

**AUDIT, RISK AND IMPROVEMENT COMMITTEE  
HELD IN THE MURRAY ROOM ON THURSDAY, 20 NOVEMBER 2025  
COMMENCING AT 5:03 PM**

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**PRESENT**

Stuart Heffer (Chair) (Community Representative), Dorian Radue (Community Representative), George Youssef (Community Representative - Zoom), Councillor Christine Stead (non-voting - Zoom)

National Audits Group, Phil Swaffield (Zoom), NSW Audit Office, Nicky Rajani (Zoom)

Quorum = 3

**STAFF**

General Manager, Scott Grant, Director Economic & Organisational Development, Shireen Donaldson (Zoom), Senior WHS & Risk Coordinator, Raymond McCloy, Director Business, Cultural, Financial Services, Matthew Hansen and Governance Manager & Minute Secretary, Leanne Austin

**1 APOLOGIES**

Apologies were received from Helen Brill (Community Representative) and Steven Prowse, National Audits Group.

**2 CONFIRMATION OF MINUTES**

**RECOMMENDED** on the motion of Dorian Radue and Stuart Heffer that the minutes of the previous meeting held on 22 October 2025, having first been circulated amongst all members, be confirmed.

**3 BUSINESS ARISING**

Nil.

**4 DECLARATIONS OF INTEREST****Pecuniary Interests**

There were no pecuniary interests declared.

### **Significant Non-Pecuniary Interests**

There were no significant non-pecuniary interests declared.

### **Less Than Significant Non-Pecuniary Interests**

There were no less than significant non-pecuniary interests declared.

## **5 ITEMS OF BUSINESS**

### **CL01 UPDATE FROM THE GENERAL MANAGER**

Mr Grant advised the annual financial statements have been finalised and thanked Council staff and NSW Audit Office for completing the statements within the required timeframe. Significant projects underway include Lake Wyangan Infrastructure Project \$17.5M and CBD Enhancement Project \$4M. Council has also recently been awarded a \$2.5M grant for a \$14M renewable energy project.

Mr Grant advised that the recent large-scale projects have highlighted the increasing importance of Council's project management capability and risk management functions.

Council is currently undertaking a procurement probity review and participating in the NSW Department of Public Works' Project Management Assurance Program. These processes will identify best-practice approaches, highlight risks and shortcomings, and outline opportunities for improvement.

Mr Grant also noted that Council has commenced preparations for the 2026/27 budget. Ongoing cost shifting and rising operating costs continue to challenge the organisation's ability to maintain service delivery. As part of this process, Council will prioritise future actions and services in line with strategic plans and further embed a performance-oriented, continuous improvement mindset.

With a fixed resource base required to maintain core operations and services, Council must consider how to deliver additional projects alongside existing commitments and identify the specific skills needed to support this work.

### **CL02 AUDITED FINANCIAL STATEMENTS AND ENGAGEMENT CLOSING REPORT 2024-25**

Mr Rajani advised the Committee that the quality and timeliness of this year's audit had significantly improved. He noted that the NSW Audit Office will be issuing the Draft Management Letter shortly and will work collaboratively with staff to finalise it. Mr Rajani expressed his appreciation to management and Council staff for their efforts, acknowledging their work in enabling the audit to be completed earlier this year.

Mr Rajani left the meeting the time being 5:17 pm.

The Committee congratulated the Finance team for their efforts and acknowledged their commitment in meeting the required timeline.

### **CL03 RISK MANAGEMENT UPDATE**

Mr McCloy advised staff training has been delivered. Risk assessments are currently being

completed/drafted for a number of high risk projects including Lake Wyangan and CBD projects. Staff have commenced location, area and department risk assessments. Task observations and worksite inspections are being undertaken. Mr McCloy advised once risk assessments have been completed, they would be reviewed and monitored.

The Committee noted the information.

#### **CL04 INTERNAL AUDIT REPORTS - DEPOT AND STORES, FLEET AND PLANT AND WHS MANAGEMENT**

##### **Work Health and Safety (WHS) Management**

Mr Swaffield provided an overview of the recently conducted WHS Management Audit. The audit concluded that the governance, risk management, and controls supporting Council's Work Health and Safety Management activities are partially effective. While Council has several compliant elements already in place, the audit identified clear opportunities for improvement.

Mr McCloy noted that the audit provides a roadmap for future implementation.

Mr Grant advised that the findings align with his initial observations of the organisation. He expressed a desire to see Council further evolve by integrating WHS frameworks more fully into management functions and operational practices.

Mr Youssef asked whether the audit considered recent legislative changes. Mr Swaffield confirmed that some of the updates had been incorporated into the relevant documentation. Mr McCloy stated that recent legislative changes have been considered and implemented. Mrs Donaldson noted that Council has implemented psychosocial risk management requirements and rolled these out to staff.

Mr McCloy left the meeting at 5:35 pm.

##### **Depot and Stores Management**

Mr Swaffield advised that the governance, risk management and controls surrounding Council's Depot and Stores Management activities are partially effective.

Nine recommendations were made, all with medium risk ratings. One issue highlighted the lack of segregation of duties for the role of the Store person, noting that Council should review its procurement procedures to address this matter.

Mr Grant advised that this would be progressed as an Action Item. Council is currently updating the Authority system and will review its procurement processes over the coming months, ensuring segregation of duties is considered as part of this review.

Mr Hansen noted that the Office of Local Government will soon release updated tendering and procurement guidelines, which Council will implement once available.

Mrs Donaldson advised that the Authority system upgrade is scheduled to commence in 2026 and may address some of the issues raised in the audit, particularly in relation to segregation of duties.

##### **Fleet and Plant Management**

Mr Swaffield advised that the governance, risk management and controls surrounding

Council's Fleet and Plant Management activities are effective. Griffith City Council is well placed in terms of fleet management and has dedicated systems in place. Seven low to medium recommendations have been made.

**RECOMMENDED** on the motion of Stuart Heffer and Dorian Radue that the Committee endorse the recommendations and management responses as provided in the internal audit reports for Depot and Stores, Fleet and Plant and WHS Management.

#### **CL05 INTERNAL AUDIT ENGAGEMENT LETTERS**

Mr Grant asked the Committee to consider postponing the Airport Operations audit due to the upcoming completion of the Airport Masterplan next year, anticipated CASA requirements and recent changes in staff management. Discussion was held regarding which audit could be brought forward, with the Grants Management audit identified as having potential alignment with the Project Management audit.

Mrs Austin advised that the Strategic Audit Plan would be reviewed with the internal auditors and Senior Management Team to reassess the priorities and risk levels of the upcoming scheduled audits. This will be presented to the Committee for consideration at a future meeting.

**RECOMMENDED** on the motion of Stuart Heffer and Dorian Radue that the Committee endorse the engagement letter for the Project and Contract Management audit. An engagement letter for a Grants Management audit is to be drafted and circulated to Committee members by email.

#### **CL06 AGENDA FORWARD PLAN**

The Agenda Forward plan will be re-issued to Committee members incorporating the above changes.

#### **CL07 CORE REQUIREMENTS CHECKLIST**

Ms Radue raised the option for the Committee to meet with Councillors to outline activities, discuss future plans and raise any items or concerns. Mr Grant advised he would consult with Council to determine the most appropriate way to engage with the Committee.

**RECOMMENDED** on the motion of Dorian Radue and George Youssef that Councillors be consulted regarding a potential meeting with members of the Audit, Risk and Improvement Committee.

#### **CL08 ITEMS LISTED IN SECTION 428 A OF THE LOCAL GOVERNMENT ACT 1993**

Ms Radue enquired what area Council is planning to do its next service review on? Mrs Austin advised a service review is scheduled to be undertaken on Parks and Gardens in 2027. The report was noted.

#### **CL09 COUNCIL'S COMPLIANCE MANAGEMENT SYSTEM**

Mrs Donaldson advised that the report summarised components of Council's compliance

management systems. Further work is to be undertaken regarding responsible officers and review dates. The report will be presented to Council at a future meeting. Ms Radue thanked staff for preparing the report but requested further consideration of how compliance is operationalised and implemented across Council.

Mr Swaffield noted that this is a resourcing issue, given the complexity of Council operations and the number of Acts and legislation with which councils must comply. Implementing this across the whole of Council would be very resource intensive.

Ms Radue suggested waiting for the outcomes of the next internal audit review, although further consideration may be required. Mrs Donaldson stated she would be interested in seeing examples of how this is managed by other organisations.

## **CL10 INVESTMENTS REPORT**

Mr Hansen provided an overview of the Investments Report, noting that Council's first Quarterly Budget Review Statements show a projected General Fund operating deficit and unrestricted cash deficit for 2025/26. To maintain financial sustainability, Council may need to defer self-funded capital works, reduce recurrent expenditure, consider a future special rate variation and achieve \$1 million in efficiency savings or additional revenue. Mr Hansen also expressed interest in reviewing Council's Treasury and Investments function.

Mr Youssef raised the option of allowing ratepayers to pay in monthly instalments. Mr Hansen advised this would require a third party and come at a cost to Council but may be considered as a future option.

The report was noted.

## **CL11 SERVICE REVIEWS - UPDATE**

Ms Radue requested further information regarding progress of the Roads Service review. Mr Grant advised he would follow this up with the responsible Director.

## **6 OUTSTANDING ACTION REPORT**

Mrs Donaldson provided an update on progress with the implementation of the Cybersecurity recommendations. As Council's IT department are involved in a number of digital transformation projects at the moment, some of the recommendations have been outsourced to Council's IT partner, Veritech. Mrs Donaldson advised the recommendations require a significant investment and once costed will be considered as a budget item.

Ms Radue responded that this was a high risk area in the Strategic Audit Plan and requested an implementation timeline be provided to the Committee. Mrs Donaldson took this on notice advising that the information would be emailed to Committee members.

## **7 GENERAL BUSINESS**

### **7.1 Informal Meetings with Key Stakeholders**

The Committee discussed holding separate meetings with the Internal Audit Coordinator, internal auditors and NSW Audit Office.

Chair Stuart Heffer will liaise with the Internal Audit Coordinator to schedule suitable times.

## **7.2 Business Continuity Plan (BCP) Testing**

Mrs Donaldson advised that testing of Council's Business Continuity Plan (BCP) using a simulated critical incident occurred in October. Council is currently awaiting the report from the consultants.

## **8      NEXT MEETING**

The next meeting of the Audit, Risk and Improvement Committee is to be held on Wednesday, 4 February 2026 at 5:00 pm.

There being no further business the meeting terminated at 6:57pm.