	Implementation Plan and Inspection Schedule Monitored by WHS and reported to the Health and Safety Committee	July - Sept 26 Quarter Leaderships walks are currently on track with over 25 already completed.
2.	Improve Safety Leadership	All HSRs to conduct one HSR walk a quarter and accompany Executives on leadership walk if requested for support and guidance.	Increase worker engagement and operational WHS leadership	Inspection spreadsheet maintained by WHS and reported quarterly to the Health and Safety Committee	HSR's have also been encouraged to conduct HSR walks and in having conversations with their work areas, this has seen an improved communication and hazard identification and reporting.
3.	Improve Safety Performance	Increase hazard and near miss reporting by at least 5% compared to previous year.	Lead indicators prevent incidents and demonstrate a proactive safety culture	Review of incident and hazard register.	The City hazard reporting compared to the previous years. 24/25 - 68 25/26 - 63 26 - YTD - 14 Ongoing education is provided to encourage reporting.
4.	Improve Safety Performance	85% of incidents and hazard reports closed within a month.	Timely response to manage risk effectively.	Review of incident and hazard register	July - Sept 26 Quarter 92% of hazards have been closed out with a month of being submitted.
5.	Improve Safety Performance	Reduce LTIFR and LTISR (Lost Time Injury Frequency and Severity Rates)	Focus on lowering the number and impact of serious injuries	End-of-month WHS Report	July - Sept 26 Quarter - YTD to date the City is at 0.00
6.	Improve Safety Training	100% of new workers complete WHS induction training within 4 weeks of commencement	Ensure new workers understand the WHSMS and safety requirements	IBIS training records	July - Sept 26 Quarter WHS Induction Training is completed with all new starters on their first week at the City.
7.	Reduce workplace injuries	The City aspires to achieve a reduction in WCIFR year-on-year.	Build a safer, healthier workplace where fewer injuries lead to time away from work	City's WCIFR % Rate is less than the industry % reported by LGIS.	July - Sept 26 Quarter 2026/27 year to date is at 0.00% Have not yet been able to obtain an LGIS % or industry average

Safety Strategy 2026 – 2029 - Key Objectives

1. LEADERSHIP & CULTURE

Objective: Demonstrate visible commitment to safety and embed a positive safety culture across all levels of the organisation.

Key Results Area:

- Visible and accountable leadership on safety.
- Integration of safety into decision-making.
- Recognition of positive safety behaviours and achievements.

Critical Actions	Accountability	Duration	Actions
1. Conduct quarterly Safety Leadership walks	EMT	Ongoing	A newly developed tracking spreadsheet has been implemented to record Safety Leadership Walks and workplace inspections. This initiative is currently a work in progress, with scheduled calendar invitations issued to relevant participants. The WHS Team actively monitors completion and follows up on any outstanding activities to support accountability and ensure the program is being undertaken as planned.
2. Provide regular Safety briefings and updates to all staff	Safety Team / EMT	Quarterly	Regular safety communications are delivered to employees through a variety of channels, including Toolbox Meetings, all staff email communications and available via the City's Intranet on the Safety Hub. These briefings provide timely information on safety initiatives, emerging risks, incident learnings, and workplace health and safety expectations, supporting ongoing employee awareness and engagement in safety matters.
3. Promote and expand the Safety Recognition Program to acknowledge positive behaviours	People, Safety & Wellbeing	Ongoing	The Monthly WHS Safety Recognition Award Program continues to be well received across the organisation and plays an important role in recognising and promoting positive safety behaviours. The program is regularly highlighted in the City's CEO Monthly Newsletter, helping to celebrate employee contributions to workplace safety and reinforce the City's commitment to a strong safety culture.
4. Encourage Leaders to model safe behaviours and embed safety messages in team discussions	Managers / Supervisors	Ongoing	Managers and Coordinators are encouraged to incorporate safety messages into regular team meetings and discussions. Where appropriate, a member of the WHS Team attends these meetings to provide guidance, address safety-related matters, share key learnings, and support ongoing engagement in workplace health and safety across the organisation.
5. Ensure safety is invited as a discussion point in management meetings	Managers	Ongoing	Safety matters are regularly discussed at Management Meetings and Safety Committee Meetings, providing a structured forum for consultation, the review of safety performance, discussion of emerging risks, monitoring of corrective actions, and the ongoing promotion of workplace health and safety across the organisation.
6. Demonstrate safe work practices and meet safety expectations by following the City's policies and procedures, taking reasonable care for your own wellbeing, and ensuring your actions do not put others at risk.	All Employees	Ongoing	Policies and procedures are regularly reviewed to ensure they remain current, relevant, and compliant with legislative and organisational requirements. Once approved, they are distributed through the IBIS system, where employees are required to read and acknowledge the documents.

2. PLANNING

Objective: To apply a risk-based approach to identify, assess and control hazards, prioritising the elimination or reduction of high-risk activities.

Key Results Area:

- Systematic identification and control of hazards.
- Elimination and engineering controls prioritised.
- Effective monitoring of high-risk work activities.

Critical Actions	Accountability	Duration	Actions
1. Review and update the City's risk assessment tools (eg JHAs, SWIs, SWMS) to ensure they are clear, consistent, and practical	Safety Team	Annual	This is an ongoing process, with the Depot playing a key role in assisting with reviewing the extensive suite of documents to ensure a thorough, consistent, and practical approach is adopted. This collaborative review process aims to maintain document quality, improve usability, and ensure that policies and procedures remain relevant, effective, and aligned with operational requirements.
2. Implement elimination and engineering controls for high-risk tasks (eg reducing reliance on ladders, or substituting manual lifting with mechanical aids such as Trolleys and hoists)	Safety Team / Managers / Coordinators	Ongoing	Engineering controls have been introduced, including the use of trolleys and pallet jacks within the Nursery and Elevated Work Platforms (EWPs) at the QPT, replacing tasks previously undertaken manually and reducing the risk of musculoskeletal injuries and falls from height.
3. Review and strengthen Hazardous Chemical Management practices across all City operations, ensuring compliance with WHS Regulations 2022 and relevant Codes of Practice	Managers / Coordinators / Safety Team	Annual	Recently, upgrades to the Depot Chemical Storage have been completed, along with improvements at the City Nursery. Mullewa Depot is in progress, ensuring chemical storage and management practices remain safe, compliant, and consistent across all operational sites. All chemicals are managed through ChemAlert.
4. Monitor and report on incidents, hazard and corrective action trends to identify and address recurring risks	Safety Team	Monthly	Reported monthly and reviewed at Management Meetings and Safety Committee Meetings, providing regular oversight of performance, monitoring of trends and actions, and opportunities for consultation and continuous improvement in workplace health and safety.
5. Ensure High Risk permits (eg Hot Work, Confined Space, HRWL) are maintained and consistently applied across all work areas	Managers / Coordinators / Supervisors	Ongoing	Ongoing Strengthened the permit-to-work systems by ensuring Hot Work, Confined Space and other high-risk work activities are subject to robust permit controls, with consistent application, monitoring, and verification. New permits designed and staff and supervisors educated.



3. CAPABILITY & COMPETENCE

Objective: To ensure all workers and contractors are trained, competent and supported to perform tasks safely.

Key Results Area:

- Workers and Contractors have the skills and knowledge to perform tasks safely.
- Competency systems are consistent, practical, and aligned with WHS requirements.
- Training records are accurate and accessible.
- Ongoing learning and development support a safe and resilient workforce.

Critical Actions	Accountability	Duration	Actions
1. Review and deliver mandatory WHS Training modules annually to ensure compliance and relevance	Safety Team	Ongoing	Monthly Toolbox Talks are delivered by the WHS Team to promote safety awareness, communicate key learnings, and reinforce safe work practices across the organisation. In addition, the city has Safety Care e-learning modules are rolled out each month through IBIS, with relevant safety topics assigned to all employees. These modules support ongoing safety education, compliance requirements, and the development of a positive safety culture throughout the City.
2. Implement internal Competency to Operate (CTO) assessments for low-risk tools and equipment	Safety Team / Supervisors / Coordinators	Ongoing	Discussions are currently ongoing with the Depot regarding the potential for CTOs to be undertaken internally. This review is focused on assessing the feasibility, resource requirements and competency standards necessary to support an effective and compliant internal assessment process.
3. Ensure High Risk plant and HRWL activities are supported by appropriate external assessment and verification	Safety Team / Supervisors / Coordinators	Ongoing	High Risk Plant competencies and High-Risk Work Licences are delivered and assessed by external training providers and require the successful completion of accredited training, with a Certificate of Attainment issued as evidence of competency. These qualifications and licences are currently being recorded within IBIS to improve compliance monitoring and enable competency mapping through the system's skills gap analysis functionality. This will provide greater visibility of workforce capability, support training and succession planning, and assist in ensuring employees maintain the required qualifications for their roles.
4. Provide ongoing refresher training for critical risks (eg working at heights, confined space, traffic management)	Managers / Supervisors	Ongoing	All required High Risk Work Licence (HRWL) training has been delivered to employees in roles where the licence is a requirement. Dial Before you Dig Training was also delivered in house over two separate days at the Depot. Training and licensing support will continue to be provided on an ongoing basis as operational requirements arise and employees require additional or renewed licences.
5. Deliver targeted training and resources to Supervisors to strengthen understanding of their duties under the WHS Act 2020 (WA)	Safety Team	Ongoing	An external training provider was engaged by the City to deliver Work Health and Safety (WHS) training to supervisors and managers. This will be an ongoing training offer as new employees are required to undertake the training skillset.



4. SYSTEMS AND ASSURANCE

Objective: To maintain clear, simple and effective safety systems that meet legislative requirements and support continuous improvement.

Key Results Area:

- WHS documentation is current, consistent and accessible.
- Regular audits and reviews confirm the effectiveness of safety systems.
- Safety performance is monitored and reported across the organisation.

Critical Actions	Accountability	Duration	Actions
1. Safety documentation is maintained and reviewed annually in line with HS-PRO-041 Document Control Procedure	Safety Team	Ongoing	This is an ongoing activity and is being maintained in accordance with current requirements.
2. Conduct regular workplace inspections across all service areas	Managers / Coordinators / Supervisors	Ongoing	The newly designed tracking spreadsheet is manually maintained by the WHS Team and reported to the Executive Management Team (EMT) on a quarterly basis. With the continued development of IBIS and the implementation of WHS dashboards, there is an opportunity to transition this reporting to a live, automated format in the future, providing enhanced visibility, improved data accuracy and real-time access to key performance information.
3. Participate in scheduled LGIS external audits and implement resulting action items	Safety Team / Managers / HSR's / Coordinators	As scheduled	As scheduled.
4. Monitor and report on incidents, hazards and corrective action close-outs	Safety Team	Ongoing	Managers now have access to live safety dashboards, providing real-time visibility of key WHS performance metrics and workforce compliance data. In addition, monthly safety reports continue to be prepared and distributed to the Executive Management Team (EMT), Managers, and the Safety Committee, ensuring ongoing oversight, informed decision-making, and effective governance of workplace health and safety performance.
5. Ensure records of training, incidents, inspections and audits are accurate and accessible for compliance and reporting	Safety Team / Managers / Coordinators / Supervisors / Human Resources	Ongoing	Records are maintained and monitored, with the WHS and HR teams currently working collaboratively to optimise the new IBIS system. This work is focused on improving data accuracy, strengthening record management processes, and enhancing visibility and accessibility of information for authorised users.



5. INCIDENT REPORTING & LEARNING

Objective: To strengthen the culture of reporting and learning from incidents, hazards, and near misses to prevent recurrence and improve safety outcomes across the organisation.

Key Results Area:

- Timely and accurate reporting of incidents, hazards, and near misses.
- Consistent investigation and follow-up of incidents.
- Sharing of lessons learned to improve practices and prevent recurrence.
- Supervisors actively leading and encouraging a positive reporting culture.

Critical Actions	Accountability	Duration	Actions
1. Reinforce clear expectations for reporting all hazards, near misses and incidents	Safety Team / Supervisors	Ongoing	Education is an ongoing requirement to continue to strengthen reporting practices across all work areas by reinforcing the requirement to promptly report hazards, near misses and incidents, enabling proactive risk management and the prevention of potential injuries and events.
2. Provide supervisors with training and tools to conduct effective incident investigations	Safety Team	As identified	No specific action has been undertaken in this area to date. However, the WHS Team, which has more recently been established, have now completed ICAM (Incident Cause Analysis Method) training, enhancing the City's capability to conduct structured incident investigations, identify underlying causes, and implement effective corrective and preventative actions. Subject Matter Experts and HSR's are also involved in any ICAM investigations.
3. Establish a simple process for communicating lessons learned from incidents across all departments	Safety Team	Ongoing	Monthly Toolbox and Safety Committee Meetings are used to communicate specific department lessons learned. HSR are also encourage to HSR be involved in any Five Whys or ICAM investigations.
4. Monitor and review incident reports to identify trends and improvement opportunities	Safety Team	Quarterly/HSC	Ongoing monitoring and analysis of safety data are undertaken to identify emerging trends, recurring issues and areas of risk. This information is used to inform the development and delivery of targeted training, awareness initiatives and resource allocation, ensuring that safety improvement efforts are focused on areas of greatest need and highest potential impact. Currently we are working closely with Fleet and Building Maintenance re: trends in vehicle and property damage.
5. Recognise teams or individuals who proactively report hazards and contribute to safety improvements	Managers	Ongoing	Ongoing monitoring and analysis of safety data are undertaken to identify emerging trends, recurring issues and areas of risk. This information is used to inform the development and delivery of targeted training, awareness initiatives and resource allocation, ensuring that safety improvement efforts are focused on areas of greatest need and highest potential impact.
6. Ensure that in the event of any significant incident the relevant Director and the CEO are immediately informed, and are presented with the final investigation report.	Safety Team / Directors	As identified	Ongoing monitoring and escalation processes are in place to ensure significant incidents are promptly communicated to the relevant Directors as they occur. Where required, formal ICAM (Incident Cause Analysis Method) investigations are undertaken, with the resulting reports and recommendations presented to the relevant Director and the Chief Executive Officer for review, oversight, and consideration of any necessary corrective and preventative actions.

6. ENGAGEMENT & CONSULTATION

Objective: To strengthen consultation, communication, and collaboration so that all workers, contractors, volunteers and stakeholders are actively engaged in creating a safe and healthy workplace.

Key Results Area:

- Effective two-way communication on safety matters.
- Active participation of Supervisors, Workers and Health & Safety Representatives (HSRs).
- Collaboration with Contractors and partners on safety expectations.

Continuous improvement through feedback and consultation outcomes.

Critical Actions	Accountability	Duration	Actions
1. Make safety a standing agenda item at team meetings	Managers / Coordinators / Supervisors	Ongoing	This initiative is ongoing and continues to be supported at all levels across the city.
2. Facilitate regular consultation between Supervisors, HSRs and Workers to address safety concerns	Managers / Coordinators / Supervisors / Human Resources	Quarterly	Ad hoc and ongoing consultation is provided by the WHS Team, ensuring employees and leaders have access to advice, guidance, and support on workplace health and safety matters as required. In addition, scheduled Safety Committee meetings are regularly facilitated and formally recorded, providing a structured forum for consultation, the discussion of safety issues, review of performance, and the identification and implementation of continuous improvement initiatives.
3. Provide clear and accessible channels (digital and on-site) for workers and contractors to report hazards and suggestions	Managers / Coordinators / Supervisors / ICT	Ongoing	With the implementation of the WHS module in IBIS, digital safety forms and reporting tools are now more accessible, enabling employees to easily submit forms electronically across the organisation. In addition, the Contractor Induction process has been made available within IBIS, allowing City employees to complete inductions alongside contractors and upload all relevant supporting documentation directly into the system. This has improved record management, enhanced compliance monitoring, and streamlined the contractor onboarding process.
4. Share outcomes of incident investigations and key learnings across the organisation to improve practices	Managers / Coordinators / Supervisors / Safety Team	Quarterly	Safety updates are distributed to all employees via organisation-wide email communications, print outs and placed on notice boards ensuring timely awareness of key WHS initiatives, incident learnings, and safety information. In addition, monthly safety performance statistics are provided to Managers and Safety Committee members to support discussion at team meetings, encourage local engagement with safety performance, and promote continuous improvement across the organisation.
5. Encourage Supervisors to lead by example, promoting open discussions on health and safety during daily operations	Director / Managers / Coordinator	Ongoing	This initiative is ongoing and continues to be supported at all levels across the City.



AC200 AI: EMERGING CYBERSECURITY RISK AND GOVERNANCE

AGENDA REFERENCE:	D-26-117031
AUTHOR:	S Bishop, Manager ICT Services
EXECUTIVE:	P Radalj, Director Corporate Services
DATE OF REPORT:	22 September 2026
FILE REFERENCE:	GO/11/0020
ATTACHMENTS:	No

In accordance with section 5.23(4)(e) of the Local Government Act 1995, the Audit, Risk and Improvement Committee may close the meeting to members of the public to the extent necessary to ensure that information is dealt with at the meeting on a confidential basis, if the information the making public of which would be likely to engager the security (including cyber-security) of the local government's property or operations.

EXECUTIVE SUMMARY:

The purpose of this report is to seek Audit, Risk and Improvement Committee review of information on artificial intelligence (AI) as an emerging cybersecurity risk, how that risk is presenting at the City of Greater Geraldton (the City), and the governance controls the City has put in place to manage its own use of AI.

AI has moved, in a short period, from a novel productivity tool to a material factor in the cybersecurity risk environment. It is used by attackers to find and exploit weaknesses in technology faster than has previously been possible, and it is equally being adopted by defenders to detect and respond to threats. National guidance has shifted accordingly, with the Australian Signals Directorate (ASD) and its international partners publishing updated advice that places greater emphasis on emerging AI capabilities, the increasing use of AI by malicious actors, and the governance expectations on organisations that adopt it.

In parallel, the City has moved from an informal, permissive position on AI use to a documented governance framework. A comprehensively revised Operational Policy 020 - Artificial Intelligence (AI) was endorsed by the Executive Management Team in August 2026, technical controls over access to AI platforms have been implemented, an AI Working Group has been established, and accountability has been formally assigned. These measures also respond directly to an internal audit finding raised through the ICT General Controls (ITGC 24/25) audit.

EXECUTIVE RECOMMENDATION:

That the Audit, Risk and Improvement Committee by Simple Majority pursuant to Section 7.1CA of the *Local Government Act 1995* RESOLVES to:

1. NOTE the information contained in this report on artificial intelligence as an emerging cybersecurity risk and the City of Greater Geraldton's governance response.

PROPONENT:

The proponent is the City.

BACKGROUND:**AI as an emerging cybersecurity risk.**Why the risk profile has changed

Software has always contained weaknesses, known as Common Vulnerabilities and Exposures (CVEs), which attackers seek to exploit. Historically, finding these weaknesses required skilled, largely manual research, which naturally limited how many were discovered and how quickly. AI tools have removed much of that constraint, examining software and systems at a speed and scale that manual research cannot match.

The effect is measurable. For several years, an average of approximately 2,000 vulnerabilities were reported globally each month. Last year this rose to around 4,000 per month, and in September 2026 approximately 13,000 were disclosed. On current trends, global reports are on track to reach close to or over 100,000 this year, which is roughly double last year's record of 48,153 published CVEs. Greater visibility of weaknesses is a good outcome, but the difficulty is that every disclosure creates work, as each must be assessed, prioritised and, where relevant, remediated.

Less time to respond

The second and more consequential change is timing. Attackers are increasingly using automated scanning and AI-assisted tooling to identify exposed systems, develop working exploits and begin probing organisations within days, and in some cases hours, of a weakness becoming public. The practical window available to assess and patch systems has narrowed considerably, particularly for systems that face the internet.

This is not a theoretical concern for the City. The City operates three internet-facing systems, which are continuously probed by malicious actors and closely monitored for signs of compromise. In early March 2026, more than 3,300 fraudulent building permit application registration accounts were created overnight against one of those systems. The activity was generated by automated machines rather than people, testing dozens of attack techniques against the system's inputs within seconds. The City's defences held, as these were blocked attempts rather than a breach, however the example illustrates why timely patching, secure configuration and continuous monitoring remain essential.

Risks arising from the use of AI itself

Separate from AI-enabled attacks, the use of AI within an organisation introduces its own risks. The principal concerns are:

- Unauthorised disclosure of information through public AI platforms, where data entered may be retained or processed in ways that compromise confidentiality;
- The inadvertent exposure of confidential or commercially sensitive datasets;

- The use of unapproved applications and services outside the organisation's visibility or control;
- AI-generated phishing, fraud and social engineering, which is more convincing and more readily produced than in the past;
- Data sovereignty and storage concerns, particularly where information is processed outside Australia; and
- Inaccurate or biased outputs being relied upon without verification.

AI as a defensive capability

AI is also becoming an important tool for cyber defence. The City already benefits from AI-enabled capabilities through its managed detection and response and security monitoring platforms, which use advanced analytics and machine learning techniques to identify suspicious activity, highlight potential threats, prioritise security events and support faster incident response. Consistent with updated guidance from the Australian Signals Directorate and its international partners, the City views AI as a tool to strengthen existing cybersecurity practices rather than replace them.

How the City is responding operationally

The City's response to the accelerating threat environment has been to shorten the time it takes to act:

- The Vulnerability Management Standard is being reviewed to reduce the acceptable timeframe for remediating critical vulnerabilities and to provide clear authority and escalation pathways for temporarily isolating or shutting down affected systems where risk is unacceptable.
- Escalation paths for emergency service outages are being confirmed, recognising that urgent patching may require outages at short notice and with less warning than departments have previously received.
- Hardened security baselines have been applied across workstations and servers, and penetration testing conducted in April 2026 confirmed a measurable reduction in vulnerabilities and configuration weaknesses.

The Committee should note that this involves a shift in organisational expectations: some short-notice service interruptions will be necessary to reduce the risk of compromise.

The City's use of AI and its governance controls.

How AI is used at the City

Over the past two years, City leadership, working with ICT Services, prioritised protecting City data and systems from misuse within AI platforms. This included identifying and blocking higher-risk or unapproved platforms and evaluating which platform best suited the City's needs. During 2025 the City introduced Microsoft Copilot Chat as an approved enterprise AI platform, initially through staff trials and awareness activities before broader adoption.

Current use is focused on productivity and administrative support, being research, drafting and editing documents, summarising long documents and meetings, meeting preparation, and data analysis. AI-generated outputs

remain subject to review and verification by City Officers and do not replace professional judgement, organisational accountability or statutory decision-making responsibilities.

Governance controls in place

The City's governance framework has strengthened considerably over the past twelve months. The principal controls are set out below.

Control	Status
Operational Policy 020 – Artificial Intelligence (AI)	Comprehensively revised and endorsed by the Executive Management Team in August 2026, replacing the City's original policy. It applies to employees, contractors, consultants and volunteers, and to both traditional and generative AI.
Approved platform	Microsoft 365 Copilot is the City's default, enterprise-protected AI platform, selected for its data protection capabilities and alignment with the City's existing Microsoft 365 security, compliance and identity framework.
Restriction of unapproved tools	Unapproved and higher-risk public platforms are blocked on City-managed devices through endpoint controls (Microsoft Defender and Intune), applied consistently following the 2025 audit activities.
AI Working Group	Established and chaired by the Manager ICT Services, with cross-organisational membership. It assesses AI opportunities and risks, maintains supporting guidance and makes recommendations to the Executive Management Team. It meets monthly, and its Terms of Reference are reviewed regularly.
Higher-risk uses	Prior approval of the responsible Director is required for tender and procurement evaluation, financial modelling, legal analysis, media releases, and Council, Committee or Executive reports.
Human oversight and contestability	AI is not relied on alone for strategic or significant decisions, outputs are verified by an authorised officer before use, and a mechanism exists for human review where an AI-assisted decision is contested.
Data protection	A Data Loss Prevention and Insider Risk Management pilot is underway, supported by information classification and sensitivity-labelling work, addressing the audit finding in this area and reinforcing clear rules about what information may be placed into AI tools.

Response to audit findings

The ICT General Controls (ITGC 24/25) internal audit found that limited controls were in place to restrict user access to AI technology, and that while an AI policy existed, it did not explicitly address the restriction and monitoring of AI platforms. The audit noted that, absent clearly defined and consistently enforced controls, there was an increased risk of inadvertent disclosure of sensitive information, non-compliance with regulatory obligations and reputational harm. Both elements of that finding have been addressed, in that technical restrictions are more consistently applied across City-managed devices, and the revised policy expressly deals with the approval, restriction and monitoring of AI platforms.

Residual risk

Residual risk remains and is acknowledged. Implementation places a considerable assurance and training load on ICT Services. There is a residual risk that staff do not follow the controls, particularly on personal devices where technical controls are limited. This will be mitigated through training, implementation of Data Loss Prevention (DLP) policies and monitoring. Having said that, AI is extremely invasive, and platforms can easily bypass established controls through in-built AI tools and program chats. This may prove very difficult to mitigate in the future.

Conclusion

AI has materially changed the cybersecurity environment, principally by compressing the time available to identify and correct weaknesses before they are exploited. The City's exposure to this is real but is being actively managed through faster remediation, hardened baselines, continuous monitoring and in-place vulnerability monitoring. In parallel, the City's own use of AI has moved onto a documented governance footing, with a revised policy, an approved enterprise platform, technical restrictions on unapproved tools, a named accountable officer, and a working group charged with keeping guidance current as the technology and regulatory environment evolve.

Officers will continue to monitor emerging risks, opportunities and regulatory developments, and will report to the Committee as needed.

CONNECTED, LIVEABLE, THRIVING, LEADING – ISSUES AND OPPORTUNITIES:

Connected:

The availability and security of the City's internet-facing systems, and the acknowledgement that short-notice outages may be required for urgent patching.

Liveable:

Information held by the City about community members, customers and staff is a principal target of the activity described in this report. The governance controls and technical restrictions on artificial intelligence platforms are intended to reduce the risk of that information being disclosed inadvertently.

Thriving:

The City's adoption of an approved enterprise artificial intelligence platform supports productivity and service delivery improvements, consistent with encouraging innovation in the way the organisation works.

Leading:

The governance framework described in this report supports informed decision making and accountability in the City's adoption of artificial intelligence. A documented policy position, an approved enterprise platform, defined approval pathways for higher-risk uses and mandatory human verification of AI-generated outputs ensure that professional judgement and statutory decision-making responsibilities remain with City Officers. Reporting this matter to the Committee provides transparency over an emerging risk and the controls applied to manage it.

Disclosure of Interest:

No Officer involved in the preparation of this report has a declarable interest in this matter.

RELEVANT PRECEDENTS:

Item references findings in AC195 - Progress Report on Audit Recommendations – October 2026 (DLP and AI).

COMMUNITY/COUNCIL MEMBER CONSULTATION:

There has been no community/Council Member consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

There are no legislative or policy implications noting Operational Policy – O20 has recently been endorsed.

FINANCIAL AND RESOURCE IMPLICATIONS:

There are no direct financial implications arising from this report. Implementation of the governance framework places an ongoing assurance, monitoring and training load on ICT Services, which is being met from existing operational budgets and resources.

INTEGRATED PLANNING LINKS:

Strategic Theme: Thriving	An economically diverse and prosperous City, driving sustainable growth while preserving our local spirit.
Goal 2	Support and champion our diverse mix of industries, encouraging innovation and local employment opportunities.
Strategic Theme: Leading	A progressive City where informed decisions, strong advocacy and an enabling culture drives sustainable regional growth.
Goal 2	Efficiently and effectively deliver community services and projects, through optimal use of our resources.
Goal 6	Ensure high quality governance activities enabling transparency and accountability.

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT:

Risk considerations are included in the body of the item.

ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS:

No alternative options were considered by City Officers.

PUBLIC

5 GENERAL BUSINESS LATE ITEM

6 MEETING CLOSURE

PUBLIC