13 REPORT OF THE CHIEF EXECUTIVE OFFICER

13.1 Bi-monthly update: Strategic Finance & Governance Improvement Plan - October 2025

CSP Objective:	Outcome 5.3: Council has the right structures, technology, processes and procedures to support delivering for the public.
CSP Strategy:	5.3.2 Council will deliver the actions outlined in the State of the Organisation Report and the Strategic Improvement Plan
Delivery Program:	5.3.2.1 Continuous improvement is embedded in the organisation through delivery of the Strategic Improvement Plan priorities annually.

Summary

In response to receiving the varied Performance Improvement Order (PIO), Council adopted the Strategic Finance and Governance Improvement Plan at the extraordinary June 2024 meeting.

The varied PIO requires Council to provide bi-monthly reports to both the elected body and the NSW Office of Local Government (OLG) on the status of the implementation of all actions in the PIO.

To satisfy this requirement, a copy of the Strategic Finance and Government Improvement Plan was provided to the OLG following the extraordinary June 2024 meeting.

Bi-monthly implementation status reports have now commenced and will be provided to the elected body and the OLG August, October, December, February, April and June.

Financial implication

Some of the work required to be undertaken has been included in the 2025-26FY budget as there are costs associated with completing the activities of the updated Plan.

Risk implication

There is a risk that if Council does not comply with the PIO and improve its operating position that further ministerial interventions will be imposed. Continuing to fail to meet OLG benchmarks for financial sustainability (performance ratios) is not an acceptable outcome.

There is also a risk that Council will perceive an opportunity to make different decisions or make new commitments beyond what Council is capable of accommodating given the status and the requirements of the PIO. This PIO is proposed to manage that risk by spanning this and the future Council.

Policy

Local Government Act 1993

Consultation (internal)

Councillors, Chairs and members of the Audit, Risk and Improvement Committee, the Finance Advisory Committee, and the Blue Haven Advisory Committee were informed of the intention to vary the PIO via the supplementary report at the Extraordinary Council meeting on 1 February 2024.

The following staff were consulted with and provided input into the preparation of the attached 'Strategic Finance and Governance Improvement Plan':

- Executive Leadership Team.
- Implementation Team.
- Manager Communications and Engagement.
- Human Resources Coordinator.
- Strategic Planning Coordinator.

Regular meetings are held between the OLG and Council to discuss the actions of the Strategic Finance and Government Improvement Plan and the varied PIO. Staff who attend the meetings are the Chief Executive Officer (CEO), Director Corporate & Commercial and Head of Implementation.

Communication/Community engagement

The Strategic Finance and Governance Improvement Plan is operational in nature and therefore there is no need to seek community feedback on its content. However, to ensure ongoing transparency copies of the bi-monthly status reports are published on a dedicated page of Council's website.

Attachments
Nil

Enclosures

1 Strategic Finance and Governance actions_October 2025

RECOMMENDATION

That Council:

1. Receive the Strategic Finance & Governance Improvement Plan – Implementation Status Update – October 2025.
2. Note that the Chief Executive Officer, through the Implementation Team, will:
   a. provide a copy of the Implementation Status Update – October 2025 to the NSW Office of Local Government, and
   b. place a copy of the Implementation Status Update – October 2025 on Council's website.

Summary

In response to receiving the varied Performance Improvement Order (PIO), Council adopted their Strategic Finance and Governance Improvement Plan (the Plan) at the extraordinary June 2024 meeting.

A copy of the varied PIO was placed on Council's website in accordance with section 438D(2) of the *Local Government Act 1993.*

The adopted Strategic Finance and Government Improvement Plan has been prepared to fulfil the requirements of the varied PIO. This Plan responds directly to the requirements of the varied PIO, including compliance with the cycle of reporting to Council and the Office of Local Government.

At all times, the Plan demonstrates how each of its actions relates to the actions of the varied PIO. The Plan incorporates the matters identified by the Audit Office of NSW's Management Letter for the 2022-23 Financial Year Audit, the 2024 Todd Hopwood 'Report on Review of Kiama Municipal Council Governance Arrangements' and Council's submission to the Federal Government's inquiry into Local Government sustainability.

The Plan provides the background for Council's current financial situation, defines financial sustainability and identifies the following eight levers for achieving financial sustainability:

1. Sustainable cash reserves and responsible borrowing
2. Optimised revenue opportunities
3. Well planned assets
4. Reviewed and efficient service landscape
5. Investment in transformation
6. Robust financial management
7. Prioritising advocacy and partnerships
8. Ensure good governance.

Any outstanding Strategic Improvement Plan 2 actions have been incorporated into the Strategic Finance and Government Improvement Plan. Where possible these actions have been consolidated and rationalised. Rather than focusing on operational outputs, the Plan seeks to identify and establish organisational outcomes for achieving financial sustainability.

In a similar fashion to Council's Delivery Program and Operational Plan, each Strategic Finance and Government Improvement Plan action has been assigned to an individual business unit.

Reporting and transparency

The varied PIO requires Council to provide bi-monthly reports to both the elected body and the NSW Office of Local Government (OLG) on the status of the implementation of all actions in the PIO. The Implementation Team will continue to liaise with the OLG on a regular basis to ensure the State Government is comfortable with the approaches being taken to achieve financial sustainability.

All Strategic Finance and Governance Improvement Plan actions have been loaded into Council's Pulse software solution to enable regular reporting to occur within a regulated system rather than via excel spreadsheets.

Some actions require the preparation of new/updated Council policies, reviewing level of services, reviewing operating models and master planning key catalyst sites. Council will undertake community consultation process, in line with the adopted Community Engagement Strategy, for these projects.

October 2025 actions update

This report is the progress on all other actions of this plan that will be reported to the elected body and OLG bi-monthly.

Significant actions have occurred from the plan over the last two months; these include the following:

- Crisis Management and Business Continuity training for key staff including scenario testing. The Risk team are awaiting the final report from the consultant to conclude this action.
- All valuations for assets have been completed (excluding buildings that will be finalised later this financial year).
- Year on year savings program was presented to Councillors as part of the building of the budget.
- The draft IT strategy has been presented to Management team that outlines the requirements to assess applications fit-for-purpose, optimise and consolidate applications" as well as implementing OneCouncil as part of the overall IT Strategy.

The action plan in the enclosures provides a progress update on all other actions since the Plan was endorsed in June 2024.

To ensure ongoing transparency copies of the bi-monthly status reports will be published on a dedicated page of Council's website.

13.2 Disclosure of Pecuniary Interest - Councillors and Designated Persons Annual Returns 2024/2025

CSP Objective:	Outcome 4.2: Our governance is transparent and trusted, supported by the right structures, technology and processes to effectively serve the community.
CSP Strategy:	4.2.2 Communicate transparently to inform, build trust and respect.
Delivery Program:	4.2.2.2 Information management is transparent and builds trust. Council's records are managed as per legislative requirements.

Summary

The purpose of this report is to table the Disclosure of Pecuniary Interest Annual Returns for Councillors, designated staff, and independent representatives of the Audit, Risk and Improvement Committee for the 2024-2025 financial year in accordance with Council’s Codes of Conduct and section 440AAB of the *Local Government Act 1993*.

Financial implication

Nil

Risk implication

Disclosing the returns promotes openness, transparency and accountability at Kiama Municipal Council. It also facilitates the identification and management of potential conflicts of interest that might arise where staff participate in decisions from which they may derive, or be perceived to derive, personal or financial benefit.

Policy

Code of Conduct for Council staff, contractors and volunteers

Code of Conduct for Council Committee members, Delegates of Council and Council Advisers

Local Government Act 1993

Consultation (internal)

Nil

Communication/Community engagement

Nil

Attachments

Nil

Enclosures

1 Disclosure of Pecuniary Interests - Annual Return - Register - 2024-2025

RECOMMENDATION

That Council:

1. Note the tabling of the register of Disclosure of Pecuniary Interest Annual Returns for Councillors, designated staff, and independent representatives of the Audit, Risk and Improvement Committee for the 2024-2025 financial year; and

2. Note the names and positions set out in the register who have been identified as designated persons of Kiama Municipal Council, for the period 1 July 2024 to 30 June 2025.

Background

To comply with the relevant Codes of Conduct, Councillors, designated persons and independent representatives of relevant committees must make and lodge a return, set out in the prescribed form, disclosing their interests within three months after 30 June each year.

“Designated persons” are defined in the Code of Conduct as:

a) The Chief Executive Officer.

b) Other senior staff of Council for the purposes of section 332 of the *Local Government Act 1993 (the Act)*;

c) A person (other than a member of the senior staff of Council) who is a member of staff of Council or a delegate of Council and who holds a position identified by Council as the position of a designated person because it involves the exercise of functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person’s duty as a member of staff or delegate and the person’s private interest; and

d) A person (other than a member of the senior staff of Council) who is a member of a committee of Council identified by Council as a committee whose members are designated persons because the functions of the committee involve the exercise of Council’s functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member’s duty as a member of the committee and the member’s private interest.

The Disclosure of Interest returns are designed to promote openness and transparency in local government, and to avoid a conflict of interest on the part of council staff who exercise decision-making functions.

The names and positions of designated persons and independent representatives of relevant committees who have lodged their returns as at the date of this report are listed in the register at Enclosure 1.

Under the provisions of section 440AAB of the *Local Government Act 1993 (the Act)*,

(1) The general manager must keep a register of returns disclosing interests that are required to be lodged with the general manager under a code of conduct.

(2) Returns required to be lodged with the general manager must be tabled at a meeting of the council, being the first meeting held after the last day specified by the code for lodgment, or if the code does not specify a day, as soon as practicable after the return is lodged.

Information contained in returns made and lodged will be publicly available on Council's website in accordance with the requirements of the *Government Information (Public Access) Act 2009*, the *Government Information (Public Access) Regulation 2009* and any guidelines issued by the Information Commissioner.

Pursuant to the "Protection of Privacy" provisions detailed in section 739 of the Act, information that discloses a person's place of residence or any other material that may place the personal safety of the person or of members of the person's family at risk will be omitted from the published version.

13.3 Endorse for public exhibition: Code of Meeting Practice

CSP Objective:	Outcome 4.2: Our governance is transparent and trusted, supported by the right structures, technology and processes to effectively serve the community.
CSP Strategy:	4.2.2 Communicate transparently to inform, build trust and respect.
Delivery Program:	4.2.2.2 Information management is transparent and builds trust. Council's records are managed as per legislative requirements.

Summary

The purpose of this report is to seek Council's endorsement to place the revised Code of Meeting Practice on public exhibition for a minimum period of 28 days, allowing 42 days for the receipt of submissions, in accordance with section 361 of the *Local Government Act 1993* (the Act).

The revised Code incorporates the requirements of the 2025 Model Code of Meeting Practice for Local Council's in NSW issued by the Office of Local Government (OLG).

The draft Code updates Council's existing Code to include all new mandatory provisions and retains or amends relevant non-mandatory provisions that are consistent with current practice.

Council is required to adopt the mandatory provisions of the new Model Code of Meeting Practice by 31 December 2025. If Council does not formally adopt an updated Code by this date, the mandatory provisions of the Model Code will automatically apply.

Financial implication

N/A

Risk implication

Adopting the updated Code ensures Council remains compliant with the Act and the Office of Local Government's (OLG) 2025 Model Code of Meeting Practice for Local Council's in NSW requirements.

Failure to adopt the mandatory provisions by 31 December 2025 will result in those provisions automatically applying to Council's meetings.

Timely adoption of the updated Code mitigates governance and compliance risks and ensures Council maintains control over how non-mandatory provisions are applied in the meeting procedures.

Policy

The Code of Meeting Practice is a key governance document that guides the conduct of Council Meetings.

Local Government Act 1993

Consultation (internal)

Internal consultation has occurred to ensure the draft Code reflects the legislative requirements and current Council meeting procedures.

Communication/Community engagement

In accordance with section 361 of the Act, the draft Code will be placed on public exhibition for a minimum period of 28 days, with submissions accepted for 42 days from the date of public notice.

Community members will be invited to make a submission during this period.

The exhibition will be promoted through Council's online engagement hub and usual communication channels.

Following the exhibition period, a further report will be presented to Council summarising community submissions and recommending adoption of the final Code.

Attachments
Nil

Enclosures

1 DRAFT - Code of Meeting Practice

RECOMMENDATION

That Council:

1. Endorse the draft Code of Meeting Practice for public exhibition for a period of 28 days, with submissions to be accepted for 42 days from the date of public notice, in accordance with section 361 of the *Local Government Act 1993*.

2. Following conclusion of the exhibition period:

   (a) receive a further report for consideration, if any relevant submissions are received or if any substantial changes are proposed for any other reason, detailing the public exhibition outcomes and proposed changes with recommendations regarding adoption of the above documents, or

   (b) adopt the Code of Meeting Practice if there are no relevant submissions received and there are no substantial changes proposed for any other reasons.

Background

The Local Government Act 1993 requires all councils to adopt a Code of Meeting Practice that incorporates the mandatory provisions of the Model Code issued by the Office of Local Government. The 2025 Model Code of Meeting Practice introduces several updates from the 2021 version, including refinements to remote attendance provisions, voting procedures, and the management of public forums.

Under section 360(5) of the Act, council must adopt the mandatory provisions of the new Model Code by 31 December 2025. If Council does not comply with that timeline, the mandatory provisions will automatically apply.

Council's existing Code has been reviewed and updated to reflect these changes. The updated draft:

- Aligns with the new 2025 Model Code requirements.
- Incorporates mandatory provisions as required.
- Retains selected non-mandatory provisions where appropriate to support efficient and transparent meeting practices.

For the purposes of currency, all references to the General Manager have been updated to the Chief Executive Officer.

Under section 361 of the Act, before adopting a new code of meeting practice, Councils must first exhibit a draft of the code of meeting practice for at least 28 days and provide members of the community with at least 42 days in which to comment on the draft code.

Councillors have been asked to provide feedback via an online survey. Responses will be considered and included as part of the public exhibition summary.

13.4 Finance and Major Projects Advisory Committee

CSP Objective:	Outcome 4.1 Public funds and assets are managed strategically, transparently and efficiently.
CSP Strategy:	4.1.1 Public funds are managed in accordance with Financial Management Standards and the Local Government Act, with accurate and timely reporting.
Delivery Program:	4.1.1.1 Strengthen financial reporting, ensure legislative compliance, and promote long-term sustainability by enhancing scrutiny and oversight processes while optimising funding opportunities, and improving procurement practices.

Summary

Council, at its 19 August 2025 meeting, resolved to merge two (2) committees of Council, the Finance Advisory Committee (FAC) and the Major Projects Advisory Committee. The merged committee is called the Finance and Major Projects Advisory Committee.

Council received fifteen (15) submissions from an expression of interest process that occurred between 10 and 30 September 2025.

The process requested that the candidates complete an online form outlining their relevant experience, their interest in the committee, and what they hoped to accomplish during their term on the committee.

At the ordinary council meeting held on the 16 September 2025, Council resolved (25/121OC) to expand the councilor membership from the Mayor and one Councillor to two (2) Councillors with the Mayor listed as the Chair.

The current terms of reference for this committee requires a minimum of five (5) skill based industry representatives. To evaluate the submissions, a weighted skills assessment matrix was created, then a collaborative session to review the assessment occurred based on staff recommendations with the Mayor and the two committee member Councillors as resolved.

Based on the outcomes of the assessment process, it has been determined that six (6) appointments will be made to the committee, rather than the initially proposed five (5). This adjustment reflects the exceptionally high calibre of candidates identified during evaluation and is considered the most appropriate approach to support effective management and oversight. It also aligns with the original membership of the Finance Advisory Committee which was six (6), then dropped to five (5).

The following candidates were deemed to bring to the committee the most appropriate mix of industry experience, ties to the local community, level of ambition and ability to enact the desired objectives of the committee:

- Matthew Dawson – Matthew brings a wealth of experience from a range of industries, a qualified civil engineer with experience in leading complex infrastructure projects including the financial management of the projects.

- Lynette Cuell – Lynette has extensive experience in banking and finance with 15 years of this experience in policy and projects. Lynette is currently a board member of Multicultural communities of Illawarra, including the chair of the Audit and Risk Committee.

- Warrick Shanks – Warrick is a partner at KPMG for almost 25 years where he has lead audit engagements for many local councils. He has extensive financial acumen and strong local connections. Warrick is the Deputy Chancellor of the University of Wollongong, and the Chair of Merrigong Theatre.

- Paul Smith – Paul is the Chairman and CEO of Sydney Kings and the Founder and Chairman of Total Sport. Paul has extensive experience in corporate finance, governance and project oversight. Paul is a board member of Regional Development Australia (RDA) Illawarra Shoalhaven and has extensive communication, contract negotiation and media skills.

- Rob Danby – Rob is the owner/ director of Cukuna Sales with extensive experience in owning and running divers development, aged care and other businesses within the local area. Rob's experience spans finance, legals and commercial, development and project oversight.

- Marco Maldonado – Marco has extensive experience in real estate and project delivery on major projects within the Oceania region. Marco has worked on projects in the role of Financial commercial advisor for the Government on Barangaroo, Honeysuckle redevelopment, Cook Cove for Bayside Council, ACT Government Light Rail project and urban renewal projects.

Financial implication

The varied Performance Improvement Order (PIO) specifically outlines that Council needs to pursue opportunities to benefit from property holdings and investments, including strategic and highly valued sites. Careful consideration of financial options / analysis will assist in complying with the Performance Improvement Order.

Risk implication

Failure to pursue opportunities to benefit from property holdings and investments may result in Council continuing to adopt deficit budgets and result in the Minister for Local Government placing Council into administration

Policy

Varied Performance Improvement Order.

Strategic Finance & Governance Improvement Plan

Consultation (internal)

Mayor and Councillors on the committee

Chief Executive Officer

Director Strategies and Communities

Director Corporate and Commercial

Head of Implementation

Communication/Community engagement

For all major projects site specific engagement plans will be prepared in accordance with Council's Community Engagement Strategy. The Committee will have oversight of these engagement plans.

Attachments
Nil

Enclosures
Nil

RECOMMENDATION

That Council:

1. Sincerely thank all individuals for their applications for the Finance and Major Projects Advisory Committee, noting the high calibre of applicants and their willingness to lend expertise.
2. Endorse the following six (6) community members, as the Finance and Major Projects advisory committee, Matthew Dawson, Lynette Cuell, Warrick Shanks, Paul Smith, Rob Danby and Marco Maldonado.

BACKGROUND

During its August 2025 meeting Council endorsed to seek nominations for community experts to join the Finance and Major Projects Advisory Committee. This report identifies the successful candidates and their skillsets and seek endorsement of the six (6) community members listed.

An open expression of interest was held to find expert community members to support both the staff and Council in delivering improved all major projects consider the financial aspects of the organisation as core to advice giving / decisions.

Council is pleased report a strong response to the expression of interest (EOI), with fifteen (15) applications received. The quality of candidates has been exceptional, reflecting a high level of interest and alignment with the Council's strategic direction. Through this process there were six successful candidates as listed below.

- Matthew Dawson
- Lynette Cuell
- Warrick Shanks
- Paul Smith
- Rob Danby

- Marco Maldonado

The Finance and Major Projects Advisory committee will consist of the Chief Executive Officer, Director Corporate and Commercial/Chief Financial Officer, Director Strategies and Communities and Head of Implementation. The committee will be chaired by the Mayor and two (2) Councillors will form part of the committee.

The group's first agenda will be to finalise the terms of reference for the committee, review the varied PIO actions, review the strategic recommendations of the service reviews, review the recent financial statements and discuss the progress and the business case development for the catalyst sites.

Council has been greatly encouraged by the level of interest expressed in joining the committee and extends its sincere thanks to all applicants.