SHIRE OF
WESTONIA
A vibrant community lifestyle

Councillor Information Bulletin

For the Ordinary Council Meeting
held on Thursday 16th July 2026

INDEX

SHIRE OF WESTONIA

SHIRE OF WESTONIA

July/August 26

Date & Time	What	Where	Who
Thursday 16 July	Council Meeting Draft Budget Meeting	Chambers	Councillors, Senior Staff
Wednesday 29 July	WEROC Board Meeting	Merredin	President & CEO
Thursday 30 July	Special Council Meeting Budget Adoption	Chambers	Councillors, Senior Staff
Thursday 13 August	Great Eastern Zone Meeting	Bruce Rock	President & CEO
Monday 17 August	CEACA Board & Future Planning Meetings	Kellerberrin	Deputy President & CEO
Wednesday 19 August	Peter Kenyon/Young Leaders	Westonia	Young Leaders
Thursday 20 August	Council Meeting	Chambers	Councillors, Senior Staff

CEO'S REPORT

- **GENERAL MATTERS**
- I recommenced work on Tuesday 23 June after my Long Service Leave. My appreciation is extended to Jasmine Geier who undertook the Acting CEO role in my absence and did an excellent job.
- A large emphasis has been on getting the 2026/27 Budget in order for adoption.
- I have been having lengthy engagement with representatives from McConnnel Dowall, Water Corporation Contractors, in relation to accommodation and catering of 14 works crew (all available single units), laundry services and supply of @ 90,000T backfill Sand and 30,000T gravel road base. Accommodation and catering contract ahs been secured and still awaiting outcome of sand materials contract. Due to the need for providing catering services (3 meals a day) I have advertised for a Camp Cook/Domestic to carry out these duties utilising the Stadium kitchen facilities.
- Have provided a quotation for Merit Consulting Group, Yerbillon Pumping Station contractors, for the reinstatement of 300m of Smythe Road which is being excavated for the removal of asbestos fibers.
- Council has provided costings for the provision of road construction services to the Mukinbudin Shire Council for the reconstruction of 2.2km section of the Nungarin North Road which is anticipated to begin in September 2026.
- Construction of the new Playground Shed is progressing extremely well and will be completed by Early August. A new 150Kl Pioneer water tank has also been ordered to capture the rainwater to be used as reticulation on the Cement Street gardens. Discussions have been held with Lotterywest and it has been agreed to return the $54,000 contribution which was going to be for the indoor playground at the Community Hub and that a new application be submitted for the larger playground fitout project.

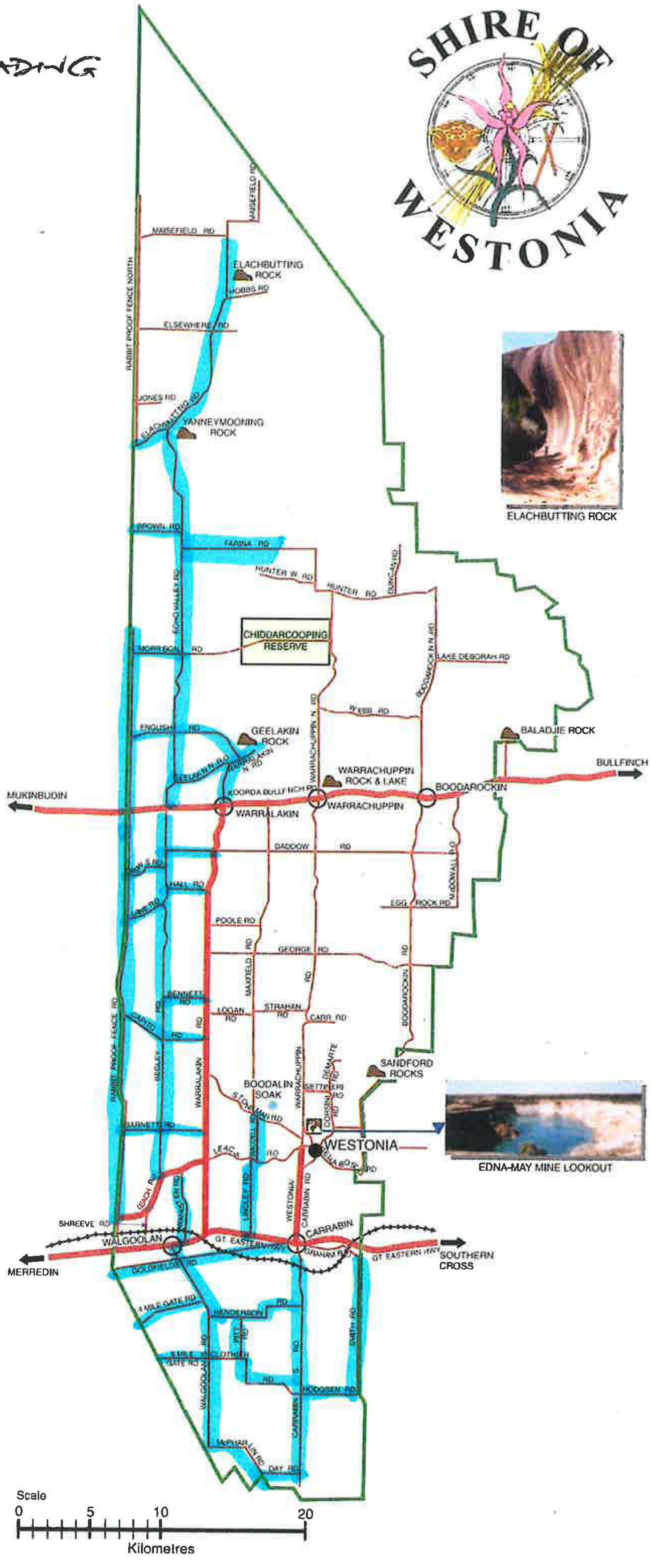
- Cr Geier and I participated in a Teams meeting for the WNESRRG meeting held on Thursday 25 June 2026.
- I met with representatives of Outback Carbon and the investors Mitsui E&P, on the Tree farm on land formally owned by Penagri Farms. The representatives were extremely impressed with the town features and facilities and will be keen to invest in some community projects as part of their community engagement obligations.
- The Wolfram Street upgrade project has been progressing with the installation of road widening, concrete footpath, kerbing, definition of drainage swale which is currently being rock pitched for aesthetic purpose and finally landscaping.

- Western Power domes have now been installed at all of the residential lots where required with only the Granite Street Light Industrial Lots to go, anticipated for September.
- I have advertised the position vacancy of Town Maintenance /Gardener Person closing end of July.
- It is proposed that the official opening of the Community Hub comprising of the Warm Water Pool, Mens Shed, Community Garden etc be held at 4pm on Friday 9 October 2026 to be followed by a Night in the Museum themed street party with catering supplied by Diesel.
- Cr DellaBosca and I met with Tuck Waldron CEACA Chair and Randal Wells Project Manager onsite to discuss the future expansion project which will see 4 x new units located in Westonia.
- A date for the proposed Young Leaders forum with Peter Kenyon needs to be chosen between the dates of 12 – 20 August. Council discussion is required.
- Council have been quoting and providing earthworks to several new townsite lot residential developments.
- Council have placed the order for the third and final single workers unit so that it will arrive onsite early September. Peter Antonio has been installing the decking and carports and will complete the project with dividing fences.

- **<u>DELEGATED AUTHORITY ACTIONS</u>**
- Approved a school bus pick-up for M Crooks children on Warrachuppin Rd and Webb Road intersection.

- **ROADCREW**
- Graders have been undertaking winter grading during optimum conditions (Refer attached map).
- Crew members not on machines have been rock pitching the Wolfram Street drainage project.
- Trucks have commenced carting Farina Road gravel re-sheeting project.

Winter Grading
26.



- **PLANT HOURS**
  The following is a list of plant and vehicle kilometre and hour readings for the period ending 30.06.26.

Item		30.06.26	31.07.26
P1	*CAT 140 GRADER*	4,738hrs	4,855hrs
P2	*CAT 12M GRADER*	11,072hrs	11,200hrs
P3	*PRIME MOVER (KENWORTH)*	93,187kms	93,187kms
P4	*ROAD TRAIN (NEW FREIGHTLINER)*	188,726kms	188,891kms
P5	*JOHN DEERE LOADER*	194hrs	214hrs
P6	CAT ROLLER (SKIP)	3,354hrs	3,468hrs
P7	*MINI-EXCAVATOR*	1,539hrs	1,539hrs
P8	*TELEHANDLER JCB*	722hrs	722hrs
P9	*TOYOTA (GRADER UTE)*	91,998ms	92,811ms
P10	*MITSUBISHI CANTER*	40,620ms	40,972ms
P11	*TOYOTA HILUX (HCS) WT 35*	115,506kms	115,630kms
P12	*JOHN DEERE (5100)*	2,845hrs	2,846hrs
P14	*TOYOTA LANDCRUISER GXL (CEO)*	38,083kms	39,467kms
P15	*TOYOTA HILUX D/CAB (W/SUPER)*	13,897kms	16,897kms
P16	*TOYOTA RAV4 (Community)*	29,536kms	32,583kms
P17	*TOYOTA HILUX DUAL CAB*	91,964kms	92,964kms
P19	*FAST ATTACK*	23,038kms	23,038kms
P20	*FIRE TRUCK*	7,784kms	7,787kms
P18	*WESSY BUS*	157,898kms	158,104kms
P22	*KUBOTA RIDE ON MOWER (OVAL)*	2,217hrs	2,217hrs
P23	*TOYOTA MINI-BUS (WT COM V)*	157,017kms	157,017kms
P24	CAT ROLLER (LOLA)	3,698hrs	3,816hrs
P25	*MICK's BEAUT UTE*	191,626kms	192,196kms
P27	*TOYOTA PRADO GXL (DCEO)*	7,725kms	13,870kms
P28	*TOYOTA HILUX UTILITY (TOWN)*	16,905kms	18,687kms
P29	*MOWER*	25hrs	25hrs

COMMUNITY DEVELOPMENT AND WELLBEING REPORT

COMMUNITY DEVELOPMENT REPORT

Working group meetings held every 3rd Wednesday of the month:
Event planning –
Wessy on the Green 2027. We have started locking in food vendors, Entertainment, sound tech and bands for the 10th of April 2027. New purchase of a 7x7 Out door dance floor.
Moondyne Joe Experience is taking shape. To be held on the 19th of September to align with the capture of Moondyne Joe 160years ago at Boodalin soak on the 29th of September 1866. With a team effort we will start at the soak and walk in to town where we will have Billy tea and damper, with some Bush poetry and Westonia yarns from a few locals then Sloppy Joes for dinner. People can camp at the Hall or on the oval if they like?
A Night @ the Museum – to be held early in October on a Friday evening. We would like to incorporate the opening of the Mens shed and the Warm Water Leisure Pool.
A Triathlon is being planned for the end of the year or early 2027. Community fitness, active Farmers and move it or Loose it are well underway thanks to our effervescent and highly motivated instructor Emilie Menze. We are eagerly awaiting the opening of our Warm Water Leisure Pool.
Westonia Workers WhatsApp group is open to anyone who would like to get involved with busy bees & event planning.
CRC – with Co-design workshops over the DPIRD WACRN team have now moved into the Procurement and Contracting phase, which will run until 1 July 2027, when the new contracts begin.

Grant applications & award nominations submitted:

The CRC received verbal confirmation of the successful request for a Major Sponsor in Bendigo Bank for $30,000.00 towards Wessy on the Green 2027. We will need to complete a grant application to make this Official and with naming rights up for grabs Bendigo Bank will have major input into the Wording surrounding Wessy on the Green in all advertising going forward.
The CRC submitted a grant application to Westonia Progress Association on behalf of the Westonia Golf Club president for the club house purchase of an Ice Machine and Storage Cupboard. The Ice machine was needed to help keep up with demand for Ice throughout the season and a storage cupboard to house Stock and merchandise away from vermin, moths and dust. This grant request was successful and the Purchase is complete and products received.
Future grant opportunities & award nominations:

WELLBEING REPORT

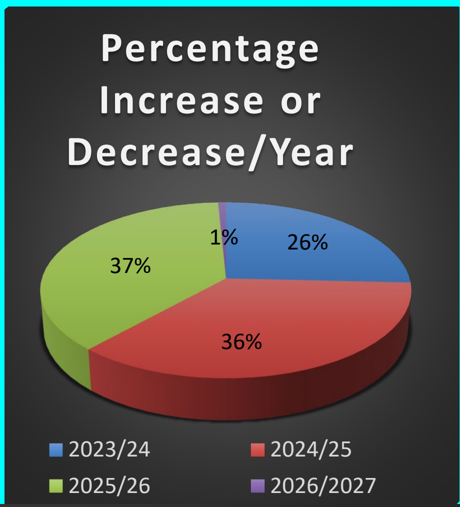
Weekly Activities
Bingo every Thursday 9-12 Pax
Scrabble every Tuesday 5 Pax
Bus trips Movies in Merredin and coming up Daffodil day in Nungarin.
Active Farmers with Emilie Menze Every Wednesday (2x General Fitness classes and seniors' session)

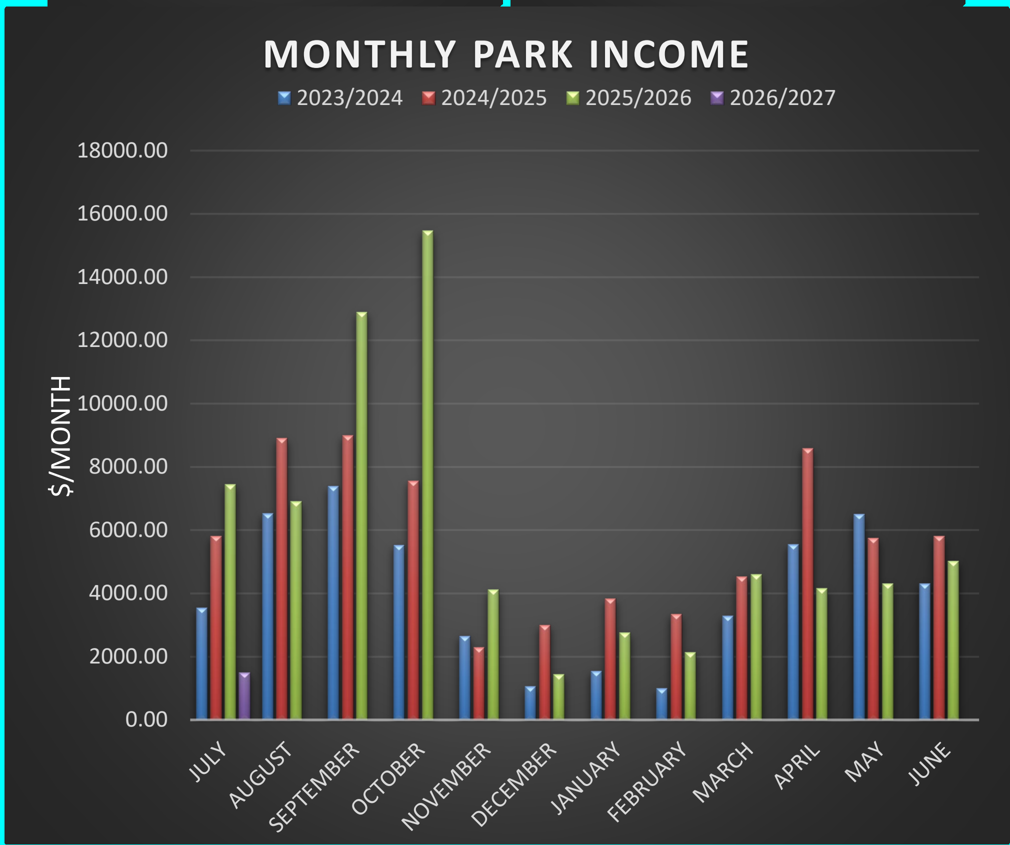
Age Care

Westonia Home Care Services
We are continuing to provide community Wellbeing activities
Westonia Home Care Services Clients: 23
New clients about to join service: 2
Staff delivering services: 5
Services: Administration and Package management, Cleaning and Household tasks, Medical, Personal Care, Social Support, Support work, Gardening & Maintenance, Meals, Allied health, Medicine management, Equipment and Home modifications.
Department of Aged Care Quality and Safety Commission - Westonia Home Care are currently making application to renew their 3 yearly contract to provide Support at Home Services.
Department of Health, Disability and Ageing – Thin Markets Grant (round 3) is just about to open and we will be applying for the 2027-2028 financial year, approximately $200,000.00 to assist in

keeping cost lower while delivering aged care in rural and remote areas.
Monthly and annual reporting – Quarterly and annual financial reports to Department of health, disability and ageing. SaHCC annual reporting (Support @ Home cost collection).

WESTONIA TOURIST PARK
The park would like to thank Fiona for stepping into the care taker role while Barry was away. It is greatly appreciated. The single units will be booked out for approximately 9-12 months with the pipline upgrades happening in our area
REPAIRS & MAINTENANCE
Various minor repairs and maintenance are ongoing. Focal area being bathroom maintenance (fixtures and disabled bathroom upgrade)
Disabled toilet drainage will need some major work as tree roots have made their way into the pipes.
FUTURE PROJECTS
Permanent signage required to say "If office is unattended, please ring the caretaker's phone or Shire office alternatively you can visit the Shire office during business hours Monday to Friday to complete your booking".
Overflow – new signs needed for sites and information sign needed to describe who to ring or see to book in and outline that you must un-hook. Defined bays might be a good idea for this area.
STATISTICS





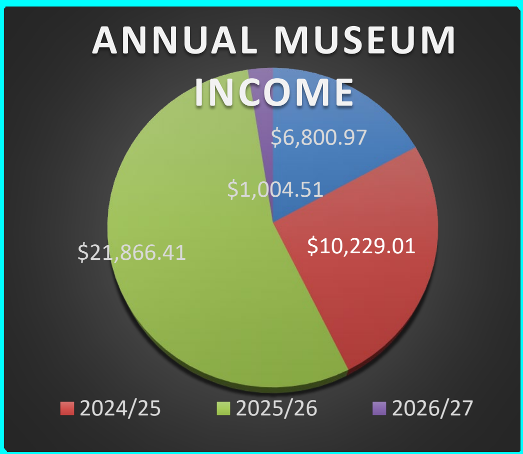
HOOD-PENN MUSEUM and COOPERS GARAGE MUSEUM
The constant flow of visitors are still in awe of the two museums these are a great asset to Westonia's tourism sector and a special thank you the volunteers who give up their time on weekends to open the museums up to the weekend trvallers

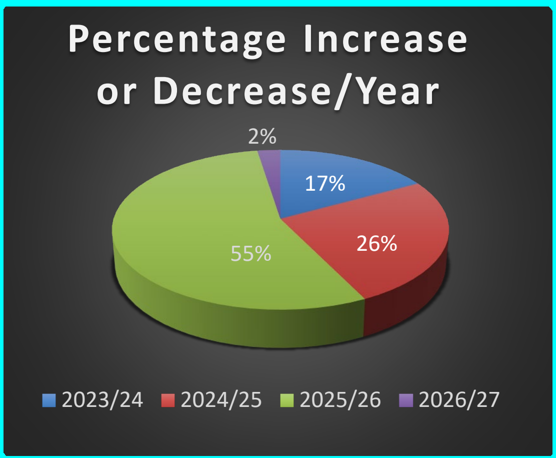
REPAIRS & MAINTENANCE
Various minor repairs and maintenance ongoing

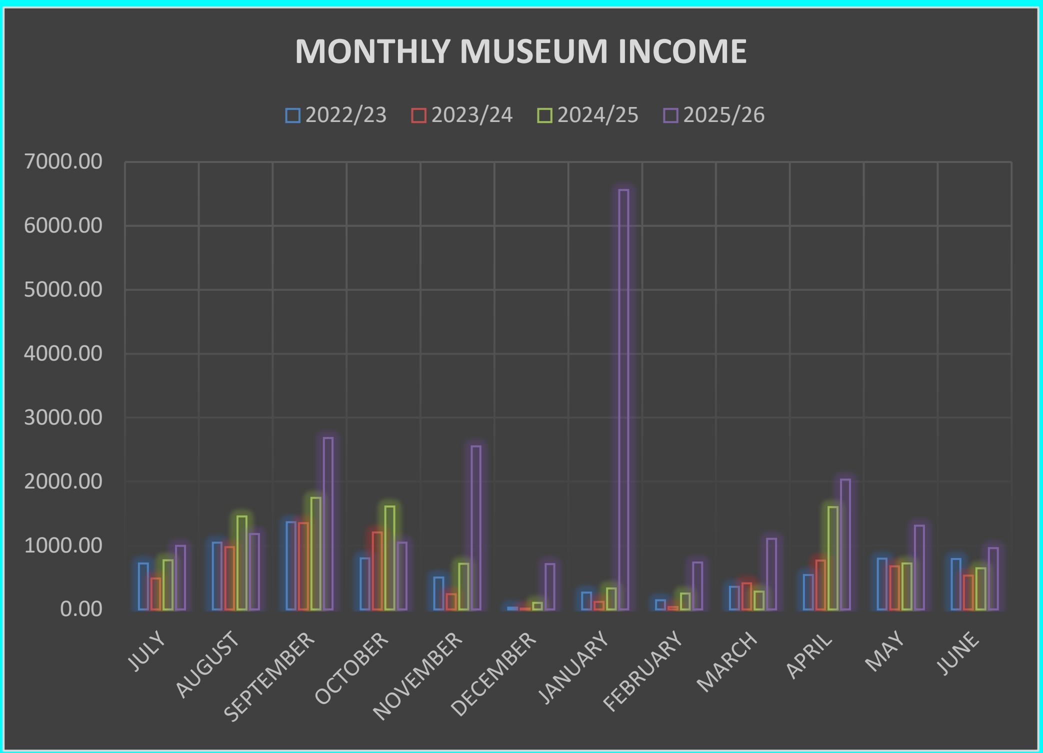
RECENT PROJECTS
War Memorial moved from OM Hall and photo signs now installed.
Model War Planes hung in War Memorial scene

FUTURE PROJECTS
New scenes to be created in the existing space of the old storage room to tell the stories of our primary industries of which Westonia was founded on.

STATISTICS







Local Government Inspector

GOVERNMENT OF WESTERN AUSTRALIA

An update from the

Local Government Inspector

Compliance Audit Returns

Hello,

As we enter the middle of the year it becomes a busy time for the sector. Alongside other important governance considerations for you and your local government, the 2025 Compliance Audit Return (CAR) is due on 30 September 2026.

This year the Local Government Inspectorate is providing the questions in advance. This will allow you to commence gathering information necessary to complete the CAR and report to your Audit, Risk and Improvement Committee, prior to final adoption by Council.

The questions can be found on the Local Government Inspector website.

Amendments to the Local Government (Audit) Regulations 1996 (Audit Regulations) commencing this year permit the Local Government Inspector to limit prescribed CAR requirements (Audit Reg. 15A). Accordingly, you will notice the 2025 CAR does not include all statutory requirements as set out in Audit Regulation 13.

I would encourage you to take this opportunity to prepare your CAR so you can submit it before the deadline of 30 September.

The team is working on the CAR online portal which will be available at the end of June. I will provide an update when the portal is live, and local governments can upload and submit the final approved version by the due date.

If you have any enquiries, you can contact the CAR team at car@lginspector.wa.gov.au but you must not submit the CAR via email.

I look forward to continuing to engage with all of you and thank you for your commitment to good governance across your local governments.

Kind regards,

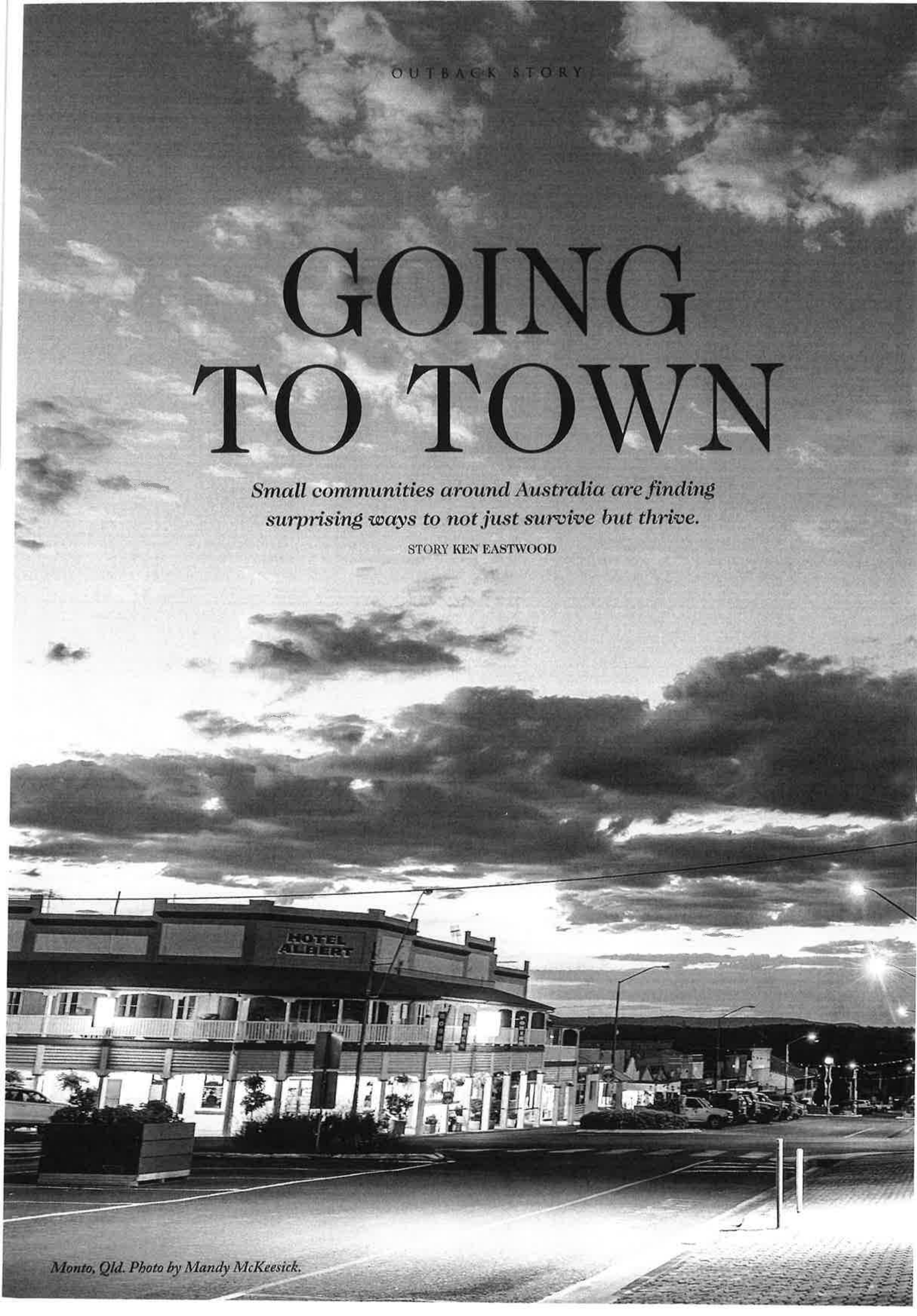
Tony Brown

Local Government Inspector

GOING TO TOWN

Small communities around Australia are finding surprising ways to not just survive but thrive.

STORY KEN EASTWOOD



Monto, Qld. Photo by Mandy McKeesick.

You know what it's like. With the open road before you, you're driving across a slice of the country, and you're planning to stop for a coffee and a bite at one of the upcoming towns. You hit one little town, and it feels like you've hit the jackpot. There's a hive of activity around a coffee shop and a bakery, and a shady park with a good-looking footy ground and amenities.

People are wandering in and out of the supermarket and a couple of other attractive shops, and maybe you're imagining it, but there seems to be a smile on every face. The town you passed 30 minutes before was nothing like this.

What made the difference? Why would two towns in relatively similar locations have such different trajectories? What are the secrets to one small town's success when its neighbour is dying?

In Monto, 2.5 hours' drive west of Bundaberg in Central Queensland, you can find some of the answers, according to Jenny Forsyth, secretary of the Monto Magic Tourism Action Group. In just six years, it's turned around from a dying town to a vibrant community – the kind of place people want to not just visit, but live in.

"The town was really struggling, the shops were closing and we didn't have a new population base to replace the older people," Jenny says. "Every second house was on the market or neglected."

So, starting with a simple project to paint a mural on the town silos, the community decided to "make us a destination – somewhere where there was something to look at". After the silos, they painted murals on shop walls and put timber paintings up to cover over empty shop fronts. "The beauty of that is now we don't have any empty shops to put them in," Jenny says. Within six months, she says, things began to turn around, with the real estate market booming and new shops and businesses opening. The 2021 census doesn't show any rise in population, but Jenny reckons this year's census will show a big increase from 1,156. "It was brilliant. Now there's very little for sale and people from all walks of life have come here, because they like the feel of the place. It's just vibrant. People say, 'You walk up the street now and you don't know anyone' and I say, 'Isn't that great!'"

Monto's project was kick-started with a grant from the Foundation for Rural and Regional Renewal (FRRR). "Silo art gave people a reason to stop, take a breath and look around the town," says FRRR's head of granting, Jill Karena. "It provided the community with a way to pivot and produce some vibrancy." >

KEN EASTWOOD

RAI

Peter Kenyon speaks animatedly at the Small Town Reinvention Conference; Regional Australia Institute CEO Liz Ritchie.

FRRR has granted more than $213 million to 16,000 projects over 25 years. "Some towns are struggling, but many towns are reinventing themselves," Jill says. "When they have the right tools, they can absolutely thrive. We really try to focus our resourcing on smaller places that struggle to compete with some of the bigger grant programs. Our funding tends to be very flexible … communities know what they need – they don't need us to tell them what to do. We need to trust that they know what they need and then back them to do it."

Like many who work with small towns and communities, Jill knows some of the keys to ensuring a town thrives. As well as digital connectivity, economic diversification and "key anchors to stability" such as education, childcare and health care, there are some critical human resources. "Local leadership and a culture of collaboration and sharing consistently show up as some of the biggest differentiators of towns that stagnate and those that can reinvent themselves," she says. "That can-do attitude is so critical."

With humour, warmth and big-hearted passion, the guru of small towns, Peter Kenyon, holds the crowded room in his hands. This instantly likable man with a shock of white hair is speaking at the second National Small Town Reinvention Conference in Kapunda, SA, organised and run by his own organisation, the Bank of I.D.E.A.S (Initiatives for the Development of Enterprising Action and Strategies). Clocking up some 80 plane trips a year and countless kays in vehicles, Peter has worked with more than 2,000 communities in Australia and in 60 other countries, helping them come up with fresh and creative ideas to stimulate economic and community renewal. For this work, he received an Order of Australia Medal and in 2017 was named WA's Senior Australian of the Year.

"I love the African proverb, 'The sun does not forget a village because it is small'," he tells the crowd, who have come from all over Australia and New Zealand to the conference. "My DNA is in remote Australia and I'll always love rural and remote Australia."

Peter was conceived in Marble Bar, WA, and has spent most of his life in various small towns amassing a wealth of ideas and examples about how small towns can thrive or alternatively waste away. "You don't get a second chance at first impressions and let me tell you we have some pretty ugly small towns," he says. "I drove into a small town the other day and a tree had grown in front of the town's entrance sign. That tree didn't grow up in the last 24 hours – someone told me it had been there seven years.

>

DOUG GREEN

The Kulin Bush Races bring in an estimated $3 million to the local economy each year.

"Without doubt, towns are going to disappear. Here in WA, we've probably got over 600 ghost towns. Why do our inland towns matter? Well, for me, they are the service centres for mining, tourism and agriculture, which is just one of the hugest industries that we've actually got." If a town's hardware shop closes, then suddenly primary producers have to travel an extra 100km each way to the next town to pick up supplies, affecting productivity. That creates a multiplying domino effect, because when they're in that next town, they might also get a haircut, or buy some groceries, further adding to the survivability of the next town. And soon the viability of the 'big four' in the smaller town is threatened: "The supermarket, the school, the pub and the footy club. Those are the things that really do matter in terms of the glue that both economically and socially keep these communities together," he says.

Peter says the best example he's seen of small-town reinvention is Kulin, WA. "It happened 31 years ago, when the population had dipped to about 280 people and they had lost their bank. They had lost essential services. They had been through a prolonged drought. People came together in the town hall one night saying, 'Let's draw a line in the sand. We're either gunna do something or the last person, you know, turn the lights out.'"

And then came one of the most important turning points for any small-town reinvention, Peter says – they took ownership of the problem. "If we're going to have a future, we who live here need to make it actually happen and we need to invest ourselves, our time, our energy."

By the end of the night they had decided on seven strategies, including two main points: "Be more than a dot on the map and build local pride and commitment."

They revitalised the bush races that hadn't run for 40 years, with a farmer donating the land to hold them. Three years ago those races sold all 4,000 tickets online in 38 seconds, and it now contributes $3 million to the local economy each year.

"Then they asked the young people what would make a difference and they said a waterslide." So, shire president John Bell went searching across the country for a second-hand waterslide, eventually finding one for sale in Queensland, a whopping 182m long and 18m high. "I organised five prime movers and six semi-trailers to go over there and pick it up," John says. Travelling 5,000km each way across the Nullarbor, volunteers dismantled the waterslide and loaded it straight onto the donated trucks for the return journey. The group included a visitor who was only working in Kulin for the harvest. "He thought enough of Kulin to come over with us," he says.

Back in Kulin, John got two quotes of $2 million to refurbish and erect the waterslide, money the town didn't have, so he and his business partner took on the job and did it for $300,000. "It makes me happy every time I hear of someone who's gone through there that comments on how good the slide is."

>

"Today the biggest waterslide outside of Perth is in the town of Kulin," Peter says. "It's now known as the teenage entertainment town. They've also developed the best ninja warrior circuit, the best pump track, and families go there for holidays."

Of course, the waterslide and facilities also make it a much more attractive town to live in for families. Kulin's town population is now about 350, and it has one of the highest fertility rates in the state, some 3.12 babies per woman. It's a town that you can definitely say is being reborn.

Small towns are defined as having a population of 200–10,000 people, and all up the 1,700 small towns in Australia house almost 10% of Australia's population. Some 1,600 of those towns have fewer than 5,000 people, and 1,100 have fewer than 1,000 people. Peter's research and experienced observations indicate that 75% of those towns are in trouble – either static or dying.

The challenges are many and varied: ageing populations (proportionately, there are considerably more 60–80-year-olds living in small towns than capital cities); mechanisation and corporatisation of family farms (meaning bigger farms with fewer people); lack of employment opportunities; and changes in resources (such as mines or government services closing).

Laura, SA, was one town that received a resources shock last year, when one of the town's biggest employers, Golden North Ice Cream, announced that after more than 100 years in the town it would move its production facility to Murray Bridge.

"When the announcement happened, it was a serious grieving process," says councillor and former mayor of the Northern Areas Council Sue Scarman. "There was sadness, anger, disappointment … but now we've got time to think, plan and work out where to next." She says it feels a bit like when a person is given a cancer diagnosis, rather than dying suddenly – there is time for the family to plan. "It's an opportunity we've been given. That community has taken that opportunity and will run with it. I actually think it'll be better because of it."

With a promised $1 million from the state government, there have been many ideas proposed to help deal with the loss of both the jobs and the sense of identity that Golden North has brought to the town of about 500 people. But meanwhile, a group of young mums got together and decided to improve the town's family facilities on their own.

"We were scoping out ideas in 2020, and we realised that we were the only town that didn't have any play equipment at the local sporting reserve," says Laura local Alyse Edwards. So, she and some other mums began >

The Deniliquin Ute Muster attracts some 20,000 visitors a year. Photo by Ryan Heffer.

planning and fundraising for a nature play area, all with natural products and equipment made on site. Opened last year, thanks partly to a big grant from Variety SA, at a cost of $315,000, it includes equipment accessible for children with extra needs, and has been used by hundreds of children, both locals and travellers.

"It's been a bit of a hard time – there's lots of unknowns about how things will look in the future," Alyse says. "Golden North is so entwined with the identity of the town. A lot of young families and business owners have been quite concerned, so this has been a really positive thing. I definitely think for locals it has been so nice to have a good news story."

According to Liz Ritchie, CEO of the not-for-profit research think tank the Regional Australia Institute (RAI), it's often when towns are under pressure that the best ideas arise. "What we see again and again in regional communities and smaller towns is that in the face of adversity, innovation flourishes," she says.

Liz's own experience in her childhood town of Deniliquin, population 6,400, shows clearly what a town with "a big vision, a bold idea and an army of beating hearts" can do. At the age of 21, Liz was appointed the inaugural director of the Deniliquin Ute Muster, which had been started because the town was in dire straits. That festival alone now attracts 20,000 people a year, who pour an estimated $6 million into the local economy. "In the late 1990s it was the worst drought for our region, the Riverina … and if the farmers are hurting, the community's hurting." And so, the idea for the ute muster was formed, basically because the ute was one of the key tools that makes agriculture in the region possible. "In those first five years, the ute muster went viral globally," Liz says. "I do not meet a person – and I travel all over the country – who hasn't heard of the Deniliquin Ute Muster.

"I think the biggest learning for me was the power of people in a community to make things happen and the love of a festival that was theirs. They owned it. It wasn't parachuted in. It didn't come about because someone told them they should do it."

Now, as CEO of the Regional Australia Institute, Liz is encouraged and excited that after decades in which regional areas were declining, there has been a shift. From the 1950s until 10 years ago, more people were moving from regions to the capital cities than moving the other way. But from 2016, that changed, a trend that was amplified during the COVID lockdown years.

This re-populating of the regions is particularly relevant for towns within 2.5 hours' drive of capital cities. "The days of 'We're all leaving regions in droves' are in our rearview mirror," Liz says. "The pendulum has swung back towards the regions. It's time to rebalance the nation."

Because Bureau of Statistics figures can be slow, with

In Laura, SA, Piper, Alyse and Leo Edwards, and Sophie, Elsie and Remi Millington enjoy the new playground. Photo by Ken Eastwood.

censuses only every five years, the RAI developed a more timely Regional Movers Index to show rapid changes, and Liz mentions a few towns in WA that show this trend, including Meekatharra, up 10.2%, Nannup, up 12.6% and the Chapman Valley (near Geraldton) up 11.5%.

"There are 7 million people who live in our capital cities who don't want to live there. We know that people want to work remotely. That they want that flexibility and the research tells us that cost of living and housing affordability are number one and two for reasons why people want to move out of the capital cities, but their concerns are access to health care, limited job opportunities, and perceived isolation."

Liz is well aware that some residents like their town the way it is, so they may not encourage newcomers, because they like the peace and quiet their town provides. "I get that," she says. "But I guarantee that town doesn't have its GP or a locum to help fill the GP position when they go on holidays. Or they don't have enough nurses or teachers to service their children's and the next generation's needs. It isn't just about the here and now. It's about future generations."

One attribute of successful small towns that Peter Kenyon and many other experts point to is having a human dynamo like Liz, Alyse or John Bell, who can take charge and get things done. "How do we reshape ourselves to be a resilient community?" asks Su McCluskey, who in 2011 was the inaugural CEO of the RAI, and has served in many leadership roles for rural Australia, including most recently, interim head of the National Farmers' Federation (issue 165, p96). "You've actually got to build that local leadership."

Su helped develop an online index (now called the Regional Australia Dashboard) that enables policymakers and locals alike to quickly compare different areas, whether in regard to digital connectivity, health services, education or other factors. "You could go to any local government area and click on it and understand what that region could provide for you. Then we worked with local government authorities to understand why some regions aren't vibrant in those areas."

And the key factor through it all, she says, was local leadership – someone who could move a town away from an attitude of "poor bugger me – I'm not doing well and I want you to help me".

"One of the challenges for all communities is finding and bottling the enthusiasm and then someone in the community steering that enthusiasm in a way that it can then become effective," says Charles Alder, director of Rebuilding Australia. As well as working with hundreds of towns across Australia in revitalising communities and leadership, Charles and his wife Tracy have been >

KEN EASTWOOD

Su McCluskey – local leadership is the key.

instrumental in helping rural towns recover from disaster, founding Buy a Bale, developing Farm Rescue and leading Rural Aid. "There are people in each community who've got a passion for their community, but they either don't have the skill set or they don't have the connections or they don't know who to talk to. Or they can't find a like-minded person who wants to do it with them."

Charles particularly pointed to the need for leaders to be able to network well, speak in public and help encourage a spirit of collaboration, so everyone is pulling the same cart in the same direction. "It's a matter of having some basic skill sets that mean that you're a collaborator and you allow others to feel part of the collaboration. It's not just your idea."

One of the tasks for the leader is to help a town work out what their 'wow factor' is – something they can capitalise on as they rejuvenate, whether it's history, natural assets or a giant waterslide. Charles was surprised driving through Tenterfield, northern NSW, last summer when he turned up a side street and discovered, not signposted, the saddlery that Peter Allen's grandfather had established and that was made famous by the singer. So, Charles immediately started developing a Peter Allen festival that will be held in October this year, to promote one of the town's potential 'wow factors'. But he acknowledges that collaboration for something like that is essential. "There are plenty of people who live in Tenterfield who know a lot more about Peter Allen and the previous festivals that I should harness," he says.

Like many small towns, Eudunda, SA, is struggling to find enough volunteers to take on projects. Those who are helping out are already stretched pretty thin, and so the 30 items on the town's action plan can look pretty intimidating, says Mel Zerner, deputy chair of the Eudunda Community Business and Tourism Committee.

"It's a mammoth list of things that are happening in the town," he says. "In terms of the rejuvenation, we're about 25% or a third of the way through. There's a lot to do, but we've ticked a few things off. Tourism is the biggest project, which covers multiple things. Getting the passing traffic through, which then generates people stopping at businesses and getting meals and staying overnight. Then the businesses grow and then people might say 'We might even settle in Eudunda'."

Mel says that many things on the action list are fairly mundane items that just need to be done, such as ensuring the caravan park has an online presence, or holding a volunteer appreciation dinner so that people feel valued for their contributions. "You've got to break off the pieces into smaller pieces," he says. "I'm excited because there's so much potential, but at the same time it's daunting because there's so much to do."

>

In a majority of small towns needing renewal, it's women who take on such leadership challenges. "Across the country, I've got to know a whole pile of people I call community builders," Peter says. "Overwhelmingly, 80% of them, if not 90%, are women. They are often the ones who are holding much of the community infrastructure and their organisations together.

"Many of these towns, why they're not going forward is that they're often not prepared to take some risk. They've got to do things differently. If nothing changes, nothing changes. And women tend to be more willing to take risks than men. Men are fearful that if it doesn't work, it's 'egg on my face'."

The human dynamo in Balingup, WA, is Wendy Trow, who among other things such as ensuring the town has digital connection and a backup generator, has helped run a hugely successful 30-year-old medieval carnival that made $100,000 last year. The population of 575 is stable, not declining like it once was. "The population hasn't grown hugely, which is to our liking, but you'd be surprised how many people say they came here because of the medieval festival or the small farms day."

Wendy has some simple tips for good leadership, including almost always saying 'yes' when someone else suggests something. "Encourage people to do what they are passionate about," Wendy says. "Have minimal paperwork and radical trust. And pat them on the back lots – we don't do nearly enough of that in Australia. I'm ex-Airforce and that was just drilled into us in our basic training. Pat your troops on the back and it costs you nothing. When I get the opportunity, I always do that. And that rubs off on people."

Linda Henderson, a fairly recent mover to Pomonal, in western Victoria, started the Lake Fyans Walking Track parkrun in October last year. A weekly 5km, non-competitive run, it's one of 539 parkruns in Australia. (Many parkrun participants travel to different parkruns each Saturday.) Having previously participated in parkrun on the Mornington Peninsula, Linda thought it would be great for the area, because the Grampians region had suffered greatly with major fires and loss of tourism. "It's just one more thing that can bring a community together. And it has a wellbeing aspect as well that was important for bushfire recovery."

Initially attracting mainly tourists, the Lake Fyans parkun is gradually being supported by more locals, and they now make up about 50% of the 80 or so who turn up. But Linda knows the importance of continuing to attract tourists. "When I'm at parkrun, I chat to pretty much everyone, and I know they're staying overnight, and spending money in the community. So, it's that double benefit – economic and wellbeing for the community as well."

>

LINDA HENDERSON

Volunteers assist at the new Lake Fyans parkrun.

A few years ago, the RAI developed a 'Good Life Guide' that compares key aspects of 'liveability' across different local government areas, including median house price, income, economic diversity, national parks, etc, to help those who want to move to a small town find their new home. "People are looking for something that they feel connected to. And the way to describe this is liveability," Liz Ritchie says. "What are the employment opportunities, what are the cultural amenity opportunities, the sporting opportunities?"

Although some pretty buildings or a location might initially attract someone to a town, it's the lifestyle factors that will help them stay or bring up a family there – whether it's a decent school, sporting clubs or medical services. "Most small and rural communities in Australia do have an older population, so you need to have things that young people want," says Dr Michael McLaughlin, from Roma, Qld. "For example, if you can't have your baby in town because of a lack of medical services, that probably means you also lose the ability to look after sick children."

As a fly-in rural generalist in western Queensland, Michael has seen the effects on towns when such medical services aren't readily available – particularly in preventive medicine. "I fly into eight different communities across western Queensland, and the people there are more likely to engage in preventative care and stay well than those in towns where they have to drive hundreds of kilometres to receive care," he says. "I have patients coming 900km to have an endoscopy. So, they're having to take three or four days off work for something that's preventative – a procedure that doesn't make them feel any better afterwards but is vital to help prevent against cancer and serious illness.

"The more medical services a town has, the more it becomes a hub, and that drives more services as well." For example, if a town loses its GP, then people are less likely to come into town and spend money – they'll do that in the next town where they can see a GP.

Seven years ago, Michael and his husband moved to Roma, population 6,800, where they've found an active, friendly community, and have set up a distillery and tourism business. "The community there is amazing. It's a very sporty town so there are things to do in town, parkrun on weekends. My kids can do touch footy after school."

Young families like Michael's are key targets for many small towns wanting to shore up their population base, but other small towns are searching for liveability factors that will help encourage minority groups, such as immigrants with different cultural affiliations.

"The government's saying to all these immigrants coming to Australia 'Go bush, go bush, go bush'. But the communities out there aren't yet comfortable enough to accept them or engage them," Charles Alder says. "Therefore, >

FLORIAN FRANCO

Gnowangerup residents with the Jeepney they created for the Horsepower Highway, celebrating their Filipino heritage.

they go out there for a while and then they very quickly migrate back to the cultural precincts of Brisbane, Sydney or Melbourne. There's an opportunity for communities to recognise the strength of their community. It's not just the small Anglo-Saxon component, but it's the Filipinos, the Indians, the Greeks, the Italians and everybody else. How do we bring them in to be part of the bigger community?"

Gnowangerup, in the Great Southern Region of WA, is an example of a town seeking to include its 120-strong Filipino community in its current and future plans. A previous project was having a dozen Filipino men build a colourful, award-winning Jeepney (a common type of Filipino transport) from an old tractor, to add to their tourist route, the Horsepower Highway. A new project is converting some public space into a Filipino karaoke area, where the community can sing together.

"Our community has been pretty good with welcoming the Filipino community," says Cassy Beeck, director of the GNP360 program that has been revitalising the town. "We have some really large manufacturing businesses in town that employ a lot of migrant families. We started with just a few single men. After about three years when their visa is up, they bring their families across, which was causing a problem. For example, one woman couldn't speak a word of English. But she started work as a school cleaner, and learnt English and gradually became head of cleaning, then got another job in town, and now is running one of the biggest offices in the community in the business where her husband works. A couple of Filipinos work in the supermarket. Another is running the daycare centre. The Filipino women do really well and it's become part of the whole culture. We just give them a chance, a start. And we're finding that the kids are thriving – there are more kids in the school, so we get more funding."

GNP360 started in 2018, when Gnowangerup was at a crossroads. Two banks and the hairdresser had closed, and the supermarket was about to close. "If we didn't fix this, that was it, we were gone," Cassy says. "Peter [Kenyon] said to us, 'The cavalry is not coming to save you – you need to save yourself'."

The township put in place a couple of inventive schemes to help get some coin together. One was a community cropping project, in which volunteers sow, tend and harvest a crop, and the profits go to the town. The other was starting a town cooperative. Locals contributed amounts from $500 to $35,000 to buy a share in the cooperative, although they all get just one vote, regardless of their contribution. Key projects have included improving the available accommodation, creating an allied health centre, using murals to pretty up the town and provide links to the iconic Stirling Ranges, and revitalising the rundown 1912 hotel into a community hub.

"When we first started, one of the first discussions, apart from saving the supermarket, was that we need services," Cassy says. "We need a mechanic in town, we need an auto-electrician in town, we need another builder or

Tricia Jamem, age 76, provides regular home dialysis to her husband Ian, with support from the Staying in Place Program.

plumber. We now have three mobile mechanics, all young couples and families, and they are busy all the time. We have an auto-electrician now employing an apprentice. We had a hairdresser come to town, but she couldn't afford to set up a business, so we got her a room and bought her a proper sink, etc. She's now partnered with a beautician who wasn't qualified to do everything she wanted, so GNP360 paid for her to go to TAFE to gain extra skills. And all of these are young – they're all under 30. We're one of the towns in WA having another baby boom – the average age here now is 32. This is our moment and our time, and we have to capture these young families while they're young and happy, not ageing, tired and leaving."

In Pingelly, 175km north-west of Gnowangerup, the townsfolk decided to focus on a much different group of forgotten residents – their elderly. As people age in small towns, they often have to move away – away from family, friends and known support structures – in order to receive the ongoing care they need. But Pingelly residents led by Helen Morton decided this wasn't good for the community, or good for them, so she began developing 'Staying in place', a program where community members receive government funding from My Aged Care to provide services to older residents (such as gardening, cleaning, cooking, shopping, etc), to help their older residents stay in the town. The program has been so incredibly successful since it started in 2022 that the model has been rolled out to more than 100 communities across Australia, including as far away as Yarraman in Queensland and, more recently, Laura, SA. "In Pingelly, we're supporting 90 people who would otherwise be either operating without appropriate support or would have gone by now," Helen says. "They'd have to go to a regional centre like Narrogin, 45 minutes away, or Perth or places with good aged-care facilities like Busselton and Albany. We wanted the elderly locals to have happy lives in Pingelly, not have to leave town and go somewhere where nobody knew them like they had done in the past. When they got there, they didn't do well – the loneliness and isolation just knocked them out."

Helen says the program provides substantial economic stability for the town, has created the equivalent of 14 full-time jobs, and increased income for families, underemployed and unemployed people. In addition, a regional business, Narrogin GasworX, has an extra income stream as a significant supplier of aids and equipment to help aged people stay in independent living.

"One of the contractors is the butcher's wife, another is a husband-and-wife team who had the school bus contract – these are local people. It's a significant economic benefit to this town – the total value of the packages to support our clients is about $4.5 million annually to this community. That funding is being used by local people here – whether it's going to the butcher or the IGA or the pub or whatever, and that then creates an economic environment that attracts business people to Pingelly."

Fred Ramsden, 84, is the primary carer for his wife Anne,

>

STAYING IN PLACE

Elderly Wickepin residents enjoy a wildflower walk and bush camp billy tea, funded by the Pingelly Staying in Place Program.

82, who has dementia and other chronic conditions. But Fred himself is dealing with the effects of prostate cancer and has been unable to look after the 2ha block they've lived on for 28 years. "If it wasn't for this particular scheme, we wouldn't be here now, and this is where we want to be," Fred says. "If we had not had the help, we would have had to move. We have a gardener, a handyman, a cleaner and Anne has a lady who comes in and checks in on her on Friday, and she does her hair and checks she's alright woman-wise."

One of the team helping to support Fred and Anne, is Lynne Jones, a farmer from Popanyinning who recently got rid of the last of the sheep from her farm to focus on cropping, so now has more time to work off-farm. She sees seven clients either once or twice a week. "It's a bit of cleaning, a bit of social support, outings, whatever they need," Lynne says. "They might have lost their licence so they can't drive to the shop anymore, or to appointments or cook for themselves. It's a win-win for everybody – it's a way for the people to stay in a familiar place and people in the community can work with them. I'm rapt to be doing what I'm doing now – it helps me and it helps them."

Alongside better liveability, economic turnaround is as vital for many small towns as CPR is to emergency first aid. They can gobble grants for a little while, but without the constant fodder of money naturally coming into the local economy, they are unsustainable.

Many outback towns are reaching for economic answers in tourism, and few have done it better than Winton, in Central West Queensland. Last September, the 6,870 people who attended its iconic Outback Festival generated a record $5 million in expenditure for Queensland and $3.76 million for Winton.

Lifetime Winton resident Robyn Stephens is the event coordinator for the festival, and was awarded an Order of Australia medal in 2002 for her contribution to Winton. "I love where I live and the more we can do for Winton to get that name out there, we'll do," Robyn says.

She says the Outback Festival began in 1972, when 24 local organisations came together to answer the question 'How can we revive Winton?' "We were in pretty dire straits because we were going through a 10-year drought," Robyn says. "Back in the '50s and '60s we were a thriving town – probably 2,600 people here. There were about 10 shearing teams here at the time." Then in 1993 the air-conditioned passenger train stopped coming and increasing difficulties in the Queensland sheep industry resulted in much less need for shearers.

"August '72 was the first Outback Festival. It was a 10-day festival. It nearly killed us. But it was such a success. It brought a lot of ex-locals back and we had about 1,500 attendees. It was so good for the town, so we decided to do it all again in '73. It just kept generating an unbelievable income for the town."

Now biannual, the festival is just one of many events and attractions that pull travellers into the 890-strong town nine months of the year, including the annual opal festival, the world-famous Australian Dinosaurs Museum, Waltzing Matilda Centre and, since 2013, the Vision Splendid Outback Film Festival. "Locals say, 'Oh, we're

HANNAH PUECHMARIN

MARNIE HAWSON

Heather Baldock restores vintage pieces in her business in Workshop26, Kimba, SA; Kimba candlemaker Barb Woolford.

sick of all the tourists', but if we didn't have these tourists come, they would find the economy and their businesses would suffer," Robyn says. "Hoteliers, caravan parks, fuel, supermarkets, accommodation – they all benefit."

In Kimba, on the Eyre Peninsula, SA, during both COVID and another fearsome drought in which three local businesses had closed their doors, Heather Baldock and four other women came up with a plan to benefit not just tourism in the town, but also small cottage industries. Over "ample cheese and bubbles" they agreed to buy the former John Deere dealership building, and turn it into a modern, vibrant space for small businesses. "We'd decided by the end of the night to turn an empty eyesore into something that was worthwhile and valuable," Heather says. "You need a bit of craziness to risk something that might be an absolute disaster. But in the cold hard light of the next few mornings, we wondered what we'd got ourselves into.

"When those three businesses closed, it had a really big impact, not just on the people who lost their jobs, but on the whole community. It was a bit like seeing the tumbleweeds roll down the street. There was a fair bit of despair and despondency. When there are too many empty businesses in your main street, it has an impact on morale."

"We don't have to look very far along the highway here and see when the population falls below that critical mass, they can't keep the school open, or the hospital, or the pub," says Heather's daughter Lisa Lock.

So, after the women successfully convinced their partners that they weren't mad, they bought and renovated what is now the not-for-profit Workshop26, an 850sq m space that houses up to 10 small businesses (including a barista, silversmith, garden guru, candlemaker and copywriter) in small, funky shipping containers. It's home to artisans, workshops, guest speakers, community events and an art gallery. Some 15,000 people visit each year and it contributes about $300,000 to the Kimba economy. And, as a business incubator, Workshop26 is seeing businesses grow and succeed, some moving out into bigger sites elsewhere.

"It's an event space, it's a tourist attraction, it's a community space where the oldies get together on the weekend for a chat," Lisa says. "The highway doesn't go through the main street of town and taking people those few extra metres is a significant challenge. But maybe when they're here, they get that tyre worked on or get that prescription filled – each little spend is going to help. It's the long-term game."

"And it isn't just travellers coming in," Heather says, "but also people from regional towns, who would have spent their money in their own town, but now they'll come to Kimba to shop, or they'll come for our market days."

It's success stories like these, generated by enthusiastic locals, that hopefully all of us will continue to run into as we live, work and travel across the country, and that will be featured at the next National Small Towns Reinvention Conference in Longreach, Qld, in September. They're big ideas fueled by big hearts and the sparks of leadership and vitality that help small towns shine.

The Hon Kristy McBain MP

Minister for Emergency Management
Minister for Regional Development, Local Government and Territories
Member for Eden-Monaro

Dear Mayor

I write to share some important information about the Australian Government's proposed reforms to Australia's disaster management system.

On 5 June 2026, I briefed State and Territory Governments on the proposed reforms and sought their engagement to inform them about the detailed design work and implementation of these reforms. I also welcomed the engagement with numerous Councils during the recent National General Assembly of Local Government in Canberra.

The Independent Review of Commonwealth Disaster Funding (the Colvin Review) identified the complexity of Australia's disaster management system and noted it has not kept pace with the evolving nature of disasters. It also found Australia is increasingly reliant on local government for the delivery of recovery works.

The new Disaster Recovery Funding Framework is designed to better target recovery assistance, drive national consistency, remove duplication, streamline administrative processes and reduce disaster risk.

Importantly, these reforms do not change the arrangements for Councils – they simply mean that the Commonwealth and the State Government will equally share the costs of recovery on an event-by-event basis. The current system does not ask Councils to provide money into the system and nor does the new framework.

Key elements of a proposed new Disaster Recovery Funding Framework

The Australian Government proposes the following key elements of the Disaster Recovery Funding Framework for engagement and further development with States and Territories:

- *Embed an equal partnership between the Australian Government, and State and Territory Governments through a 50:50 cost-sharing funding model*, reflecting the primary role of the States and Territories in disaster management under the Constitution.

- Introduce a *simpler threshold for accessing cost-shared financial support* which allows smaller States to claim their reimbursements sooner. The Australian Government will contribute 50 per cent towards eligible costs that are in excess of an event-based financial trigger point for the costs of the entire event in that impacted State or Territory (not costs per impacted Local Government Area).

- *New assistance categories and standardised packages* designed to deliver national consistency for disaster impacted communities and ensure recovery assistance can be easily understood and communicated. Further work will be undertaken to develop the specific forms of assistance under each category.

- *A Resilient Infrastructure Scheme* that will provide cost-shared funding to support timely reconstruction of damaged essential public assets and, where specific criteria are met, funding of up to 15 per cent cost-shared to rebuild the asset to a more resilient standard.

- *Tailored support for First Nations communities* to ensure the unique needs of disaster-affected First Nations communities are appropriately met in line with commitments under the National Agreement on Closing the Gap.

- *Flexibility to provide non-standard assistance in response to more severe or catastrophic disasters* when requirements for support genuinely exceed the standardised measures (e.g. in 'exceptional circumstances'). The support requested must be linked directly to the severity of the event's impact and include a detailed impact assessment.

Building on investment in disaster resilience and preparedness

Through the Australian Government's Disaster Ready Fund, we are investing up to $1 billion over five years to 2028 to build critical projects that reduce disaster risk and strengthen community resilience. There has not been a reduction in the Government's investment in disaster resilience. Across the first three rounds, approximately $600 million was invested in 450 projects, and Round Four opened on 29 May 2026. This investment is significantly enhanced through co-contributions, including by state and local government.

The Australian Government is also investing in core national capabilities to strengthen disaster preparedness and response, including through the National Aerial Firefighting Centre, the National Bushfire Intelligence Capability, the Northern Australia Fire Information service and the AusAlert emergency warning system.

The Australian Government values the critical role local government plays in disaster recovery and risk reduction, and I welcome engagement on how to ensure local government has the capability and resourcing to deliver these important functions. Any feedback can be sent to disastermanagementreform@nema.gov.au by 31 July 2026.

Yours sincerely

Kristy McBain MP
1/7/ 2026

Department of Local Government, Industry Regulation and Safety

GOVERNMENT OF WESTERN AUSTRALIA

Local Government Alert

The Local Government Amendment (Rating of Certain Mining Licences) Bill 2025 has passed Parliament and received Royal Assent as the *Local Government Amendment (Rating of Certain Mining Licences) Act 2026*.

These amendments align with the long-held understanding prior to the 2025 Supreme Court decision that miscellaneous licences and small prospecting licences (under 10 hectares) on Crown land are exempt from local government rates, avoiding 'double rating' where the primary mining tenements are already subject to the payment of rates.

Miscellaneous licences are used in connection with other mining tenements to facilitate infrastructure such as roads, aerodromes, pipelines and staff accommodation needed to support mining activities.

The amendments reaffirm that these specific types of licences issued under the *Mining Act 1978* are exempt from rates.
More information and an implementation guide are available on the LGIRS website.

RAMELIUS RESOURCES	**NOTIFICATION LOW LEVEL AIRBORNE SURVEY**	MAGSPEC AIRBORNE SURVEYS

Ramelius Resources Ltd has contracted MAGSPEC Airborne Surveys Pty Ltd to conduct an airborne LOW-LEVEL SURVEY over the area shown on the map below. The survey will improve geological mapping and targeting within Ramelius' tenement area.

Commencing mid-July, the survey will be flown with a single piston-engine Cessna 210 or 206 aircraft, based out of Southern Cross. The aircraft will fly at a height of approximately 30m above ground, running North South with line spacing of 40m, Tie lines will be recorded in an East West direction 400m spacing. The aircraft will fly higher over dwellings.

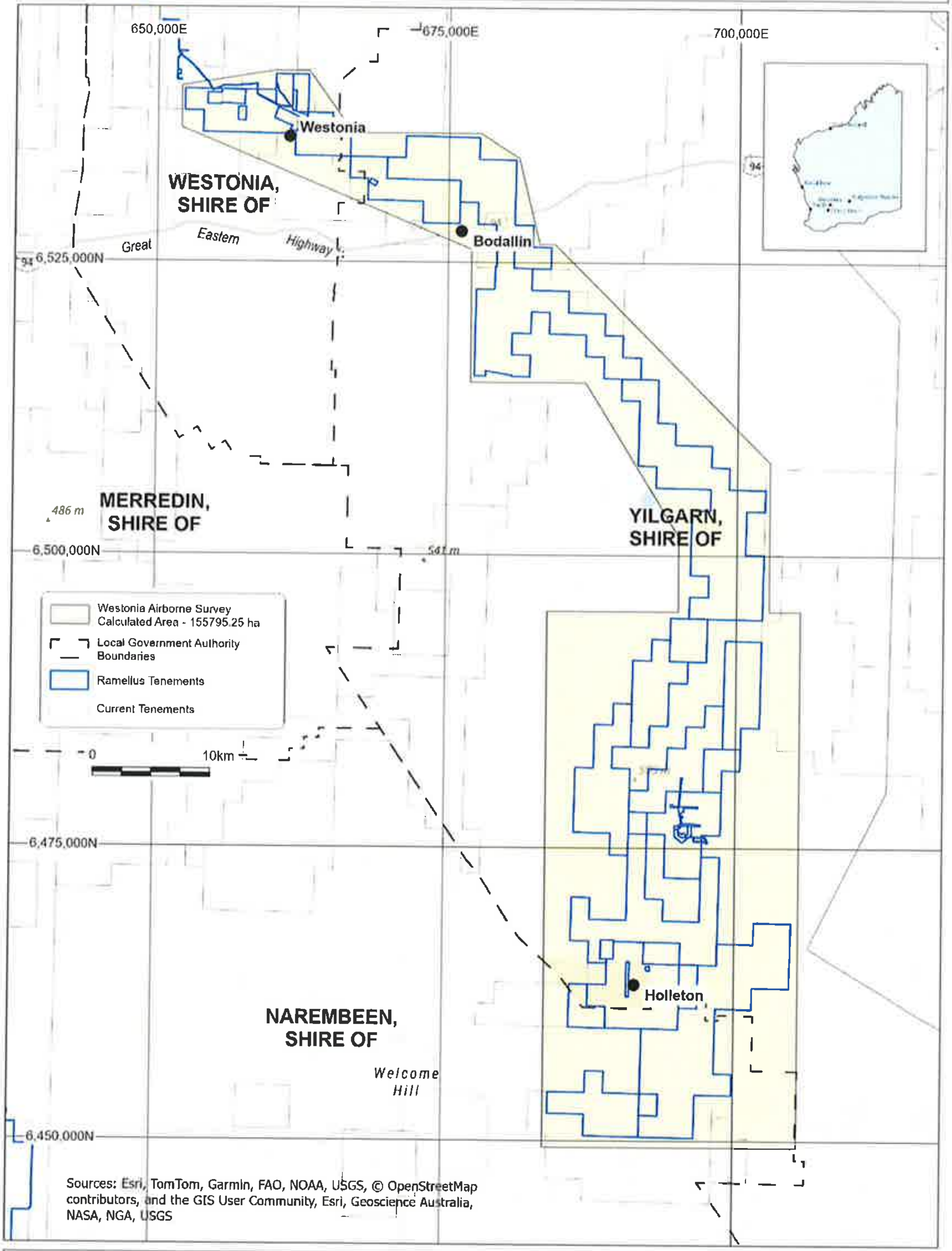
This survey uses passive instruments to receive and record data only, there are no cameras on board.

For any further information on the survey please contact:

Sam Ulrich
Principal Geologist
08 9202 1127
samulrich@rameliusresources.com.au

RAMELIUS RESOURCES

Westonia Airborne Survey



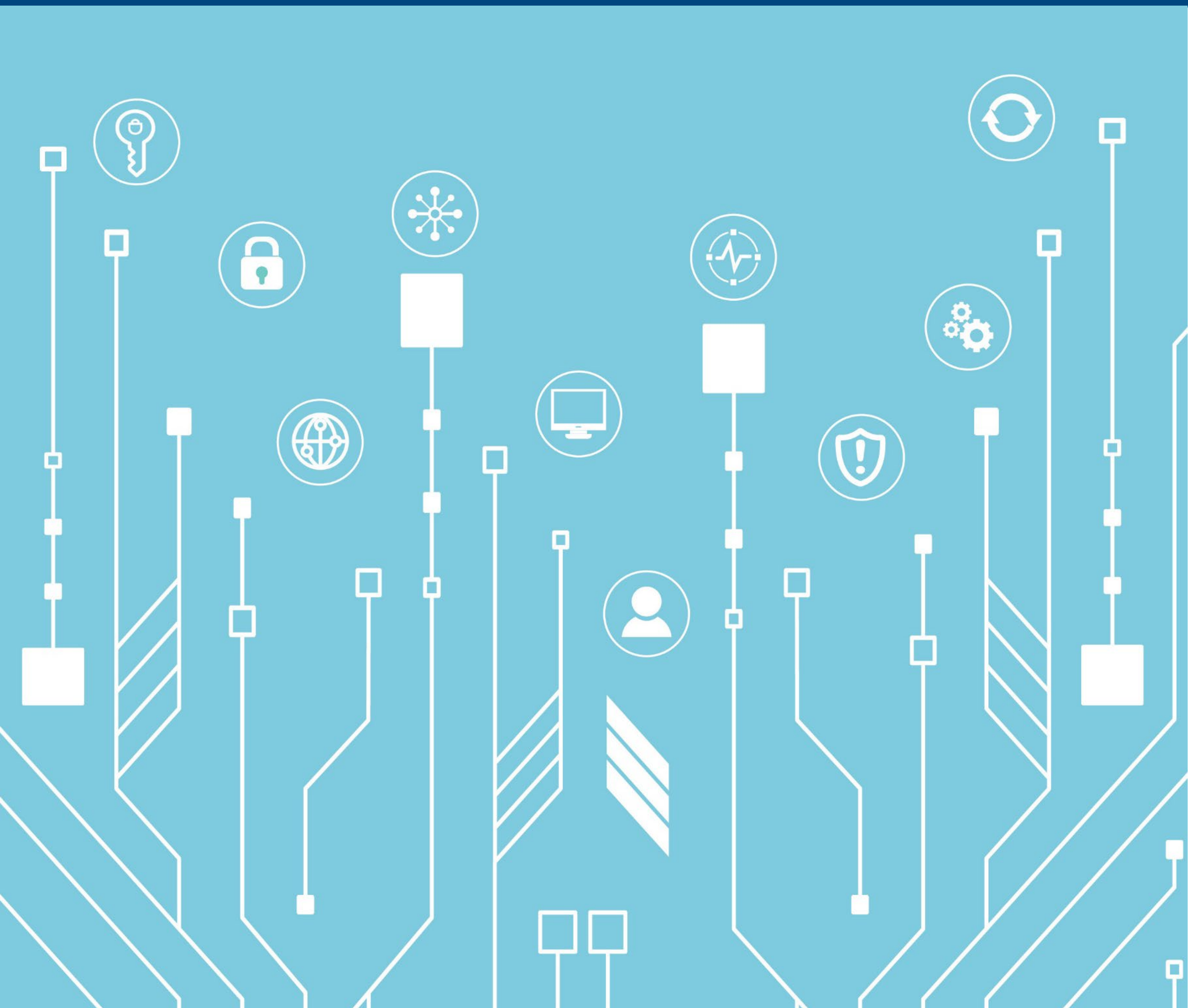
Author: Ramelius Resources | Drawn By: PM | Date: June 2026 | Projection: GDA 2020 Zone 50 | Drawing No: Westonia Airborne Survey.aprx

Office of the Auditor General
Serving the Public Interest

Report 12: 2025-26 | 25 March 2026

INFORMATION SYSTEMS AUDIT RESULTS

Local Government 2025



**Office of the Auditor General
for Western Australia**

Audit team:
Aloha Morrissey
Kamran Aslam
Michael Chumak
Khubaib Gondal
Information Systems Audit team

National Relay Service TTY: 133 677
(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for those with visual impairment.

ISSN: 2200-1913 (print)
ISSN: 2200-1921 (online)

The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

Image credit: OAG

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

Local Government 2025 – Information Systems Audit Results

Report 12: 2025-26
25 March 2026

This page is intentionally left blank

THE PRESIDENT
LEGISLATIVE COUNCIL

THE SPEAKER
LEGISLATIVE ASSEMBLY

LOCAL GOVERNMENT 2025 – INFORMATION SYSTEMS AUDIT RESULTS

This report has been prepared for submission to Parliament under the provisions of sections 24 and 25 of the *Auditor General Act 2006*.

Our information systems audits focus on the computer environments of entities to determine if their general computer controls effectively support the confidentiality, integrity and availability of information systems and the information they hold.

This is our seventh report on general computer controls (GCC) audits for local government entities. The purpose of GCC audits is to evaluate how well entities' computer controls safeguard the integrity, confidentiality and availability of key financial business systems.

I wish to acknowledge the entities' staff for their cooperation with this audit.

Caroline Spencer
Auditor General
25 March 2026

Contents

Auditor General's overview

As part of our annual financial audits, my office reviews local government entities' general computer controls to determine if they effectively maintain the integrity, confidentiality and availability of key business systems and information. At selected entities, we also conduct capability maturity assessments that rate entity controls against our benchmark.

Our 2025 audits highlight ongoing challenges for entities to strengthen their IT governance and security. While it was positive to see the number of entities that had control weaknesses reduce to 68 this year (89 in the prior year), 60% of our findings were unresolved issues from prior years. Entities need to address these persistent control weaknesses to safeguard their important systems, information and service delivery.

Our capability maturity assessments at 15 entities saw an overall decline in all 10 control categories, in part due to four new entities being included for the first time. The 11 entities assessed previously generally stayed in line with prior year levels in four categories and declined in six. We intend to gradually increase the number of entities subject to capability maturity assessments to gain further insights and assist with continuous improvement in the sector.

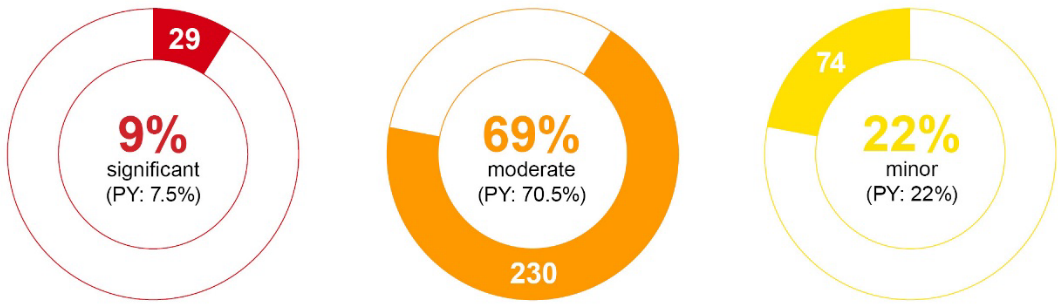
This report highlights some particularly concerning results, such as only one entity meeting the benchmark for access management and two for endpoint security. It also includes case studies highlighting good and bad practices as well as resources that entities can use for further guidance. I encourage the entire local government sector to learn from these and implement effective controls, many of which do not require costly technology. Instead, uplift requires an ongoing awareness of risk and constant vigilance and effort.

2025 at a glance

333 findings at **68** entities (PY: 360 at 89 entities)
60% of findings were unresolved from prior years

Capability maturity model at **15** entities (PY: 11 entities)

Snapshot of controls and findings



General computer controls				Control categories	Capability maturity assessments	
78 findings to 36 entities	13	52	13	Access management	7% of entities met the benchmark	-20%
61 findings to 49 entities	8	37	16	Information security framework	20% of entities met the benchmark	-16%
48 findings to 28 entities	3	43	2	Endpoint security	13% of entities met the benchmark	-5%
23 findings to 19 entities		12	11	Human resource security	47% of entities met the benchmark	-8%
18 findings to 16 entities	2	12	4	Network security	33% of entities met the benchmark	-22%
41 findings to 35 entities	3	30	8	Business continuity	27% of entities met the benchmark	-18%
20 findings to 13 entities		8	12	IT operations	60% of entities met the benchmark	-4%
19 findings to 19 entities		15	4	Risk management	60% of entities met the benchmark	-40%
17 findings to 17 entities		13	4	Change management	53% of entities met the benchmark	-29%
8 findings to 8 entities		8		Physical security	47% of entities met the benchmark	-17%

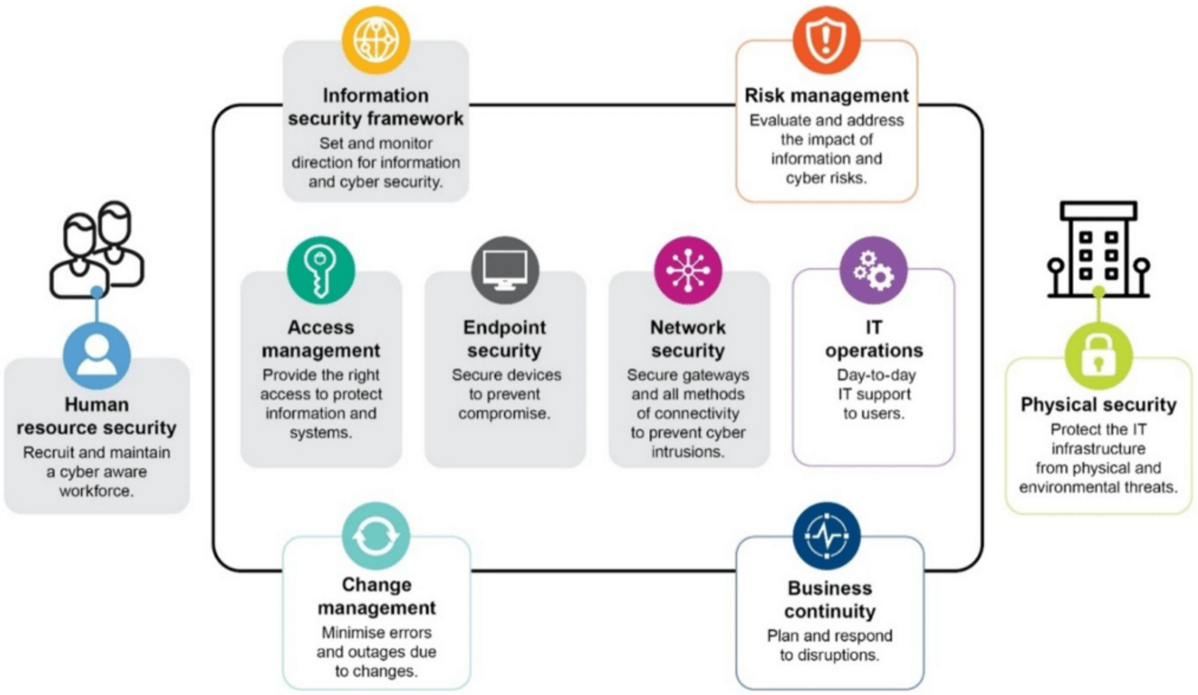
These five categories relate to information and cyber security controls

Note: the control categories are ordered from most to fewest findings.

Introduction

This is our seventh report on general computer controls (GCC) audits for local government entities. The purpose of GCC audits is to evaluate how well entities' computer controls safeguard the integrity, confidentiality and availability of key financial business systems.[1] This requires auditors to understand entities' IT environments and associated risks.[2]

For the 2025 year, we reported GCC weaknesses to 68 entities. We also provided 15 of these entities with a more in-depth capability maturity assessment. These assessments evaluate the maturity and effectiveness of entities' IT controls across our 10 control categories (Figure 1).



Source: OAG

Note: shaded categories relate to information and cyber security.

Figure 1: Audited control categories

Our audits incorporate recognised industry standards and better practices such as ISO 27002[3] and the Australian Signals Directorate's *Strategies to mitigate cybersecurity incidents*[4] which include the Essential Eight. They also consider entities' business objectives, complexity of computer systems and the information they hold.

[1] Auditing and Assurance Standards Board, *Auditing Standard ASA 315 Identifying and Assessing the Risks of Material Misstatement*, AUASB, February 2020, accessed 24 April 2025.

[2] Auditing and Assurance Standards Board, *The Consideration of Cyber Security Risks in an Audit of a Financial Report*, AUASB, May 2021, accessed 24 April 2025.

[3] ISO/IEC 27002:2022, *Information security, cybersecurity and privacy protection – information security controls*, 2022.

[4] Australian Signals Directorate, *Strategies to mitigate cybersecurity incidents*, Australian Cyber Security Centre website, n.d., accessed 2 April 2025.

Conclusion

Entities have addressed some prior year findings, but many weaknesses remain unresolved, particularly those related to information and cyber security controls. These weaknesses put entities at greater risk of service disruptions, disclosure of ratepayers' data, financial loss and reputational damage.

We reported 333 control weaknesses to 68 entities in 2025, compared to 360 weaknesses to 89 entities the year before. Nine per cent were rated significant, 69% moderate and 22% minor. The majority (60%) of the weaknesses were unresolved issues from prior years. The average number of findings remained in line with the prior year.

The capability maturity assessments we conducted at 15 entities show ongoing challenges in building effective information and cyber security capability. The maturity levels have stagnated or deteriorated across all 10 categories, with most entities failing to meet our benchmark.

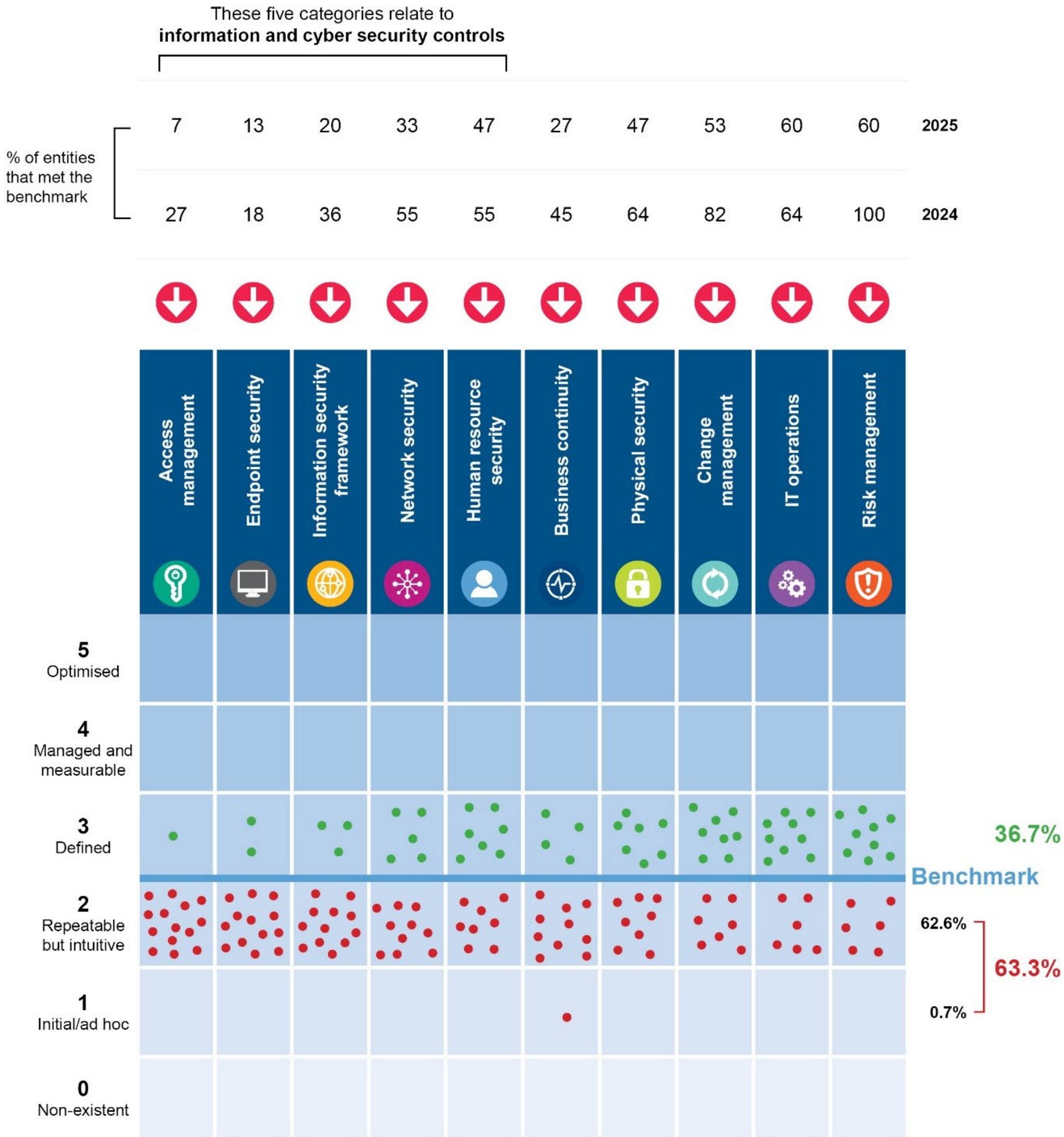
Identified control weaknesses collectively increase the risk of incidents that could compromise the integrity, confidentiality and availability of entities' key systems and information.

What we found: Capability maturity assessments

In 2025, we conducted capability maturity assessments at 15 entities. We assessed entities' capability maturity levels across 10 categories on a 0-5 scale (Appendix 1), with a level of three or higher required to meet our benchmark. These categories include controls that play a key role in maintaining entities' security posture.

There was a decline in the maturity levels in all 10 categories compared to the prior year (Figure 2). The four entities we assessed for the first time this year contributed to this decline. The remaining 11 entities on average stayed in line with prior year levels in four categories and declined in six (Appendix 2).

Although most entities had policies and procedures for risk management, we identified that entity controls to mitigate risks were not operating effectively. As a result, this category showed the sharpest drop in 2025, followed by change management, network security and access management. This is of concern, as strong risk and change management practices are vital to proactively identify, assess and mitigate potential threats and reduce the likelihood of disruptions due to technology updates. Weak network security and access management practices can further adversely affect the integrity, confidentiality and availability of financial systems and sensitive information.



Source: OAG

Note: each dot represents an entity's maturity in the control category, ordered from lowest to highest performing (left to right).

Figure 2: Capability maturity assessment results

What we found: General computer controls

We reported 333 general computer control weaknesses to 68 entities across the 10 control categories (Figure 3). Nine per cent of the findings were rated significant, 69% moderate and 22% minor. Most of the weaknesses were rated moderate and can expose the entities to cyber threats if left unaddressed.

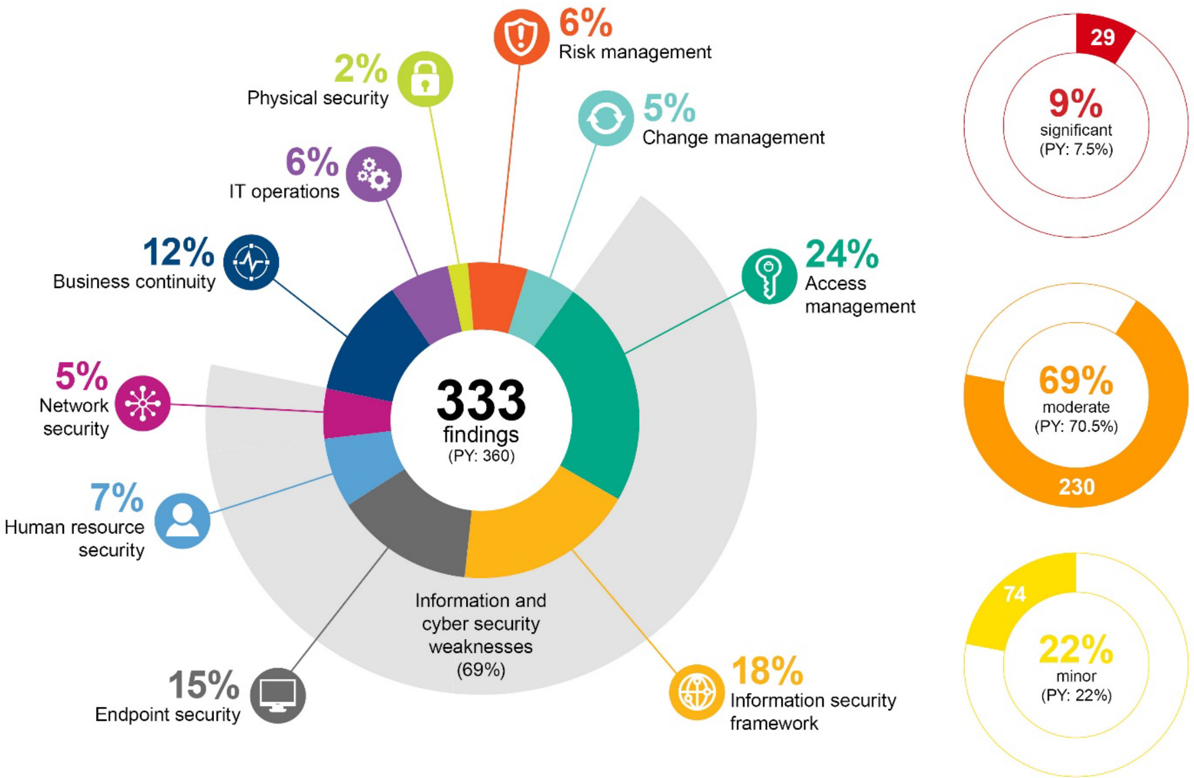
While the overall number of weaknesses has reduced since last year, the average number of weaknesses per entity remains largely the same.

The following control categories had significant weaknesses:

- access management
- business continuity
- endpoint security
- information security framework
- network security.

Most of the weaknesses, including significant, were unresolved issues from prior years. Of the significant issues, two thirds were identified as significant previously and the remaining third elevated to significant in 2025.

Throughout this report, case studies demonstrate how weak controls can compromise the integrity, confidentiality and availability of entities' essential systems and information.

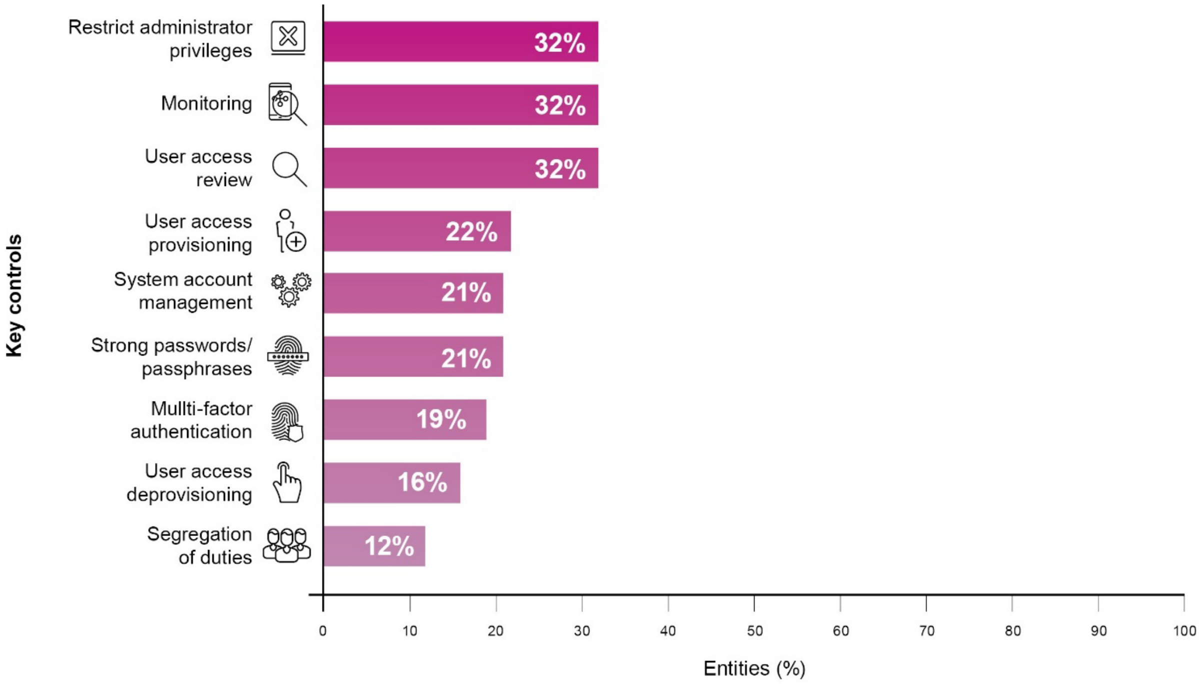


Source: OAG

Figure 3: Ratings and distribution of GCC findings

1. Access management

Access management continues to be an area of concern with the highest number of weaknesses (78) reported to 36 entities: 17% were rated significant, 67% moderate and the rest minor. Over half of these weaknesses (59%) are unresolved from the prior year.



Source: OAG

Figure 4: Percentage of entities with key access management control weaknesses

Nearly one-third of the entities lacked effective controls over administrator privileges, user activity monitoring or regular reviews of user access. These weaknesses increase the likelihood of data breaches. We also continue to identify poor password practices and lack of multi-factor authentication. Entities must prioritise strong authentication to achieve an effective layer of defence.

The following case studies highlight weaknesses we reported to entities and the potential impacts.

Case study 1: Weak database controls

An entity was not logging or auditing changes made directly to data in its finance and human resources database, had not encrypted sensitive information and did not have a dedicated database administrator.

These weaknesses create a risk that data manipulation could occur without detection, making it impossible for the entity to trace or hold individuals accountable for such actions.

Case study 2: Lack of multi-factor authentication for remote administrator access

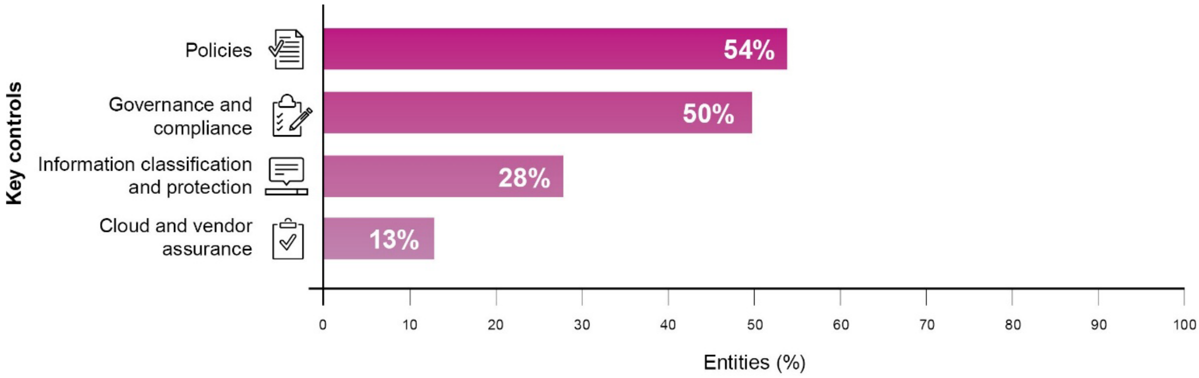
An entity did not require multi-factor authentication for remote access, increasing the likelihood of compromised accounts being used to target the entity network. Remote connections were also permitted for highly privileged accounts, such as domain administrators. It is better practice to limit remote access to standard user accounts to reduce the potential damage in the event of a breach.

Case study 3: Permanent privileged access to human resources application

An entity had permitted an external vendor permanent privileged access to its HR application through a shared account. This included permissions to edit payroll information and other personal details of entity staff. If privileged access is not restricted to just-in-time, it becomes difficult to monitor and trace actions performed by third parties, especially when shared accounts are used.

2. Information security framework

We reported 61 weaknesses in this category to 49 entities: 13% were rated significant, 61% moderate and 26% minor. Most of weaknesses (74%) were findings unresolved since the prior year.



Source: OAG

Figure 5: Percentage of entities with key information security framework control weaknesses

Most entities lacked effective and up-to-date policies to govern, manage and protect their information and technology environments. We found further weaknesses such as lack of an ICT steering committee to oversee and provide strategic direction for ICT initiatives, at half of the entities.

The following case study highlights a good practice we observed at one entity.

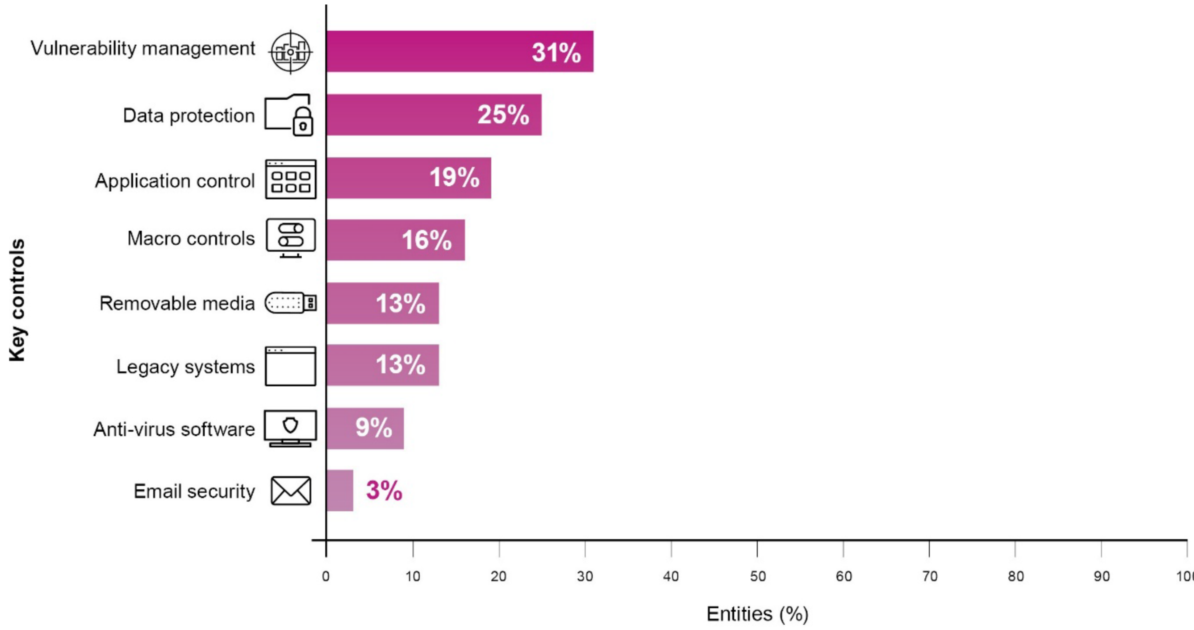
Case study 4: Good controls to prevent data loss

An entity has implemented appropriate controls for data loss prevention. These controls generate alerts when the transfer of personally identifiable and sensitive information is detected. Staff were also prevented from accessing the entity's cloud services from unmanaged devices (e.g. personal computers and mobiles not enrolled in the entity's system).

Strong data loss prevention measures help keep personal and sensitive information safe from unauthorised access.

3. Endpoint security

We reported 48 weaknesses in this category to 28 entities: 6% were rated significant, 90% moderate and the rest minor. Most of the weaknesses (63%) were unresolved from prior years.



Source: OAG

Figure 6: Percentage of entities with key endpoint security control weaknesses

Entities often failed to promptly identify, assess and patch vulnerabilities, and updates to legacy systems[5] were deferred. Insufficient controls to mitigate malware and known vulnerabilities further increased the risk of security breaches.

The following case studies highlight a good practice and a weakness we observed.

Case study 5: Good oversight over vulnerabilities

An entity is managing its patching activities well. It reviews its scheduled patch deployments and compliance across its environment. Proactive patch management lets the entity understand how effective its patching operations are and identify areas of improvement. The entity is better prepared to protect itself from software vulnerabilities.

Case study 6: Ineffective Microsoft Office macro controls

An entity did not appropriately configure controls to restrict Microsoft Office macros.[6] We found over 70% of entity staff could run macros.

Macros are a common channel for malware attacks which can affect the confidentiality, integrity and availability of entity systems and information. Entities should minimise the use of macros and only allow it for legitimate business needs.

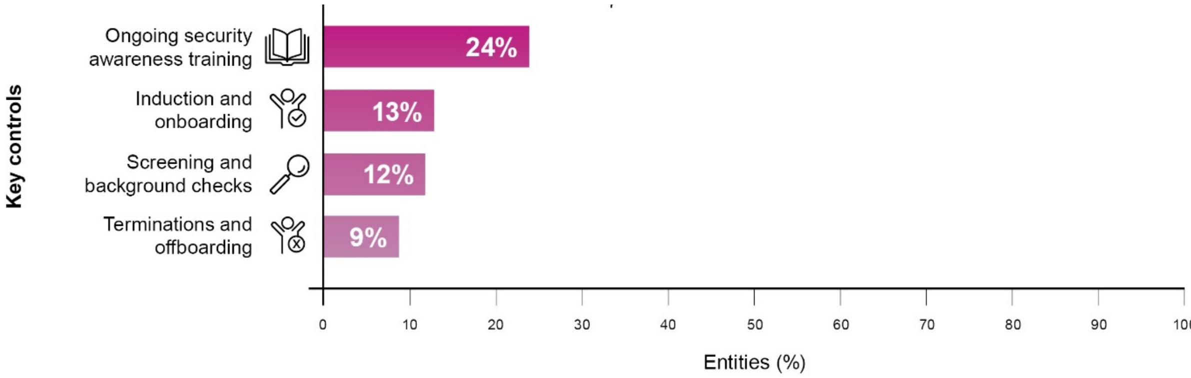
---

[5] A legacy system no longer receives support, including security updates, from the vendor. It should be transitioned to an up-to-date, supported system to improve security.

[6] Microsoft Office macros are software code used to automate repetitive tasks.

4. Human resource security

We reported 23 weaknesses in this category to 19 entities: 52% were rated moderate and 48% minor. This area continues to demonstrate ongoing issues, with most weaknesses (65%) remaining unaddressed from previous years.



Source: OAG

Figure 7: Percentage of entities with key human resource security control weaknesses

Entities had insufficient security awareness training. This increases the likelihood of successful phishing and impersonation from staff not detecting suspicious activity or understanding practices for safeguarding data. Entities also failed to carry out proper onboarding and background checks.

Effective human resource security controls reduce the likelihood of insider threats and cyber criminals taking advantage of staff through social engineering.

The following case studies highlight weaknesses we reported and their potential impacts.

Case study 7: Phishing results in fraudulent payment

An entity was subject to a successful social engineering attack resulting in account details of a supplier being changed in their finance application. Approximately $350,000 was paid to an unknown third party before the breach was discovered. Effective security awareness training often acts as the first line of defence against social engineering attacks such as this. Entities should ensure all staff undertake training periodically.

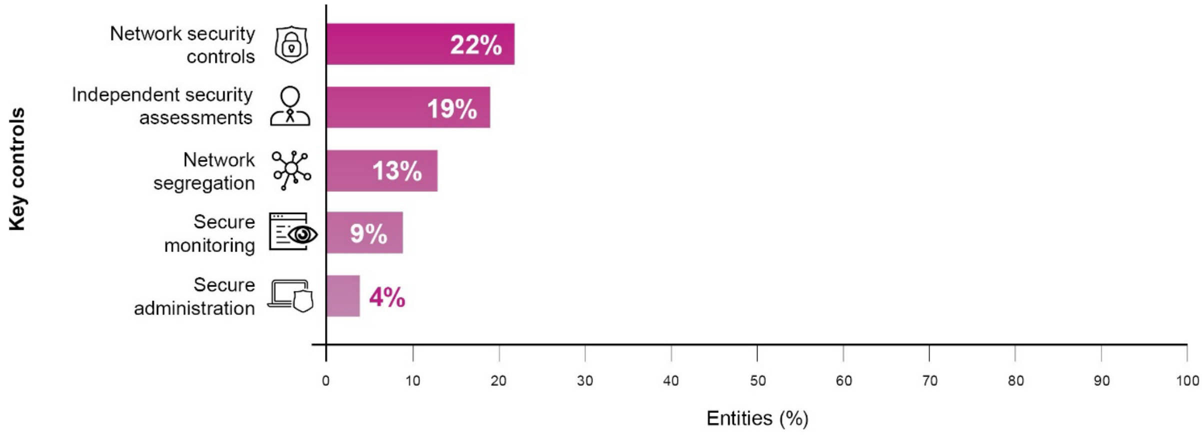
Case study 8: Failure to seek police clearances

An entity did not perform police clearance checks on sampled key staff in privileged roles, such as a senior management accountant, finance officer and systems administrator. Lack of police clearance checks could lead to an entity inadvertently hiring people that increase the likelihood of sensitive information and asset theft or misuse.

Entities should perform appropriate background screening, including police clearance checks, for positions of trust to assess the risks and make informed decisions about granting access to their systems and information.

5. Network security

We reported 18 weaknesses in this category to 16 entities: 11% were rated significant, 67% moderate and the rest minor. A third (33%) of the weaknesses in this area were unresolved prior year findings.



Source: OAG

Figure 8: Percentage of entities with key network security control weaknesses

Weaknesses in this category were mainly due to weak network security controls, which are crucial in safeguarding critical systems against cyber threats. Other weaknesses included insecure management of network devices, ineffective network segregation and a lack of control over unauthorised devices. Entities were also not regularly testing their controls through penetration testing.

The following case studies highlight a good practice we observed as well as weaknesses we reported to entities and the potential impacts.

Case study 9: Continuous external security assessments provide better protection

An entity assesses its IT environment and infrastructure continuously, focusing on firewall configuration, network penetration tests and its implementation of the Essential Eight mitigation strategies. Continuous assessments allow the entity to accurately track the effectiveness of its controls and help maintain strong cyber security defences, reducing the risk of security breaches.

Case study 10: Default passwords and poor network security expose building management system

An entity had not changed the default credentials for administrator access to their building management system. This vulnerability, combined with the entity's weak network and endpoint controls, could allow attackers access to systems managing temperature, lighting and doors.

Entities should use strong passwords for critical systems, keep operational technology networks separate from corporate networks and block unauthorised device connections.

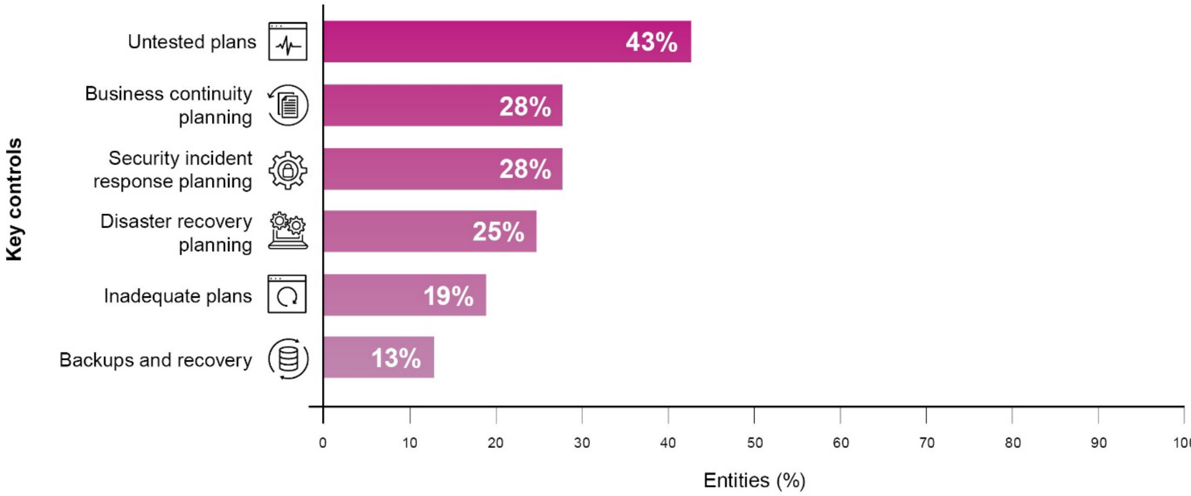
Case study 11: Lack of network security allows corporate network access from public computers

An entity did not restrict network traffic between its critical servers and its publicly accessible areas effectively. Through our testing, we could establish a connection to its critical servers from the public library. Poor network controls significantly heighten the risk of compromise.

Entities should restrict traffic between networks effectively to safeguard the confidentiality, integrity and availability of their systems and information.

6. Business continuity

We reported 41 weaknesses in this category to 35 entities: 7% were rated significant, 73% moderate and the rest minor. Most of the weaknesses (61%) were unresolved from prior years.



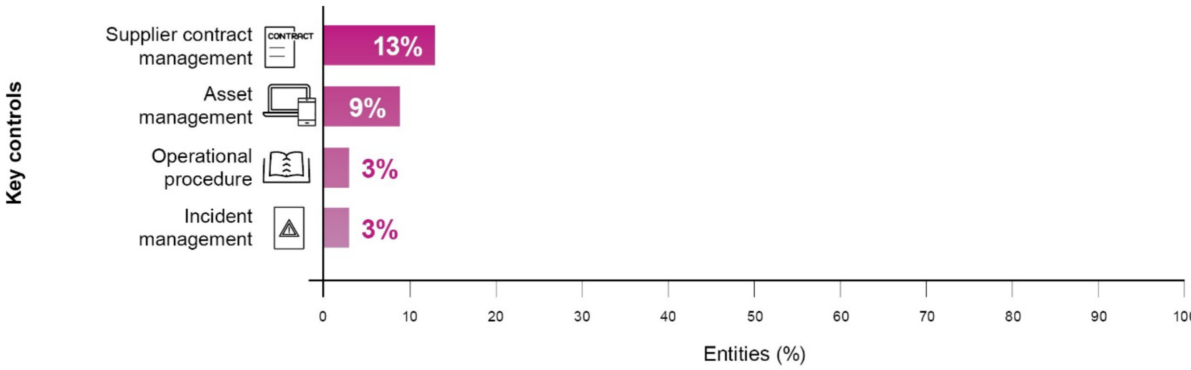
Source: OAG

Figure 9: Percentage of entities with key business continuity control weaknesses

Most weaknesses in this category resulted from entities not testing business continuity and disaster recovery plans regularly. As a result, plans are often outdated and lack proper validation through testing. Disasters, though rare, can greatly affect business. Without up-to-date, well-documented and tested plans, entities may struggle to manage incidents and restore services promptly.

7. IT operations

We reported 20 weaknesses in this category to 13 entities: 40% were rated moderate and 60% minor. Although entities generally performed well in this category, half of the weaknesses were unresolved issues from the prior year.



Source: OAG

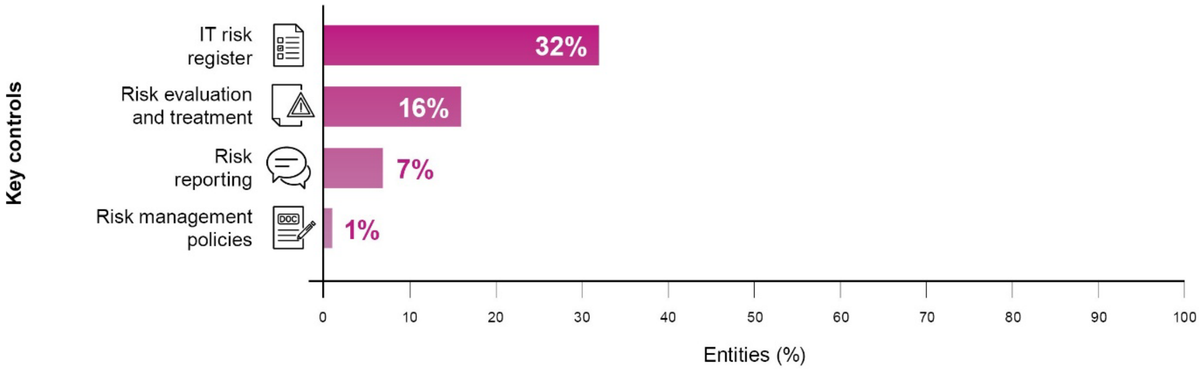
Figure 10: Percentage of entities with key IT operations control weaknesses

Most weaknesses were due to entities either not having well-documented cyber security requirements in supplier contracts or poorly managed service level agreements. Weak IT asset management practices at some entities also increased exposure to potential financial or information loss.

The IT operations category focuses on services delivered to entity staff. Operational disruptions, poor asset management or ineffective service desk processes could directly affect users' productivity, lead to loss of IT assets and compromise of data.

8. Risk management

We reported 19 weaknesses in this category to 19 entities: 79% were rated moderate and the rest minor.



Source: OAG

Figure 11: Percentage of entities with key risk management control weaknesses

Most of the weaknesses we identified related to incomplete or outdated IT risk registers. We also found discrepancies in entities' control effectiveness assessments, where controls did not mitigate risks effectively.

The following case study highlights a weakness we reported and its potential impact.

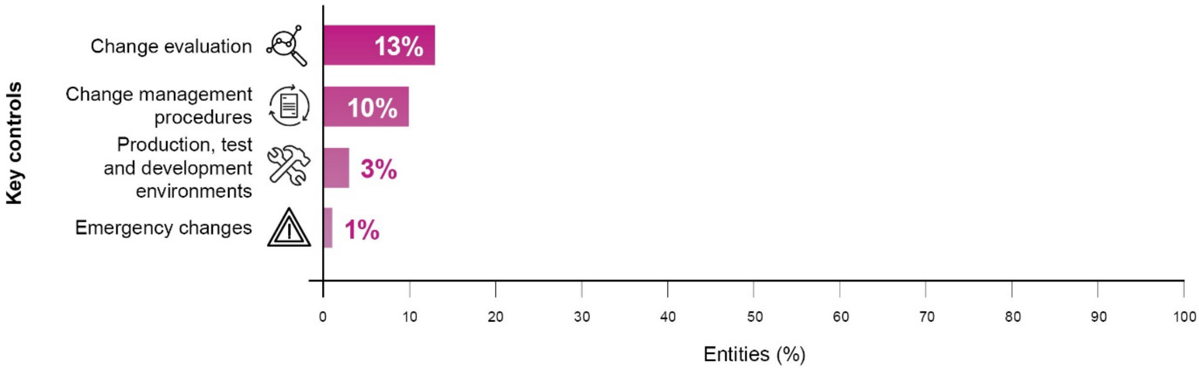
Case study 12: Inadequate oversight over IT risks

An entity did not review, monitor and report identified IT and cyber security risks, mitigation strategies and controls. A lack of appropriate IT risk oversight can result in greater risk to business plans and information security over time.

Entities should ensure that identified IT and cyber security risks are reviewed regularly and are in line with their risk management plans.

9. Change management

Entities generally performed well in this category. We reported 17 weaknesses to 17 entities: 76% were rated moderate and the rest minor.



Source: OAG

Figure 12: Percentage of entities with key change management control weaknesses

Our testing found issues with change control weaknesses, including changes made without proper evaluation and incomplete or ad hoc change records. Poor change management can result in system outages and service disruptions.

The following case study highlights a weakness we reported and its potential impacts.

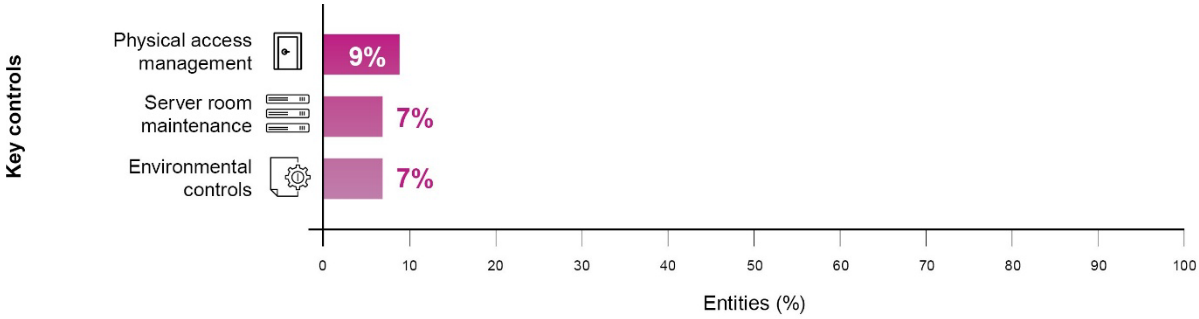
Case study 13: Lack of separate development and test environments increases operational risks

An entity did not maintain development and testing environments for one of its key business applications. All updates were applied directly in production without testing, impacting live data and increasing the risk of service disruptions.

Entities should use separate environments for safer changes to critical applications.

10. Physical security

This is another category where entities tend to perform well. We reported eight moderate-rated weaknesses in this category to eight entities.



Source: OAG

Figure 13: Percentage of entities with key physical security control weaknesses

The identified weaknesses were due to inadequate management of physical access controls for buildings and server rooms, such as granting excessive privileges or failing to revoke access in a timely manner. Furthermore, some entities failed to keep proper conditions in their server rooms putting IT equipment at risk of being damaged.

The following case study highlights a weakness we reported and its potential impacts.

Case study 14: Fire risks in server rooms

An entity's server rooms lacked fire suppression systems and the fire-rated walls had structural damage. The entity was also storing old, unused IT equipment in one of the server rooms. These factors increase the potential impact of fire damage to the entity's servers and equipment. Entities should ensure that server rooms and rooms containing important IT infrastructure are free from clutter and have appropriate fire mitigation measures.

OAG insights and tips

Our observations and recommendations are largely unchanged from previous years. All audited entities received detailed findings and recommendations. All public sector entities must maintain ongoing vigilance and continually enhance their controls to effectively address emerging risks.

1. **To ensure only authorised individuals have access, entities should:**
   a. implement effective access management processes including regular review of user accounts
   b. implement activity monitoring processes to detect malicious activity
   c. strive for passwordless authentication. Where this is not possible, enforce strong passphrases/passwords
   d. implement phishing resistant multi-factor authentication, particularly for privileged accounts
   e. limit and control administrator privileges and system accounts
   f. enforce segregation of duties so that an individual cannot perform the end-to-end process.
2. **To ensure appropriate governance and consistent security, entities should:**
   a. maintain clear information and cyber security policies and roles
   b. classify information and implement data loss prevention controls
   c. conduct regular assessments to ensure the security of their IT supply chain
   d. obtain and review service organisation controls (SOC) type 2 or equivalent assurance reports when they use software-as-a-service (SaaS) applications for key systems including payroll and finance.
3. **To protect workstations, servers and mobile and network devices against cyber threats, entities should:**
   a. promptly identify and address known vulnerabilities
   b. implement data encryption to protect sensitive information from unauthorised access
   c. prevent unapproved applications and macros from executing
   d. enforce minimum security baseline controls for personal or third-party devices
   e. maintain currency of applications and hardware
   f. implement effective controls against malware
   g. implement controls to prevent impersonations and detect/prevent phishing emails.
4. **To reduce the risk of insider threats and unintentional errors, entities should ensure:**
   a. ongoing security awareness training programs are in place and completed by all staff

b. confidentiality/non-disclosure requirements are in place and understood by individuals

c. pre-employment screening is conducted for key positions

d. effective offboarding procedures exist and are followed to ensure timely access cancellation and return of assets.

5. To safeguard networks and critical systems against cyber threats, entities should:

a. prevent unauthorised devices from connecting to their corporate network

b. regularly perform independent penetration tests to verify network security controls

c. segregate their network, particularly for IT and operational technology systems

d. actively monitor network events to allow for effective incident response

e. limit and control administration of network devices.

6. To ensure services, IT systems and information can be recovered in the event of an outage or emergency, entities should:

a. backup critical data to enable recovery after malware, accidental deletion, hardware failure or ransomware

b. maintain up-to-date business continuity, disaster recovery and incident response plans and regularly test them.

7. To deliver and maintain IT services effectively, entities should:

a. have formal service level agreements with suppliers and regularly monitor supplier performance

b. implement policies and procedures to record, review and dispose of assets

c. implement appropriate IT incident and problem management procedures.

8. To ensure existing and emerging IT risks are managed effectively and do not exceed entity risk appetites, entities should:

a. ensure IT, information and cyber security risks are identified, assessed and treated within appropriate timeframes

b. understand their information assets and apply controls based on their value

c. regularly assess controls to ensure they are operating effectively to mitigate risks

d. fully implement their risk management policies to manage IT and cyber security risks.

9. To reduce the likelihood of system outages and service disruptions, entities should:

a. assess and test changes before and after implementation to minimise problems

b. consistently apply change control processes when making changes to their IT systems

c. maintain appropriate change segregation of duties

d. implement controls to detect unauthorised changes.

10. **To support the reliability of IT infrastructure and systems, entities should:**

    a. implement effective physical access controls to prevent unauthorised access

    b. ensure the server room is kept suitably clean

    c. maintain environmental controls to prevent damage to IT infrastructure arising from heat, moisture, fire and other hazards

    d. gain assurance that third-party providers manage data centres appropriately.

In accordance with section 7.12A of the *Local Government Act 1995*, local government entities should prepare a report on any matters identified as significant in the local government's audit report.[7] The report should be given to the Minister for Local Government within three months of the local government receiving the audit report and published on the local government's website.

Resources

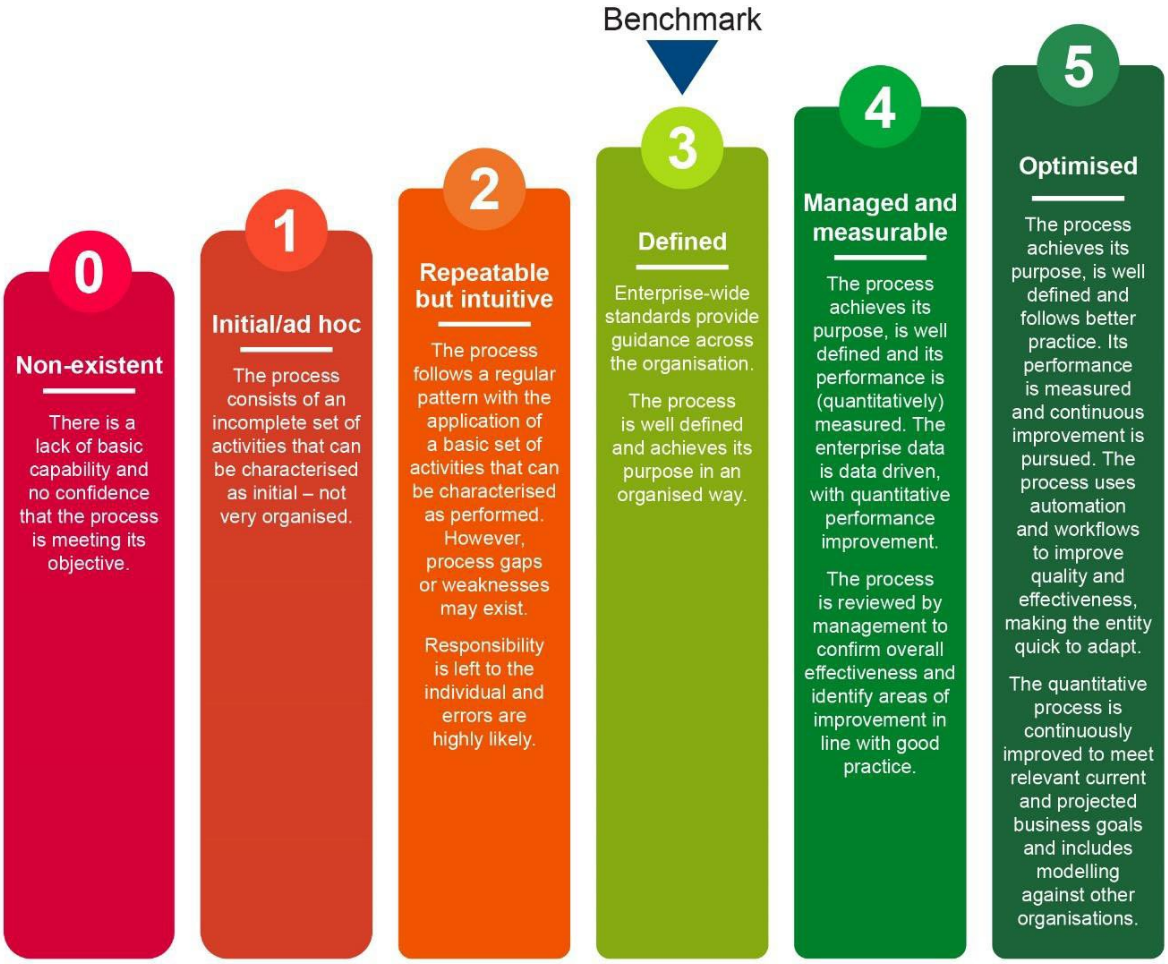
Entities can seek further guidance from various OAG, Office of Digital Government and Australian Cyber Security Centre publications:

- Office of the Auditor General, *Digital Identity and Access Management – Better Practice Guide*, OAG website, 28 March 2024.
- Office of the Auditor General, *Local Government IT Disaster Recovery Planning*, OAG website, 31 May 2024.
- Office of the Auditor General, *Local Government Physical Security of Server Assets*, OAG website, 24 June 2024.
- Office of Digital Government, *WA Government Cyber Security Policy*, WA.gov.au, 1 October 2025.
- Office of Digital Government, *Cyber Security Playbooks*, WA Cyber Security Unit (DGov Technical) website, 5 May 2025.
- Australian Signals Directorate, *Information security manual*, Australian Cyber Security Centre website, n.d.
- Australian Signals Directorate, *Essential Eight explained*, Australian Cyber Security Centre website, 27 November 2023.

The Department of Local Government, Industry Regulation and Safety is collaborating with the Office of Digital Government to deliver a cyber security pilot project to enhance cyber security practices of participating local government entities.

[7] An audit report includes the independent auditor's opinion and the auditor's management report (interim and final management letters) as described in regulation 10 of the Local Government (Audit) Regulations 1996. Further information on what is an audit report is available on our website (https://audit.wa.gov.au/resources/local-government/faqs/#faq-21828).

Appendix 1: Capability assessment benchmark



Source: OAG

Appendix 2: Year-on-year capability assessment result comparison (11 entities in 2024)

These five categories relate to **information and cyber security controls**

Categories	2024	2025*
Access management	27	9
Endpoint security	18	18
Information security framework	36	27
Network security	55	45
Human resource security	55	55
Business continuity	45	36
Physical security	64	64
Change management	82	64
IT operations	64	64
Risk management	100	73

Source: OAG

** Percentages of entities assessed in 2024 that met the benchmark in 2025.*

Auditor General’s 2025-26 reports

Number	Title	Date tabled
12	Local Government 2025 – Information Systems Audit Results	25 March 2026
11	Local Government Management of Gifts and Benefits	18 March 2026
10	Controls Over Portable Assets – State Entities	6 March 2026
9	Microsoft 365 Security Controls – State Entities	6 March 2026
8	Status of Local Government Audits 2025	28 January 2026
7	State Government 2025 – Information Systems Audit Results	3 December 2025
6	State Government 2025 – Financial Audit Results	3 December 2025
5	Valuation of Property Held by the Public Education Endowment Trust	3 December 2025
4	WA’s Progress to Implement the National Principles for Child Safe Organisations (arising from the Royal Commission into Institutional Responses to Child Sexual Abuse)	27 November 2025
3	Maintaining Regional Local Roads	12 November 2025
2	Gold Corporation – Trade Applications	29 October 2025
1	Management of Housing Maintenance Information	6 August 2025

Office of the Auditor General
for Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

T: 08 6557 7500
E: info@audit.wa.gov.au

www.audit.wa.gov.au

@OAG_WA

Office of the Auditor General
for Western Australia

Report 13: 2025-26 | 15 April 2026

FINANCIAL AUDIT RESULTS

Local Government 2025

Office of the Auditor General
for Western Australia

Audit team:
Grant Robinson
Kellie Tonich
Tamara McCarthy
Financial Audit teams
Information Systems Audit teams

National Relay Service TTY: 133 677
(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for those with visual impairment.

ISSN: 2200-1913 (print)
ISSN: 2200-1921 (online)

The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

Image credit: shutterstock.com/khanhnguyenpictures

WESTERN AUSTRALIAN AUDITOR GENERAL’S REPORT

Local Government 2025 – Financial Audit Results

Report 13: 2025-26
15 April 2026

This page is intentionally left blank

THE PRESIDENT
LEGISLATIVE COUNCIL

THE SPEAKER
LEGISLATIVE ASSEMBLY

LOCAL GOVERNMENT 2025 – FINANCIAL AUDIT RESULTS

This report has been prepared for submission to Parliament under the provisions of section 24 of the *Auditor General Act 2006*.

The report summarises the final results of our annual audits of 138 of 147 local government entities for the year ended 30 June 2025.

I wish to acknowledge the assistance provided by the councils, chief executive officers, finance officers and others, including my staff and contract audit firms, throughout the financial audit program and in finalising this report.

Caroline Spencer
Auditor General
15 April 2026

Contents

This page is intentionally left blank

Auditor General's overview

This report summarises the results of our annual financial audits of 138 local government entities for the financial year ended 30 June 2025. It also includes results from 11 of the 12 audits outstanding at the time of the *Local Government 2023-24 – Financial Audit Results* report, which have since been finalised.

In 2025, we issued 136 clear audit opinions. Pleasingly, the number of audit qualifications has continued to decrease, with only two of the 138 entities included in this report for 2025 receiving qualified opinions. Of continuing concern is the quality of financial reports submitted for audit. The value of current year errors and the number of prior period errors increased largely as a result of issues linked to property and infrastructure assets. As my office has recommended over successive years, the sector required guidance to support a consistent understanding of valuation obligations and to improve valuation practices generally. So, it is pleasing that the Department of Local Government, Industry Regulation and Safety (LGIRS) recently published this guide on 5 March 2026 which entities can utilise in 2026.

Approximately 33% of entities provided five or more versions of their financial report to my audit teams, with one entity providing 19 versions. As I've said before, this signals a need for greater care and capability in financial reporting. Multiple revisions create delays, cost time and resources and reflect gaps in quality assurance processes. This requires priority attention by entities affected.

This year, for the first time, the online version of this report will include an interactive map graphic to provide insight on our assessment of entity performance from the perspective of financial management control issues raised. This is a useful tool for stakeholders to compare the performance of their local government to those in the surrounding areas or bands. Further, this analysis shows pockets of concerning performance and inability to meet statutory deadlines. We will update this map each year, with the view to showing year on year comparatives.

Of the audits delayed in 2024, four stand out: City of Nedlands, Shire of Coolgardie, Shire of Halls Creek and Shire of Yalgoo. These audits, in conjunction with other delayed audits in 2025 or prior years, were motivating factors behind issuing my recent *Status of Local Government Audits* report[1]. The added public oversight of audit delays is intended to improve timeliness.

This year my team performed some financial health analysis around entities' ability to meet their short-term payment obligations (current ratio) which shows numerous entities facing financial pressure (Appendix 9). Four entities had a ratio of less than one, meaning their current liabilities exceeded their current assets and they may not be able to pay their debts as and when they fall due. The four entities were the: Shire of Coolgardie, Shire of Derby-West Kimberley, Shire of Irwin and Shire of Victoria Plains. The sector-average current ratios continue to decline as do the median ratios. This reflects a sector declining in its ability to meet short-term financial obligations. Our opinion on the Shire of Coolgardie's 30 June 2024 financial report included a material uncertainty related to going concern, indicating that the Shire's ability to continue its financial operations (that is, its financial viability) was not assured. While these concerns were known to my office, they were not publicly disclosed until the Shire's audit report was issued in June 2025. Earlier intervention by councillors and CEOs, and failing that the LGIRS, the Local Government Inspector or the Minister is needed for entities in financial difficulty or crisis.

[1] Office of the Auditor General, *Status of Local Government Audits 2025*, OAG website, 28 January 2026.

It is pleasing to see the sector respond positively to our request to bring audit delivery forward by being audit ready however, there remains opportunities for improvement. The spike in issuing audit opinions (Figure 1) is not sustainable and requires all entities to prepare for earlier completion, thereby enabling more timely reporting to all key stakeholders.

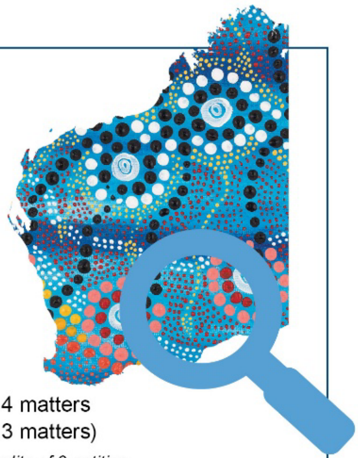
Our advocacy work with entities and LGIRS in relation to legislative reforms has helped reduce certain review requirements for entities, without reducing transparency or accountability. This was a welcome change via the local government legislative reform. It was pleasing to see how responsive LGIRS were to suggestions, and I appreciate their engagement with my office.

Finally, in response to sector feedback, we have refined our best practice entity reporting approach this year. To better reflect the diversity of local government entities, we have aligned our assessment to the WA Local Government banding model[2]. Stakeholders indicated that evaluating best practice at a sector-wide level was less meaningful, and that introducing a level of segmentation would provide clearer and more relevant insights. This change ensures our reporting is more comparable, equitable, and reflective of the unique operating environments within local government. I congratulate those entities recognised as best practice for 2025.

My sincere thanks also to entities, my staff and our contract audit firms for their continued diligent efforts in delivering timely reliable local government financial reports and audits for the Western Australian community.

[2] In Western Australia, local governments are classified into four bands based on the determination of the Salaries and Allowances Tribunal. These bands are used to determine the maximum and minimum number of council members based on the population of the local government district. The classification of local governments into these bands is a key aspect of the *Local Government Act 1995* and is subject to change with new regulations and amendments.

2025 local government reporting cycle at a glance



147 local government entities (PY: 147)

138 audits finalised and the results included in this report (PY: 146)

0* disclaimer opinion (PY: 1)

2* qualified opinions on 4 matters (PY: 10 opinions on 13 matters)

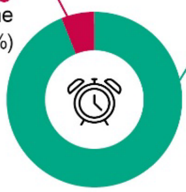
** Does not include the outstanding audits of 9 entities.*

We audited **$5.6 billion** of local government revenue (PY: $5.4 billion)

We audited **$60.7 billion** of total local government sector assets (PY: $59.8 billion)

Timeliness

Audit completion

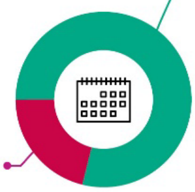


6.1% Not on time (PY: 8.2%)

93.9% On time (PY:91.8%)

Audits completed within the prescribed period (by 31 December 2025)

Submission of audit ready financial statement



78.9% On or before 30 September (PY:78.9%)

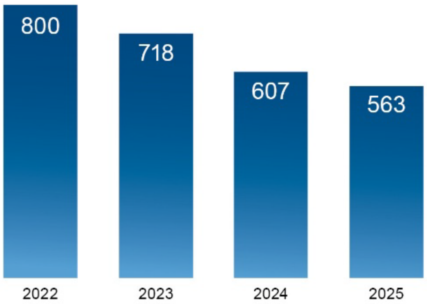
21.1% After 30 September (PY: 21.1%)

PY: prior year

Audit results*

** Does not include the outstanding audits of 9 entities.*

Number of financial management issues



0 disclaimer of opinion (PY: 1)

2 qualified opinions (PY: 10)

9 opinions outstanding (PY: 1)

563 financial management issues (PY: 607)

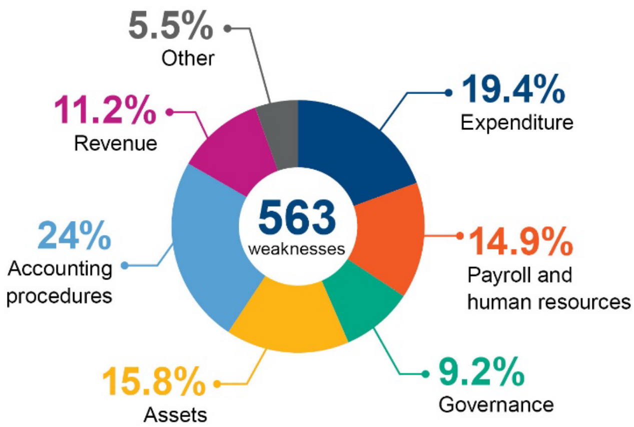
333 information system control issues (PY: 360)

Removed **6** qualified opinions on 7 matters (PY: 6 opinions on 7 matters)

22 emphasis of matter paragraphs (PY: 20)

Financial and management weaknesses

The 138 entities with finalised audits had:



Financial reporting, accountability and audit matters

Quality and timeliness of financial reporting (page 11)

Assets (page 21)

Financial health (page 25)

OAG insights (page 29)

Review of the 2025 financial year

What we did

Our financial audit program is performed under the related Auditing and Assurance Standards Board standards. Our focus is on ensuring the accuracy of an entity's annual financial statements. This report summarises the results of the financial audits of local government entities for the year ended 30 June 2025. It includes the results for 138 of 147[3] entities (Appendix 1), with the remaining nine entities included in our *Status of Local Government Audits 2025* report[4]. Appendix 1 also includes opinion types by local government band to enable entities to compare their own results.

Summary of audit opinions

For the financial year ended 30 June 2025, we issued clear opinions for 136 entities by 31 December 2025, and two audit opinions were qualified. We included 22 emphasis of matter (EoM) paragraphs in the auditor's reports of 22 entities. We also issued 11 audit opinions for entities from previous financial years.

Audit year	2024	2025
Number of entities subject to OAG audit	147	147
Number of entity audits included in results report	135	138
Number of entity audits included in updated statistics	146	N/A
Clear (unqualified) audit opinions	135	136
Qualified opinions	10	2
Disclaimer of opinion	1	0
Material uncertainty related to going concern	2	0
Emphasis of matter paragraphs	20	22

Source: OAG

Table 1: Audit results for the past two years

Entities that did not make the 2024 results report cut-off included in this report

At the cut-off date of this report, with the exception of the Shire of Yalgoo, all entities outstanding in the *Local Government 2023-24 – Financial Audit Results* report have now been finalised. While many of these entities received clear 2024 audit opinions, this may not have been the case had the audits been completed on time. The delays with these audits were mostly to give entities time to provide more evidence and correct their financial report. Delays in audits present significant inefficiencies, cost impacts and resourcing pressures on audit teams.

Disclaimer removals

Following a disclaimer of opinion, we generally qualify the comparability of the current year's financial results with the prior year, as the prior year figures were not audited and may be incorrect. Further, when an entity restates figures from a disclaimer year, and they cannot be

[3] 31 December 2025 is the statutory deadline for local government entities to complete their audits and is used as the statistics cut-off date for this report.

[4] Office of the Auditor General, *Status of Local Government Audits 2025*, OAG website, 28 January 2026.

audited, another related qualification is issued. These qualifications alert users to exercise care when comparing the two years.

The 2024 audit reports for the City of Nedlands and Shire of Halls Creek (issued during 2025) featured disclaimer removals, as did the Shire of Toodyay's 2025 audit report.

The City of Nedlands 2024 audit report contained one qualification on comparability as the prior year numbers could not be audited.

The Shire of Halls Creek 2024 audit report contained three qualifications:

- one was on comparability as the prior year restated numbers could not be audited
- a related qualification, the current year disclosure note on the restated numbers could not be audited
- a third qualification for not valuing other infrastructure assets at 30 June 2022 or 2023.

The Shire of Toodyay 2025 audit report contained three qualifications:

- two were as per the Shire of Halls Creek, comparability of restated numbers which could not be audited, and the related disclosure note
- a third qualification was for unreconciled amounts in cash and cash equivalents.

Full details of the qualifications issued for these three entities can be seen in Appendix 4.

Two qualified opinions

The Shire of Boyup Brook and the Shire of Toodyay were the only entities to receive qualified audit opinions in 2025. This represents a decrease compared to 2024, which recorded 10 entities with audit qualifications out of 146 completed audits. We expect there will be more audit qualifications to come from the nine entities that did not meet their statutory deadline.

The two qualified entities in 2025 had four qualification matter paragraphs, two of which relate to prior year disclaimed opinions (refer above: disclaimer removals). The audit qualifications are included in Appendix 4.

Emphasis of matter paragraphs (EoM)

In 2025, we included 22 EoM (Appendix 5) paragraphs in 22 entity audit reports which is relatively on par with the 20 EoM paragraphs included in 20 reports the prior year. We expect the number of EoM's to increase as the outstanding nine audits are finalised. This year EoM paragraphs directed the readers' attention to:

- restatements of comparative figures or balances to correct prior period errors, largely related to property and infrastructure assets (2025: 16 entities) (2024: 16 entities)
- the basis of accounting used by the entity (2025: 2 entities) (2024: 1 entity)
- investment in associates (2025: 4 entities) (2024: 0).

This year we refined our use of EoM paragraphs relating to prior period errors. Auditing standards allow judgement in this area. We now only include an EoM where errors are deemed fundamental to users' understanding of the financial report. This ensures EoMs highlight to users what is essential for their consideration. While the number of EoM paragraphs this year is similar to 2024, all 2025 errors were serious enough to impact users' understanding of the financial report. This is more concerning, especially as the number would have been higher without our refined EoM approach.

We have a section of this report dedicated to prior period errors, refer to the prior period errors section. A full description of EoM paragraphs is included in Appendix 5.

Material uncertainty related to going concern

Under Australian Auditing Standards, we consider whether events or conditions exist that may cast significant doubt on the entity's ability to continue as a going concern. Essentially, if an entity can fund their continuing operations, they are considered to be able to continue as a going concern.

This applied to the Shire of Coolgardie's 30 June 2024 financial position. This audit was not finalised until June 2025 and therefore it was not included in our *Local Government 2023-24 – Financial Audit Results* report[5]. The audit had challenges largely stemming from the Shire's financial situation and resourcing issues.

The material uncertainty related to the Shire's ability to continue as a going concern, as it had incurred a net loss of $4.6 million for the year ended 30 June 2024. At that date, the Shire's current liabilities exceeded its current assets by $14.2 million and the unrestricted cash balance was overdrawn by $934,000. The Shire disclosed these details along with options available to them to navigate their way through these challenges in a note to the financial statements.

The Shire's 30 June 2025 audit report did not include a material uncertainty related to going concern. A case study of the Shire's financial health is included in the section on financial health of local governments.

Provision of quality financial reports enables timely financial reporting

Provision of financial reports

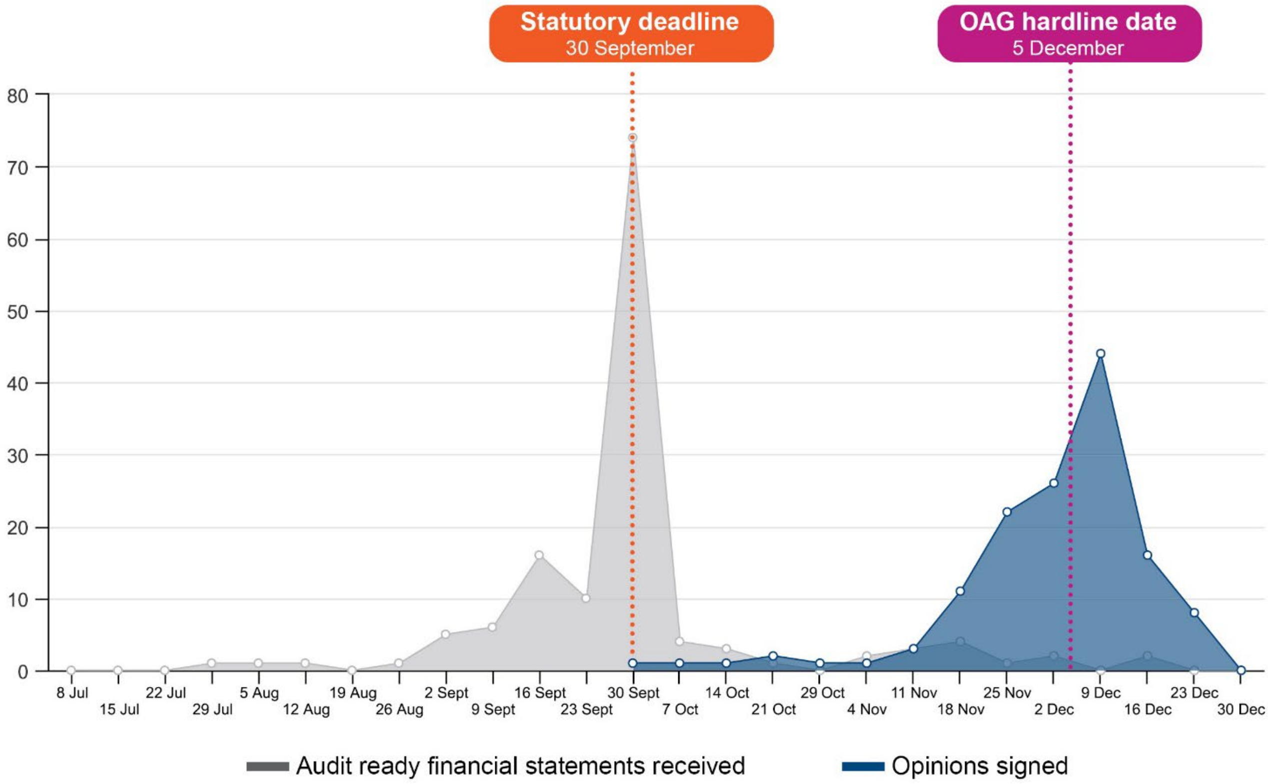
While 84% of the 138 local government entities included within this report provided their financial report by the legislated deadline of 30 September 2025, 54% of entities provided their financial report during the week of the deadline. One-third of entities provided their financial report to the auditors on the deadline. This can be seen in the clear spikes in Figure 1 which suggests entities may be aiming for legislative compliance rather than better practice. Similarly, there is a peak in the number of audit opinions issued at the date of our hardline initiative[6], on 5 December for 2025. In the week ended 5 December 2025 we issued approximately a third of the 138 opinions included in this report. Again, this represents compliance rather than better practice. To encourage sector-wide uplift and a culture focused on improvement, we encourage entities to access our suite of better practice and audit readiness tools to assist them in earlier financial reporting.

An audit-ready financial report is the starting point for a financial audit, without this, auditors are unable to commence their work in earnest. Also of concern is the accuracy of the financial reports provided. Only 6% of entities required no adjustments to their financial report. The remaining entities needed to make adjustments to their financial report, indicating a lack of quality. Further details on audit adjustments are included in the quality section of this report.

---

[5] Office of the Auditor General, *Local Government 2023-24 Financial - Audit Results* , OAG website, 24 April 2025.

[6] Our hardline initiative is focused on improving the quality and timeliness of financial reports and associated workings provided for audit. As part of the approach, we will no longer wait until the entity is ready if key information and people are not reasonably available within the agreed schedule. Instead, we will issue our audit opinion on the information available, even if this results in a qualified audit opinion.



Source: OAG

Figure 1: Financial reports received and audit completion dates by week

Timeliness of reporting

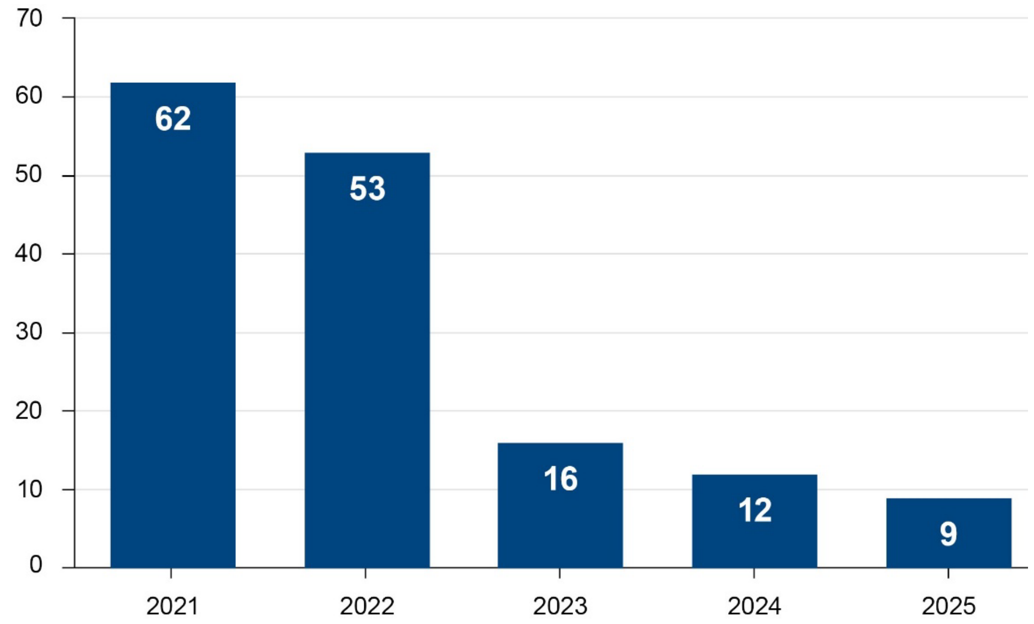
More opinions meeting statutory deadlines

For the first time, we issued a standalone report on the timeliness of local government audit opinions[7]. This new reporting initiative increases transparency, to Parliament and the community, on entity financial report progress and reinforces our commitment to issuing all audit opinions by 31 December, in line with legislated timeframes.

In 2025, 94% of local government audit opinions were issued by the statutory deadline, a continued improvement on prior years. We anticipate further improvement in 2026, with the long-term aim that all audits are completed well within the required timeframe.

Since 2023, we have provided entities with an early December target date, previously referred to as the OAG hardline initiative, to support earlier audit completion and reduce the risk that minor delays push audits beyond 31 December. For the 2025 cycle, this date was 5 December. This initiative has contributed to a significant reduction in the number of audits outstanding at 31 December, as shown in Figure 2.

[7] Office of the Auditor General, *Status of Local Government Audits 2025*, OAG website, 28 January 2026.



Source: OAG

Figure 2: Number of audits outstanding at 31 December for the last five years

For the nine outstanding audits included in the *Status of Local Government Audits 2025*[8] report in January 2026, the only substantive change is for the Shire of Yalgoo with their 2023 and 2024 audits now finalised, and the Shire of Dalwallinu with their 2025 audit now finalised. For both 2023 and 2024 the Shire of Yalgoo's audit opinions were qualified in respect of:

- bank reconciliation issues
- accrued income recoverability
- valuation of infrastructure asset (roads) not being undertaken.

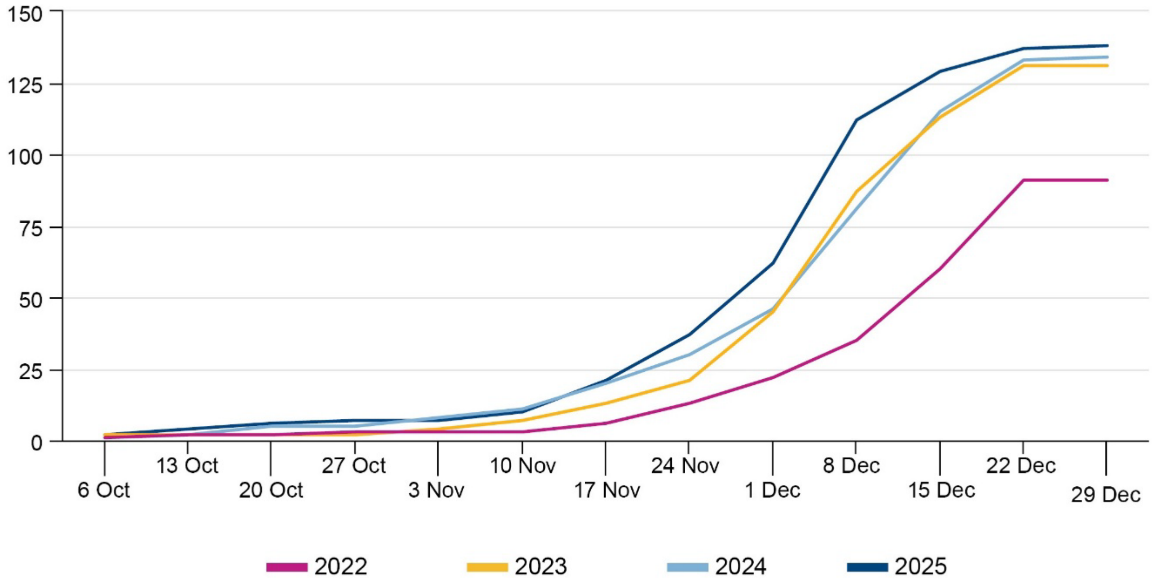
Despite delayed lodgements in 2024 the following entities, through appropriate commitment and resolve, successfully addressed the contributing issues and met the statutory deadline in 2025:

- City of Greater Geraldton
- Shire of Bridgetown-Greenbushes
- Shire of Collie
- Shire of Coolgardie
- Shire of Dundas
- Shire of Nannup
- Shire of Toodyay (last met the statutory deadline in the 2020 financial year)
- Shire of Wickepin
- Town of Cottesloe.

[8] Office of the Auditor General, *Status of Local Government Audits 2025*, OAG website, 28 January 2026.

Overall Progress is positive, but audit bottleneck continues

Figure 3 shows that 2025 was ahead of previous years in terms of number and timing of opinions issued. While the improvement in timeliness is encouraging, there continues to be a bottleneck of audit opinions being issued in December.

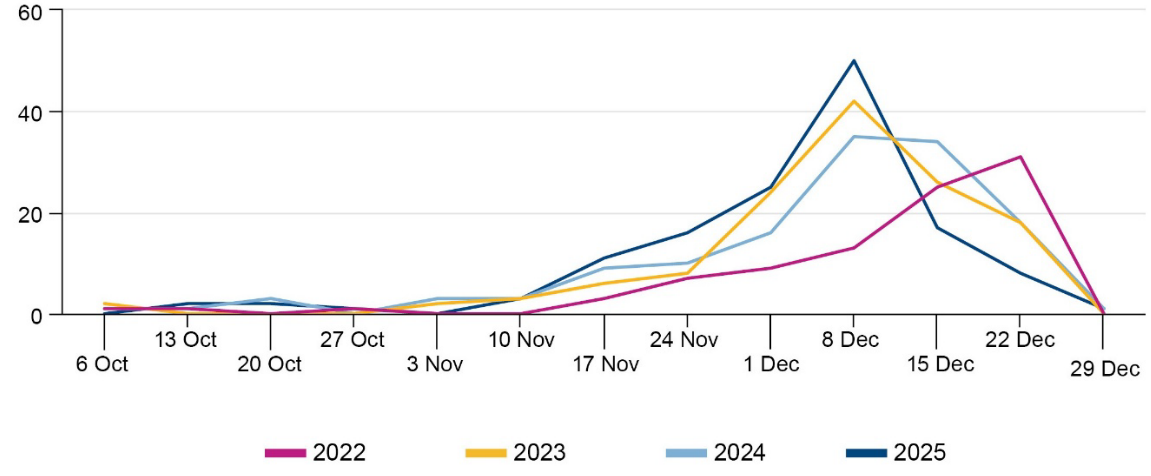


Source: OAG

Figure 3: Cumulative opinions issued from October to December for 2022 to 2025

We are pleased with the sector successfully responding to our efforts to bring audit delivery forward before the 31 December deadline, although there remain opportunities for improvement. There is concern that entities treat our hardline initiative date as their target for receiving an opinion. There were 58% of 2025 local government opinions issued in December, with 33% of opinions issued during the week ended 5 December 2025. The clear spike in opinions issued around this date is shown in Figure 4.

This spike in issuing opinions is unsustainable. Looking forward we want to see entities preparing for earlier audit completions to create a smoother curve of opinions being issued, rather than a sharp spike. This would enable earlier reporting by entities to their ratepayers and have the added benefit of reducing the pressure on finance teams and auditors.



Source: OAG

Figure 4: Opinions issued per week 2022 to 2025

Quality

Good quality financial reports are accurate, clear and complete.

Errors and the number of versions of the financial report submitted to audit are indicators of the quality of financial operations of an entity. Both are indicative of a weakness in an entity's financial report preparation process. It creates additional effort, both internally for the entity and for the auditor, which leads to increased costs (internally and audit fees).

Prior period errors are increasing

A prior period error is a significant misstatement or omission, made by an entity in previous financial years, identified during the current year. It is usually corrected retrospectively by restating the opening balances in the financial statements. Entities with prior period errors have increased by 13% from 2024, with the 2025 numbers subject to increase as the nine outstanding audits are finalised. Many errors relate to asset accounting.

Common themes were:

- found assets
- valuation errors
- duplicate assets.

The growth in prior period errors and continued presence of asset related errors demonstrates a need for entities to focus on improving their asset accounting processes. As revaluations are only required every five years, many entities are in the outer year of a valuation cycle. We expect these errors could get worse in a valuation year.

A compounding issue with prior period errors, once identified, is that many entities are unsure how to correctly account for and disclose these errors in their financial reports. This contributes to inconsistent treatment across the sector and increases the level of auditor involvement required to resolve the matters.

Financial report versions still too high

On average we received four versions of an entity's financial report in 2025, similar to 2024. While the proportion of entities with only one version of the financial report prior to finalisation has increased to 6% (3% in 2024), this proportion is insufficient.

Approximately 33% of entities provided five or more versions of their financial report to audit, which is consistent with the previous year. We consider five or more versions of a financial report to be excessive, and indicative of a lack of financial management and reporting expertise and audit readiness by entities. One entity was a concern with 19 versions of their financial report provided to audit. This is an increase from 2024 where one entity had 16 versions for their financial report before finalisation.

Each version of the financial report provided to auditors needs to be reviewed, compared to previous versions with changes being queried and validated. All of which increase audit hours and costs. Entities should be aiming for one to two versions of their financial report. Any more than this indicates inadequate quality review processes in the preparation of the report.

Value of errors increase in 2025

The number and value of adjustment errors made to financial statements increased in 2025.

Errors are identified during the audit process, and we advise entities of those that are more than clearly trivial. Material errors must be corrected to avoid a potential modified opinion, while immaterial errors may be left unadjusted where they do not affect the fair presentation of the financial report.

Year	Adjusted errors			Unadjusted errors			Total errors	
	No. of entities	No. of errors	Value	No. of entities	No. of errors	Value	No. of errors	Value
2025	98	301	$674,314,611	55	125	$43,987,252	426	$718,301,863
2024[9]	100	297	$393,532,137	63	137	$58,713,391	434	$452,245,528
2023	100	285	$1,125,288,333	59	104	$69,157,705	389	$1,194,446,038
2022	91	335	$1,613,529,048	58	132	$50,668,884	467	$1,664,197,932

Source: OAG

Table 2: Adjusted and unadjusted errors for entities

Entities should exercise discretion when considering adjustments for immaterial errors. While these smaller errors may not affect the fair presentation of the financial report, processing and validating them consumes time and resources.

Entities need to strike a balance between the overall objective of presenting a fair financial report and the additional effort required to process adjustments. Each adjustment not only increases the entity's workload but also requires auditors to perform further validation and review additional versions of the financial report, increasing audit time and cost, and resulting in delay for both parties.

While the overall number of errors for 2025 appears relatively consistent with 2024, we expect this to increase once the nine outstanding audits are finalised.

The Shire of Toodyay and Town of Claremont had the equal largest number of adjusted errors in 2025, with 10 errors each. The Shire of Toodyay adjusted errors amounting to $10.3 million, whilst the Town of Claremont's adjustments amounted to $38.9 million. Two other entities were significant outliers due to the value of their adjustments:

- The City of Albany undertook infrastructure valuations (internally) for the 2025 financial year that indicated an increase in value of infrastructure assets of $148 million, which was recorded. However, the valuation was unable to be relied upon for audit purposes as it lacked sufficient supporting evidence. Accordingly, the revaluation adjustment was subsequently reversed.
- The City of Swan recorded $75.6 million across two adjustments to correct their works in progress (WIP) balance as disclosed in the note:
  - $18.5 million of property, plant and equipment (PPE) additions were incorrectly classified as transfers from WIP
  - $57.1 million in infrastructure additions were incorrectly classified as transfers from WIP.

  These changes only relate to the WIP balance and PPE disclosures and were not impacting the overall PPE balance in the statement of financial position.

These outliers contributed to the overall increase in value of errors; however, the uplift in error values is evident across the sector.

[9] 2024 numbers have been restated and are now inclusive of 11 entities which have been signed out since our *Local Government 2023-24 Financial Audit Results* report.

Best practice entities

This year we are reporting best practice entities in two categories:

- top 10 band 1 and 2 entities
- top 20 band 3 and 4 entities and regional councils.

This is a change from our prior reporting of a top 20 of all entities. The change better reflects differences, complexities and numbers of entities within the various bands. The number of entities in bands one and two makes up 30% of the total 147 local government entities. Bands three, four and regional councils make up the remaining 70%.

The criteria we rate entities on remains unchanged. We rate entities on their financial reporting practices against the following criteria:

- timeliness of CEO-certified financial report
- quality of financial report (including the number of errors identified)
- quality of working papers that support the financial report
- management resolution of accounting matters
- key staff availability during the audit
- number and significance of management letter findings
- clear opinion with no EoM or other audit report modifications.

We congratulate the entities we rated as the top achievers for 2025.

Best practice top entities	
Top 10 Band 1 & 2	**Top 20 Band 3, 4 and other entities**
• City of Belmont • City of Cockburn • City of Fremantle • City of Greater Geraldton • City of Rockingham • City of Vincent* • Shire of Mundaring* • Shire of Murray* • Shire of Northam • Shire of Wyndham-East Kimberley	• Murchison regional vermin council • Shire of Beverley* • Shire of Boddington • Shire of Chittering • Shire of Christmas Island* • Shire of Donnybrook-Balingup • Shire of Exmouth* • Shire of Gingin • Shire of Irwin* • Shire of Lake Grace* • Shire of Laverton • Shire of Menzies* • Shire of Nannup • Shire of Narembeen • Shire of Ngaanyatjarraku • Shire of Peppermint Grove • Shire of Three Springs* • Shire of Wagin • Shire of Waroona • Shire of Wyalkatchem

Source: OAG

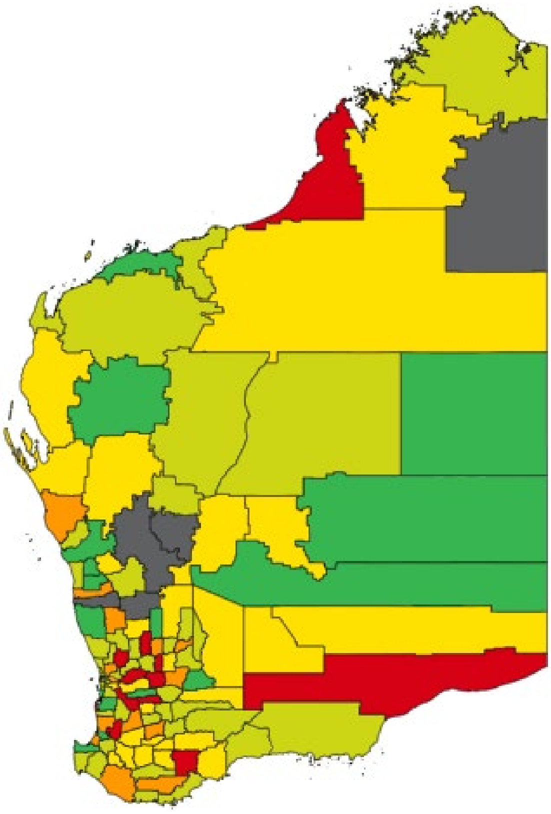
** Indicates entities which received best practice in the Local Government 2023-24 – Financial Audit Results report.*

Table 3: Best practice entities for 2025

Control weaknesses

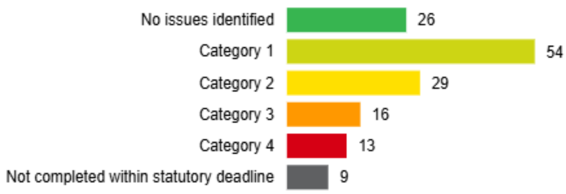
Improvements in overall control environment

An entity's control environment includes the governance and management functions as well as the attitudes, awareness and day-to-day actions that contribute to the internal control practices of importance to the entity. We reported a total of 896 control findings in 2025 which is a decrease from the prior year (967 control findings). These are made up of 563 financial management issues (2024: 607) and 333 information systems (IS) control issues (2024: 360).



For the first time in 2025 we have compiled an interactive map graphic to provide clear visuals on the comparative financial control performance of local governments. Figure 5 is only accessible via the online version of this report. This graphic can be filtered by WALGA region, local government band or metro or regional entities.

This is a useful tool for stakeholders to compare the performance of their local government to those in the surrounding areas. Further, this shows pockets of concerning performance and inability to meet statutory deadlines. We will update this map each year, with the view to showing year on year comparatives.



Source: OAG

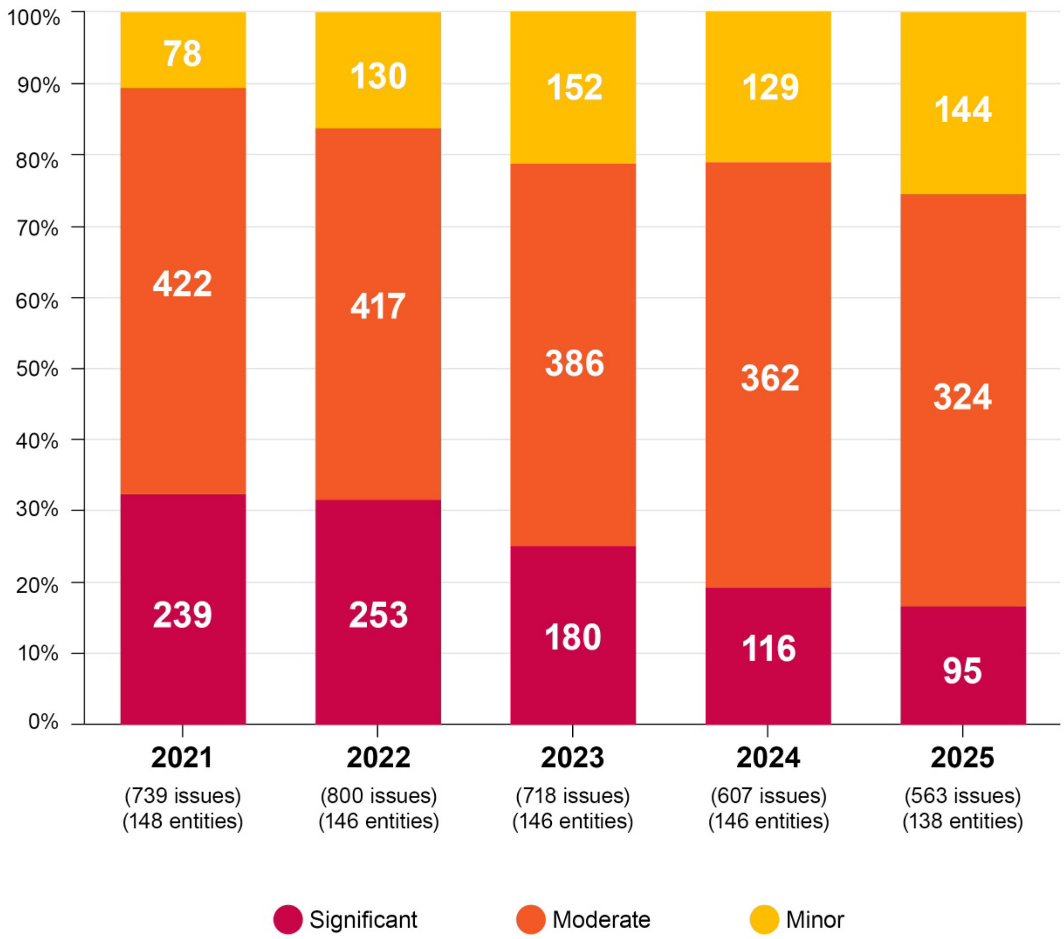
Figure 5: Entities by financial management control rating category

Our audits are primarily focused on controls that support the preparation of the financial report. A control environment with adequate systems, processes and people reduces the risk of error and fraud, and provides assurance to management, council and other stakeholders that financial reports are materially correct. We assess each entity's control environment during our risk assessment procedures. We report details of weaknesses identified through the audit process in the control environment to entities management and those charged with governance. The main themes of these weaknesses are discussed in further detail. We reported in detail the IS control findings in a separate report to Parliament.[10]

[10] Office of the Auditor General, *Local Government 2025 – Information Systems Audit Results report*, OAG website, 25 March 2026.

Financial management controls

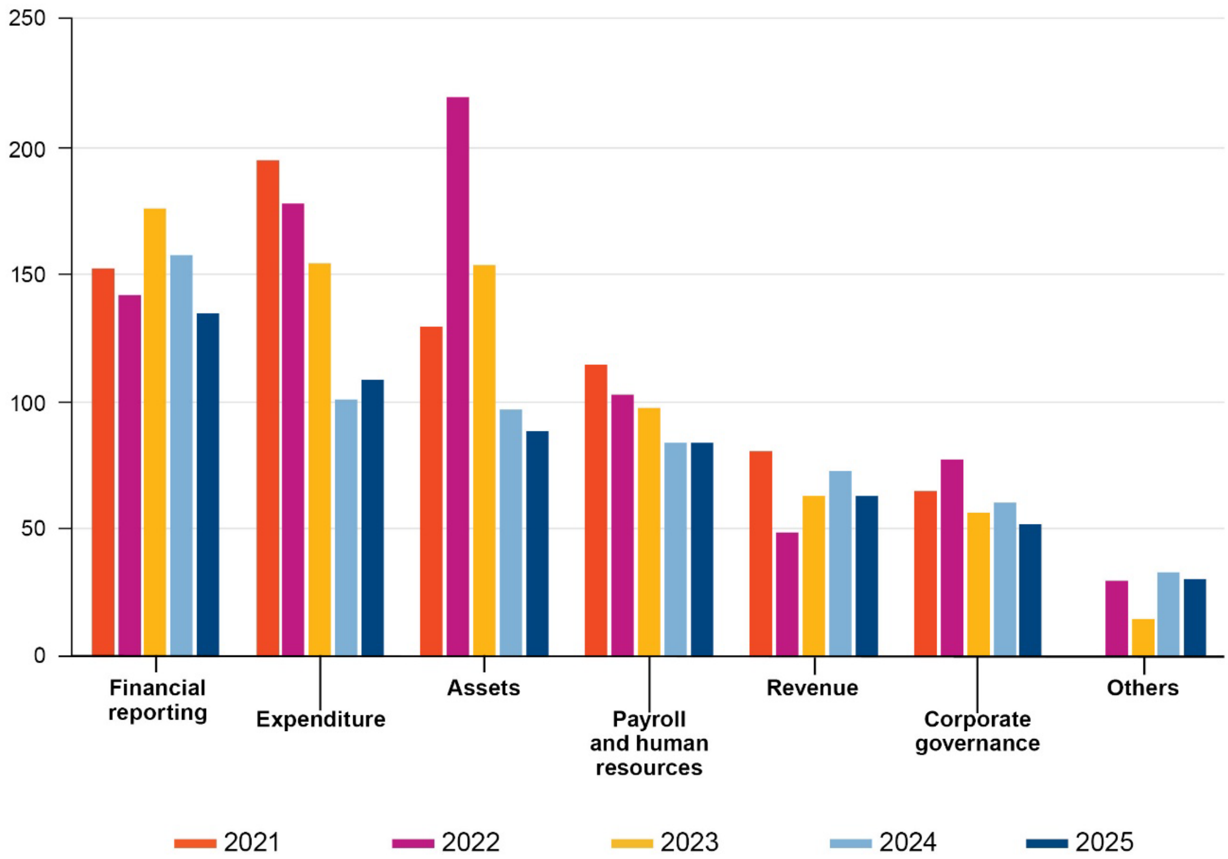
In 2025, management letter issues continued their downward trend, reducing from 607 in 2024 to 563. The number of entities with reported control weaknesses also decreased, from 130 in 2024 to 112 in 2025. The number of control weaknesses is expected to increase once the nine outstanding audits are finalised. The reduction was driven by fewer significant and moderate findings, though minor issues increased in both number and proportion as can be seen in Figure 6. Definitions of our finding risk ratings are included in Appendix 12.



Source: OAG

Figure 6: Proportion of control weaknesses reported to management in each rating category

The movement in findings by category was mixed for 2025, as seen in Figure 7. Financial reporting remained the largest area of concern, although the number of issues decreased slightly compared to 2024. Conversely, issues relating to expenditure increased modestly year on year. Other categories either decreased slightly or remained broadly consistent with 2024.



Source: OAG

Figure 7: Financial management control issues reported to entities by category

Financial reporting

We raised 135 issues (2024: 158 issues) across 70 entities (2024: 77 entities) relating to their financial reporting procedures. Of these issues, 49 were unresolved from the prior year and 14 were rated as significant.

- **Journal entries and reconciliations:** 27% of issues (36 issues) related to journal entries and general ledger reconciliations (excluding bank reconciliations). Journal entries are commonplace but present a high-risk area, as they adjust approved transactions. Key controls include appropriate review processes and segregation of duties between those who post and those who approve journals. Without these controls, the risk of error and fraud increases. Similarly, when finance system balances are not reconciled to sub-systems in a timely manner, errors within the financial report are more likely. These risks are further compounded when reconciliations are not appropriately reviewed. Importantly, these control weaknesses are readily addressed through the implementation of basic controls.
- **Policies and procedures:** 22% of issues (30 issues) related to policies and procedures, predominantly where they were outdated, not recently reviewed, or not implemented. Without up-to-date approved policies and procedures, staff may be unaware of council and management expectations regarding their responsibilities and the performance of key transactions and activities. This increases the risk of errors, fraud and non-compliance.
- **Bank reconciliations:** 16% of issues (22 issues) related to bank reconciliations. Bank reconciliations are a critical financial management control for all entities. As with

general ledger reconciliations, inadequate reconciliation processes increase the risk of errors and undetected fraud. This risk is heightened for bank reconciliations due to their direct connection to cash balances, which are more susceptible to misappropriation if controls are weak. We again found instances of basic reconciliations not being performed or reviewed in a timely manner, and reconciling items remaining long outstanding.

Preparation of an accurate financial report requires timely completion of reconciliations and high quality supporting working papers. These should be provided to auditors at the commencement of the audit. We expect the financial report to be reviewed by the CEO and council or the audit committee prior to submission, ensuring its completeness and accuracy. Following this review, the CEO should sign the financial report and submit it for audit. Guidance for entities is available in our better practice guides, accessible on our website[11].

Expenditure

We reported 109 expenditure weaknesses to 61 entities in 2025, compared with 101 issues to 64 entities in 2024. Of these 109 weaknesses, 33 were unresolved from the prior year and five were rated as significant. Poor procurement practices continue to be of concern, as they increase the risk of fraud and reduce the likelihood that entities achieve value for money. Entities need to ensure they have appropriate controls and processes in place that operate effectively to mitigate these risks.

- **Purchase orders:** As with previous years, we identified instances where purchase orders were raised after the invoice date and where entities did not seek an adequate number of quotes. Obtaining an appropriate number of quotes is an important control to ensure value for money. Purchases made without authorised purchase orders increase the risk of unauthorised spending. These issues accounted for 52% (57 issues) of all expenditure related findings.
- **Supplier master files:** Issues relating to supplier master files formed the second largest category of expenditure findings, representing 17% (19 issues). Strong controls over supplier master files are essential in preventing fraudulent payments. Where controls are weak, there is an increased risk that payments may be made to incorrect or fraudulent bank accounts.
- **Credit cards:** Credit card controls accounted for 16% (17 issues) of findings. We identified instances where credit card purchases were not supported by receipts, transactions were not appropriately reviewed or approved, and credit card policies were not complied with. This reflects non-compliance with policies and procedures and increases the risk of fraud.

Asset management

We identified 89 findings at 56 entities in 2025, compared with 97 findings at 57 entities in 2024. Of the 89 findings, 27 were prior year issues which remained unresolved, and eight were rated as significant.

- **Valuations:** Most asset management findings related to valuations, comprising 26% of issues (23 issues). This area was a key source of findings in 2023 but not in 2024. This fluctuation is partly due to the cyclical nature of valuations under local government regulations, which require entities to revalue assets every five years. Each year a different cohort of entities is due for revaluation, influencing the number and nature of findings identified.

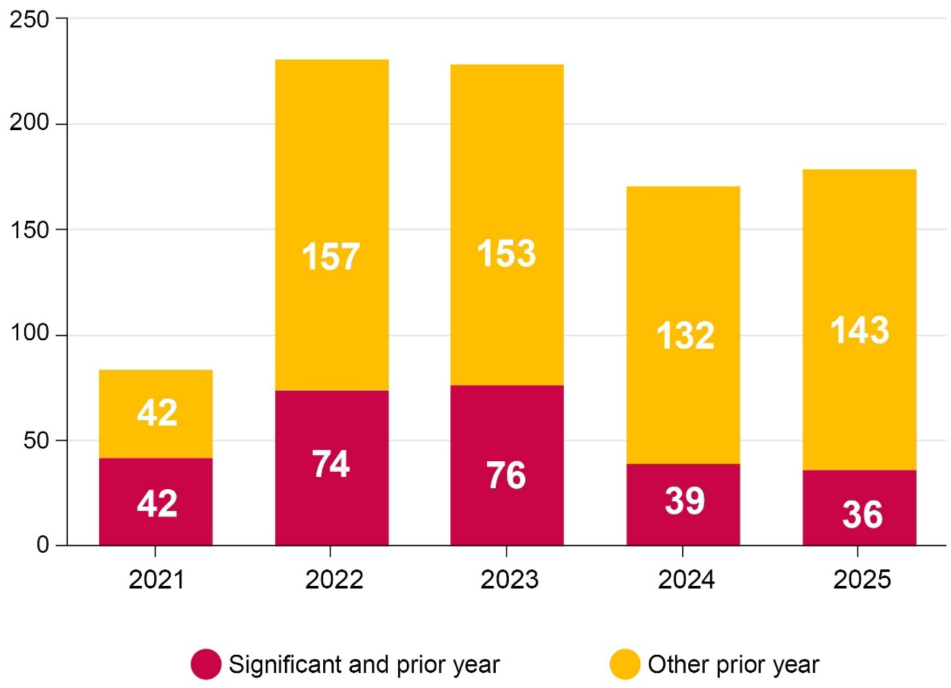
[11] Office of the Auditor General, *Better practice guidance*, OAG website, n.d., accessed 9 February 2026.

- **Capitalisation of works in progress (WIP):** The second largest category of asset management findings related to WIP, representing 20% (18 issues) in 2025. These findings generally related to late capitalisation of WIP, where assets were available for use or already in use, but were not depreciated. In some cases, errors involved assets from prior years that should have been transferred from WIP but were not, resulting in prior period errors.
- **Asset reconciliations:** Asset reconciliations were the third largest category, comprising 18% (16 issues). Reconciliations ensure that asset records are complete, accurate and aligned between the finance and asset systems. Where reconciliation processes are inadequate, entities risk losing track of assets or incorrectly recognising them, which can affect asset valuations and lead to found asset errors in future years.

Control weaknesses in asset management can lead to qualified audit opinions due to the material value of property and infrastructure assets held by local governments. Entities need to remain vigilant and ensure valuation, capitalisation and reconciliation processes are robust and consistently applied each year.

Findings unresolved from prior year

For 2025, 179 financial management control findings raised across 81 entities (2024: 171 findings across 77 entities) remained unresolved from prior years. This represents 32% of all current year findings (2024: 28%). Of these unresolved issues, 20% (36 issues) (2024: 23% 39 issues) were rated as significant, requiring urgent action. While the proportion of significant unresolved findings has remained consistent, it is concerning that the number of unresolved issues increased.



Source: OAG

Figure 8: Prior year issues per year

Unresolved findings from prior years primarily relate to financial reporting, expenditure and asset management. These unresolved issues align with the underlying themes previously identified within this report, for each category. It is concerning that these matters remain unresolved, as they continue to add to audit time and costs. Entities need to prioritise addressing these issues, particularly those rated as significant.

Information system controls

The purpose of general computer control (GCC) audits is to assess the effectiveness of entities' computer controls relied on to accurately process and maintain the integrity, confidentiality and availability of key financial business systems and information.

For the 2025 financial year, we reported 333 general computer control weaknesses to 68 entities, compared to 360 control findings to 89 entities in 2024. Over half of these weaknesses (60%) were unaddressed prior year issues. Nine percent of findings were rated significant, 69% moderate and 22% minor (Figure 9).

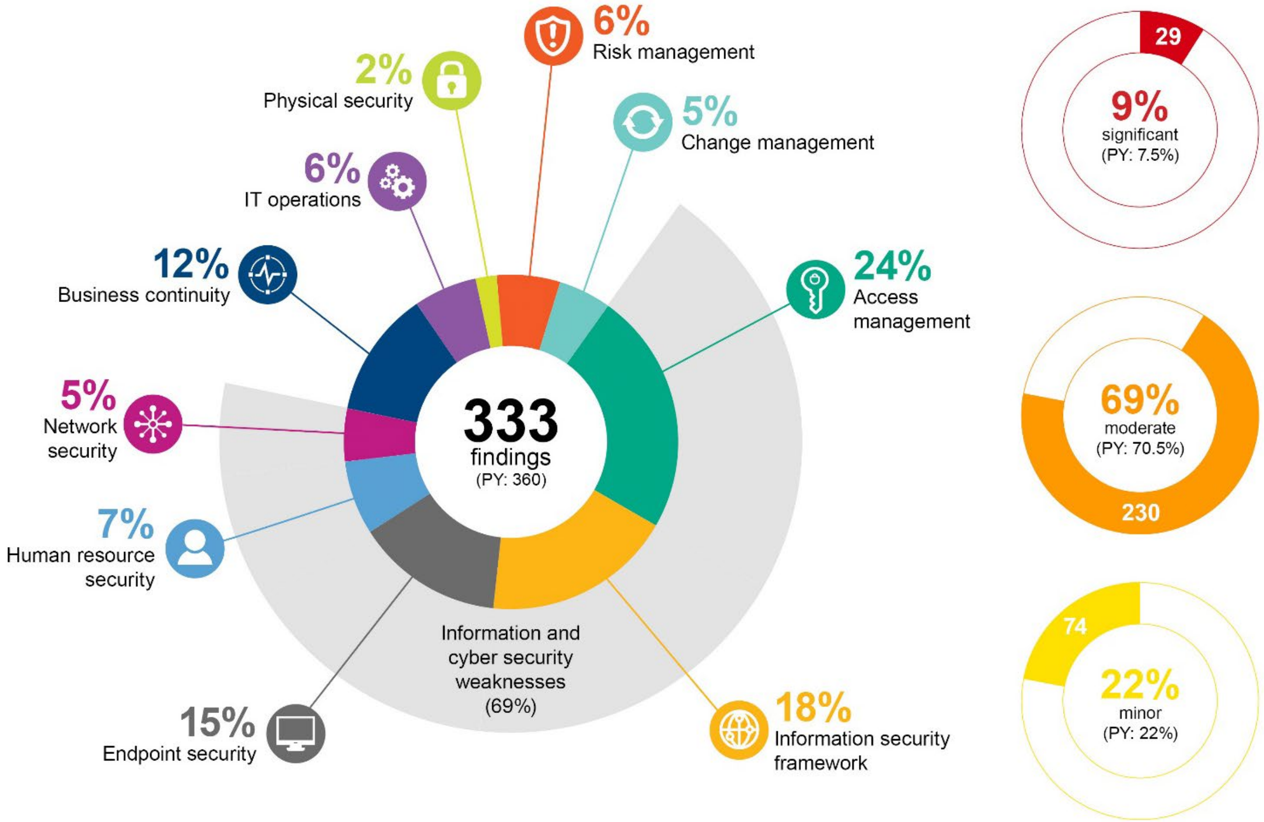
Entity controls in the following control categories showed significant weaknesses:

- access management
- business continuity
- endpoint security
- information security framework
- network security.

Of the 333 weaknesses identified, the majority related to information and cyber security controls:

- 24% related to managing access, such as delays in removing access of former staff and contractors, poor control over privileged and system accounts, and insufficient user activity monitoring.
- 18% related to information security framework weaknesses. These issues comprised insufficient information and cybersecurity policies, as well as governance and compliance weaknesses.
- 15% related to controls to protect endpoints (end user devices and servers). These included system vulnerabilities, legacy systems, and limited controls to prevent malware.

The *Local Government 2025 – Information Systems Audit Results* report presents a detailed analysis of these findings.



Source: OAG

Figure 9: Information system weaknesses across 10 control risk categories and ratings

Improvement opportunities

Financial health of local governments

Financial sustainability is a challenge for many local governments across the country due to a combination of:

- operating losses
- declining cash reserves
- increasing compliance and complexity
- limited capacity to generate sufficient own source revenue (from existing or alternative means)
- the general economic environment.

These factors are just as relevant in Western Australia and were most evident for the Shire of Coolgardie in 2024 when we included a material uncertainty related to going concern in the Shire's 2024 audit report.

Case study 1: Historical financial viability concerns at the Shire of Coolgardie

Under the going concern basis of accounting, financial statements are prepared on the assumption that an entity will continue operating for the foreseeable future. Auditors are required to report when there is a material uncertainty about an entity's ability to continue as a going concern.

For the Shire of Coolgardie's 2024 audit, finalised on 23 June 2025, we highlighted concerns by drawing attention to note 1 of the Shire's financial report. The note disclosed that the Shire:

- recorded a net loss of $4.6 million for the year ended 30 June 2024
- had current liabilities exceeding current assets by $14.2 million
- had an overdrawn unrestricted cash balance of $934,000
- had inappropriately used restricted funds for operational purposes.

These issues, along with other disclosures in the financial report, indicated the presence of a material uncertainty that cast significant doubt on the Shire's ability to continue as a going concern.

Following the 2024 audit, the Shire undertook debt restructuring and other initiatives to improve its financial position. We were satisfied with these actions, and as a result, a material uncertainty paragraph was not required in the 2025 audit report. However, because the 2024 audit report and financial statements were the first public signal of concerns, the situation highlights the importance of stronger monitoring and guidance for entities on financial sustainability.

LGIRS has developed the Local Government Financial Indicator (LGFI) tool, which provides a point-in-time assessment of an entity's capacity to meet its short and long term financial obligations, having regard to its funding sources. The LGFI replaced the former Financial Health Indicator (FHI) and, unlike the FHI, is not designed to assess longer term financial sustainability. Further information on the methodology and application of the LGFI is available through the MyCouncil FAQs[12].

LGFI data was first published on the MyCouncil website in May 2025 for the 2019 to 2023 financial years. As the indicator relies on audited financial information, data publication necessarily follows the completion of audit and associated validation processes. At 23 February 2026, LGFI results were available up to the 2023 reporting period, with subsequent years to be released in line with established update schedules. However, the indicator is only genuinely useful when it is updated in a timely manner after audited financial reports and grant information returns are released.

LGIRS has established a benchmark score of 70 for the LGFI. Scores below this benchmark indicate that an entity may warrant further consideration in relation to its financial position. Looking back, the LGFI for the Shire of Coolgardie had been declining for some time, indicating emerging concerns well before the issues became public in June 2025, acknowledging that the department had been engaging with the Shire, and our Office, since early 2024 in respect of a variety of concerns identified by them through other available information.

Financial analysis

For 2025, we analysed the current ratios of all local government entities with audits finalised by 31 December 2025. The current ratio is an indicator of an entity's ability to meet its short-term obligations for payment, with a ratio of less than one suggesting that an entity owes more in the short term than it may be able to afford to pay. Four entities recorded a current ratio of less than one (2024: 2; 2023: 1). The four entities with ratios less than one were:

- Shire of Coolgardie
- Shire of Derby-West Kimberley
- Shire of Irwin
- Shire of Victoria Plains.

A further 13 entities reported a ratio between 1 and 2 (2024: 11; 2023: 13), which also indicates potential financial pressure.

Appendix 9 contains a complete listing of the current ratio for each entity for 2024 and 2025.

Case study 2: Historical financial viability concerns at the Shire of Coolgardie

For 2025, the Shire of Coolgardie recorded a current ratio of 0.57. Given the heightened concern with the Shire's financial viability, we performed further audit procedures to satisfy ourselves that the going concern basis for preparation of the financial report was appropriate and a material uncertainty was not required to be included in the audit report. The procedures included:

- deeper and more intensive analysis of cashflow forecasts
- review of budgets
- status of financial facilities
- asset disposal alternatives
- year to date actual financial information for 2026.

[12] Government of Western Australia, *MyCouncil*, mycouncil.wa.gov.au, n.d., 9 February 2026.

Entities hovering around a score of one or trending downwards, should pay particular attention to their cashflow needs and forecasts. Sector-wide results also show a gradual decline. The sector-average current ratio decreased from 5.5 in both 2023 and 2024 to 5.0 in 2025. Median ratios similarly declined from 4.1 in 2023 to 3.75 in 2024 and 3.63 in 2025. The decline in the median indicates that this trend is not driven by outliers but reflects a broader sector decline in entities' ability to meet their short-term payment obligations.

While a number of entities report large surpluses each year, the sector is facing increasing cost pressures with a limited ability for entities to expand their revenue base. Local governments will need to closely monitor their financial outlays and positions to ensure they can continue to deliver essential community services and maintain appropriate levels of investment in their community infrastructure.

Valuations

This year we encountered several instances where a valuer did not comply with the LGIRS (previously the Department of Local Government, Sports and Cultural Industries) directive requiring the use of the market approach for valuing land, including the consideration of public sector restrictions. In all cases, entities were unaware that their valuations were non-compliant with the above requirements, resulting in additional auditor involvement to resolve the matter with the valuer. Adjustments were required to valuations and financial reports.

Assets (PPE and infrastructure) are generally the largest balances in the financial report, meaning that errors in this area tend to be large and carry significant exposure for entities. This is also an area where we see significant numbers of prior period errors, as discussed in the quality section of this report[13].

For several years, we have recommended LGIRS develop and finalise their valuation guidance for the sector. We have provided input on various drafts since September 2023; and this guide has recently been published on 5 March 2026. This guidance will support a consistent understanding of valuation obligations and improve valuation practices generally. Ahead of their 2026 audits, entities should review this guidance to ensure their compliance with the guidelines.

Advocacy and reform

We engage closely with stakeholders and maintain a sector-wide view of emerging risks and systemic issues through our ongoing liaison with key stakeholders. This enabled us to raise with LGIRS a duplication in review requirements. As a result, regulation 5(2)(c)[14] of the Local Government (Financial Management) Regulations 1996, which required a three-yearly CEO review of the appropriateness and effectiveness of financial management systems, was removed effective 1 January 2026. Enhancements have been made to the remaining review obligations under regulations 16 and 17 of the Local Government (Audit) Regulations 1996.

Further reforms have also progressed, importantly the Local Government Inspector has been established to strengthen the regulation of council members and local government staff conduct. In addition, audit committees have been re-constituted as audit, risk and improvement committees, with a requirement for an independent chair to enhance objectivity, accountability and oversight across the sector.

[13] Prior period errors are increasing.

[14] Government of Western Australia, *Local Government Regulations Amendment Regulations (No 4) 2025*, Western Australian Legislation, 17 Dec 2025, 9 February 2026.

We welcome these regulatory changes, which streamline oversight and reduce unnecessary administrative burden on entities. We hope to see positive impacts from these changes when we audit entities.

Governance expectations

We are often asked to meet separately with the council outside of entrance and exit meetings and may also be asked to attend the annual electors meeting. The requests stem from the requirement in 7.12A of the *Local Government Act 1995*, which requires a local government to meet with the auditor of the local government at least once in every year. LGIRS advice is if council formally delegated this responsibility, a meeting between the audit, risk and improvement committee and the auditor would satisfy this requirement.

Meeting with the auditors should occur in a non-public audit entrance and/or exit meeting. This is so conversations can occur outside of normal standing order meeting protocols and confidential matters can be discussed. These are the forum for members of council, the audit committee and administration to speak to their auditors. They are meetings to discuss risks, issues, progress, status and results. It's important these meetings are closed to the public to maintain confidentiality around audit sensitivities and to ensure public or media enquiries are addressed to the Auditor General directly for consideration, rather than audit staff.

We plan to provide guidance on meeting attendance to support a consistent approach to audit related meetings across the sector. This will help streamline processes for entities and ensure best value for money.

We are often asked by entities to meet pre-determined deliverable dates to attend meetings with council, audit, risk and improvement committees, and electors. This can become challenging when there are delays in the audit process. These delays are commonly linked to issues with entity work papers supporting the financial report, or matters requiring formal technical resolution. Greater flexibility from councils is appreciated when necessary to ensure timelines remain reasonable and achievable. The alternative is to stay with the set meetings and report based on the status at that point and specify what is outstanding and plan to resolution.

OAG insights and tips

Our observations from the year are largely unchanged from previous years, indicating entities need continued refinement of their operations.

Streamline the audit process

Entities should:

1. Submit good quality, reviewed and CEO-signed financial reports for audit, no later than 30 September. Earlier submission is encouraged. CEO certification should indicate that management and those charged with governance are satisfied the financial report is complete, accurate and supported by underlying work papers. Supporting work papers and reconciliations should be available when financial reports are lodged. All content should be error free.
2. Communicate to the auditor their assessment of the significance of errors and determine whether adjustments are required. Entities should also analyse the root cause of identified errors.
3. Communicate delays to financial report submission early to minimise disruptions and enable effective resource allocation. Flexibility may be required when rescheduling audits.
4. Evaluate opportunities to submit financial reports earlier for audit.
5. Exercise greater flexibility around committee and council meeting times.
6. Ensure council attend audit entrance and exit meetings with the audit, risk and improvement committee, or that an appropriate delegation is in place. Audit entry and exit meetings are not intended to be part of public proceedings, but are undertaken to communicate audit plans, timeframes and findings with relevant entity staff and committee members.

Better support for entities

The Department of Local Government, Industry Regulation and Safety (LGIRS) should:

7. Update LGFI data on the MyCouncil website as a priority following audit finalisation
8. Consider LGFI information along with other intelligence to proactively intervene and support entities with challenges.

LGIRS response to 7 and 8:

LGIRS recognises the importance of timely publication and updates LGFI data on the MyCouncil website once governance and quality assurance processes are completed. For future reporting years, LGFI data will be published by the end of April following finalisation of audited financial statements by 31 December and receipt of grant information by the end of February each year. This timing will be communicated to local governments via an LG Alert and on the MyCouncil website.

LGIRS continues to strengthen its governance and quality assurance processes to support timely reporting and enhanced transparency, including clearer internal verification milestones, more structured follow-up with local governments, and improved monitoring and oversight arrangements, in coordination with the Local Government Inspector where appropriate. These measures support earlier identification of emerging risks and more proactive engagement with local governments. LGFI information is considered within a broader monitoring and assurance framework and is assessed alongside audit outcomes, compliance activity and direct engagement, rather than in isolation.

The Local Government Inspector has the statutory powers to intervene where this is considered necessary. Any proactive engagement or intervention is undertaken in a measured and proportionate manner, having regard to the specific circumstances of each local government. LGIRS' approach is focused on the early identification of risk and the provision of guidance and support to assist local governments in addressing emerging challenges.

Improve reporting and accounting for fixed assets

Entities should:

9. Conduct asset counts/stocktakes to support the completeness and accuracy of asset records.
10. Review the newly released LGIRS valuation guide to ensure compliance.

Reduce financial report errors, versions and management letter findings

Entities should:

11. Establish robust financial report quality control procedures, incorporating review by the audit, risk and improvement committee and council.
12. Seek appropriate and timely independent advice when unsure on accounting and disclosure obligations.
13. Alert OAG audit engagement leaders to new processes or systems, issues encountered during the year, or any area of concern or technical accounting determinations.

LGIRS should:

14. Provide guidance for entities via model accounts on how to account for prior period errors.

LGIRS response to 14:

Guidance on the correction of prior period errors is included in the Guidance Material Annual Financial Report Models (2025) for Class 1 and 2 local governments and for Class 3 and 4 local governments. This guidance references the relevant disclosure and retrospective application requirements under AASB 101 and AASB 108.

While the existing material provides an appropriate framework, it is acknowledged that additional practical guidance may assist entities in applying these requirements in particular circumstances. Further enhancements to the guidance are being considered for inclusion in the 2026 annual guidelines. Where a local government identifies a material prior period error, early engagement with LGIRS is expected. While this expectation is not currently formalised in published guidance, it will be communicated through an LG Alert accompanying the updated annual Model Financial Statements, which will be published in Q2 of 2026.

LGIRS will provide guidance as required, including examples where appropriate, to support compliance with the applicable accounting and disclosure requirements. This approach maintains consistency with the existing legislative and accounting framework while allowing LGIRS to provide targeted and proportionate support based on the specific circumstances of each case.

Resources

OAG provide various tools to assist entities with audit readiness and better practice and are available on our website:

- Audit Readiness Tool
- Prepared by client listing
- Financial statements review
- Going concern assessment
- Western Australian Public Sector Audit Committees –Better Practice Guide
- Better practice guidance

LGIRS provide the following to assist entities monitor their performance and prepare their financial report.

- Government of Western Australia, *MyCouncil*, mycouncil.wa.gov.au, n.d., 9 February 2026.
- Department of Local Government, Industry Regulation and Safety, *Financial policy and accounting*, dlsgsc.wa.gov.au, 5 March 2026, 9 February 2026.

Appendix 1: Status and timeliness of audits

Type of audit opinion	
Clear (unmodified)	
Clear opinion with emphasis of matter, matter of significance paragraph or material uncertainty related to going concern	
Material uncertainty related to going concern	
Qualified or a disclaimer of opinion	
Qualified opinion with an emphasis of matter, matter of significance paragraph or material uncertainty related to going concern	

Financial report timeliness – audit ready submissions*	
Received financial report by statutory deadline of 30 September 2025 and assessed audit ready	
Received an extension from DLGSC to the statutory deadline and met this extension with audit ready financial report	
Extension or statutory deadline was not met with audit ready financial report	

** Financial report initially provided may not be of a quality that is audit ready. The icon in the table below reflects the date we assessed the financial report as audit ready.*

Entities listed in alphabetical order with opinion type, opinion date and audit ready financial report submission status.

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
1	Catalina Regional Council	Other		24/09/2025	
2	City of Albany	1		4/12/2025	
3	City of Armadale	1		12/12/2025	
4	City of Bayswater	1		1/12/2025	
5	City of Belmont	1		21/11/2025	
6	City of Bunbury	1		19/11/2025	
7	City of Busselton	1		19/11/2025	
8	City of Canning	1		3/12/2025	
9	City of Cockburn	1		26/11/2025	
10	City of Fremantle	1		3/12/2025	
11	City of Gosnells	1		5/12/2025	
12	City of Greater Geraldton	1		4/12/2025	

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
13	City of Joondalup	1	✓	17/11/2025	⏰
14	City of Kalamunda	2	✓	12/11/2025	⏰
15	City of Kalgoorlie-Boulder	1	✓	8/12/2025	⏰
16	City of Karratha	1	✓	28/11/2025	⏰
17	City of Kwinana	1	✓	25/11/2025	⏰
18	City of Mandurah	1	✓	11/12/2025	⏰
19	City of Melville	1	✓	15/12/2025	⏰
20	City of Perth	1	✓	28/11/2025	⏰
21	City of Rockingham	1	✓	24/10/2025	⏰
22	City of South Perth	2	✓	12/11/2025	⏰
23	City of Stirling	1	✓	16/12/2025	⏰
24	City of Subiaco	2	✓	5/12/2025	⏰
25	City of Swan	1	✓	25/11/2025	⏰
26	City of Vincent	2	✓	14/11/2025	⏰
27	City of Wanneroo	1	✓	19/11/2025	⏰
28	Eastern Metropolitan Regional Council	Other	✓	7/10/2025	⏰
29	Mindarie Regional Council	Other	✓	10/11/2025	⏰
30	Murchison Regional Vermin Council	Other	✓	12/12/2025	⏰
31	Resource Recovery Group	Other	✓	18/12/2025	⏰
32	Rivers Regional Council	Other	✓	21/02/2025	⏰
33	Shire of Ashburton	2	✓	21/11/2025	⏰
34	Shire of Augusta-Margaret River	2	✓	14/11/2025	⏰
35	Shire of Beverley	4	✓	4/11/2025	⏰
36	Shire of Boddington	4	✓	8/12/2025	⏰
37	Shire of Boyup Brook	4	✗	19/12/2025	⏰
38	Shire of Bridgetown-Greenbushes	3	✓	8/12/2025	⏰
39	Shire of Brookton	4	✓	20/11/2025	⏰

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
40	Shire of Broome	2		2/12/2025	
41	Shire of Broomehill-Tambellup	4		5/11/2025	
42	Shire of Bruce Rock	4		8/12/2025	
43	Shire of Capel	3		3/12/2025	
44	Shire of Carnamah	4		5/12/2025	
45	Shire of Carnarvon	2		5/12/2025	
46	Shire of Chapman Valley	4		4/12/2025	
47	Shire of Chittering	3		8/12/2025	
48	Shire of Christmas Island	3		4/12/2025	
49	Shire of Collie	3		19/12/2025	
50	Shire of Coolgardie	3		3/12/2025	
51	Shire of Corrigin	4		24/11/2025	
52	Shire of Cranbrook	4		11/11/2025	
53	Shire of Cuballing	4		4/12/2025	
54	Shire of Cue	4		8/12/2025	
55	Shire of Cunderdin	4		8/12/2025	
56	Shire of Dandaragan	3		4/12/2025	
57	Shire of Dardanup	3		21/11/2025	
58	Shire of Denmark	3		3/12/2025	
59	Shire of Derby-West Kimberley	2		24/11/2025	
60	Shire of Donnybrook Balingup	3		9/12/2025	
61	Shire of Dowerin	4		10/12/2025	
62	Shire of Dumbleyung	4		4/12/2025	
63	Shire of Dundas	4		10/12/2025	
64	Shire of East Pilbara	2		27/11/2025	
65	Shire of Esperance	2		5/12/2025	
66	Shire of Exmouth	3		3/12/2025	

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
67	Shire of Gingin	3		20/11/2025	
68	Shire of Gnowangerup	4		21/11/2025	
69	Shire of Goomalling	4		26/11/2025	
70	Shire of Harvey	2		20/11/2025	
71	Shire of Irwin	3		1/12/2025	
72	Shire of Jerramungup	4		27/11/2025	
73	Shire of Katanning	3		10/12/2025	
74	Shire of Kellerberrin	4		25/11/2025	
75	Shire of Kent	4		2/12/2025	
76	Shire of Kojonup	3		2/12/2025	
77	Shire of Kondinin	4		5/12/2025	
78	Shire of Koorda	4		16/10/2025	
79	Shire of Kulin	4		5/12/2025	
80	Shire of Lake Grace	4		25/11/2025	
81	Shire of Laverton	3		5/12/2025	
82	Shire of Leonora	3		22/12/2025	
83	Shire of Manjimup	2		25/11/2025	
84	Shire of Meekatharra	3		18/12/2025	
85	Shire of Menzies	4		21/11/2025	
86	Shire of Merredin	3		25/11/2025	
87	Shire of Mingenew	4		24/11/2025	
88	Shire of Moora	3		28/11/2025	
89	Shire of Morawa	4		27/11/2025	
90	Shire of Mount Marshall	4		1/12/2025	
91	Shire of Mukinbudin	4		13/11/2025	
92	Shire of Mundaring	2		2/12/2025	
93	Shire of Murchison	4		27/11/2025	

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
94	Shire of Murray	2	✔	18/11/2025	⏰
95	Shire of Nannup	4	✔	4/12/2025	⏰
96	Shire of Narembeen	4	✔	28/11/2025	⏰
97	Shire of Narrogin	3	✔	14/11/2025	⏰
98	Shire of Ngaanyatjarraku	4	✔	4/12/2025	⏰
99	Shire of Northam	2	✔	1/12/2025	⏰
100	Shire of Northampton	3	✔	15/12/2025	⏰
101	Shire of Nungarin	4	✔	3/12/2025	⏰
102	Shire of Peppermint Grove	4	✔	27/11/2025	⏰
103	Shire of Perenjori	4	✔	4/12/2025	⏰
104	Shire of Pingelly	4	✔	19/12/2025	⏰
105	Shire of Plantagenet	3	✔	15/12/2025	⏰
106	Shire of Quairading	4	✔	4/12/2025	⏰
107	Shire of Ravensthorpe	3	✔	4/12/2025	⏰
108	Shire of Sandstone	4	✔	15/12/2025	⏰
109	Shire of Serpentine-Jarrahdale	2	✔	12/11/2025	⏰
110	Shire of Shark Bay	4	✔	11/12/2025	⏰
111	Shire of Tammin	4	✔	2/12/2025	⏰
112	Shire of Three Springs	4	✔	2/12/2025	⏰
113	Shire of Toodyay	3	✖	23/12/2025	⏰
114	Shire of Trayning	4	✔	2/12/2025	⏰
115	Shire of Upper Gascoyne	4	✔	5/12/2025	⏰
116	Shire of Victoria Plains	4	✔	28/11/2025	⏰
117	Shire of Wagin	4	✔	14/11/2025	⏰
118	Shire of Wandering	4	✔	15/12/2025	⏰
119	Shire of Waroona	3	✔	21/11/2025	⏰
120	Shire of West Arthur	4	✔	10/12/2025	⏰

	Entity	Band	Type of opinion	Opinion issued	Audit ready submission of financial report
121	Shire of Westonia	4		4/12/2025	
122	Shire of Wickepin	4		4/12/2025	
123	Shire of Williams	4		9/12/2025	
124	Shire of Wiluna	4		2/12/2025	
125	Shire of Wongan-Ballidu	4		12/12/2025	
126	Shire of Woodanilling	4		4/12/2025	
127	Shire of Wyalkatchem	4		28/11/2025	
128	Shire of Wyndham-East Kimberley	2		25/11/2025	
129	Shire of Yilgarn	3		9/10/2025	
130	Shire of York	3		27/11/2025	
131	Town of Bassendean	3		14/11/2025	
132	Town of Cambridge	2		4/12/2025	
133	Town of Claremont	3		10/12/2025	
134	Town of Cottesloe	3		3/12/2025	
135	Town of Mosman Park	3		8/12/2025	
136	Town of Port Hedland	1		17/12/2025	
137	Town of Victoria Park	2		8/12/2025	
138	Western Metropolitan Regional Council	Other		17/10/2025	

Source: OAG

Opinion type by entity band allocations

Band of entity	Number of entities	Opinions issued	Clean opinions	Modified opinions	Opinions including EoM paragraphs
Band 1	23 (23)	23 (23)	23 (22)	0 (1)	6 (4)
Band 2	21 (21)	20 (21)	20 (20)	0 (1)	6 (5)
Band 3	35 (35)	32 (35)	31 (32)	1 (3)	5 (5)
Band 4	60 (60)	56 (59)	55 (52)	1 (7)	3 (5)
Other (e.g. councils)	8 (8)	7 (8)	7 (7)	0 (1)	2 (1)
Total	**147 (147)**	**138 (146)**	**136 (133)**	**2 (13)**	**22 (20)**

Source: OAG

Notes: 2024 numbers included in brackets.

Audits from prior years finalised in 2025

Entity	Balance date	Opinion issued	Opinion type
City of Greater Geraldton	30 June 2024	28 March 2025	
City of Nedlands*	30 June 2024	5 September 2025	
Shire of Bridgetown Greenbushes	30 June 2024	4 April 2025	
Shire of Collie	30 June 2024	20 May 2025	
Shire of Coolgardie	30 June 2024	23 June 2025	
Shire of Dundas	30 June 2024	9 April 2025	
Shire of Halls Creek*	30 June 2024	19 December 2025	
Shire of Nannup	30 June 2024	4 February 2025	
Shire of Toodyay	30 June 2024	13 June 2025	
Shire of Wickepin	30 June 2024	14 February 2025	
Town of Cottesloe	30 June 2024	14 February 2025	

Source: OAG

** These entities audits are also delayed for 2025 and were included in our Status of Local Government Audits 2025 report*[15]

[15] Office of the Auditor General, *Status of Local Government Audits 2025*, OAG website, 28 January 2026.

Appendix 2: Entities who received an extension from LGIRS to submit their financial report after the 30 September legislated deadline

Entity	Approved extension date
Resource Recovery Group	17 October 2025
Shire of Dundas	3 November 2025
Shire of Halls Creek	18 December 2025
Shire of Leonora	31 October 2025
Shire of Merredin	14 October 2025
Shire of Toodyay	1 October 2025
Shire of Wongan-Ballidu	10 October 2025
Town of Cottesloe	13 October 2025
Town of East Fremantle	31 October 2025

Source: LGIRS

Appendix 3: Qualified and disclaimer of opinions

2025 qualifications

Entity	Details of qualification
Shire of Boyup Brook	**Biological assets** We were unable to obtain sufficient appropriate audit evidence to verify the existence and number of biological assets at 30 June 2024, nor were we able to confirm the biological assets by alternative means. Our audit opinion on the annual financial report for the period ending 30 June 2024 was modified accordingly. Since the closing balance at 30 June 2024 of biological assets is the opening balance at 1 July 2024 and forms the basis for the determination of operations for the year, we were unable to determine whether any adjustments to the operations net result for the year ended 30 June 2025 may be necessary.
Shire of Toodyay	**Financial report comparative information not supported with complete and accurate underlying records** We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. Our opinion on the financial report for the year ended 30 June 2024 was modified accordingly. Our opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.
	Cash and cash equivalents The Shire's bank reconciliation at 30 June 2025 included an unreconciled balance of $22,991. We were unable to confirm this figure by alternative means and consequently were unable to determine whether any adjustments were necessary on cash and cash equivalents at 30 June 2025.
	Restatement of corresponding figures We were unable to obtain sufficient and appropriate audit evidence for the restatement of corresponding figures as set out in Note 28. We were unable to confirm these restatements by alternative means and consequently were unable to determine whether any adjustments were necessary to Note 28. In addition, Note 28 does not comply with the disclosure requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and it did not include all corrected line items in the statement of cash flow and the statement of financial activity.

Source: OAG

Delayed 2024 qualified and disclaimer of opinions

The below list of qualified and disclaimer of opinions is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Details of qualification or disclaimer
City of Nedlands	**Qualification** **Financial report comparative information not supported with complete and accurate underlying records** We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. The opinion on the financial report for the year ended 30 June 2023 was modified accordingly. The opinion on the current year financial report is also modified because of the

Entity	Details of qualification or disclaimer
	possible effect of this matter on the comparability of the current year's figures and the corresponding figures.
Shire of Halls Creek	**Qualification** **Financial report comparative information not supported with complete and accurate underlying records** We were unable to obtain sufficient and appropriate audit evidence regarding the prior year financial report, as the financial report was submitted for audit purposes without complete and accurate underlying records. The opinion on the financial report for the year ended 30 June 2023 was modified accordingly. The opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.
	Qualification **Restatement of corresponding figures** We were unable to obtain sufficient and appropriate audit evidence for the restatement of corresponding figures as stated in the Statement of Comprehensive Income, Statement of Cash Flows, Statement of Financial Activity and Note 28 of the financial report. We were unable to confirm these restatements by alternative means and consequently were unable to determine whether any adjustments were necessary on the corresponding figures of these statements.
	Qualification **Infrastructure assets not revalued as required by the Local Government (Financial Management) Regulations** Other Infrastructure assets reported at the carrying values of $6,460,241 and $6,963,171 as at 30 June 2023 and 30 June 2022 respectively in Note 9 (a) of the financial report have not been revalued as required by Regulation 17A(4A)(b) of the Local Government (Financial Management) Regulations 1996 since 30 June 2018. Consequently, we were unable to determine the extent to which the carrying amounts of other infrastructure assets are misstated, as it was impracticable to do so. Additionally, we are unable to determine whether there may be any consequential impact on Revaluation Surplus as at 30 June 2023 and 30 June 2022, as well as Depreciation, Net Result for the Period and Retained Surplus as at 30 June 2023.
Shire of Nannup	**Qualification** **Land and buildings and infrastructure** The opinion in the prior year was qualified because land, buildings and infrastructure with carrying values of $1,615,000, $8,737,435 and $100,957,611 respectively disclosed in Notes 8(a) and 9(a) of the financial report as at 30 June 2023, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Wickepin	**Qualification** **Infrastructure asset valuation** The opinion in the prior year was qualified because infrastructure assets reported at the carrying value of $92,213,435 as disclosed in Note 7(a) as at 30 June 2023, had not been revalued as required by the Regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

Entity	Details of qualification or disclaimer
Shire of Toodyay	**Disclaimer** **Financial report not supported with complete and accurate underlying records** We were unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole, as the financial report was submitted for audit purposes without complete and accurate underlying records. We were unable to audit the financial report by alternative means. Consequently, we are unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2024.

Source: OAG

Appendix 4: Prior year qualifications and disclaimers removed in 2025

Entity	Details of prior year qualification
Shire of Goomalling	**Infrastructure** The opinion in the prior year was qualified because infrastructure asset classes of roads, drainage and footpaths (as disclosed in note 8(a) of the financial report at 30 June 2023) with the carrying values of $40,811,938, $2,153,484 and $770,060 respectively, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Kent	**Infrastructure** The opinion in the prior year was qualified because other infrastructure assets (as disclosed in note 9(a) of the financial report at 30 June 2023) with a carrying value of $4,867,091, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Nannup	**Land and buildings and infrastructure** The opinion in the prior year was qualified because land, buildings and infrastructure assets (disclosed in notes 8(a) and 9(a) of the financial report at 30 June 2023) with carrying values of $1,615,000, $8,737,435 and $100,957,611 respectively, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Westonia	**Infrastructure** The opinion in the prior year was qualified because infrastructure assets (as disclosed in note 9(a) of the financial report at 30 June 2023) with a carrying value of $43,562,879, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
Shire of Wickepin	**Infrastructure assets valuation** The opinion in the prior year was qualified because infrastructure assets (as disclosed in note 7(a) of the financial report at 30 June 2023) reported at the carrying value of $92,213,435, had not been revalued as required by the regulations. The Shire was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is modified because of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.
Town of Port Hedland	**Infrastructure assets valuations** The Town did not recognise 670 (2023:797) infrastructure assets with a value of $17,371,521 (2023: $25,112,117) in accordance with the Regulation 17A(2)(a) of the Local Government Financial Management Regulations 1996, as these assets could not be located due to weaknesses in the asset management system. The assets were instead adjusted to a nil carrying value while still being in use and accounted for in the asset register. We were unable to determine the

Entity	Details of prior year qualification
	impact on the net carrying amount of infrastructure assets and the consequential impact on retained earnings, revaluation reserves, depreciation and net surplus for the year, as it is impracticable to do so. In addition, the opinion in the prior year was qualified because drainage and other infrastructure assets, reported at a carrying value of $33,243,203 and $47,582,860 respectively (as disclosed in note 9 to the financial statements at 30 June 2023), were not all revalued as required by the regulations. The Town was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures. **Investment property** The opinion in the prior year was qualified because investment property (as disclosed in note 12 of the financial report at 30 June 2023) with the carrying value of $45,027,262, had not been revalued as required by the regulations. The Town was unable to correct these prior year figures in the current year. Consequently, the opinion on the current year financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

Source: OAG

Entity	Details of prior year disclaimer
Shire of Toodyay	**Financial report not supported with complete and accurate underlying records** We were unable to obtain sufficient appropriate audit evidence regarding the financial report as a whole, as the financial report was submitted for audit purposes without complete and accurate underlying records. We were unable to audit the financial report by alternative means. Consequently, we were unable to determine whether any adjustments were necessary to the financial report as a whole for the year ended 30 June 2024.

Source: OAG

Appendix 5: Emphasis of matter paragraphs included in auditor reports

2025 emphasis of matter paragraphs

Entity	Description of EoM paragraphs
City of Bayswater	**Investment in Associates** We draw attention to note 27 to the financial report, which states that effective 1 July 2025, two member participants have resolved to withdraw as member participants from Eastern Metropolitan Regional Council effective from 1 July 2025. The City continues to be a member council participant. Our opinion is not modified in respect of this matter.
City of Busselton	**Restatement of Comparative balances** We draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Joondalup	**Restatement of Comparative balances** We draw attention to Note 26 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.
City of Kwinana	**Restatement of comparative figures** We draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Subiaco	**Restatement of comparative balances** We draw attention to Note 31 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
City of Swan	**Investment in Associates** We draw attention to Note 25 to the financial report, which states that the City has resolved to withdraw as a member participant from Eastern Metropolitan Regional Council effective from 1 July 2025. Our opinion is not modified in respect of this matter.
Rivers Regional Council	**Basis of accounting** We draw attention to Note 1 of the financial report, which discloses that the Council has decided to wind up Rivers Regional Council. Consequently, the financial report has been prepared on a liquidation basis. Our opinion is not modified in respect of this matter.
Shire of Bruce Rock	**Restatement of comparative balances** We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Coolgardie	**Restatement of comparative figures** We draw attention to Note 31 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated

Entity	Description of EoM paragraphs
	and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Dardanup	**Restatement of comparative balances** We draw attention to Note 30 of the financial statements which states that the amounts reported in the previously issued 30 June 2024 financial statements have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.
Shire of Denmark	**Restatement of Comparative balances** We draw attention to Note 29 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Manjimup	**Restatement of Comparative Balances** We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Meekatharra	**Restatement of Comparative balances** We draw attention to Note 25 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Mundaring	**Investment in Associates** We draw attention to Note 22 to the financial report, which states that the Shire has resolved to withdraw as a member participant from Eastern Metropolitan Regional Council effective from 1 July 2025. Our opinion is not modified in respect of this matter.
Shire of Serpentine-Jarrahdale	**Correction of Error** We draw attention to Note 34 of the financial report which states that previously unrecognised assets have been recognised prospectively at 30 June 2025 as retrospective restatement was impracticable. Our opinion is not modified in respect of this matter.
Shire of Shark Bay	**Restatement of Comparative Balances** We draw attention to Note 27 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Shire of Williams	**Restatement of comparative figures** We draw attention to Note 29 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Resource Recovery Group	**Basis of Accounting** We draw attention to Note 1 of the financial report which describes the basis of accounting and that the financial report has been prepared on a non-going concern basis for the reasons set out therein. Our opinion is not modified in respect of this matter.
Town of Bassendean	**Investment in Associates** We draw attention to Note 22 to the financial report, which states that effective 1 July 2025, two member participants have resolved to withdraw as member

Entity	Description of EoM paragraphs
	participants from Eastern Metropolitan Regional Council effective from 1 July 2025. The Town continues to be a member council participant. Our opinion is not modified in respect of this matter.
Town of Cambridge	**Restatement of Comparative Balances** We draw attention to Note 31 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Town of Port Hedland	**Restatement of comparative figures** We draw attention to Note 33 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.
Town of Victoria Park	**Restatement of comparative figures** We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in these financial statements. Our opinion is not modified in respect of this matter.

Source: OAG

2024 delayed emphasis of matter paragraphs

The below list of emphasis of matter paragraphs is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Description of EoM paragraphs
City of Nedlands	**Restatement of assets, liabilities and equity as at 1 July 2023** We draw attention to Note 29 of the financial report which states that historical errors in assets, liabilities and equity amounts reported have been corrected in opening balances as at 1 July 2023 in this financial report. Our opinion is not modified in respect of this matter.
Town of Cottesloe	**Restatement of Comparative balances** We draw attention to Note 30 of the financial report which states that the amounts reported in the previously issued 30 June 2023 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.

Source: OAG

Appendix 6: Delayed 2024 audit material uncertainty related to going concern paragraph

The below list of material uncertainty relating to going concern (MURGC) paragraph is for those entities listed in Appendix 1 which had their 2024 audits finalised in 2025.

Entity	Description of MURGC paragraph
Shire of Coolgardie	**Material uncertainty related to going concern** We draw attention to Note 1 in the financial report, which indicates that the Shire incurred a net loss of $4,617,984 for the year ended 30 June 2024 and as of that date, the Shire's current liabilities exceeded its current assets by $14,210,643 and the unrestricted cash balance was overdrawn by $934,081. As stated in Note 1, these events, or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Shire 's ability to continue as a going concern. The audit opinion is not modified in respect of this matter.

Source: OAG

Appendix 7: Local government certifications issued since September 2025

Certifications issued for 2025

Entity and opinion	Opinion issued
City of Bayswater Local Roads and Community Infrastructure Program (Phases 1-4)	 31 October 2025
City of Mandurah Roads to Recovery Local Roads and Community Infrastructure Program (Phase 4)	 5 November 2025 5 November 2025
City of Busselton Roads to Recovery Local Roads and Community Infrastructure Program	 14 November 2025 14 November 2025

Source: OAG

Outstanding certifications issued from 2021-22

Entity and opinion	Opinion issued
Shire of Halls Creek Local Roads and Community Infrastructure Program	 23 December 2025

Source: OAG

Note: the cut-off date is 24 March 2026.

Appendix 8: Other local government opinions issued since September 2025

Entity	Opinion issued
Shire of Yalgoo 2023	19 February 2026
Shire of Yalgoo 2024	19 February 2026
Shire of Dalwallinu	23 March 2026

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 9: Local government current ratios for 2025

Below are the calculated current ratios for each local government for the past two years. The current ratio calculated as the current assets divided by current liabilities. A current ratio of less than one means an entity has more current liabilities than current assets, meaning they may not be able to pay their debts as and when they fall due.

Entity	Band	Current ratio 2025	Current ratio 2024
Bunbury-Harvey Regional Council	Other	NCWST	1.70
City of Albany	1	3.30	3.46
City of Armadale	1	3.52	3.11
City of Bayswater	1	4.41	4.27
City of Belmont	1	5.34	6.92
City of Bunbury	1	2.29	2.24
City of Busselton	1	3.90	4.26
City of Canning	1	4.14	4.11
City of Cockburn	1	4.75	5.56
City of Fremantle	1	2.39	2.75
City of Gosnells	1	2.41	3.17
City of Greater Geraldton	1	1.91	2.66
City of Joondalup	1	3.47	3.60
City of Kalamunda	2	3.57	2.78
City of Kalgoorlie - Boulder	1	1.61	2.55
City of Karratha	1	9.15	8.45
City of Kwinana	1	1.90	1.99
City of Mandurah	1	2.35	2.41
City of Melville	1	4.32	5.25
City of Nedlands	2	NCWST	2.31
City of Perth	1	6.10	5.94
City of Rockingham	1	3.40	3.99
City of South Perth	2	3.88	3.55
City of Stirling	1	3.16	2.77
City of Subiaco	2	12.03	9.87
City of Swan	1	4.36	3.57
City of Vincent	2	3.06	2.72
City of Wanneroo	1	4.40	4.90
Eastern Metropolitan Regional Council	Other	1.75	2.32
Mindarie Regional Council	Other	3.28	4.83
Murchison Regional Vermin Council	Other	3.10	2.33

Entity	Band	Current ratio 2025	Current ratio 2024
Rivers Regional Council	Other	8.31	5.06
Shire of Ashburton	2	4.92	4.46
Shire of Augusta-Margaret River	2	2.48	2.77
Shire of Beverley	4	2.70	2.14
Shire of Boddington	4	1.92	1.84
Shire of Boyup Brook	4	2.32	2.91
Shire of Bridgetown-Greenbushes	3	1.70	2.55
Shire of Brookton	4	11.38	10.52
Shire of Broome	2	3.64	4.01
Shire of Broomehill-Tambellup	4	2.89	4.18
Shire of Bruce Rock	4	3.01	3.15
Shire of Capel	3	2.30	4.21
Shire of Carnamah	4	4.07	5.03
Shire of Carnarvon	2	2.17	2.46
Shire of Chapman Valley	4	2.00	2.36
Shire of Chittering	3	2.18	1.89
Shire of Christmas Island	3	2.52	2.45
Shire of Cocos (Keeling) Islands	4	NCWST	9.42
Shire of Collie	3	2.22	1.86
Shire of Coolgardie	3	0.57	0.17
Shire of Coorow	4	NCWST	3.75
Shire of Corrigin	4	10.60	7.10
Shire of Cranbrook	4	5.97	7.99
Shire of Cuballing	4	2.15	2.33
Shire of Cue	4	17.13	12.93
Shire of Cunderdin	4	4.25	7.00
Shire of Dalwallinu	3	NCWST	6.08
Shire of Dandaragan	3	4.81	3.83
Shire of Dardanup	3	2.98	3.53
Shire of Denmark	3	2.49	2.24
Shire of Derby-West Kimberley	2	0.96	0.95
Shire of Donnybrook-Balingup	3	2.82	2.24
Shire of Dowerin	4	5.13	4.87
Shire of Dumbleyung	4	9.66	7.15
Shire of Dundas	4	3.68	5.81
Shire of East Pilbara	2	5.43	7.34
Shire of Esperance	2	5.07	5.32

Entity	Band	Current ratio 2025	Current ratio 2024
Shire of Exmouth	3	8.39	6.71
Shire of Gingin	3	2.70	2.60
Shire of Gnowangerup	4	4.19	5.46
Shire of Goomalling	4	1.07	1.30
Shire of Halls Creek	3	NCWST	2.73
Shire of Harvey	2	2.30	2.35
Shire of Irwin	3	0.92	1.09
Shire of Jerramungup	4	4.32	4.14
Shire of Katanning	3	2.27	2.40
Shire of Kellerberrin	4	2.51	3.43
Shire of Kent	4	12.23	10.26
Shire of Kojonup	3	2.46	1.50
Shire of Kondinin	4	3.90	6.45
Shire of Koorda	4	7.27	6.92
Shire of Kulin	4	4.90	4.04
Shire of Lake Grace	4	7.62	13.96
Shire of Laverton	3	6.17	4.54
Shire of Leonora	3	4.42	3.75
Shire of Manjimup	2	3.42	3.50
Shire of Meekatharra	3	28.45	25.36
Shire of Menzies	4	11.32	11.85
Shire of Merredin	3	4.90	3.25
Shire of Mingenew	4	2.87	2.98
Shire of Moora	3	1.94	3.65
Shire of Morawa	4	6.64	6.61
Shire of Mount Magnet	4	NCWST	5.90
Shire of Mount Marshall	4	4.37	2.85
Shire of Mukinbudin	4	4.83	4.19
Shire of Mundaring	2	3.71	3.89
Shire of Murchison	4	2.26	3.05
Shire of Murray	2	2.38	2.89
Shire of Nannup	4	2.53	2.96
Shire of Narembeen	4	6.14	8.24
Shire of Narrogin	3	3.85	3.41
Shire of Ngaanyatjarraku	4	37.74	10.03
Shire of Northam	2	2.38	2.45
Shire of Northampton	3	1.47	2.10

Entity	Band	Current ratio 2025	Current ratio 2024
Shire of Nungarin	4	5.04	5.93
Shire of Peppermint Grove	4	4.83	4.50
Shire of Perenjori	4	4.69	3.99
Shire of Pingelly	4	2.84	2.09
Shire of Plantagenet	3	3.49	5.41
Shire of Quairading	4	5.38	4.50
Shire of Ravensthorpe	3	3.96	3.80
Shire of Sandstone	4	16.22	32.52
Shire of Serpentine-Jarrahdale	2	2.53	2.56
Shire of Shark Bay	4	6.94	2.70
Shire of Tammin	4	11.07	12.76
Shire of Three Springs	4	7.97	5.34
Shire of Toodyay	3	2.19	2.21
Shire of Trayning	4	6.39	4.31
Shire of Upper Gascoyne	4	3.24	3.30
Shire of Victoria Plains	4	0.81	1.52
Shire of Wagin	4	5.19	6.45
Shire of Wandering	4	1.13	1.55
Shire of Waroona	3	2.60	2.28
Shire of West Arthur	4	4.07	4.46
Shire of Westonia	4	9.74	14.69
Shire of Wickepin	4	8.48	10.74
Shire of Williams	4	3.38	4.82
Shire of Wiluna	4	6.79	11.30
Shire of Wongan-Ballidu	4	4.02	5.87
Shire of Woodanilling	4	3.63	2.95
Shire of Wyalkatchem	4	4.53	14.88
Shire of Wyndam-East Kimberley	2	1.82	3.12
Shire of Yalgoo	4	NCWST	NCWST
Shire of Yilgarn	3	10.45	10.53
Shire of York	3	1.77	2.95
Resource Recovery Group	Other	1.58	1.94
Catalina Regional Council	Other	30.98	93.29
Town of Bassendean	3	2.77	2.55
Town of Cambridge	2	5.89	5.31
Town of Claremont	3	4.25	3.94
Town of Cottesloe	3	2.91	3.05

Entity	Band	Current ratio 2025	Current ratio 2024
Town of East Fremantle	3	NCWST	2.08
Town of Mosman Park	3	3.48	3.17
Town of Port Hedland	1	8.95	12.07
Town of Victoria Park	2	3.60	3.78
Western Metropolitan Regional Council	Other	2.41	2.13

Source: OAG

NCWST: audit not completed within statutory timeframes, data was not available at the cut-off date of this report.

Average current ratio by band

Refer to the below table which shows the average ratio across each band of local government.

Band	2025 Average	2025 Median	2024 Average	2024 Median
Band 1	3.98	3.52	4.35	3.60
Band 2	3.76	3.42	3.73	3.12
Band 3	4.08	2.60	3.89	2.95
Band 4	6.11	4.35	6.38	4.84
Other (regional councils)	7.35	2.76	14.20	2.33
Sector overall	5.00	3.63	5.51	3.75

Source: OAG

Appendix 10: Other certifications issued since September 2025

Certifications issued for 2025

Entity and opinion	Opinion issued
Western Australian Land Authority	
Royalties for Regions - Collie Eco-Concrete Feasibility Study & Peel Business Park Activation - Aryzta Bakery	1 December 2025
Commissioner for Main Roads	
National Partnership on Infrastructure Projects in Western Australia	18 December 2025
Black Spot Projects (*National Land Transport Act 2014*)	18 December 2025
Land Transport Infrastructure Projects (*National Land Transport Act 2014*)	18 December 2025
Department of Local Government, Industrial Relations and Safety	
Local Government Financial Assistance Act 1995	20 January 2026
Department of Creative Industries, Tourism and Sport	
Royalties for Regions– Regional Exhibition Touring Boost Project- Final Report	26 February 2026

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 11: Other opinions issued since September 2025

Entity and opinion	Opinion issued
Albany Cemetery Board	25 November 2025
Bunbury Cemetery Board	26 November 2025
Electricity Networks Corporation trading as Western Power - agreed upon procedures	17 December 2025
Kalgoorlie-Boulder Cemetery Board	5 December 2025
Keep Australia Beautiful Council (W.A.)	11 November 2025
Trustees of the Public Education Endowment	26 November 2025
Western Australian Greyhound Racing Association	1 December 2025

Source: OAG

Note: the cut-off date for this appendix is 24 March 2026.

Appendix 12: Opinion and management letter definitions

In the auditor's report we include the audit opinion on the annual financial report and any other matters that, in our judgement, need to be highlighted. This year the Auditor General has issued the following types of opinions:

- **Clear opinion**: Indicates satisfactory financial controls. The financial report is based on proper accounts, complies with relevant legislation and accounting standards, and fairly represents performance and financial position.
- **Clear opinion with an EoM:** Draws attention to a matter disclosed in the financial report to aid the readers understanding but does not result in a qualified opinion.
- **Qualified opinion:** Given when the audit identifies materially misleading information, inadequate controls or conflicts with the financial reporting frameworks.
- **Disclaimer of opinion:** The most serious audit outcome, issued when the auditor is unable to form an opinion due to insufficient evidence to form an opinion after all reasonable efforts.

We report weaknesses in the control environment to the CEO, mayor, president or chairperson and the Minister for Local Government. Findings will be rated as significant, moderate or minor. We also indicate if the finding has the potential to impact the audit opinion and if it relates to the prior year and remains unresolved. Both quantitative and qualitative aspects guide our ratings.

Risk category	Audit impact	Management action required
Significant	Findings where there is potentially a significant risk to the entity should it not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit opinion, it should be addressed promptly.	Priority or urgent action by management to correct the material misstatement in the financial report to avoid a qualified opinion or for control risks, implement a detailed action plan as soon as possible, within one to two months.
Moderate	Findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.	Control weaknesses of sufficient concern to warrant action being taken as soon as practicable, within three to six months. If not addressed promptly, they may escalate to significant or high risk.
Minor	Those findings that are not of primary concern but still warrant action being taken.	Management to implement an action plan within six to 12 months to improve existing process or internal control.

Source: OAG

We give management the opportunity to review our audit findings and provide comments prior to completion of the audit. Each control finding is documented in a management letter which identifies weakness, implications for the entity, risk category and a recommended improvement action.

Auditor General's 2025-26 reports

Number	Title	Date tabled
13	Local Government 2025 – Financial Audit Results	15 April 2026
12	Local Government 2025 – Information System Audit Results	25 March 2026
11	Local Government Management of Gifts and Benefits	18 March 2026
10	Controls Over Portable Assets – State Entities	6 March 2026
9	Microsoft 365 Security Controls – State Entities	6 March 2026
8	Local Government Audit Status Report	28 January 2026
7	State Government 2025 – Information Systems Audit Results	3 December 2025
6	State Government 2025 – Financial Audit Results	3 December 2025
5	Valuation of Property Held by the Public Education Endowment Trust	3 December 2025
4	WA's Progress to Implement the National Principles for Child Safe Organisations (arising from the Royal Commission into Institutional Responses to Child Sexual Abuse)	27 November 2025
3	Maintaining Regional Local Roads	12 November 2025
2	Gold Corporation – Trade Applications	29 October 2025
1	Management of Housing Maintenance Information	6 August 2025

Office of the Auditor General
for Western Australia

7th Floor Albert Facey House
469 Wellington Street, Perth

T: 08 6557 7500
E: info@audit.wa.gov.au

www.audit.wa.gov.au

@OAG_WA

Office of the Auditor General
for Western Australia

Department of **Local Government, Industry Regulation and Safety**

GOVERNMENT OF WESTERN AUSTRALIA

Local Government Alert

Guidance on requirements to review local law reviews by December 2026

Under the *Local Government Act 1995* (the Act) local governments are required to undertake a review of local laws subject to transitional arrangements of the *Local Government Amendment Act 2024*.

Transitional provisions in clause 65 of Schedule 9.3 require local governments to review local laws **that have not been reviewed within the 8 years prior to legislative amendments being made**. This requirement does not apply to local laws already reviewed during that period.

These reviews must be completed by **7 December 2026**. **Local laws not reviewed by this date will lapse.**

Pursuant to section 3.16 of the Act a review is considered complete when the local government has:

- given public notice of a review and invited submissions for a 6-week period
- considered any submissions received
- prepared and submitted a report of the review to council
- resolved whether the local law should be repealed, amended or remain unchanged.

Local governments are advised that there is no ability to extend the statutory review deadline and the Minister's exemption power under section 9.63A is only available where an exemption is reasonably necessary due to an emergency or unusual circumstances and supported by evidence.

Meeting procedures local laws

Reforms to introduce standardised meeting procedures regulations are progressing. These regulations are being developed with the sector to be consulted, through the Regulations Working Group, later in 2026.

It's anticipated the new standardised meeting procedures will be implemented in 2027-28.

If undertaking a review of a meeting procedures or standing orders local law, local governments may wish to reference these forthcoming reforms in their public notice, associated consultation materials and report/s to council. Suggested wording is provided below:

"The Department of Local Government, Industry Regulation and Safety is progressing standard meeting procedures regulations to create uniform requirements and replace existing local laws. These reforms are expected to be implemented in 2027-28. This upcoming reform process should be considered when providing comments and proposing any further action.

Public notice options

Local governments concerned about the cost of meeting public notice requirements for reviewing standing order or meeting procedure local laws may contact LGIRS to explore alternative publication options during this transition period.

LGIRS can facilitate publication on the Department's website to support transitional provisions and assist local governments in meeting local public notice requirements in accordance with section 1.7 of the Act and regulation 3A of the Local Government (Administration) Regulations 1996.

Enquiries regarding this option can be directed to legislation@lgirs.wa.gov.au.