

**Minutes of Meeting 27 August 2025**
**Meeting commenced at 2.30 pm**

Prior to the meeting the Audit, Risk and Improvement Committee (ARIC or Committee) met in-camera online.

**PRESENT**

<b>Audit Risk &amp; Improvement Committee Members</b>	
Independent Member - Chair	Ilona Meyer
Independent Member	Belinda Lawn
Independent Member	Chris Davies
Independent Member	Vacant
<b>Other attendees</b>	
General Manager	Peter Gainsford
Director Community	Ruth Callaghan
Director Property and Capital Projects	Ryann Midei
Director Planning	Simone Plummer
Director Corporate	Sharon Bowman
Director Engineering	Peter Shields
Chief Financial Officer	Chris Sleiman
Senior Manager People and Culture	Joan Murphy
Corporate Strategy and Engagement Manager	Prue Foreman
Senior Manager Capital Works	Stuart Hull
Manager Strategic Investments and Property	Scott Mullen
Senior Manager Governance and Risk	Julian Sakarai
Risk WHS and Audit Manager	Justin Lucas
Risk Management and Audit Officer (Minute taker)	Ngairé Meekan
Audit Leader for IWC, NSW Audit Office	Charlee Bultitude
Director, Financial Audit, NSW Audit Office	Manuel Moncada
Internal Ombudsman	Elizabeth Renneberg
KPMG - Lead – Internal Audit Partner	Aisling Kilgannon
KPMG - Manager	Adriana Marques
KPMG - Infrastructure, Assets & Places Partner	Caitlin Keating

**ACKNOWLEDGMENT OF COUNTRY**

The Chair acknowledged the traditional custodians of the land on which the meeting took place and paid her respects to elders past, present and emerging.

The Chair, Ilona Meyer, welcomed Committee members and attendees to the meeting.

**APOLOGIES:**

Apologies from Cllr Philippa Scott and Matthew Pearce – General Counsel

**DISCLOSURES OF INTERESTS:**

The Committee Members confirmed the status of their disclosures of interests.

The Chair Ms Meyer confirmed there were no changes to her disclosures of interest.

Ms Lawn disclosed a recent appointment to the following council Audit, Risk and Improvement Committees: Central Coast Council as an independent member 4 years from 1 July 2025 and City of Parramatta Council as an independent member for 4 years until August 2029.

Mr Davies disclosed a recent appointment to the Audit, Risk and Improvement Committee for Central Coast Council for 3 years from 1 July 2025.

Mr Davies is also a member of the Willoughby City Council ARIC. Mr Davies has declared he is a member of the Fair Work Commission Audit Committee and a conflict may arise should Council be subject to any matters before the Commission. Any potential conflict of interest will be treated on a case-by-case basis. He is also contracted by Turner and Townsend, and is working solely on the Sydney Metro West project. Turner and Townsend provide Council with Assurance Services on the Leichhardt Park Aquatic Centre. Mr Davies is not involved in providing these assurance services and has no knowledge of that work performed by Turner and Townsend. He will remain in any discussion regarding the Leichhardt Park Aquatic Centre during the meeting as there are no conflicts. For the avoidance of doubt, Mr Davies will declare any actual or perceived conflicts every time such may arise, consistent with his obligations under the ARIC Terms of Reference and Code of Conduct.

The Committee Members confirmed they had no conflicts of interest in relation to any matter before the ARIC.

**CONFIRMATION OF MINUTES:****RECOMMENDATION**

That the Minutes of the Audit, Risk and Improvement Committee held on Wednesday, 21 May 2025 be confirmed.

It was noted these were approved out of session by members and adopted by Council on 19 August 2025.

It was noted that actions from the prior meeting were fulfilled out of session, being:

- Distribution and receipt of responses for the ARIC self-assessment questionnaire.
- The provision by the General Manager to the Chair of the draft attestation in relation to risk management and internal audit requirements for the 2024-25 financial year, and the Chair's confirmation she has no concerns with the attestation.

**RIS0825 Item 1 ARIC Recommendations and ARIC Annual Workplan for 2024-25 and 2025-26****DISCUSSION**

The report was taken as read.

The Committee discussed amendments to the Annual Work Plan. The Committee discussed the assurance component of the Annual Work Plan, and the connection between the Council and the Committee under the Regulations and Guideline.

The Chair noted she is available to attend Councillor workshops when invited to attend.

The Committee received status updates on the ARIC recommendation register.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report and approve changes to the annual workplan.**

Moved: Chris Davies

Seconded: Belinda Lawn

Carried

**RIS0825 Item 2 General Manager Verbal Update****DISCUSSION**

The General Manager provided an update on Council operations including major planning initiatives, financial sustainability efforts and inclusion programmes, capital works and compliance achievements.

The update highlighted the work undertaken by Council officers in supporting Council to deliver the Our Fairer Future Plan, an alternative approach to state housing reform with significant community engagement. The General Manager noted that the Our Fairer Future Plan is scheduled to be considered at an Extraordinary Council Meeting in September 2025, with a standalone public forum planned due to high public interest.

The General Manager updated the Committee about Council's Disability Traineeship and EmbraceAbility mentoring program, which won the Organisational Diversity and Inclusion award at the 2025 LG Professionals NSW Excellence Awards.

The General Manager provided an overview of recent capital works and asset management activity, with key highlights being the handover of the Rozelle Parklands, and significant progress on the Leichhardt Oval Upgrade and the Leichhardt Park Aquatic Centre Upgrade. In relation to the Leichhardt Oval Upgrade, the General Manager noted that Ernst and Young has been appointed as the Project Manager, and Cox Architecture has been appointed as the Principal Design Consultant, with stage one underway and tendering for stage two in progress.

The General Manager noted that Council has introduced bill smoothing for rates, allowing Inner West Council residents to make flexible payments towards their rates through a digital platform.

The General Manager confirmed Council achieved full compliance with the new risk management and internal audit regulations, as confirmed in the attestation statement to be

included in the 2024-25 Annual Report, as required by the *Local Government (General) Regulation 2021*.

The General Manager also introduced the Committee to Council's newly appointed Directors: Director Corporate, Sharon Bowman, and Director Engineering, Peter Shields, and provided the Committee with background on the expertise they bring to Council.

The General Manager outlined the recent business planning process across all Council's service areas, which align with the principles of the Australian Business Excellence Framework which will assist Council deliver improved outcomes in planning, continuous improvement, service benchmarking.

The General Manager also provided an overview of the proposed Financially Sustainable Service Delivery Program, which will involve detailed analysis of all service areas, with a focus on, revenue, expenditure and service delivery standards to identify improvement areas that will inform future budgets.

The Committee discussed the future budget process and enquired as to Council's level of assurance considering recent events in Victorian childcare services. The General Manager and Director Community briefed the Committee on ongoing efforts in child safety and assurance including robust working with children checks and real-time verification processes.

## **RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the verbal update.**

Moved: Belinda Lawn  
Seconded: Chris Davies  
Carried

## **RIS0825 Item 3 Internal Ombudsman Shared Service Update**

### **DISCUSSION**

The Internal Ombudsman provided a summary of the report, highlighting the continued excellent working relationship with Council and key changes in service utilisation and spread of activities over the past 12 months between complaints, prevention activities and education.

The Committee noted that the Internal Ombudsman works with Council to seek to address matters, engaging the relevant managers and business areas with any concerns.

The Committee discussed the range of complaints and subsequent recommended actions arising, and were provided with an overview of any systemic issues. The Internal Ombudsman clarified that over the past year only one matter has resulted in a request to update one of Council's policies and noted that this was for a minor internal issue which did not arise from community complaints.

The Committee noted the training and reporting arrangements relating to Public Interest Disclosures and that the Internal Ombudsman has recently completed the NSW Ombudsman self-assessment audit on behalf of Council.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Chris Davies

Seconded: Belinda Lawn

Carried

**RIS0825 Item 4 KPMG - Internal Audit Status Update****DISCUSSION**

The Internal Audit Service Partner presented their report.

The Committee discussed the 2 internal audit reports tabled to the Committee: Capital Works Project Management and Audit Actions Closure Review.

The Capital Works Project Management internal audit focussed on the application of Council's project management framework, maturity assessment, procurement processes and implementation of project management software.

The Committee discussed the maturity assessment for capital works project management, and risks relating to small and medium sized projects.

The Audit Actions Closure Review was conducted to confirm whether Council's reported closure of audit actions was supported by evidence, aligned with the intent of the original findings and was consistent with international professional practice requirements. The Committee noted there are some matters to be finalised and an addendum to the report to be issued. The Committee noted the 30 action items considered in the report were validated as closed, including all ICAC related actions.

The Committee noted the status of current year audits and changes to scheduling.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Belinda Lawn

Seconded: Chris Davies

Carried

**RIS0825 Item 5 Audit Office of NSW Verbal Update****DISCUSSION**

The Director Financial Audit AONSW provided an overview on the external audit, Interim Management Letter, financial statement changes and management's response to audit findings.

The Committee noted AONSW have published the Cybersecurity Insights Report and the Audit Work Program 2025-2028 with four key performance audits planned; noting Councils who will be selected are yet to be determined.

The Director Financial Audit AONSW responded to a query from a prior meeting relating to Local Government trends and provided the Committee with insights on prior targeted areas

in amalgamated Councils. The Committee noted that AONSW continues to adjust and increase its expectations in relation to cybersecurity assurance.

The Committee heard from the Chief Financial Officer and Director Corporate regarding specific queries.

### **RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the verbal update.**

Moved: Chris Davies  
Seconded: Belinda Lawn  
Carried

### **RIS0825 Item 6 Governance, Risk, Compliance and Audit (GRCA) Quarterly Report Q3 FY2025**

#### **DISCUSSION**

The report was taken as read. The Senior Manager Governance and Risk provided an update on governance and risk matters.

The Committee noted Council has prepared the ARIC Annual Report and Council is able to provide an interim progress report to ICAC in relation to Operation Hector.

The Committee discussed conflict of interest declarations processes, ethics and compliance training and participation, risk management and business continuity planning.

The Committee discussed the recent ARIC Survey and plans for a follow up workshop to consider improvement opportunities.

### **RECOMMENDATION**

**That Audit, Risk and Improvement Committee:**

- 1. Receive and note the report.**
- 2. Approve the draft ARIC annual report for 2024-25 financial year.**
- 3. Approve the baseline metric for ARIC performance assessment in surveys (at four out of five for every criterion in the survey).**
- 4. Provide, out of session, specific feedback on any issues and improvement opportunities identified by members to mature ARIC reports.**

Moved: Belinda Lawn  
Seconded: Chris Davies  
Carried

### **RIS0825 Item 7 WHS and Wellbeing Quarterly Report Q3 FY2025**

#### **DISCUSSION**

The report was taken as read. The Risk, WHS and Audit Manager provided an update on matters arising over the previous year, plans to mature the WHS incident management system and the current status and future plans to mature the safety management system.

The Committee received a briefing on recent safety incidents and control improvements arising from them.

The Committee received a briefing on an incident involving a company in the resource recovery services industry, the industry's response and continuous improvement initiatives. The company provides services to Council. The company had a worker fall from a vehicle and the person recently passed away from injuries sustained in the fall. Council has reviewed its own processes and fleet to ensure they meet new and emerging safety expectations.

The Committee expressed their deepest condolences to the family and workers.

### **RECOMMENDATION**

- 1. That Audit, Risk and Improvement Committee receive and note the report.**
- 2. That Audit, Risk and Improvement Committee offer their deepest condolences to the family, workers and everyone affected by this tragedy.**

Moved: Chris Davies  
 Seconded: Belinda Lawn  
 Carried

### **RIS0825 Item 8 People and Culture - Quarter 3, FY2025**

### **DISCUSSION**

The report was taken as read. The Senior Manager People and Culture highlighted initiatives over the past quarter including the Authentic Leader program, workforce management strategy, traineeships and audit action progress.

The Committee discussed the reported workforce statistics and budget considerations.

### **RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Belinda Lawn  
 Seconded: Chris Davies  
 Carried

### **RIS0825 Item 9 Integrated Planning and Reporting update**

### **DISCUSSION**

The report was taken as read. The Committee discussed the performance indicators and processes for quarterly and annual reporting.

### **RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Chris Davies  
 Seconded: Belinda Lawn  
 Carried

**RIS0825 Item 10 Quarterly Major Projects Report****DISCUSSION**

The report was taken as read. The Director Infrastructure highlighted progress on key major projects.

The Committee discussed project progress reporting, the major projects governance framework and the impact of design and site constraints on projects.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Belinda Lawn  
Seconded: Chris Davies  
Carried

**RIS0825 Item 11 Investment Report as at April 2025****DISCUSSION**

The Chief Financial Officer presented the investment report, highlighting financial statement planning, addressing investment strategy, ESG investment criteria, cash flow, and audit preparation.

The Committee members discussed the Investment Policy review and benchmarking.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Chris Davies  
Seconded: Belinda Lawn  
Carried

**RIS0825 Item 12 Planning for Financial Statements for the Financial Year ending 30 June 2025****DISCUSSION**

The report was taken as read. The Chief Financial Officer outlined the next stages in preparation for the issue of end of financial year statements.

The Committee noted the Draft Financial Statements 2024-2025 and accompanying Financial Overview will be issued to the Committee for review and feedback out of session.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Chris Davies  
Seconded: Belinda Lawn  
Carried



**RIS0825 Item 13 Quarterly Investment Properties Update****DISCUSSION**

The report was taken as read.

The Committee noted the key performance indicators used to assess the portfolio.

**RECOMMENDATION**

**That Audit, Risk and Improvement Committee receive and note the report.**

Moved: Chris Davies

Seconded: Belinda Lawn

Carried

**General Business**

The Committee discussed planning for future in-camera sessions scheduled prior to ARIC meetings.

The draft Minutes of the meeting will be circulated out of session to members for approval.

Meeting closed at 5.01pm.