

## 12 MINUTES OF COMMITTEES

### 12.1 Minutes: Audit, Risk and Improvement Committee - 4 December 2024

Responsible Director: Office of the Chief Operating Officer

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#### Attachments

- 1 Minutes: Audit, Risk and Improvement Committee - 04/12/2024 [↓](#)

#### Enclosures

Nil

### **RECOMMENDED**

That the Minutes of the Audit, Risk and Improvement Committee meeting held on 4 December 2024 be received and accepted.

#### Background

Attached for Councillors' information are the minutes of the Audit, Risk and Improvement Committee meeting held on 4 December 2024.



**MINUTES OF THE  
MEETING OF THE AUDIT, RISK AND  
IMPROVEMENT COMMITTEE**

**commencing at 10am on**

**WEDNESDAY 4 DECEMBER 2024**

**Council Chambers, 11 Manning Street, KIAMA NSW 2533**

**Item 12.1**

**Attachment 1**

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**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**4 DECEMBER 2024**

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**MINUTES OF THE  
AUDIT, RISK AND IMPROVEMENT COMMITTEE  
HELD IN THE COUNCIL CHAMBERS  
ON WEDNESDAY 4 DECEMBER 2024 AT 10AM**

**PRESENT:** Mr David Pendleton (Chair)  
Mr Jim Mitchell  
Ms Rhonda Wheatley – by Teams  
Councillor Melinda Lawton (non-voting)

**IN ATTENDANCE:** Joe Gaudiosi – Chief Operating Officer  
Peter Luke – Acting Director Infrastructure and Liveability  
Ed Paterson – Director Planning, Environment and Communities  
Olena Tulubinska – Chief Financial Officer – by Teams  
Sally Darragh – Internal Auditor  
Renee Winston – Manager People and Performance  
Kimberley Norton – Head of Implementation  
Mubashshir Hassan – Associate Director - Financial Audit | NSW  
Audit Office – by Teams  
Mayor, Councillor Cameron McDonald – by Teams  
Orlando Barrun – Chief Information Security Officer – Illawarra  
Regional Councils

**1 APOLOGIES**

Received from:

Jane Stroud, Chief Executive Officer  
Michael Kharzoo – Director - Financial Audit | NSW Audit Office

**2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair acknowledged the traditional owners.

**3 DECLARATIONS OF INTEREST**

Nil.

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

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## 4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

### 4.1 Audit, Risk and Improvement Committee meeting on 23 October 2024

[24/034ARIC](#)

**Committee recommendation** that the Minutes of the Audit, Risk and Improvement Committee meeting held on 23 October 2024, and endorsed by Council at the 20 November 2024 ordinary meeting, be received and accepted.

(Member Mitchell)

## 5 BUSINESS ARISING FROM THE MINUTES

Nil.

## 6 ARIC ACTIONS ARISING

### 6.1 Actions arising from previous meetings

[24/035ARIC](#)

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the report on action items arising from previous meetings.

(Member Mitchell)

Action item 7.5 from the 23 October 2024 meeting and action item 7.6 from the 12 December 2023 meeting can be closed.

The COO introduced the new staff present being Ed Parterson (Director Planning, Environment and Communities), Kimberley Norton (Head of Implementation) and Peter Luke (acting Director Infrastructure and Liveability).

## 7 ARIC STANDARD REPORTS

### 7.1 Cyber Security Policy

[24/036ARIC](#)

**Committee recommendation** that the Audit, Risk and Improvement Committee note the Cyber Security Policy.

(Member Mitchell)

Orlando Barrun entered the meeting at 10.12am.

**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**4 DECEMBER 2024**

Discussion points:

- Orlando explained his role working with Illawarra councils to ensure policy and strategies are in place.
- The Kiama Cyber Security Policy was developed based on recommendations of the Office of Local Government cyber security guidelines, and alignment with the Kiama Council Community Strategic Plan, Council's risk appetite, Council's risk management framework and the Australian Cyber Security Centre Essential 8.

**7.2 Statement of Investments - October 2024**

**24/037ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information relating to the Statement of Investments as at 30 October 2024.

(Member Mitchell)

Discussion points:

- Counter party limit non-compliance continued in October and was reported to the November Council meeting.
- The Chair suggested that Council review counter party limits and how they work as solid controls around investments are needed.

**7.3 Quarterly Budget Review and Monthly Financial Statements -  
September 2024**

**24/038ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee notes:

1. the quarterly budget review statement and budget changes for the quarter ending 30 September 2024.
2. the Long-Term Financial Plan (LTFP) will be updated and presented to Council at the February 2025 meeting.

(Members Mitchell and Wheatley)

Rhonda Wheatley joined the meeting at 10.41am.

Discussion points

- The big adjustment to the QBR is due to legal expenses and increased waste disposal costs.
- The COO provided an update on the Blue Haven Bonaira sale and noted that a report will be going to the December Council meeting. Council remains confident that settlement will occur in February 2025.

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MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE

4 DECEMBER 2024

- The delay in the Blue Haven Bonaira sale has eroded Council's operating position by \$5-6M.

#### 7.4 Update on internal audit activities

##### 24/039ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes:

1. the findings and recommendations in the grants management internal audit report.
2. the progress of the audits according to the strategic internal audit plan for 2025-2028.

(Members Wheatley and Mitchell)

Discussion points:

- InConsult continue to work with Finance on recommendations from the internal audit of financial management and will report to the next Audit, Risk and Improvement Committee (ARIC) meeting. The Finance team are currently working through many of the recommendations, while the report is being finalised.
- **Action:** the CEO to invite the Auditor General to an ARIC meeting in 2025, aiming for the April meeting.
- The internal audit of grants management has been completed and given a moderate risk rating. Policy and procedures require strengthening with one of the key findings being the lack of a pre-approval process, where a business case should be put to the executive.
- The Chair suggested that the ARIC's formalised workplan be regularly included in the business papers to ensure the Committee is tracking well and meeting its responsibilities.

Councillor McDonald left the meeting at 10.59am.

#### 7.5 Progress report on implementation of audit recommendations

##### 24/040ARIC

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information in the progress report for internal audit recommendations and approves the time extensions requested for the Fraud & Corruption internal audit and the Delegations internal audit.

(Members Wheatley and Mitchell)

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**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**4 DECEMBER 2024**

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Discussion points:

- An Asset Management Steering Committee (AMSC) has been established and will review the target dates for actions and report new target dates back to the next meeting of the ARIC.
- Member Rhonda Wheatley recommended the AMSC look at splitting up some of the actions into smaller parts, particularly for those large projects to better track progress being made.

## **7.6 Risk Report**

### **24/041ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the information on risk management activity contained in this report.

(Members Mitchell and Wheatley)

Discussion points:

- The accounts receivable module in TechOne went live in November 2024.
- The TechOne roadmap was approved by Council at the November 2024 meeting.
- Council's Community Transport program has been taken over by Coast and Country Community Services from 29 November 2024.
- The new salary structure went live in November 2024.
- Enterprise Risk Management results are improving however Council's building asset programs and project management require attention.
- Service Reviews have all highlighted facilities maintenance as an issue.

## **7.7 2023-24 Final Audit Management Letter**

### **24/042ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee:

1. Note the issues identified in the Management Letter on the Final Phase of the Audit for the Year Ended 30 June 2024.
2. Note the progress made by Council in addressing prior year matters raised by external auditors.

(Members Wheatley and Mitchell)

Mubashshir Hassan from the Audit Office presented the Management Letter to the ARIC noting:

- There are 9 current year issues, 2 of them repeat and 7 new with 8 being moderate risk and 1 low.
- Management has closed off 10 issues from 2021-2023 resulting in the unqualified opinion being removed.

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**MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE**

**4 DECEMBER 2024**

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- Eleven prior year issues will be treated as part of the 2024-25 audit.
- Internal Auditor confirmed that the Management Letter issues will be added to the register of internal audit recommendations.

**7.8 2023-24 Audited Financial Statements**

**24/043ARIC**

**Committee recommendation** that the Audit, Risk and Improvement Committee notes the audited Financial Statements and the Auditor's Reports for the Year Ended 30 June 2024.

(Members Mitchell and Wheatley)

**8 GENERAL BUSINESS**

The Chair thanked the staff for their achievements throughout the year and wished everyone a merry Christmas.

The COO thanked the ARIC members for their time, commitment and valuable guidance and direction over the past 12 months.

Meeting dates for 2025 will be determined to align with Council meetings and financial statement requirements.

**9 CLOSURE**

There being no further business the meeting closed at 11.23am.

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025.

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Chair



**12.2 Minutes: Blue Haven Advisory Committee - 11 December 2024**

Responsible Director: Office of the Chief Operating Officer

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**Attachments**

- 1 Minutes of Blue Haven Advisory Committee meeting held on 11 December 2024 [↓](#)

**Enclosures**

Nil

***RECOMMENDED***

That the Minutes of the Blue Haven Advisory Committee meeting held on 11 December 2024 be received and accepted.



**MINUTES OF THE  
BLUE HAVEN ADVISORY COMMITTEE  
MEETING**

commencing at 1:00 PM on

**WEDNESDAY 11 DECEMBER 2024**

RSL Room, 11 Manning Street, KIAMA NSW 2533

**Item 12.2**

**Attachment 1**

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE HELD AT  
KIAMA COUNCIL, KIAMA, ON WEDNESDAY 11 DECEMBER 2024 AT  
1:00 PM**

**PRESENT:** Chair Elizabeth Kelly, Paul Sadler, Christine Petersen

**IN ATTENDANCE:** Joe Gaudiosi, Andrew Brady, Abraham Nyanzero

**1 APOLOGIES**

Mayor, Councillor Cameron McDonald, Jane Stroud - CEO

**2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair declared the meeting open and acknowledged the traditional owners:

*“On behalf of those present, I would like to show my respect and acknowledge the traditional owners of the Land, of Elders past and present, on which this meeting takes place, and extend that respect to other Aboriginal and Torres Strait Islander people present.”*

**3 DISCLOSURE OF INTEREST**

**4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**4.1 Confirmation of Minutes of the Blue Haven Advisory Committee Meeting on 3 July 2024**

*24/004BLU*

*Resolved that the Minutes of the Blue Haven Advisory Committee meeting held on 3 July 2024 be received and accepted.*

*Carried unanimously*

**5 BUSINESS ARISING FROM THE MINUTES**

Caretaker Model information requested.

- The COO provided an update on current status on caretakers.
- Any change to the caretaker model will need to be part of a consultation process with the residents as per the Retirement Village Act.

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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Fire Safety documented in later report.

Action: Future of Committee post divestment to be considered.

Action: The Chair noted that no report on financial performance of Bluehaven had been provided to the Committee for this meeting and the Committee has seen no financial report since the July 2024 Meeting report.

**6 REPORTS**

**7 REPORT OF THE CHIEF OPERATING OFFICER**

**7.1 Blue Haven General Update - November 2024**

*24/005BLU*

**Resolved** that the Blue Haven Advisory Committee notes the information provided in the General Update for November 2024.

(Carried unanimously)

The COO advised the report went to Council on 10 December 2024 and a resolution was passed in relation to the divestment of Bonaira.

The sale process is continuing with Hall & Prior onsite. Staff have received their letters of offer.

Hall & Prior representatives have met with ILU residents and RAC residents &/or NOK.

The Chair asked for an update on preparedness for the changes to the Aged Care Act. The Manager Aged Care Services advised that preparations were underway while conscious that the new owner would be preparing as part of its broader portfolio of aged care homes. The Manager noted that more significant impacts were anticipated in the Home Care Package changes.

**7.2 Blue Haven Retirement Villages Update - November 2024**

*24/006BLU*

**Resolved** that the Blue Haven Advisory Committee note the Retirement Villages Update for November 2024.

(Carried unanimously)

The Committee discussed the update on the fire safety approach and that Council should continue to address this complex matter with priority. Updates on progress to be provided in future reports.

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**MINUTES OF THE BLUE HAVEN ADVISORY COMMITTEE 11 DECEMBER 2024**

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**7.3 Blue Haven Aged Care Update - November 2024**

**24/007BLU**

**Resolved** that the Blue Haven Advisory Committee notes the Aged Care Update for November 2024.

(Carried unanimously)

CP requested clarity on the statistics regarding care, particularly the proportion of residents on psychotropic drugs, the number of falls and pressure injuries. Manager Aged Care Services provided a comprehensive response noting that the use of psychotropic drugs is to be connected to an appropriate diagnosis and subject to regular clinical review and root cause analysis is being done in relation to falls and pressure injuries. A weekly clinical risk meeting is held to review data and related issues. CP agreed that this was the correct approach and she had confidence that these matters were being properly managed.

**8 GENERAL BUSINESS**

Nil

**9 CLOSURE**

The Chair thanked the Manager ILU and Manager Aged Care Services for their contribution and hard work at Blue Haven.

There being no further business the meeting closed at 2.35pm

These Minutes were confirmed at the Ordinary Meeting of Council held on 21 January 2025.

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Chair

**12.3 Minutes: Finance Advisory Committee - 5 December 2024**

Responsible Director: Office of the Chief Executive Officer

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**Attachments**

- 1 Minutes of Finance Advisory Committee Meeting - 5 December 2024 [↓](#)

**Enclosures**

Nil

***RECOMMENDED***

That the Minutes of the Finance Advisory Committee meeting held on 5 December 2024 be received and accepted.

**Background**

Attached for Councillors' information are the minutes of the Finance Advisory Committee meeting held on 5 December 2024.



**MINUTES OF THE  
MEETING OF THE FINANCE ADVISORY  
COMMITTEE**

commencing at 3.00pm on

**THURSDAY 5 DECEMBER 2024**

Council Chambers  
11 Manning Street, KIAMA NSW 2533

**MINUTES OF THE  
FINANCE ADVISORY COMMITTEE  
HELD IN THE COUNCIL CHAMBERS  
ON THURSDAY 5 DECEMBER 2024 AT 3.00PM**

**PRESENT:** Graeme Gherashe (Chair), Anna-Leena Risku, Elizabeth Kelly, Mark Greaves, Councillor Cameron McDonald and Councillor Melinda Lawton

**IN ATTENDANCE:** Chief Executive Officer – Jane Stroud  
Chief Financial Officer – Olena Tulubinska  
Acting Director Infrastructure and Liveability – Peter Luke

**1 APOLOGIES**

Chief Operating Officer – Joe Gaudiosi

**2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair declared the meeting open and acknowledged the traditional owners:

*“On behalf of those present, I would like to show my respect and acknowledge the traditional owners of the Land, of Elders past and present, on which this meeting takes place, and extend that respect to other Aboriginal and Torres Strait Islander people present.”*

**3 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**4.1 Finance Advisory Committee Meeting on 3 October 2024**

[24/064FAC](#)

[Resolved](#) that the Minutes of the Finance Advisory Committee meeting held on 3 October 2024 be received and accepted.

[Carried unanimously](#)

The Chair acknowledged the contribution made by Peter Currie to the Finance Advisory Committee and further noted the need to find a replacement.

**4 DECLARATIONS OF INTEREST**

Mark Greaves – holds shares in TechnologyOne (previously submitted).



## 5 FAC ACTIONS ARISING

### 5.1 Finance Advisory Committee Action Tracker Update - November 2024

**Action:** Work to be done on the presentation of the financial reports to make them easier to read.

2406.04 – completed.

2404.01 – A-L requested more detail on the project spend.

2408.01 – clarity required around asset management role. **Action:** CEO to provide position description of Project Manager.

## 6 FAC STANDARD REPORTS

### 6.1 Draft Monthly Financial Report - October 2024

#### **24/065FAC**

**Resolved** that the Finance Advisory Committee notes the draft Monthly Financial Report for October 2024.

Carried unanimously

The CFO was commended on the business unit financial reports.

Concern raised over cash flow by FAC as the forecast looks to place KMC in a precarious cash flow position in outgoing months.

**Action:** Domestic waste business unit financial report to be included in all future reports (CFO).

### 6.2 Statement of Investments: October 2024

#### **24/066FAC**

**Resolved** that the Finance Advisory Committee notes the information relating to the Statement of Investments as at 31 October 2024.

Carried unanimously

The reliance on divestments to maintain cashflow is not sustainable and provision of services needs to be considered in light of Council's financial position. That said we are current outperforming the 'inflation' figure with cash investments which is a positive.

Global interest rates are typically declining, income from KMC term deposits will tend down over the next 12 months. Given the difference between short dated and longer

dated investments we should be monitoring the portfolio for the most advantageous and flexible investments. KMC is not in a position to lock in longer dated investment returns( > 2 years) as it needs to maintain liquid investments. Further work being undertaken to strengthen the grants process and the recovery of funding – for example Jamberoo Mountain Road repairs.

### 6.3 OneCouncil Implementation Plan

#### 24/067FAC

**Resolved** that the Finance Advisory Committee notes:

1. That the implementation of OneCouncil by 2026-27 is a requirement of the revised Performance Improvement Order issued in May 2024.
2. That the implementation plan for Release 3 of the OneCouncil software has an approved budget of \$4.3 million across three financial years (2024-25, 2025-26 and 2026-27), with funding sourced as detailed in the report.
3. Amounts yet to be determined:
  - Archiving of old system
  - Integration with NSW Planning Portal
  - System administration resources
4. Management thanks Elizabeth Kelly for her contribution with the OneCouncil Implementation Plan.

Carried unanimously

4pm – Councillor Lawton joined the meeting.  
 Discussion on the need to make sure that these figures are in the LTFP and the need to cancel the Civica ERP as soon as practical given duplication cost.  
 Chair congratulated Olena and her team on the OneCouncil Implementation Plan.  
 Discussion on the sourcing of funds for the OneCouncil project, in particular from Domestic Waste and Crown Lands. Response by Olena on rationale.

## 7 GENERAL BUSINESS

### 2025 meeting dates

- Need to ensure timing leads into advice to Council meetings.

**Action:** Proposed dates to be provided to FAC members ASAP

### Charter

- Terms of Reference to be reviewed and considered by Council in early 2025.
- **Action:** CEO to undertake review.

### Shoalhaven St Acquisition

- The committee discussed the land acquisition and future project management plans.