12 MINUTES OF COMMITTEES

12.1 Minutes: Audit, Risk and Improvement Committee - meetings held 7 October 2025 and 16 October 2025

Responsible Director: Office of the Chief Executive Officer

Attachments

1 Minutes - Audit, Risk and Improvement Committee - 16 October 2025⇩

2 Minutes - Audit, Risk and Improvement Committee - 7 October 2025⇩

Enclosures
Nil

RECOMMENDED

That the Minutes of the Audit, Risk & Improvement Committee meeting on 7 October 2025 and the minutes of the Extraordinary meeting of the Committee held on 16 October 2025 be received and accepted.

Background

The minutes of the Audit, Risk and Improvement Committee meeting on 7 October 2025 and the Extraordinary meeting held on 16 October 2025 are attached for Councillors' information.

KIAMA MUNICIPAL COUNCIL

MINUTES OF THE
EXTRAORDINARY MEETING OF THE AUDIT RISK AND IMPROVEMENT COMMITTEE

commencing at 9:00 AM on

THURSDAY 16 OCTOBER 2025

Council Chambers, 11 Manning Street, KIAMA NSW 2533

MINUTES OF THE

AUDIT, RISK AND IMPROVEMENT COMMITTEE

HELD IN THE COUNCIL CHAMBERS

ON THURSDAY 16 OCTOBER 2025 AT 9:00 AM

PRESENT: Mr Jim Mitchell (Acting Chair)
Mr David Pendleton
Ms Rhonda Wheatley
Ms Lisa Berwick

IN ATTENDANCE: Jane Stroud – Chief Executive Officer
Joe Gaudiosi – Director Corporate & Commercial
Darren Brady – Director Infrastructure & Operations
Kimberley Norton – Head of Implementation
Debbie Webb – Finance Manager
Michael Kharzoo – Director - Financial Audit | NSW Audit Office
Mubashshir Hassan – Associate Director - Financial Audit | NSW Audit Office

OBSERVERS: Councillor C McDonald (Mayor)

1 OPENING OF MEETING

The Acting Chair opened the meeting at 9.02am.

2 ONLINE MEETING STATEMENT

The Acting Chair stated that the meeting is being conducted online via Teams.

3 ACKNOWLEDGEMENT OF COUNTRY

The Acting Chair acknowledged the traditional owners:

> *"I would like to acknowledge the traditional owners of the Land on which we meet, the Wadi Wadi people of the Dharawal nation, and pay my respect to Elders past and present."*

4 APOLOGIES

Councillor Melinda Lawton

5 DISCLOSURE OF INTEREST

Nil

6 INTERNAL AUDIT

The Acting Chair noted with regret the resignation of the Internal Auditor and acknowledged the significant contribution made to the Internal Audit function at Kiama Council.

7 ARIC STANDARD REPORTS

7.1 Draft Annual Financial Statements 2024-25

25/065ARIC

Resolved that the Audit, Risk and Improvement Committee:

1. Endorse the Draft Financial Statements for 2024-2025 be presented to Council for signing at the next Council meeting
2. Notes on page 37 Note B2-3 the Committee recommends that the matter be moved into the category other.
3. Notes on page 64 Note E2-1 that the comparative between Level 2 and Level 3 for Buildings needs adjusting for FY24.
4. Notes that the word Restated where it appears in the face of the Financial Statements be removed.

(Members Wheatley and Pendleton)

Michael Kharzoo advised a clean audit statement would be issued for the Financial Statements. He commended the work undertaken by Council's Finance Team to achieve this outcome.
The Committee discussed the process for the revaluations and whether physical site inspections were completed.
Council staff confirmed a combination of boots on grounds and analysis were undertaken.
The committee discussed whether the inspection information is used for asset management planning.
Council staff confirmed asset management plans are being developed using this information.
The CEO advised the next audit area will be Cybersecurity and should assist with noted management items.
The Committee discussed the resolution of the Akuna St matter and noted the finalisation.
The Committee discussed the prior period adjustment related to found assets.

Questions on wording on page 37 and 64 were noted and discussed with a separate resolution prepared to provide clarity.
The Committee asked how information from the Finance & Major Projects Committee will flow through to ARIC.
The CEO took the question on notice and would consider this within the terms of reference for the new committee.

The CEO thanked the Audit Office and ARIC for all the work undertaken and the time given to meet the timeframes for Council's financial statements.

8 REPORTS FOR INFORMATION

Nil

9 CLOSURE

There being no further business the meeting closed at 9.57am

These Minutes were confirmed at the Ordinary Meeting of Council held on 18 November 2025

……………………………
Chair

KIAMA MUNICIPAL COUNCIL

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

commencing at 1 pm on

TUESDAY 7 OCTOBER 2025

Council Chambers, 11 Manning Street, KIAMA NSW 2533

MINUTES OF THE

AUDIT, RISK AND IMPROVEMENT COMMITTEE

HELD IN THE COUNCIL CHAMBERS

ON TUESDAY 7 OCTOBER 2025 AT 1 PM

PRESENT:	Mr David Pendleton (Chair) Mr Jim Mitchell Ms Rhonda Wheatley Ms Lisa Berwick Councillor Melinda Lawton (non-voting)
IN ATTENDANCE:	Jane Stroud - Chief Executive Officer Darren Brady –Director Infrastructure and Operations Ed Paterson – Director Planning, Environment and Community Kimberley Norton – Head of Implementation Renee Winston – Manager People and Performance
OBSERVERS:	Mayor Cameron McDonald Councillor Melissa Matters

1 APOLOGIES

Joe Gaudiosi – Director Corporate & Commercial

Sally Darragh – Internal Auditor

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 DECLARATIONS OF INTEREST

Lisa Berwick provided the Committee with a summary of her current and prior roles.

Current appointment - Chief Internal Auditor at the Australian Securities and Investments Commission

Previous appointment - Director, Financial Audit Branch at AONSW.

Member of ARICs of Fire and Rescue NSW and the NSW Powerhouse Museum.

4 BUSINESS ARISING FROM THE MINUTES

5 REPORTS FOR INFORMATION

5.1 Service Review - Property Portfolio, Open Space & Recreation, Tree Management, Cemeteries and Lifeguards

The chair commended the Head of Implementation (HoI) on the report and the work completed. The Head of Implementation advised many of the recommendations need to be worked through operationally and then recommended to Council. The provision of the Service Reviews to ARIC is a requirement under the Local Government Act.

5.2 Service Review - Domestic Waste

The CEO advised the approach and delivery of waste services was quite unique in Kiama. There are some key improvements that can be made within Council operations. Now working on the development of business cases regarding waste services which will go to the November Council meeting. LB asked about the timings for FOGO waste. Further review of options for this will be considered. Cr Lawton asked about options to have less collections (by resident choice) with a related reduction in fees. The CEO advised further monitoring of data would be required for this. The Chair asked about the rollout of FOGO to rural areas. Director Brady took the question on notice.

5.3 OneCouncil Implementation

HoI advised the project had commenced and Leander were selected via tender. Three Council staff have also been seconded into roles on the project. Go Live will not be before mid 2026. Budget is closely monitored, currently under budget. Position Paper to be provided to the Audit Office.

Michael Kharzoo advised the Audit Office was on track in relation to the Financial Statements and the required reporting for the Extraordinary ARIC meeting on 16 October. Most issues were related to discontinued operations and these have been worked through. Kiama Council now considered a star performer.

JM asked about financial staffing requirements. CEO advised that the substantive CFO role is vacant. The Chair advised financial emphasis at the highest level of the organisation was still required. ARIC member volunteers to sit on panel.

2pm - Audit Office representatives left the meeting

5.4 PIO Update

The Office of Local Government (OLG) is pleased with progress and continuing to monitor. HoI and Director Corporate & Commercial meeting with OLG regularly. The CEO confirmed Hopwood Report to be provided to LB.

Draft IT Strategy to be tabled at next ARIC meeting.

Service Reviews will assist in achieving required savings and business efficiency.

Catalyst Sites update to be provided to the next ARIC meeting.

6 ARIC ACTIONS ARISING

6.1 Actions arising from previous meetings

25/064ARIC

Resolved that the Audit, Risk and Improvement Committee notes the October 2025 report on action items arising from previous meetings.

(Members Mitchell and Pendleton)

Confidential briefing on defamation/work safe matters relating to psychosocial hazards for staff and Council to be provided to ARIC.

7 ARIC STANDARD REPORTS

7.1 Essential 8 implementation timeline

25/065ARIC

Resolved that the Audit, Risk and Improvement Committee:

1. Note the proposed timeline for Council to achieve Level 1 Cybersecurity Maturity.
2. Endorse that progress updates, including any issues or new risks, will be reported to ARIC on a quarterly basis to ensure accountability and transparency.

(Members Wheatley and Mitchell)

The Chair commended the report.
The Committee discussed the risks associated with cyber security.

LB asked if there is a timeframe for the decommissioning process. The question was taken on notice.
A future report to be provuded to ARIC on the requirements and implementation of Multi Factor Authentification across the organisation.

7.2 Corporate Purchase Card Policy Review

25/066ARIC

Resolved that the Audit, Risk and Improvement Committee notes the new Corporate Purchase Card Policy.

(Members Wheatley and Mitchell)

The committee discussed the policy and provided feedback to be incorporated into the policy.
The Chair counselled to consider the potential impact on day to day operations as restrictions are applied and to ensure it does not bring business operations to a halt.

7.3 Statement of Investments - August 2025

25/067ARIC

Resolved that the Audit, Risk and Improvement Committee note the Statement of Investments 31 August 2025 report presented to Council on 16 September 2025.

(Members Pendleton and Wheatley)

The Committee discussed the alignment of investments with the Investment Policy in place as well as feedback on the formatting of the report.

7.4 Monthly Financial Report - July 2025

25/068ARIC

Resolved that the Audit, Risk and Improvement Committee notes the Monthly Financial Report July 2025 presented to Council on 16 September 2025.

(Members Pendleton and Mitchell)

Action: The attachment to the report to be distributed to ARIC members.

7.5 Progress report on implementation of audit recommendations

25/069ARIC

Resolved that the Audit, Risk and Improvement Committee

1. Notes the information in the progress report for internal audit recommendations and Continuous Risk Improvement Program audit recommendations.
2. Requests the CEO review the list of audit recommendations and provide an updated report on items older than 3 years as well as an updated process for extension requests.

(Members Mitchell and Wheatley)

The CEO advised items over 3 years would be reviewed by ELT for update or closure.
The CEO updated the meeting on the extension process and the acceptance approval by ARIC. More work is required on the internal process for an extension request.

2.55pm – The Mayor left the meeting.

7.6 Internal audit update

25/070ARIC

Resolved that the Audit, Risk and Improvement Committee:

1. Notes the findings and recommendations relating to the budgeting internal audit report.
2. Notes the progress of the audits according to the strategic internal audit plan and approves the changes to the internal audit plan for 2025-26.
3. Endorse the ARIC annual report for inclusion in Council's 2025 annual report, subject to minor amendments as noted.
4. Endorse the attestation statement for the 2025-26 financial year, for inclusion in the annual report.

(Members Wheatley and Mitchell)

The Committee advised adminstrative updates to be made to ARIC's contribution to the Annual Report.

3.09pm – The CEO left the meeting.

7.7 Enterprise Risk Management Report

25/071ARIC

Resolved that the Audit, Risk and Improvement Committee note the information and update in the report and provide any feedback to Management on the Draft Strategic Risk Register.

(Members Pendleton and Mitchell)

The Manager People & Performance provided the meeting with an update on Enterprise Risk for Council and ongoing work being undertaken.
Future updates to include a clarification on residual or inherent risk for more clarity.

7.8 Response to short term cash and reserves position - Confidential Council Report

25/072ARIC

Resolved that the Audit Risk and Improvement Committee:

1. Notes the report and information provided to Council on 16 September 2025 and the actions of Management to address the short term cash and reserves position.
2. Notes the information has been shared with the Office of Local Government to assist with its review of the Varied Performance Improvement Order issued on 23 May 2024.

(Members Pendleton and Wheatley)

8 GENERAL BUSINESS

Extraordinary ARIC meeting is scheduled for 16 October for Financial Statements.

9 CLOSURE

There being no further business the meeting closed at 3.27pm

These Minutes were confirmed at the Ordinary Meeting of Council held on 18 November 2025

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Chair

Item 12.1

Attachment 2

12.2 Minutes: Tourism and Economic Advisory Committee - 25 September 2025

Responsible Director: Strategies and Communities

Attachments
Nil

Enclosures
Nil

RECOMMENDED

That Council note that Tourism and Economic Advisory Committee meeting scheduled to be held on 25 September 2025 did not occur as a quorum was not met.

Background

Council's Tourism and Economic Advisory Committee meeting scheduled to be held on 25 September 2025 did not occur as a quorum was not met.

Apologies were received from three (3) community members and two (2) community members were absent without apology.

The agenda will be held over until the scheduled 27 November 2025 Committee meeting.