

AGENDA

Finance and Governance Committee

Monday, 13 April 2026

Committee Meetings commence at 6.00pm and run consecutively

**Dragon Room
Georges River Civic Centre
Hurstville**



OATH OF OFFICE OR AFFIRMATION OF OFFICE

All Georges River Councillors are reminded of their Oath of Office or Affirmation of Office made at the time of their swearing into the role of Councillor.

All Councillors are to undertake the duties of the office of Councillor in the best interests of the people of the Georges River Council area and are to act faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgement.

DISCLOSURES OF INTEREST

All Georges River Councillors are reminded of their obligation to declare any conflict of interest (perceived or otherwise) in a matter being considered by Council or at any meeting of Council.

FINANCE AND GOVERNANCE COMMITTEE MEETING

ORDER OF BUSINESS

OPENING

ACKNOWLEDGEMENT OF COUNTRY

Council acknowledges the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES / LEAVE OF ABSENCE

REQUEST TO JOIN VIA AUDIO VISUAL LINK

NOTICE OF WEBCASTING

DISCLOSURES OF INTEREST

PUBLIC FORUM

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CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Item: FIN011-26 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 9 March 2026

Author: Executive Services Officer

Directorate: Office of the General Manager

Matter Type: Previous Minutes

FIN011-26

RECOMMENDATION:

That the Minutes of the Finance and Governance Committee Meeting held on 9 March 2026, be confirmed.

ATTACHMENTS

Attachment [↓](#)1 Minutes of the Finance and Governance Committee Meeting held on 9 March 2026

MINUTES

Finance and Governance Committee

Monday, 09 March 2026

Dragon Room
Georges River Civic Centre
Hurstville

UNCONFIRMED



GEORGES RIVER COUNCIL

PRESENT

COUNCIL MEMBERS

The Mayor, Councillor Elise Borg, Councillor Christina Jamieson (Chair), Councillor Matthew Allison, Councillor Elaina Anzellotti, Councillor Oliver Dimoski, Councillor Thomas Gao, Councillor Gerard Hayes, Councillor Kathryn Landsberry, Councillor Nancy Liu, Councillor Peter Mahoney, Councillor Natalie Mort, Deputy Mayor, Councillor Sam Stratikopoulos and Councillor Ben Wang.

COUNCIL STAFF

General Manager – David Tuxford, Director Assets and Infrastructure – Bryce Spelta, Director Environment and Planning – Joseph Hill, Director Community and Culture – Kristie Dodd, Director Business and Corporate Services – Danielle Parker, Manager, Office of the General Manager – Vicki McKinley, Executive Services Officer – Marisa Severino, Executive Services Officer – Nickie Paras, General Counsel - James Fan, Executive Manager City Futures – Kent Stroud, and Team Leader Technology Business Support – Mark Tadros, Technology Services Officer Arun Job.

OPENING

The Chairperson, Councillor Jamieson, opened the meeting at 6.16pm.

APOLOGIES/LEAVE OF ABSENCE

That an apology be accepted for Councillor Arthur and Councillor Pun.

MOTION: Councillor Mahoney and Councillor Allison

Record of Voting

For the Motion: The Mayor, Councillor Borg, Councillor Jamieson, Councillor Anzellotti, Councillor Allison, Councillor Dimoski, Councillor Gao, Councillor Hayes, Councillor Mahoney, Councillor Landsberry, Councillor Liu, Councillor Mort, Councillor Wang

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

REQUEST TO ATTEND VIA AUDIO VISUAL LINK

That a request from Councillor Stratikopoulos to attend the meeting remotely via audio visual link be accepted due to unforeseen medical reasons.

MOTION: Councillor Dimoski and Councillor Mahoney

Record of Voting

For the Motion: The Mayor, Councillor Borg, Councillor Jamieson, Councillor Anzellotti, Councillor Allison, Councillor Dimoski, Councillor Gao, Councillor Hayes, Councillor Mahoney, Councillor Landsberry, Councillor Liu, Councillor Mort, Councillor Wang

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

NOTICE OF WEBCASTING

The Chairperson, Councillor Jamieson advised staff and the public that the meeting is being recorded for minute-taking purposes and is also webcast live on Council's website, in accordance with section 5 of Council's Code of Meeting Practice. This recording will be made available on Council's Website.

CODE OF MEETING PRACTICE

Council's Code of Meeting Practice prohibits the electronic recording of meetings without the express permission of Council.

DISCLOSURES OF INTEREST

There were no disclosures of interest made.

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

FIN008-26 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 9 February 2026
(Report by Executive Services Officer)

COMMITTEE RECOMMENDATION: Councillor Allison, Councillor Liu

That the Minutes of the Finance and Governance Committee Meeting held on 9 February 2026, be confirmed.

Record of Voting

For the Motion: The Mayor, Councillor Borg, Councillor Jamieson, Councillor Anzellotti, Councillor Allison, Councillor Dimoski, Councillor Gao, Councillor Hayes, Councillor Mahoney, Councillor Landsberry, Councillor Liu, Councillor Mort, Deputy Mayor, Councillor Stratikopoulos, Councillor Wang

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

That the Minutes of the Finance and Governance Committee Meeting held on 9 February 2026, be confirmed.

COMMITTEE REPORTS

FIN009-26 Investment Report as at 31 January 2026
(Report by Senior Financial Accountant - Reporting)

COMMITTEE RECOMMENDATION: Councillor Mahoney, Councillor Liu

That the Investment Report as at 31 January 2026 be received and noted by Council.

Record of Voting

For the Motion: The Mayor, Councillor Borg, Councillor Jamieson, Councillor Anzellotti, Councillor Allison, Councillor Dimoski, Councillor Gao, Councillor Hayes, Councillor Mahoney, Councillor Landsberry, Councillor Liu, Councillor Mort, Deputy Mayor, Councillor Stratikopoulos, Councillor Wang

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN010-26 Council's Website Functionality
(Report by Coordinator, Communications and Engagement)

COMMITTEE RECOMMENDATION: Councillor Wang, Councillor Mort
That Council receive and note the information contained in this report.

Record of Voting

For the Motion: The Mayor, Councillor Borg, Councillor Jamieson, Councillor Anzellotti, Councillor Allison, Councillor Dimoski, Councillor Gao, Councillor Hayes, Councillor Mahoney, Councillor Landsberry, Councillor Liu, Councillor Mort, Deputy Mayor, Councillor Stratikopoulos, Councillor Wang

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

CONCLUSION

The Meeting was closed at 6.23pm

Chairperson

UNCONFIRMED

COMMITTEE REPORTS

Item: FIN012-26 Audit, Risk and Improvement Committee - Minutes of Meetings held 27 November 2025 (Confirmed) and 5 March 2025 (Unconfirmed)

Author: Chief Audit Executive

Directorate: Office of the General Manager

Matter Type: Committee Reports

FIN012-26

RECOMMENDATION:

- (a) That the confirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 27 November 2025 be received and noted by Council.
- (b) That the unconfirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 5 March 2026 be received and noted by Council.

EXECUTIVE SUMMARY

1. Council's Audit, Risk and Improvement Committee Model Terms of Reference provides for the reporting of Audit, Risk and Improvement Committee (ARIC) Minutes to the Council, as per the assurance reporting requirements, section 5.
2. The Minutes of the ARIC meeting held on the 27 November 2025 were confirmed by the ARIC at its 5 March 2026 meeting and are now submitted for Council's information
3. The Minutes of the ARIC meeting held on the 5 March 2026 are unconfirmed. They will be confirmed at the next normal ARIC meeting to be held on 28 May 2026.

BACKGROUND

4. The attached minutes relate to the ARIC meetings held on 27 November 2025 and 5 March 2026 respectively.
5. The minutes are also available to Councillors on the ARIC HUB accessible via the Councillor HUB.

FINANCIAL IMPLICATIONS

6. No budget impact for this report.

RISK IMPLICATIONS

7. Strategic Risk 7: (Ineffective Governance) - Failure of Council's Governance and Compliance Frameworks to ensure compliance with relevant legislative, statutory, regulatory and policies and procedures and which are not being monitored across the organisation. In NSW, the Office of Local Government mandates all councils establish an ARIC and establish an internal audit function.

COMMUNITY ENGAGEMENT

8. Community engagement was not required for this report.

FILE REFERENCE

D26/50666

ATTACHMENTS

Attachment [↓](#)1 Audit, Risk and Improvement Committee Minutes 27 November 2025
(Confirmed Minutes)

Attachment [↓](#)2 Audit, Risk and Improvement Committee 5 March 2026 (Unconfirmed)

MINUTES

Audit, Risk and Improvement Committee

Thursday, 27 November 2025

10:30 AM

**Dragon Room, First Floor, Georges River Council
Civic Centre**



PRESENT

COMMITTEE MEMBERS

Cliff Haynes (Chairperson)

Barry Husking

Hamish McNulty

STAFF

David Tuxford	General Manager
Steven Baker	Chief Audit Executive
Danielle Parker	Director, Business and Corporate Services
Bryce Spelta	Director, Assets & Infrastructure
Kristie Dodd	Director, Community and Culture
Joseph Hill	Director Environment and Planning
Vicki McKinley	Manager, Office of the General Manager (Minutes)

SPECIFIC AGENDA ITEMS ONLY

Renata Sala	Head of Corporate Governance & Risk
Scott Henwood	Chief Finance Officer
Brendan Scott	Chief Information Officer
Tom Heath	Manager City Technical Services
John Hair	Senior Development Contributions Planner
Kristy Griffiths	Manager Development and Building
Jo Dikkenberg	Corporate Planning and Performance Specialist
Luke Oste	Acting Manager Strategic Planning
Garu De Silva	Head of Technology

EXTERNAL ATTENDEES

Nicky Rajani	Audit Office NSW (On-line)
Elise Borg	Mayor
Kent Stroud	Executive Manager City Futures

OPENING

The Chair, Mr Cliff Haynes, opened the meeting at 10.32am.

ACKNOWLEDGEMENT OF COUNTRY

The Chair, Mr Cliff Haynes acknowledged the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect

to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES

Deputy Mayor, Councillor Sam Stratikopoulos was an apology for the meeting.

DISCLOSURES OF INTEREST

Mr Cliff Haynes submitted a disclosure of interest form prior to the meeting

Mr Barry Husking submitted a disclosure of interest form prior to the meeting

Mr Hamish McNulty submitted a disclosure of interest form prior to the meeting

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

AUD065-25 Confirmation of the Minutes of the Audit, Risk and Improvement Committee Meeting held on 4 September 2025
(Report by Executive Services Officer)

RECOMMENDATION:

That the Minutes of the Audit, Risk and Improvement Committee Meeting held on 4 September 2025, be confirmed.

DISCUSSION:

NIL

COMMITTEE RECOMMENDATION:

That the Minutes of the Audit, Risk and Improvement Committee Meeting held on 4 September 2025, be confirmed.

COMMITTEE REPORTS

AUD066-25 ARIC Actions Register Status Report
(Report by Chief Audit Executive)

RECOMMENDATION:

That the status of the Audit, Risk and Improvement Committee (ARIC) Actions Register report be received and noted by Committee Members.

DISCUSSION:

ARIC queried the incorporation of secondary employment and conflict of interest changes from the register. It was noted that the topic would be covered verbally in the compliance report.

COMMITTEE RECOMMENDATION:

That the status of the Audit, Risk and Improvement Committee (ARIC) Actions Register report be received and noted by Committee Members.

VERBAL REPORT FROM THE GENERAL MANAGER

The General Manager presented an overview of the business on the agenda of the previous three (3) Ordinary Council meetings detailing the key matters considered.

AUD067-25 NSW Audit Office - Audited Financial Statements, Auditor's Report and Management Letter status update for 2024/25
(Report by Chief Financial Officer)

RECOMMENDATION:

- (a) That the Audit, Risk, and Improvement Committee (ARIC) receive and note the audited Financial Statements and Auditor's Report for the year ended 30 June 2025.
- (b) That the ARIC note the Final Management Letter for the 2024/25 financial year has not been received at the time of preparing this report and will be provided to the next ARIC meeting scheduled for March 2026.

DISCUSSION:

The Audit Office Manager highlighted that the Council had been issued an unqualified audit. The draft Management Letter was also discussed, noting the asset related data and revaluations were a high risk and referenced in multiple years. The Audit Office is working with management for appropriate responses to the findings prior to finalisation. ARIC look forward to progress reports.

There was an ARIC enquiry at to the issue with Carss Park WIP (these were disclosure corrections). Project control and asset ownership combined with transferring from one asset class to another were noted, leading to an equity movement rather than profit and loss. Council is in treatment discussions with Audit Office and Office of Sport. The pool will eventually become a GRC asset. Tender for construction to go out early in 2026, with the contractor expected to be engaged within this financial year for commencement.

The Chair mentioned the Centre of Excellence at Heffron/South Sydney and that it might be worthwhile looking at that process. The Director Business and Corporate Services (BACS) committed to provided regular updates on progress of the project. There was also a query on the basis of design risk sitting with Council – clarification will be reviewed by the Audit Office.

The Audit Office thanked the CFO and Finance staff for their assistance during the audit.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk, and Improvement Committee (ARIC) receive and note the audited Financial Statements and Auditor's Report for the year ended 30 June 2025.
- (b) That the ARIC note the Final Management Letter for the 2024/25 financial year has not been received at the time of preparing this report and will be provided to the next ARIC meeting scheduled for March 2026.

AUD068-25 Quarterly Budget Review Report for the Period Ending 30 September 2025.
(Report by Chief Financial Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Quarterly Budget Review for the period ending 30 September 2025.

DISCUSSION:

The Chief Financial Officer highlighted the key results from the report. ARIC raised that there were additional costs for employees recorded in the first quarter and queried why they had not previously been identified. The CFO commented that there were some adjustments prior to the adoption of the budget that were not finalised, so it was a timing issue.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Quarterly Budget Review for the period ending 30 September 2025.

Note: Mayor, Councillor Borg joined the meeting at 11.02am to observe the ARIC meeting.

AUD069-25 Q1 Capital Works Program Status Report 2025/26
(Report by Chief Financial Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Capital Works Program.

DISCUSSION:

The Chief Financial Officer presented key results to the committee. The ARIC queried the \$6M carried over and whether it was a timing issue. Manager City Technical Services responded that some multi-year projects were included and council meeting resolution adjustments.

It was also queried whether there were any new projects identified and it was noted that a couple emanating from the June budget resolution.

The Chair mentioned history around capital works progress and that ARIC has been critical around results to budget. It was queried whether there a forecast in place for the capital program. ARIC would like to see what is being planned each quarter and risk associated in delivering the full budget. The Manager City Technical Services said an update can be provided once contractor has been engaged. ARIC would like to know what projections are so they can comment.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Capital Works Program.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive information on projected forecasts in future reports.

AUD070-25 Cashless Payments
(Report by Chief Financial Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the report, confirming that while electronic payments are the preferred method across all Council-managed service points, cash will continue to be accepted to ensure accessibility for all community members.

DISCUSSION:

ARIC queried whether there were legislative requirements regarding cashless payments. It was noted that you can seek an exemption. The Director Community and Culture said there was evidence that people still would like to pay with cash and Council has policies in place to manage this and community expectation.

The Chair queried whether larger cash payments could be made. It was noted that Council has a \$10K cash limit. It was queried whether all DA payments be made cashless. Response

indicated that Council's cash limit is working within policy management and reported to Austrac.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the report, confirming that while electronic payments are the preferred method across all Council-managed service points, cash will continue to be accepted to ensure accessibility for all community members.
- (b) That an update be provided to Audit, Risk and Improvement Committee (ARIC) when federal legislation is finalised and a policy is adopted by Council.

AUD071-25 Budget Management Policy
(Report by Chief Financial Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the report.

DISCUSSION:

ARIC queried whether capital expenditure principles should be included. The CFO noted that definitions could be included and that guidelines are being developed and will be a detailed document (including revised forecasts).

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the report.

AUD072-25 Compliance Update Q1 FY2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Compliance Update Quarterly Report for Quarter 1 2025/26.

DISCUSSION:

The reported data breach outcome was queried. The Chief Governance and Risk Officer stated no instances recorded were eligible breaches. There is work underway to identify ways to improve processes and reported to the Executive.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Compliance Update Quarterly Report for Quarter 1 2025/26.

AUD073-25 Enterprise Risk Management Update - Q1 2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Enterprise Risk Management Update and note the Risks Outside of Appetite for Q1 2025/26.

DISCUSSION:

The Chief Governance and Risk Officer provided an overview of the key items contained in the report.

The Chair queried whether there was a review on the risk appetite statement conducted. The Chief Governance and Risk Officer said that risk management processes were reviewed around 18 months ago for each category of risk. The Chair also queried whether the Council had signed off on each risk (i.e. needed to resolution to adopt the risks). The question was taken on notice and it was noted that the review process was being aligned with the IP&R cycle.

ARIC queried what is being reported on in Pulse with the response of a quarterly assessment of risk ratings and a review of the current controls that are in place, including commentary on treatment plans. This will be increasing with more metrics.

ARIC queried the 28 delegations awaiting acknowledgement and the response concentrated on the new system and Directors are required to remind staff. Staff will be encouraged and reminded to acknowledge.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Enterprise Risk Management Update and note the Risks Outside of Appetite for Q1 2025/26.

AUD074-25 Fraud and Corruption Control Update - Q1 FY25/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Fraud and Corruption Control update.

DISCUSSION:

The Chief Governance and Risk Officer presented key highlights of the report. The Chair requested that the Fraud Control Action Plan be presented to the next ARIC.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Fraud and Corruption Control update.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive the Fraud Control Action Plan at the March 2026 meeting.

AUD075-25 Governance Update Q1 FY2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Governance Update for Quarter 1 2025/26

DISCUSSION:

The Chief Governance and Risk Officer presented the report highlighting key parts. The Director BACS noted that the Secondary Employment Policy (implications of conflict of interest and WH&S) is being negotiated with Union.

ARIC mentioned that the review policies was to go the Executive in November, and it was noted there has been a delay and there are a number of policies are going to the Executive in the next couple of weeks.

It was noted by the Chair that many are well beyond the revision date and the response indicated that it can depend on the policy, policy owners and legislative reform. The Director BACS stated some require a complex review. The Chair suggested Management should review

what is a policy and what is a procedure where review becomes unimportant. This was acknowledged.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Governance Update for Quarter 1 2025/26.
- (b) That the Chief Governance and Risk Officer review the policies and consider classification of applicable procedures and review risk categories and report back to the Audit Risk and Improvement Committee (ARIC).

AUD076-25 Service Review Program

(Report by Corporate Planning and Performance Specialist)

RECOMMENDATION:

That the Audit Risk and Improvement Committee (ARIC) receive and note the report, particularly:

- (i) Completion of the 2024/25 Service Review Program
- (ii) Progress of the 2024/25 recommendations implementation
- (iii) Development of an improved Service Review Framework and report template
- (iv) Formulation of the 2025/26 service review scopes

DISCUSSION:

An overview of the report was provided by the Corporate Planning and Performance Specialist. ARIC queried if there was a mechanism to collate the total value of efficiencies and savings across the organisation (that might inform SRV applications). The Director BACS noted the SRV forms re: productivity. An intensive costing review approach is to be endorsed by IPART and be presented at the next Finance Conference.

It was noted by ARIC that they would like to see detailed reports of each service review conducted in future meetings. The Chair noted from the report that some implementation plan actions have not commenced and requested that at the next meeting, the status of recommendations be provided.

COMMITTEE RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee (ARIC) receive and note the report, particularly:
 - (i) Completion of the 2024/25 Service Review Program
 - (ii) Progress of the 2024/25 recommendations implementation
 - (iii) Development of an improved Service Review Framework and report template
 - (iv) Formulation of the 2025/26 service review scopes
- (b) That in future the Audit Risk and Improvement Committee (ARIC) receive final reports of each review undertaken.
- (c) That the three service reviews already completed be uploaded to the ARIC Hub.
- (d) That the next Service Review report include the status of recommendations.

AUD077-25 Annual Report 2024/25
(Report by Manager Office of the General Manager)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receives and notes Council's Annual Report 2024/25.

DISCUSSION:

The Manager Office of the General Manager presented highlights from the report surrounding timing, OLG guidelines and ARA criteria when completing the Annual Report.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receives and notes Council's Annual Report 2024/25.

AUD078-25 Internal Audit Plan 2024-2028 Status Update
(Report by Chief Audit Executive)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the status of the Internal Audit Plan for 2024-2028 report.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report on Fleet Management at the March 2026 meeting.

DISCUSSION:

The Chief Audit Executive (CAE) presented key elements of the report focusing on the current RFQ process for externally sourced internal audits for this year's program. The ARIC queried whether companies that submitted had WHS specialists on staff or had to outsource and the response was a mixture of the two.

ARIC noted that other councils have contracts for 3-4 years and could this be considered at GRC. The CAE acknowledged that it could be considered after this audit program moving forward.

The Chair suggested that for capital program procurement there should be measures in place for the contractor to meet the scheduled program. The Manager City Technical Services advised that it is up to the contractor to determine the timing. The Chair believed it should be GRC determining it. The Director Assets and Infrastructure agreed that cashflow forecasting and quarterly comparison could be provided.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the status of the Internal Audit Plan for 2024-2028 report.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report on Fleet Management at the March 2026 meeting.
- (c) That the capital procurement audit includes the requirements of contractors to meet project timeframes.

AUD079-25 Status of Overdue Internal Audit Recommendations
(Report by Chief Audit Executive)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receives and notes the report on the status of internal audit recommendations.
- (b) That the ARIC acknowledge the nominated extensions by management to audit recommendation Due Dates contained in the report.

DISCUSSION:

The CAE presented audit recommendations where the due dates for two audits (an IT audit and the Commercial Property audit) that had been approved by Management to be adjusted due to resourcing, budgets or other priorities.

The ARIC queried the amount and priority of the Commercial Property audit items and it was noted that the main recommendation of the development of a strategic asset management plan for commercial properties had commenced and other audit items would flow from this.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receives and notes the report on the status of internal audit recommendations.
- (b) That the ARIC acknowledge the nominated extensions by management to audit recommendation Due Dates contained in the report.

AUD080-25 Internal Audit - Asset Management Maturity Review Update
(Report by Chief Audit Executive)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Asset Management Maturity Review update report.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report at the March 2026 meeting.

DISCUSSION:

The CAE provided an overview of the asset management maturity review audit and the recent operating structure review conducted by external consultants. With the new Director Assets and Infrastructure (A&I) on board and the recruitment of the asset management action plan will be provided at the next meeting.

It was noted by the Director A&I that nothing surprising was contained in the maturity review but the key is setting up the structure. It is expected that more information will be provided at the next ARIC meeting.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Asset Management Maturity Review update report.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report at the March 2026 meeting.

AUD081-25 Independent Information Security Audit Program 24/26 External Penetration Testing Assessment
(Report by Head Of Technology)

RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee (ARIC) receive and note the findings/recommendations from the Independent Audit Report on External Penetration Testing Assessment.
- (b) That the ARIC endorse the proposed changes to the Information Security Audit Program, aimed at reducing the operational impact on the Technology Team and improving audit effectiveness.

DISCUSSION:

The Chief Information Officer (CIO) presented the key findings of the External Penetration Testing audit. The ARIC were also informed that there was a review of the existing audit program undertaken by the CIO and CAE with proposed changes to timetables (with a focus still on priority testing). Moving from a 2 year to 4 year plan due the workload of existing audit recommendations and resourcing. ARIC queried whether it was in line with best practice and the response indicated Council was at the higher end of testing / audits under the current approach.

The ARIC received an explanation of phishing and this was proposed to be conducted in next quarter. Under the Essential Eight maturity assessments, Council was sitting at maturity level 1 and/or 2 across the elements and the target is level 2.

The Chair queried in respect of AI, to what extent is it occurring in GRC with regards to further layers of security. The CIO responded that tools can be implemented to restrict AI on some platforms, Council is currently utilising CoPilot only. The Director BACS advised that an AI Policy will be developed alongside the digital strategy and will be tabled at ARIC when completed.

COMMITTEE RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee (ARIC) receive and note the findings/recommendations from the Independent Audit Report on External Penetration Testing Assessment.
- (b) That the Audit Risk and Improvement Committee (ARIC) endorse the proposed changes to the Information Security Audit Program, aimed at reducing the operational impact on the Technology Team and improving audit effectiveness.

AUD082-25 Update on Local Infrastructure Contributions Income, Expenditure and Reserves
(Report by Senior Development Contributions Planner)

RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee receive and note the update on development contributions reserves, forecast income and expenditure
- (b) That, following the adoption of the Annual Report each year, an analysis of local infrastructure contributions reserve balances including projected income and expenditure is prepared for the Audit, Risk and Improvement Committee.

DISCUSSION:

The Senior Development Contributions Planner presented an overview of the report to members. The ARIC noted that Kogarah Town Centre work plan was pending the outcome of a Master Plan and queried whether adopted plan of works existed for the others and the response was yes. This year and future years are looking at other funds. Internal reviews will assist with co-contribution opportunities other than what is expected in the plan. It was noted that resourcing can be a potential barrier.

The ARIC queried what the plan was for the various library accounts. The response indicated that there was always an identified library in Civic Centre and funds have been collected for some years and no intention to expend elsewhere. It will need to be considered as part of the redevelopment of the Civic Centre (further work to occur). It was noted that a project officer fully funded with contributions funds will identify those projects that can be brought forward.

The Chair reminded Officers about the financial status of long term financial planning for the Council where rate variations may need to be considered and noted that the size of unspent funds is concerning.

COMMITTEE RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee receive and note the update on development contributions reserves, forecast income and expenditure
- (b) That, following the adoption of the Annual Report each year, an analysis of local infrastructure contributions reserve balances including projected income and expenditure is prepared for the Audit, Risk and Improvement Committee.
- (c) That quarterly results on developer contributions be included in the quarterly capital program report.

AUD083-25 Development and Building Metrics - Q1 (FY2025/26)
(Report by Manager Development and Building)

RECOMMENDATION:

That the Committee note the Quarterly Development and Building Team Functions and Services Metrics Report for the period July to September 2025

DISCUSSION:

The Director of Environment and Planning gave the committee an overview of the statistics from the first quarter and status of the action plan in place. It was queried whether some other Councils have higher refusal rates which could be interpreted that Councils could be refusing DA's to improve results.

The Chair queried how long the new processes had been in place which was practically, the last few months. There were also some discussions around staff turnover, the volume of applications lodged in the last 6 months and what percentage of those have been approved in 105 days. There was further discussion around KPI's and the ARIC was reminded it is an average. It was noted that DAs over 180 days, once completed, will drop DA time considerably.

ARIC queried the timing around the publishing of the lead table published, which is monthly and GRC was still at the top. It was noted that the final Planning Specialist report to the Minister has not been seen by Council.

COMMITTEE RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee (ARIC) note the Quarterly Development and Building Metrics Report for the period July to September 2025.

- (b) That the Audit Risk and Improvement Committee (ARIC) receive future quarterly metric reporting for Development and Building.

AUD084-25 Enterprise System Review Update

(Report by Acting Director Business & Corporate Services)

RECOMMENDATION:

That the Audit Risk and Improvement Committee (ARIC) receive and note the Enterprise System Review update.

DISCUSSION:

The CIO highlighted actions since the last report and the engagement of the Gartner Group to assist Council. The Chair queried whether a future report could include an idea of costs and timeframes. The Director BACS suggested a report could be provided in April/May 2026. Responsibilities, resourcing and outcomes will be required in order to provide the requested costs.

COMMITTEE RECOMMENDATION:

- (a) That the Audit Risk and Improvement Committee (ARIC) receive and note the Enterprise System Review update.
- (b) That the Audit Risk and Improvement Committee (ARIC) receive a progress report in the May 2026 meeting.

AUD085-25 Code of Conduct Complaints Statistics 2025

(Report by Chief Audit Executive)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receives and notes the report on the Code of Conduct Complaints Statistics for the period 1 September 2024 to 31 August 2025.

DISCUSSION:

NIL

COMMITTEE RECOMMENDATION:

That the Audit Risk and Improvement Committee (ARIC) receive and note the Code of Conduct Complaints Statistics 2025.

AUD086-25 Internal Audit Charter - Annual Review

(Report by Chief Audit Executive)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the annual review of the Internal Audit Charter.

DISCUSSION:

NIL

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the annual review of the Internal Audit Charter.

AUD087-25 Audit, Risk and Improvement Committee (ARIC) Forward Responsibility Calendar and Meeting Dates for 2026
(Report by Chief Audit Executive)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive adopt the Forward Responsibility Calendar and proposed meeting dates for 2026.

DISCUSSION:

Discussion on the date for the first ARIC meeting next year confirmed to be amended to 5 March 2026.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive adopt the Forward Responsibility Calendar and proposed meeting dates for 2026 with the first meeting being 5 March 2026.

GENERAL BUSINESS

It was noted to the ARIC that the draft Voluntary Planning Agreement (VPA) Policy will go to Council in December for approval to go on public exhibition. Practice notes have also been released.

COMMITTEE RECOMMENDATION:

That the ARIC note the verbal update provided on the VPA Policy by the Acting Manager Strategic Planning.

CONCLUSION

The Meeting was closed at 1.08pm

Chairperson

MINUTES

Audit, Risk and Improvement Committee

Thursday, 05 March 2026

10:30 AM

First Floor, Georges River Council Civic Centre

UNCONFIRMED



GEORGES RIVER COUNCIL

PRESENT

COMMITTEE MEMBERS

Cliff Haynes (Chairperson)
Barry Husking
Hamish McNulty

STAFF

David Tuxford	General Manager
Steven Baker	Chief Audit Executive (Minutes)
Danielle Parker	Director, Business and Corporate Services
Bryce Spelta	Director, Assets & Infrastructure
Kristie Dodd	Director, Community and Culture
Joseph Hill	Director Environment and Planning
Vicki McKinley	Manager, Office of the General Manager (Minutes)

SPECIFIC AGENDA ITEMS ONLY

Scott Henwood	Chief Finance Officer
Renata Sala	Head of Corporate Governance & Risk
Tom Heath	Manager City Technical Services
Jo Dikkenberg	Corporate Planning and Performance Specialist
Sharni Watts	Chief People Officer
Kristy Griffiths	Manager Development and Building
Greg Knight	Executive Manager, City Presentation and Operational Services
Kent Stroud	Executive Manager, City Futures

EXTERNAL ATTENDEES

Ricky Rajani	Audit Office NSW
Joan Uyanguren	Audit Office NSW (online)
Jan Michael	Audit Office NSW (online)
Elise Borg	Mayor

OPENING

The Chair, Cliff Haynes, opened the meeting at 10.31am.

ACKNOWLEDGEMENT OF COUNTRY

The Chair, Cliff Haynes acknowledged the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES/LEAVE OF ABSENCE

Deputy Mayor, Councillor Sam Stratikopoulos was an apology for the meeting.

DISCLOSURES OF INTEREST

Mr Cliff Haynes submitted a disclosure of interest form prior to the meeting

Mr Barry Husking submitted a disclosure of interest form prior to the meeting

Mr Hamish McNulty submitted a disclosure of interest form prior to the meeting

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

AUD001-26 Confirmation of the Minutes of the Audit, Risk and Improvement Committee Meeting held on 27 November 2025
(Report by Executive Services Officer)

RECOMMENDATION:

That the Minutes of the Audit, Risk and Improvement Committee Meeting held on 27 November 2025, be confirmed.

DISCUSSION:

NIL

COMMITTEE RECOMMENDATION:

That the Minutes of the Audit, Risk and Improvement Committee Meeting held on 27 November 2026, be confirmed.

COMMITTEE REPORTS

AUD002-26 ARIC Actions Register Status Report
(Report by Chief Audit Executive)

RECOMMENDATION:

That the status of the Audit, Risk and Improvement Committee (ARIC) Actions Register report be received and noted by Committee Members.

DISCUSSION:

NIL

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) Action Register report be received and noted by Committee Members.

GENERAL MANAGER UPDATE

The General mentioned the new Code of Meeting Practice was in place and first meetings had been held with no issues.

AUD003-26 NSW Audit Office - Final Management Letter for 2024/25 and 2025/26 planning update (Report by Chief Financial Officer)

RECOMMENDATION:

- (a) That the Audit, Risk, and Improvement Committee (ARIC) note that the Audit Office of NSW Annual Engagement Plan for 2025/26 is currently in draft form and will be presented at the next ARIC meeting scheduled for May 2026.
- (b) That the ARIC receives and notes the Audit Office of NSW Final Management Letter for 2024/25 (attachment 1).

DISCUSSION:

Council's Audit Office NSW Audit Manager spoke the final Management Letter and raised some key issues they had found for the year ended 30 June 2025. It included asset registers as a high priority and the review they require (including classification of investment properties, community and operational land), balance sheet reconciliation items to be reviewed and the segregation involved with manual journals. An external valuer is being engaged via a request for quote process for investment properties. The CFO stated that the internal systems and policy in place with exception reporting and staff training will reduce the risk surrounding the manual journal issue in the context of independent review (due to existing staff resources which was acceptable to the Audit Office NSW Manager).

The CFO stated Council had accepted the issues identified and plans have been put in place for everything highlighted and can provide an update at next ARIC as required.

There was a query about the asset system from the risk identified in the report and that investigations, review of the use of the TechOne product. CFO indicated that there was an intention review data to ensure data correct. The use of the TechOne application or alternative will be looked at as part of the revised Assets and Infrastructure structure.

There was discussion around the leave entitlements for exiting employees which the CFO explained has a process for leave paid out prepared by the payroll team is scrutinised by Finance monthly with controls put in place and followed up with Payroll. It was taken on notice for manual cross checking for high value amounts on leaving the organisation will be reviewed.

There was a query from the ARIC on the extent of the review of capital expenditure against the budget by Audit Office. Response indicated that projects over \$30M are checked (existing trigger) and their current focus was on expenditure is approved and classified appropriate. The Audit Office of NSW said they would take it on notice and review internally.

Audit Office introductions and background for the new audit manager were made. It was indicated that the draft engagement plan for 2026 has been developed and will be presented to next ARIC meeting.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk, and Improvement Committee (ARIC) note that the Audit Office of NSW Annual Engagement Plan for 2025/26 is currently in draft form and will be presented at the next ARIC meeting scheduled for May 2026.

- (b) That the ARIC receives and notes the Audit Office of NSW Final Management Letter for 2024/25 (attachment 1).
- (c) That the Carss Park Business Case submitted to the State Government be uploaded to the ARIC Hub for Members information.
- (d) That the draft 2026 Audit Engagement Plan be tabled at the May 2026 ARIC meeting.

AUD004-26 Quarterly Budget Review Report for Period Ending 31 December 2025
(Report by Chief Financial Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Quarterly Budget Review for the period ending 31 December 2025.

DISCUSSION:

The CFO presented highlights including the operating surplus of \$5.1M, explaining expenditure and income impacts from Q2 on the positive result, and that YTD capital expenditure was \$7.5M or 6% of total program as at the end of the quarter.

There was a query in relation to the \$1M variation for legal costs basis and expectation of recovery. CFO noted that it is mainly due to additional DA cases going through to court and outcomes would impact any recovery. It was also noted that budget adjustments are occurring after discussions at the Executive. The Director Business and Corporate Services commented that the General Counsel is preparing a report to the Executive with likely income streams.

ARIC noted in the report that there was a 30% increase on insurance premium and that workers compensation was impacted by claims. It was also noted that the 25/26 and 26/27 has allowed for the increase.

The Chair noted that the quarterly budget figures are not shown. CFO commented that the year to date actuals are not year to date budget. CFO also advised the information is included in the body of the report, further detailing income and expenditure. A sample will be provided to ARIC prior to the next meeting of an adjusted format for suitability.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Quarterly Budget Review for the period ending 31 December 2025.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report on Carss Park at the May 2026 meeting.

AUD005-26 Q2 Capital Works Program Status Report (2025/26)
(Report by Chief Financial Officer)

Note: Mayor joined the meeting in person at 10.59am.

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Capital Works Program.

DISCUSSION:

The CFO discussed the overall 4-year revised program position was now \$166M, \$48.3M in the 25/26 FY and the attachment contained a list of projects and this ARIC included a table for developer contributions.

The Committee noted that the YTD spend at 16% is lower than anticipated and queried what the level of confidence to spend the full amount by end of year was. The Manager CTS commented on initial budget adjustments from the adopted budget and noted additional comments were provided for on and off track projects for their part of the capital program. It was noted that there were less major spends in Q1 and Q2 due to phasing and the bulk of the program is spent in the second half of the FY. The projects identified off track were largely multi-year projects and will be rephased.

It was noted at the last meeting ARIC requested forecasts which need to be included in future reports for the whole program. For context the ARIC need to have forecast for expenditure across whole program.

There was a request for a brief update on Carss Park funding and works program. From project delivery point of view, the Director Assets and Infrastructure noted the recommendation made to release design documents to market. The OLG have accepted business case and concept design renders have been released to Council and the public. It was noted by the Director Business and Corporate Services, that of the estimated approximately \$71M expenditure (including land remediation and demolition), \$15M in Council contribution to construction of facility (\$10M) including the learn to swim pool (\$5M). Council's responsibility for the enclosure of learn to swim pool would fall into Council's responsibility and once a figure is known, the OLG will need to be informed. The submission to OLG was offered to be uploaded to the ARIC Hub for Member information, being such a large project. Timing for delivery by the State Government was still planned for the summer of 2027.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the contents of this report in relation to the Capital Works Program.

AUD006-26 Compliance Update - Q2 2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Compliance report for Quarter 2 2025/26.

DISCUSSION:

It was noted that with additional resourcing the outstanding disclosures would be addressed in the near future. ARIC noted the one Child Protection incident from the report, which was investigated by the Office of the Children's Guardian and the matter closed. No specific provide details could be provided by staff due to confidentiality other than matter has been investigated and closed.

There was a query about names and addresses and it was noted that Council is reviewing how addresses are updated as there is a lot of manually entered data and other departments can make changes (the security profile set up is a limiting factor). It would also look at automation of the process (to address risks at a holistic approach). ARIC noted that changes should stay in one place (which it is currently), and raises the issue of cleansing data and system set up moving to new system.

The calendar of compliance in terms of the ALGA reporting requirements was raised and internally the Assets team and externally the OLG have been queried to determine whether this is still a compulsory requirement (will be updated in the next ARIC report).

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Compliance report for Quarter 2 2025/26.
- (b) That Management looks at the process for managing changes to addresses with respect to data cleansing when moving to any new system.

AUD007-26 Enterprise Risk Management - Q2 2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Risks Outside of Appetite for Q2 2025/26 (Attachment 1).

DISCUSSION:

Noted that the annual risk review was being realigned (to Q4) with other quarterly reporting across the organisation to streamline requirements. There has been a review on controls and a refocused attention on risks.

The ARIC queried whether there have been any changes in the number of risks outside appetite and it was noted that not during quarterly reviews however they can change during the annual review where assistance was provided.

There were discussions around what risks if any will never change outside of appetite it was suggested that in the absence of a system for those risks, that more commentary could be provided.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Risks Outside of Appetite for Q2 2025/26 (Attachment 1).
- (b) That future reports identify risks that are likely to be brought within appetite.

AUD008-26 Fraud and Corruption Control - Q2 2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Fraud and Corruption Control report for Quarter 2 2025/26.

DISCUSSION:

The draft Fraud and Corruption Action Plan was attached to the report but noted that it still requires consultation with relevant staff and requires more work prior to adoption.

The number of staff attending code of conduct training was confirmed to be only the result for the quarter. The % of staff who completed training has increased across the organisation but it was noted that have 100% compliance is difficult due to staff turnover. Future reporting could look at including explanation across how this is measured.

The ARIC noted the action plan was good and queried who determined the maturity levels and officers noted the intention is for internal review that is benchmarked.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the Fraud and Corruption Control report for Quarter 2 2025/26.

- (b) That a Maturity Assessment Checklist be developed with Committee review to ensure independence.

AUD009-26 Governance Update - Q2 2025/26
(Report by Chief Governance and Risk Officer)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Governance report for Quarter 2 2025/26.

DISCUSSION:

The ARIC queried that number of conflicts of interest recorded and this was stated to be the requirement to submit (usually procurement or DA related) rather than indicating they have an interest. It was noted this could be included in future reporting.

It was noted by the ARIC that there are a number of outstanding delegations that have not been acknowledged. It was noted that a training session had been run which has prompted staff to acknowledge and further the team will be more proactive in speaking with specific staff to facilitate the requirements.

The number of GIPA Applications was noted by the ARIC as high but officers stated it was consistent with other Councils. There was an attempt to put in place practices for information release of documents over formal GIPAs to reduce numbers.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the Governance report for Quarter 2 2025/26.

AUD010-26 Service Review Program
(Report by Corporate Planning and Performance Specialist)

RECOMMENDATION:

That the Audit Risk and Improvement Committee (ARIC) receive and note the report, particularly:

- (i) Progress of the 2024/25 service review recommendations implementation
- (ii) Progress of the 2025/26 service review program

DISCUSSION:

Committee queried whether the Records Management review will include compliance. The Director Business and Corporate Services noted that's more of a structural change due to not having an improvement officer within the Division and a strategy to clean out data (physical and digital) involved in archiving and capturing metrics in the process.

As part of the Tree Management review, it was queried whether information of costs will be analysed. It was noted that detailed costs will be provided and benchmarking across other councils. It was noted that this review will be undertaken by an external consultant to ensure an independent review of the process and final report. The Chief Audit Executive (CAE) is also part of the independent review of the report.

COMMITTEE RECOMMENDATION:

That the Audit Risk and Improvement Committee (ARIC) receive and note the report, particularly:

- (i) Progress of the 2024/25 service review recommendations implementation
- (ii) Progress of the 2025/26 service review program

AUD011-26 Councillor Expenses July 2025 to December 2025
(Report by Executive Assistant to General Manager)

RECOMMENDATION:

- (a) That the record of claims (Attachment 1) made pursuant to the *Mayor and Councillors' Expenses and Facilities Policy* for the period of 1 July 2025 to 31 December 2025, be noted.
- (b) That following consideration of this report by the Audit, Risk and Improvement Committee, details of reimbursements contained in Attachment 1 will be made publicly available on Council's website.

DISCUSSION:

Some Local Planning Panel expense items identified were requested to be verified and ARIC notified out of session.

COMMITTEE RECOMMENDATION:

- (a) That the record of claims (Attachment 1) made pursuant to the *Mayor and Councillors' Expenses and Facilities Policy* for the period of 1 July 2025 to 31 December 2025, be noted.
- (b) That following consideration of this report by the Audit, Risk and Improvement Committee, details of reimbursements contained in Attachment 1 will be made publicly available on Council's website.
- (c) That the nominated expenses in the meeting be verified and ARIC Members advised out of session.

AUD012-26 People and Culture Metrics Report - Q2 2025/26
(Report by Chief People Officer)

RECOMMENDATION:

That the Audit, Risk, and Improvement Committee (ARIC) receive and note the People and Culture Metrics Report Q2 2025/26.

DISCUSSION:

CPO noted 13 WHS claims (an increase) and the premium has gone up significantly. The vacancy rate is steady and turnover is healthy. CPO is looking at a new starter survey to be completed within the first 12 weeks due to resignations within the first 12 months. The sick leave rate is below sector averages of 4.49% (ARIC suggested a rolling average would be more informative). The annual leave liability has been reduced with proactive management.

The ARIC asked whether there were any trends as to why staff are leaving. The CPO responded that through exit surveys the indication of more flexibility and money etc. are key reasons. The Director Business and Corporate Services note that Council had gone to the market for Workplace Strategy to inform Policy etc.

The Chair asked what does the flexible workplace look like at GRC. The CPO noted the organisation has different options available (work from home and flexible work system) and

looking further at options for staff, but needs to consider financial impact.

The ARIC noted that the top five positions advertised were in the report and noted it would be good to see bottom five to show where the Council is struggling to attract staff.

COMMITTEE RECOMMENDATION:

That the Audit, Risk, and Improvement Committee (ARIC) receive and note the People and Culture Metrics Report Q2 2025/26.

AUD019-26 Development and Building Metrics - Q2 (FY2025/26)
(Report by Manager Development and Building)

RECOMMENDATION:

That the Committee note the Quarterly Development and Building Team Functions and Services Metrics Report for the period October to December 2025

DISCUSSION:

The Manager Development and Building presented Q2 data, noting an 8% improvement in average determination time for DA's and a reduction of DA's applied for. The introduction of the Development Acceleration Panel (DAP) and the changes to correspondence processes was noted as assisted in decision making. Recruitment had been more positive, as well as a more positive environment, and still an ongoing important aspect to the plan. The Q3 predictions were also discussed as a positive improvement continuing.

It was noted that the Department of Planning's Action Plan has been endorsed by Council and the State has not yet responded to the submission.

It was also discussed that deficient DA's submitted were reviewed at lodgement to save time later on decisions to pick up issues earlier and go back to the applicant.

COMMITTEE RECOMMENDATION:

- (a) That the Committee note the Quarterly Development and Building Team Functions and Services Metrics Report for the period October to December 2025.
- (b) That the Audit, Risk and Improvement Committee (ARIC) note the improvement since the action plan commenced and acknowledge the efforts of staff.

AUD013-26 Internal Audit Plan 2024-2028 Status Update
(Report by Chief Audit Executive)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the status of the Internal Audit Plan for 2024-2028 report.

DISCUSSION:

Information was presented on the status of the externally sourced consultant for internal audit program items had been engaged with the procurement – capital program audit in progress, and the budget and WHS audits were to follow, with expected practical completion by 30 June.

COMMITTEE RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the status of the Internal Audit Plan for 2024-2028 report.

AUD014-26 Status of Overdue Internal Audit Recommendations

(Report by Chief Audit Executive)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receives and notes the report on the status of internal audit recommendations.
- (b) That the Audit, Risk and Improvement Committee (ARIC) acknowledge the nominated extensions by management to audit recommendation Due Dates contained in the report.
- (c) That the Audit, Risk and Improvement Committee (ARIC) receive an update report on the adopted Voluntary Planning Agreement (VPA) Policy at the May 2026 ARIC meeting that addresses the ICAC Operation Galley recommendations.

DISCUSSION:

Overview of report provided with the Director approved adjustments to recommendation due dates contained in the report noted. The ICAC Operation Galley VPA recommendations due 31 December 2025, were noted as impractical to adjust given the pending completion of the VPA Policy process, which will be provided at the next ARIC meeting discussing the implementation of the recommendations.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receives and notes the report on the status of internal audit recommendations.
- (b) That the Audit, Risk and Improvement Committee (ARIC) acknowledge the nominated extensions by management to audit recommendation Due Dates contained in the report.
- (c) That the Audit, Risk and Improvement Committee (ARIC) receive an update report on the adopted Voluntary Planning Agreement (VPA) Policy at the May 2026 ARIC meeting that addresses the ICAC Operation Galley recommendations.

AUD015-26 Internal Audit - Asset Management Maturity Assessment Update

(Report by Director Assets and Infrastructure)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the update report on the Asset Management Maturity Assessment review.
- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report at the May 2026 meeting.

DISCUSSION:

The Director informed the ARIC that a new manager assets and traffic had been recruited and a structural change is being presented to staff through consultation at the time of the meeting. The Grant Thornton report and recommendations will reviewed with new responsible officers allocated, revised timeframes and endorsed by the Executive prior to being tabled for ARIC review and endorsement.

It was noted that the proposed structure has an asset systems and data specialist that will look at existing systems, working with Finance, on asset register data as a priority for Council.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the updated report on the Asset Management Maturity Assessment review.

- (b) That the Audit, Risk and Improvement Committee (ARIC) receive a further update report at the May 2026 meeting.

AUD016-26 Fleet Function Review Update Report

(Report by Executive Manager City Presentation & Operational Services)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the update report on the Fleet Function Review.
- (b) That a further update report be prepared for the Audit, Risk and Improvement Committee (ARIC) and tabled at the September meeting.

DISCUSSION:

Manager noted that the Fleet Policy was in the process of being updated which is before the Executive and will resolve a lot of the actions.

It was noted by the ARIC that there is no comparison of leaseback vehicles to allowances provided. The Chair also noted other Council's moving to novated leases offered as a staff benefit, reducing the amount of assets and maintenance. Novated leases are currently offered to all staff and the report to ET takes a range of perspectives into consideration.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the update report on the Fleet Function Review.
- (b) That a further update report be prepared for the Audit, Risk and Improvement Committee (ARIC) and tabled at the September 2026 meeting.

AUD017-26 Hurstville Civic Precinct Project

(Report by Executive Manager City Futures)

RECOMMENDATION:

That the Audit, Risk and Improvement Committee (ARIC) receive and note the update report on the Hurstville Civic Precinct Project.

DISCUSSION:

Executive Manager of City Futures provided an overview of the report, noting Council is in the process of data collection to assist with future strategy and decision making.

The Chair asked about timeframes for project commencement and Council will need to work through options, strategic commercial property review and workplace strategy.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the update report on the Hurstville Civic Precinct Project.
- (b) That an further update report be prepared for the Audit Risk and Improvement Committee (ARIC), within 12 months, at a future meeting to be determined.

AUD018-26 NSW Auditor-General - Local Government 2025 Financial Audit Report

(Report by Chief Audit Executive)

RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the findings of the NSW Auditor-General's sector-wide report on local government financial audits for the

year ended 30 June 2025.

- (b) That the Audit, Risk and Improvement Committee (ARIC) acknowledge a proposed Artificial Intelligence (AI) Policy, to be considered by the Executive, and tabled at a future ARIC meeting once adopted by Council.

DISCUSSION:

Suggested that future Audit Office NSW reports be tabled straight after agenda item 3.1 so any questions can be directed to the Audit Office NSW Manager. This was noted by the CAE.

COMMITTEE RECOMMENDATION:

- (a) That the Audit, Risk and Improvement Committee (ARIC) receive and note the findings of the NSW Auditor-General's sector-wide report on local government financial audits for the year ended 30 June 2025.
- (b) That the Audit, Risk and Improvement Committee (ARIC) acknowledge a proposed Artificial Intelligence (AI) Policy, to be considered by the Executive, and tabled at a future ARIC meeting once adopted by Council.

GENERAL BUSINESS

Nil

CONCLUSION

The Meeting was closed at 12.56pm.

Chairperson

UNCONFIRMED

Item: FIN013-26 Investment Report as at 28 February 2026

Author: Senior Financial Accountant - Reporting

Directorate: Business and Corporate Services

Matter Type: Committee Reports

RECOMMENDATION:

That the Investment Report as at 28 February 2026 be received and noted by Council.

FIN013-26

EXECUTIVE SUMMARY

1. This report details Council's performance of its investment portfolio as at 28 February 2026 and compares its performance against key benchmarks.
2. This report also includes the estimated market valuation of Council's investment portfolio, loan liabilities and any required update on Council's legal action against various parties.
3. Council's annualised rate of return as at 28 February 2026 is 4.87% which is 1.04% above benchmark with income from interest on investments totalling \$8,956,000 which is \$68,000 higher than the year-to-date adopted budget of \$8,888,000.

BACKGROUND

4. Council's Responsible Accounting Officer is required to report monthly on Council's investment portfolio and certify that the investments are held in accordance with Council's Investment Policy, section 625 of the Local Government Act 1993 and Local Government (General) Regulation 2021.

INVESTMENT PERFORMANCE COMMENTARY

5. Council's performance against the benchmark for returns of its investment portfolio for February 2026, are as follows:

	1 Month	3 Month	12 Month
Portfolio Performance	0.361%	1.159%	4.87%
Performance Index	0.284%	0.900%	3.83%
Excess Performance	0.077%	0.259%	1.04%

Notes:

- (a) Portfolio performance is the rate of return of the portfolio over the specified period.
- (b) The Performance Index is the Bloomberg Ausbond Bank Bill Index.
- (c) Excess performance is the rate of return of the portfolio in excess of the (b) Performance Index.

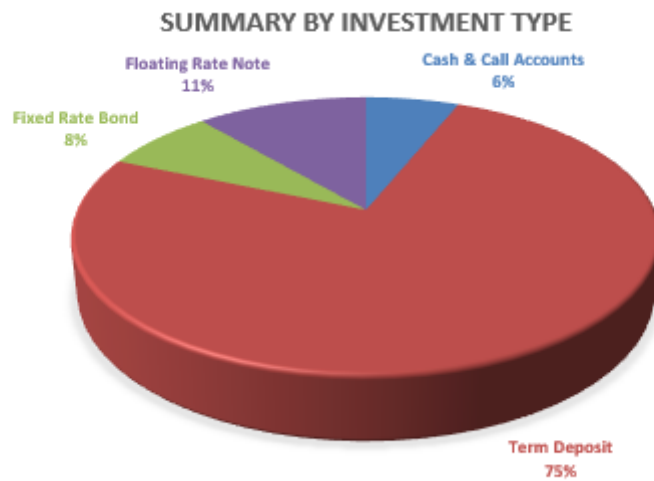
6. Council's investment portfolio as at the end of February 2026 was as follows:

Security Type	Market Value \$000's	% Total Value
At Call Deposit	10,918	3.62%
Consolidated Cash Fund	7,609	2.52%

Term Deposit	226,800	75.23%
Fixed Rate Bond	22,150	7.35%
Floating Rate Note	34,014	11.28%
Portfolio Total	301,491	100%

7. At the end of February 2026, total cash and investments were \$301 million, which was a \$7 million increase from the previous month (January 2026: \$294 million).
8. Council continues to utilise the Federal Government’s current guarantee (\$250,000) investing in term deposits with a range of Authorised Deposit Taking Institutions (ADI’s).

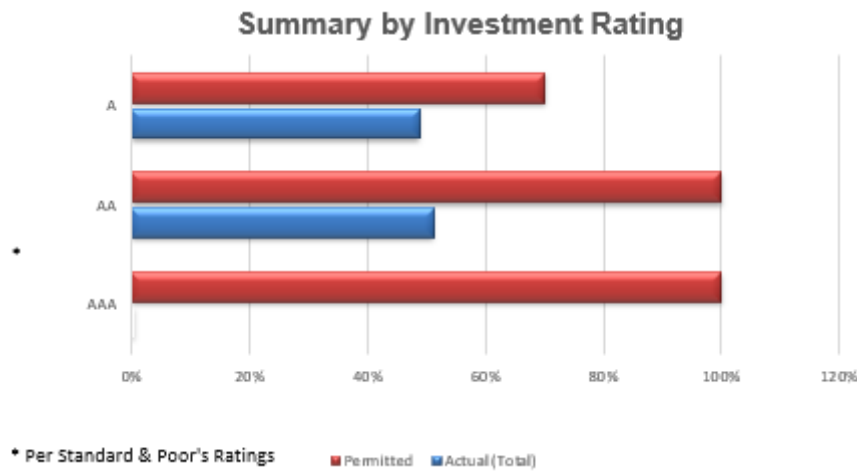
TYPE OF INVESTMENTS



9. The majority of Council's investment portfolio is made up of term deposits, which account for approximately 75% of total investments.
10. Floating Rate Notes (FRN) can offer liquidity and a higher rate of income accrual, which is highly recommended by our Investment Advisors (Dynamic Asset Consulting Pty Ltd).
11. The following are the types of investments held by Council:
 - (a) Cash and Call Accounts refer to funds held at a financial institution and can be recalled by Council either same day or on an overnight basis.
 - (b) A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium-Term Notes (MTN). The interest rate is floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
 - (c) A Term Deposit is a debt security issued by a company with a fixed or floating interest rate over the term of the deposit, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
 - (d) A Fixed Rate Bond is a debt security can be issued by a company or government in a form of fixed rate of interest at a specified time.

POLICY LIMITS

12. The graph below shows the investment rating limits, as a percentage of total cash investments, which are allowed under Council’s Investment Policy. All funds invested are within the limits set in the Investment Policy.



INVESTMENT INCOME

- 13. Income from interest on investments totals \$8,956,000 which is \$68,000 higher than the year-to-date adopted budget of \$8,888,000.
- 14. Investments have been made in accordance with the Local Government Act 1993, Minister’s Guidelines, Regulations and Council’s Investment Policy.

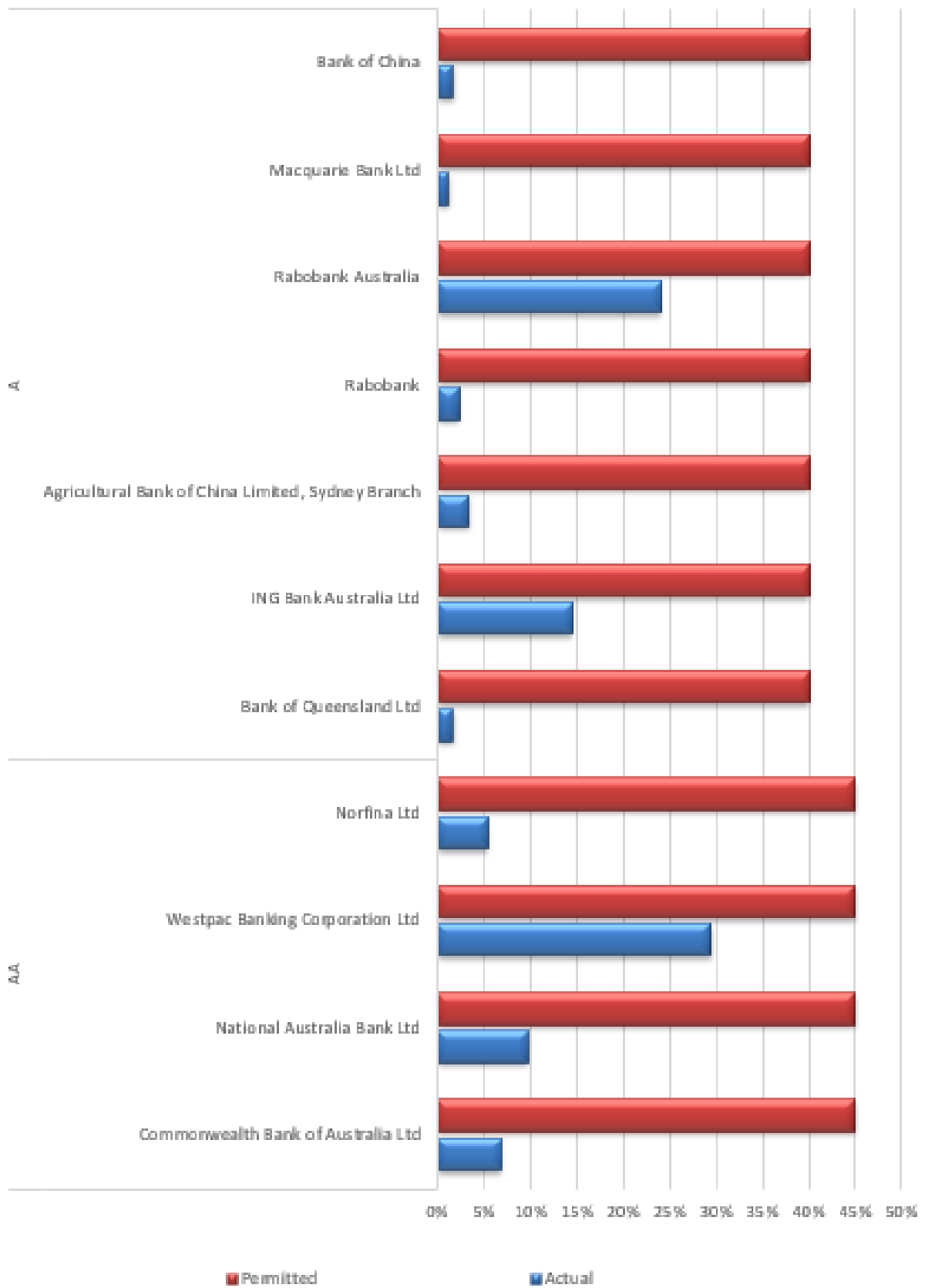
ANALYSIS OF INVESTMENTS

15. Investment Duration

Investment Term	Market Value \$000's	% Total Value	Policy Limits %
0 to < 1 Year	121,961	40.45%	100%
1 to < 3 Years	99,966	33.16%	60%
3 to < 5 Years	79,564	26.39%	40%
Portfolio Total	301,491	100%	

- 16. Council’s portfolio is moderately liquid, with 40% of assets maturing within 12 months. FRNs, At-Call Funds and Fixed Rate Bonds also provide additional liquidity in an emergency.
- 17. The following graph shows the analysis of the total cash investment by institution as at 28 February 2026.

Investment by Institution



FIN013-26

CREDIT RATING

18. Credit ratings are generally a statement as to an institution's credit quality. Council's investment advisors (Dynamic Asset Consulting Pty Ltd) use standard & poor's credit ratings to classify the investments held by Council. Ratings ranging from AAA to A are considered investment grade.
19. A general guide for the meaning of each credit rating that Council deals with is as follows:
- AAA: The highest possible quality. An obligor's capacity to meet its financial commitments on the obligation is extremely strong.
- AA: The best quality companies, reliable and stable. An obligor's capacity to meet its financial commitments on the obligation is very strong.
- A: The obligor's capacity to meet its financial commitments on the obligation is still strong but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.
20. The credit quality of Council's portfolio is high with 100% of assets rated 'A' or higher.

COUNCIL'S INVESTMENT POWERS

21. Council's investment powers are regulated by Section 625 of the Local Government Act 1993, which states:
- A council may invest money that is not, for the time being, required by the council for any other purpose.
 - Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
 - An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
 - The acquisition, in accordance with Section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.
22. Council's Investment Policy and strategy requires that all investments are to be made in accordance with:
- *Local Government Act 1993 - Section 625*
 - *Local Government Act 1993 - Order (of the Minister) dated 12 January 2011*
 - *The Trustee Amendment (Discretionary Investments) Act 1997 - Sections 14A (2), 14C (1) & (2)*
 - *Local Government (General) Regulations 2021*
 - *Division of Local Government Investment Policy Guidelines, May 2010*

LEGAL MATTERS

23. Since January 2019 Georges River Council has been participating in a Group Class Action against Fitch Ratings Inc and Fitch Ratings Ltd (collectively Fitch), in respect to losses suffered in relation to products Council acquired which were rated by Fitch, specifically the Corsair (Cayman Islands) No. 4 Limited Series 6 (Kakadu) Collateralised Debt Obligation

(CDO) notes (rated AA by Fitch but estimated in fact BB), and the Zircon Finance Limited Series 2007 (Coolangatta and Merimbula). Council suffered a capital loss of approximately \$215,000 on these investments dating back to December 2006 and will seek damages of the capital loss including lost interest, as part of the action.

24. As a Group Member, Council will not incur any legal costs or disbursements or be liable for any adverse costs order that the Court may make in the proceedings. Banton Group Pty Ltd (Banton) is the legal firm acting for Council in relation to the class action proceedings against Fitch, engaged on November 2020. Banton has been working on the matter and conferring with consultant experts on a new potential fraud issue within Fitch's ratings methodology.
25. The latest quarterly correspondence on this matter was in January 2026. The Applicants and Fitch have given discovery, and the Applicants have filed and served their lay evidence. There are a number of steps to complete in 2026 prior to the proceedings which are listed for hearing commencing on 3 May 2027 for an estimated six weeks.

FINANCIAL IMPLICATIONS

26. Income from interest on investments totals \$8,956,000 which is \$68,000 higher than the year-to-date adopted budget of \$8,888,000.
27. The majority of Council's cash is restricted for specific purposes, with approximately 20% available as unrestricted operating cash, which is a funding source for ongoing service provision, capital renewal and unforeseen events. Around 52% of the cash is externally restricted by legislation or formal agreements, mainly involving developer contributions, domestic waste, and unspent grants. Internally restricted cash, approximately 28% of the funds, are reserved for governance and sustainability to support funding strategies and asset management. This financial structure highlights the need for effective management of these restricted funds to ensure the Council's financial health and operational requirements.

RISK IMPLICATIONS

28. Financial Sustainability is Council's number one strategic risk, which is Council's failure to implement appropriate financial strategies and controls to ensure financial sustainability. This requirement may be impacted by Council's failure to deliver the Long-Term Financial Plan and inability to meet emerging risks and delivery of Council's Community Strategic Plan as well as absorbing additional financial obligations without adequate resourcing.
29. The risk has been managed by Council's management of investments in accordance with the relevant Act and Regulations, along with Council's adopted Investment Policy. To further minimise the risk, Council is progressively moving towards the placement of investments only in investments rated A or above.

COMMUNITY ENGAGEMENT

30. No community consultation is required.

FILE REFERENCE

D26/61563

ATTACHMENTS

Attachment [↓](#)1 P08. Investment Portfolio as at 28 Feb 2026



INVESTMENT REPORT

As at 28 February 2026



TABLE OF CONTENTS

1. Portfolio as at 28 February 2026
2. Portfolio Valuation by Categories as at 28 February 2026



Investment Report
Georges River Council
as at 28 February 2026

1. Portfolio Valuation As At 28 February 2026

	Fixed Interest Security	ISIN	Face Value Original	Market Value	% Total Value
Cash at Bank					
	CBA Consolidated operating 70 & 18		7,609,271.33	7,609,271.33	2.52%
			7,609,271.33	7,609,271.33	2.52%
At Call Account					
	CBA Cash deposit 167242		-	-	0.00%
	CBA Online saver 7676		10,917,757.24	10,917,757.24	3.62%
			10,917,757.24	10,917,757.24	3.62%
Fixed rate bond					
	NAB 4.95 25 Nov 2027 1826DAY Fixed	AU3CB0294502	7,400,000.00	7,556,014.20	2.51%
	Norfinna 4.80 14 Dec 2027 1826DAY Fixed	AU3CB0294957	5,200,000.00	5,295,695.60	1.76%
	Rabobank 5.71 21 Nov 2028 1827DAY Fixed	AU3CB0304525	6,750,000.00	7,058,448.00	2.34%
	Norfinna 4.75 19 Mar 2029 1826DAY Fixed	AU3CB0307809	1,200,000.00	1,224,570.00	0.41%
	ING 4.84 22 Mar 2027 1095DAY Fixed	AU3CB0307908	1,000,000.00	1,015,038.00	0.34%
			21,550,000.00	22,149,765.80	7.35%
Floating rate note					
	Norfinna 1.05 12 Jul 2028 FRN	AU3FN0079406	3,000,000.00	3,024,900.00	1.00%
	CBA 0.95 17 Aug 2028 FRN	AU3FN0080396	2,000,000.00	2,016,040.00	0.67%
	ABOCSyd 0.90 4 Sep 2026 FRN	AU3FN0080859	10,000,000.00	10,033,700.00	3.33%
	Norfinna 0.92 27 Sep 2029 FRN	AU3FN0091906	4,000,000.00	4,025,890.27	1.34%
	WBC 0.84 21 Jan 2030 FRN	AU3FN0094843	2,400,000.00	2,406,504.00	0.80%
	NAB 0.83 18 Mar 2030 FRN	AU3FN0096699	1,600,000.00	1,603,520.00	0.53%
	ING 0.95 13 Jun 2030 FRN	AU3FN0099321	2,800,000.00	2,803,528.00	0.93%
	MACQ 0.82 17 Jul 2030 FRN	AU3FN0100111	3,500,000.00	3,500,000.00	1.16%
	ING 0.78 15 Aug 2030 FRN	AU3FN0100806	2,000,000.00	2,000,000.00	0.66%
	Norfinna 0.80 02 Dec 2030 FRN	AU3FN0105086	2,600,000.00	2,600,000.00	
			33,900,000.00	34,014,082.27	11.28%



Investment Report
Georges River Council
as at 28 February 2026

Term Deposit

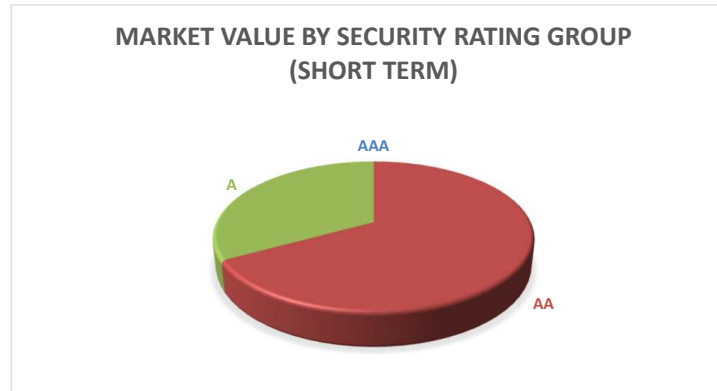
WBC 4.67 30 Aug 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 5.00 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 4.76 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 5.08 18 Oct 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 5.15 10 Nov 2027 1826DAY TD	10,000,000.00	10,000,000.00	3.32%
ING 4.65 14 Dec 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 5.13 06 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 4.85 14 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 5.20 15 Jun 2028 1827DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 5.41 07 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.00%
WBC 5.06 20 Jul 2026 1098DAY TD	2,200,000.00	2,200,000.00	0.73%
WBC 5.12 24 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.00%
ING 5.01 24 Aug 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.00%
ING 5.00 04 Sep 2026 1096DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 5.19 19 Feb 2029 1827DAY TD	1,000,000.00	1,000,000.00	0.33%
Rabo 5.15 26 Feb 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 5.06 5 Mar 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.83 11 Sep 2029 1825DAY TD	4,000,000.00	4,000,000.00	1.33%
Rabo 4.95 15 Oct 2029 1827DAY TD	2,000,000.00	2,000,000.00	0.66%
ING 5.05 18 Nov 2027 1095DAY TD	1,000,000.00	1,000,000.00	0.33%
Rabo 5.10 03 Dec 2029 1827DAY TD	2,000,000.00	2,000,000.00	0.66%
Rabo 4.95 17 Dec 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.96 07 Jan 2030 1827DAY TD	1,000,000.00	1,000,000.00	0.33%
ING 5.08 16 Jan 2030 1826DAY TD	1,000,000.00	1,000,000.00	0.33%
ING 5.02 21 Jan 2030 1826DAY TD	1,000,000.00	1,000,000.00	0.33%
Rabo 4.97 05 Feb 2030 1827DAY TD	2,000,000.00	2,000,000.00	0.66%
Rabo 5.07 19 Feb 2030 1827DAY TD	1,000,000.00	1,000,000.00	0.33%
Rabo 5.10 25 Feb 2030 1826DAY TD	2,000,000.00	2,000,000.00	0.66%
Rabo 5.02 05 Mar 2030 1825DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.94 18 Mar 2030 1826DAY TD	2,000,000.00	2,000,000.00	0.66%
WBC 4.15 28 Apr 2026 365DAY TD	2,000,000.00	2,000,000.00	0.66%
Rabo 4.12 05 Jun 2026 365DAY TD	1,200,000.00	1,200,000.00	0.40%
Rabo 4.65 18 Jun 2030 1825DAY TD	4,000,000.00	4,000,000.00	1.33%
Rabo 4.17 19 Jun 2026 365DAY TD	3,000,000.00	3,000,000.00	1.00%
WBC 4.04 08 Jun 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 4.23 16 Jul 2026 365DAY TD	5,000,000.00	5,000,000.00	1.66%
WBC 4.15 22 Jul 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 4.17 29 Jul 2026 365DAY TD	3,000,000.00	3,000,000.00	1.00%
WBC 4.10 05 Aug 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
Rabo 4.58 12 Aug 2030 1826DAY TD	4,000,000.00	4,000,000.00	1.33%
Rabo 4.55 12 Aug 2030 1825DAY TD	5,000,000.00	5,000,000.00	1.66%
Rabo 4.58 19 Aug 2030 1825DAY TD	5,000,000.00	5,000,000.00	1.66%
NAB 4.10 21 Aug 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 4.05 25 Aug 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 4.06 27 Aug 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
WBC 4.10 04 Sep 2026 364DAY TD	5,000,000.00	5,000,000.00	1.66%
NAB 4.20 10 Sep 2026 365DAY TD	5,000,000.00	5,000,000.00	1.66%
NAB 4.15 21 Sep 2026 367DAY TD	4,000,000.00	4,000,000.00	1.33%
NAB 4.15 22 Sep 2026 365DAY TD	4,000,000.00	4,000,000.00	1.33%
NAB 4.30 29 Sep 2026 365DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.87 19 Nov 2030 1827DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.86 27 Nov 2030 1827DAY TD	1,400,000.00	1,400,000.00	0.46%
Rabo 5.17 09 Dec 2030 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
BOC 4.50 09 Jun 2026 183DAY TD	5,000,000.00	5,000,000.00	1.66%
Rabo 5.29 11 Dec 2030 1827DAY TD	5,000,000.00	5,000,000.00	1.66%
ING 4.73 17 Dec 2027 730DAY TD	2,000,000.00	2,000,000.00	0.66%
WBC 4.64 22 Dec 2027 730DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.64 07 Jan 2027 365DAY TD	3,000,000.00	3,000,000.00	1.00%
Rabo 4.41 04 May 2026 91DAY TD	5,000,000.00	5,000,000.00	1.66%
BOQ 4.70 10 Aug 2026 182DAY TD	5,000,000.00	5,000,000.00	1.66%
	226,800,000.00	226,800,000.00	75.23%
Portfolio Total		301,490,876.64	100%



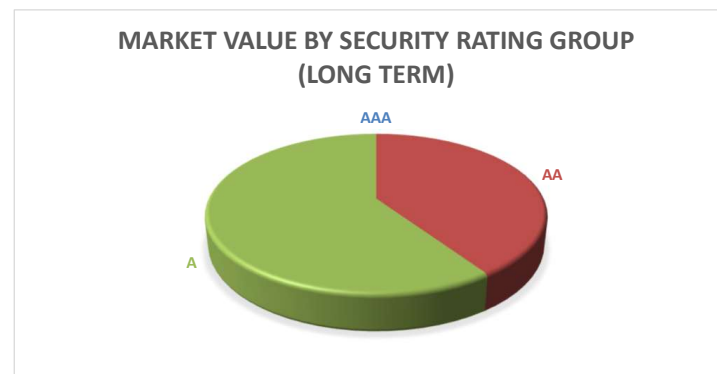
Investment Report
Georges River Council
as at 28 February 2026

2. Portfolio Valuation By Categories As At 28 February 2026

Short Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	0	0.00%
AA	81,727,029	27.11%
A	40,233,700	13.34%
Portfolio Total	121,960,729	40.45%



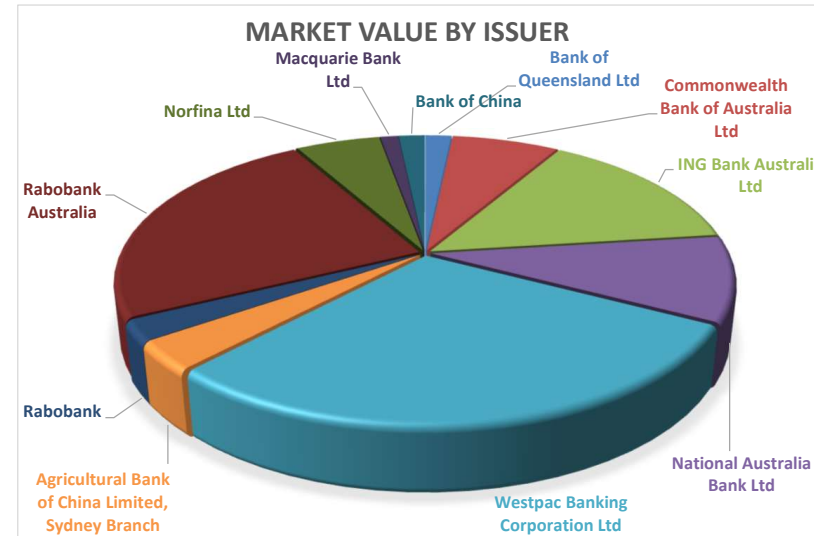
Long Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	0	0.00%
AA	72,753,134	24.13%
A	106,777,014	35.42%
Portfolio Total	179,530,148	59.55%





Investment Report
Georges River Council
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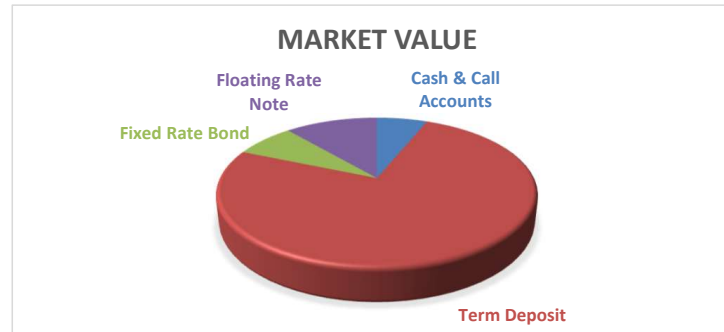
Issuer	Market Value	% Total Value
Bank of Queensland Ltd	5,000,000	1.66%
Commonwealth Bank of Australia Ltd	20,543,069	6.81%
ING Bank Australia Ltd	43,818,566	14.53%
National Australia Bank Ltd	29,159,534	9.67%
Westpac Banking Corporation Ltd	88,606,504	29.39%
Agricultural Bank of China Limited, Sydney Branch	10,033,700	3.33%
Rabobank	7,058,448	2.34%
Rabobank Australia	72,600,000	24.08%
Norfina Ltd	16,171,056	5.36%
Macquarie Bank Ltd	3,500,000	1.16%
Bank of China	5,000,000	1.66%
Portfolio Total	301,490,877	100.00%





Investment Report
Georges River Council
as at 28 February 2026

Security Type	Market Value	% Total Value
Cash & Call Accounts	18,527,029	6.15%
Term Deposit	226,800,000	75.23%
Fixed Rate Bond	22,149,766	7.35%
Floating Rate Note	34,014,082	11.28%
Portfolio Total	301,490,877	100.00%

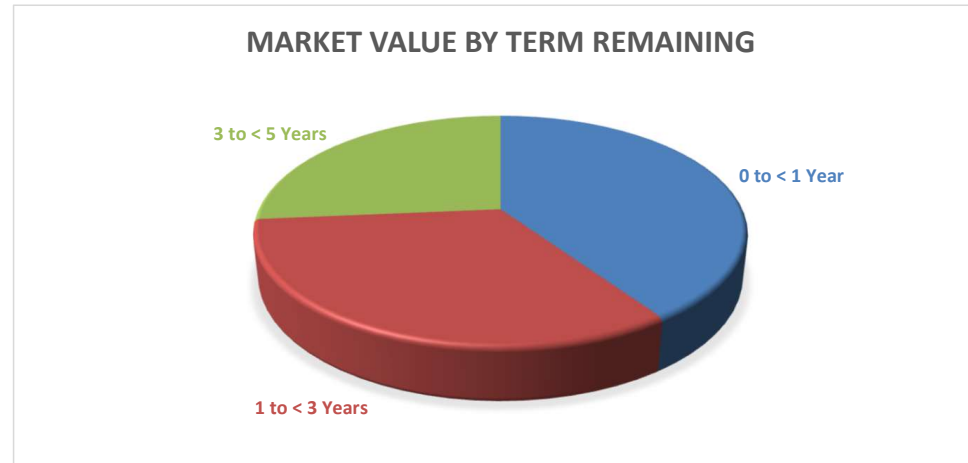




Investment Report
Georges River Council
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Term Remaining	Market Value	% Total Value	Policy Limits %
0 to < 1 Year	121,960,729	40.45%	100%
1 to < 3 Years	99,966,136	33.16%	60%
3 to < 5 Years	79,564,012	26.39%	40%
Portfolio Total	301,490,877	100.0%	

Note: Term Remaining is calculated using a weighted average life date (WAL) where appropriate and available otherwise the interim (initial) maturity date is used.



Item: FIN014-26 Revised Related Party Disclosure Policy

Author: Coordinator Financial Management

Directorate: Business and Corporate Services

Matter Type: Committee Reports

RECOMMENDATION:

That Council adopt the revised Related Party Disclosure Policy as attached to this report.

FIN014-26

EXECUTIVE SUMMARY

1. The Related Party Disclosure Policy has been reviewed and updated as part of an administrative refresh to ensure alignment with Council's current Policy Framework template and to remove outdated or redundant content. The revised draft presents a significantly streamlined document that improves clarity, reflects current organisational responsibilities, and maintains compliance with the disclosure requirements of AASB 124.
2. Key changes include updating the timing requirements for Key Management Personnel (KMP) cessation disclosures, simplifying definitions and explanatory material, removing obsolete appendices and examples, and ensuring responsibilities align with Council's current structure and internal processes. No changes have been made to Council's substantive related party disclosure obligations under applicable legislation or accounting standards.

BACKGROUND

3. The Related Party Disclosures Policy provides a framework for Council to comply with Australian Accounting Standards Board 124, requiring Council disclose all material and significant related party transactions.
4. The policy has been reviewed and updated with redundant content removed, outdated references deleted, formatting improved, and KMP cessation disclosure timing updated from before to after.
5. The revised Policy is contained in Attachment 1 and a detailed overview of the proposed changes is as follows and the:
 - a) The Policy has been revised to align with Council's current Policy Framework template, including updated formatting, layout, tables, and branding.
 - b) The Definitions of Terms table has been streamlined, with several definitions rewritten in plain language and technical references reduced for clarity.
 - c) Redundant and outdated explanatory content, including the multi-page Privacy Collection Notice, examples, and background narrative, has been removed from the Policy. Replaced with a revised fact sheet (Attachment 2) to be used during the collection process.
 - d) The requirement for Key Management Personnel (KMP) to submit a disclosure 30 days before ceasing employment has been revised. Under the proposed changes, disclosures are now required 30 days after ceasing, updating the timing obligation.
 - e) The sections relating to Related Party Transactions, Ordinary Citizen Transactions, and Financial Statement disclosure requirements have been consolidated and

simplified to remove duplicated legislative content while maintaining compliance with AASB 124.

- f) Responsibilities have been updated to reflect Council's current organisational structure, removing outdated role references and clarifying responsibilities of the Responsible Accounting Officer, KMP, and the Manager, Office of the General Manager.
- g) The Version Control table has been updated to include Version 3.0, documenting the administrative updates made, including removal of redundant content, deletion of outdated references, formatting improvements, and the adjusted KMP cessation disclosure timing.

FINANCIAL IMPLICATIONS

- 6. No budget impact for this report.

RISK IMPLICATIONS

- 7. No additional risk implications arise from the administrative update. The policy supports Council's management of fraud risk.

COMMUNITY ENGAGEMENT

- 8. There is no community engagement required for this item.

FILE REFERENCE

D26/87442

ATTACHMENTS

Attachment [1](#) Draft Related Party Disclosure Policy - April 2026

Attachment [2](#) KMP Related Party Disclosure Fact Sheet



Related Party Disclosure Policy

April 2026

Policy administration

Dates	Policy approved 21 xxxx This policy is effective upon its approval. Policy is due for review November 2029.
Approved by	Council Meeting xxxx Council Resolution xxxx
Policy Type	<input type="checkbox"/> Executive Policy <input checked="" type="checkbox"/> Council Policy
Exhibition Period	N/A
Policy Owner	Chief Financial Officer, Business and Corporate Services Directorate
Related Documents	<ul style="list-style-type: none"> • Code of Conduct • Mayor and Councillors Expenses and Facilities Policy • Privacy Management Plan • Access to Information Policy • Key Management Personnel Related Party Disclosure Form • KMP Related Party Disclosure Fact Sheet
References & Legislation	<ul style="list-style-type: none"> • Accounting Standard AASB 124 – Related Party Disclosures • Local Government Act 1993 • Local Government (General) Regulation 2021 • Privacy and Personal Information Protection Act 1998 • Government Information (Public Access) Act 2009 (GIPA Act) • Treasury Circular TC16-12 Related Party Disclosures • NSW Treasury: Frequently Asked Questions – Implementing AASB 124 Related Party Disclosures (AASB 124)
Document Identifier	Policy #: Pol-029.03 Doc #: D17/141096
Breaches of Policy	Breaches of any policy will be dealt with and responded to in accordance with adopted codes and/or relevant legislation.
Record Keeping	All documents and information obtained in relation to the implementation of this policy will be kept in accordance with the NSW State Records Act 1998, Georges River Council’s Corporate Records Policy and adopted internal procedures.

Purpose

The purpose of this policy is to ensure Council complies with AASB 124 disclosure requirements and transparently reports related party transactions and balances that may affect its financial position.

Scope

This policy applies to Council’s Related Parties, Related Party Transactions, and Key Management Personnel as defined. It excludes:

- Ordinary citizen transactions that are not material
- Councillor expenses and facilities disclosed in the Annual Report under relevant legislation
- Disclosures required under the Code of Conduct or Local Government Act (e.g. conflicts of interest, gifts and benefits, pecuniary interests)

Definition of Terms

Term	Meaning
AASB 124	Australian accounting standard on related party disclosures.
Associate	An entity over which Council or a KMP has significant influence.
Arm’s length transaction	A transaction between two Related Parties that is conducted as if they were unrelated, so that there is no question of conflict of interest. That is, the transaction is consistent with what would result from: <ul style="list-style-type: none"> • Neither party bearing the other any special duty or obligation; • The parties being unrelated and uninfluenced by the other; and • Each party having acted in its own interest.
Close family members or close members of the family	Family members who could influence, or be influenced by, a KMP in dealings with Council (e.g. spouse/partner, children, dependants, and in some cases extended family).
Control	The ability to direct an entity’s decisions and benefit from its outcomes.
Joint Control	Shared control where decisions require agreement between all parties.
Joint Venture	An arrangement where parties share joint control and rights to net assets.
KMP (Key Management Personnel)	Those persons having authority and responsibility for planning, directing and controlling the activities of Council, either directly or indirectly. Specifically, KMP of Council are: <ul style="list-style-type: none"> • Mayor

	<ul style="list-style-type: none"> • Councillors • General Manager • Directors • Staff acting in a vacant General Manager or Director position, including where acting arrangements in one KMP role arise as a result of a vacancy in another KMP role • Staff acting in the General Manager or a Director position due to leave arrangements may be considered KMP, dependent on the types of decisions the person makes while acting (e.g. the power to sign major contracts).
Material (materiality)	Information that could influence decisions of users of Council’s financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.
Ordinary Citizen Transaction	A routine transaction with Council on standard public terms (e.g. paying rates or using services).
Related Party	<p>A person or entity that is related to Council. Council’s related parties are:</p> <ul style="list-style-type: none"> • Entities related to Council, such as subsidiaries, Joint Ventures and Associates • KMP • Close family members of KMP • Entities controlled or jointly controlled by KMP or their close family members.
Related Party Transaction	Any transfer of resources, services, or obligations between Council and a related party, whether or not a price is charged (e.g. purchases, leases, commitments).

Policy Statement

1. General Principles

- 1.1 Council complies with AASB 124 and discloses relevant related party information to support transparency and quality financial reporting.
- 1.2 Council will disclose all material related party transactions and balances (including commitments) in its annual General Purpose Financial Statements for reporting periods from 1 July 2017.

2. Disclosures of Related Party Transactions

- 2.1 Related party transactions will be identified through Council’s finance systems and by KMP self-assessment using the Related Party Disclosure Form.

2.2 KMP must provide disclosures annually (30 June) and within 30 days of commencing or ceasing employment, or any changes to related parties.

3. Ordinary Citizen Transactions Standard transactions with the public

3.1 Ordinary citizen transactions arising from normal Council services are generally not material and do not require disclosure.

3.2 A \$10,000 annual threshold is used as a guide, along with factors such as non-market terms, unusual transactions, private benefit, or potential influence on financial statement users.

3.3 Transactions that are individually minor but collectively significant must also be considered.

3.4 KMP must disclose all transactions for Council to assess materiality.

4. Disclosure in Financial Statements

4.1 Council will disclose:

- Relationships with subsidiaries, regardless of transactions
- Total KMP compensation by category:
 - Short-term employee benefits (wages, allowances, non-monetary benefits)
 - Post-employment benefits (superannuation)
 - Other long-term benefits (long service leave)
 - Termination benefits
- For related party transactions:
 - Nature of the relationship
 - Transaction amounts and outstanding balances (including key terms)
 - Provisions and expenses for doubtful debts

4.2 Disclosures will be made separately for:

- KMP
- Close family members and their controlled entities
- Subsidiaries, associates, and joint ventures

4.3 Disclosures will generally be aggregated by type unless separate reporting is needed. Materiality and disclosure decisions will consider:

- Nature of the relationship
- Size or significance of the transaction
- Whether terms are arm's length
- Whether the transaction is outside normal operations

5. Register of KMP Declarations and Related Party Transactions

5.1 Council will maintain:

- A Register of KMP Related Party Declarations
- A Register of Related Party Transactions.

5.2 Each transaction record will include key details such as the transaction description, related party, relationship, status (actual or potential), and relevant supporting information required under AASB 124.

6. Information Privacy

6.1 Information is collected to meet Council’s obligations under AASB 124 and managed in accordance with relevant legislation and Council policies. Requests for access will be assessed on a case-by-case basis, including consideration of the public interest and, where appropriate, consultation with the relevant KMP.

6.2 Access to this information is limited to authorised persons, including KMP (for their own information), relevant Governance and Finance staff, the Audit, Risk and Improvement Committee, and Council auditors.

6.3 Information may be used to assess and verify related party transactions, reconcile disclosures, and ensure compliance with AASB 124.

Responsibilities

Position	Responsibility
Key Management Personnel	<ul style="list-style-type: none"> • Identify related party relationships and disclose transactions via the Related Party Disclosure Form • Complete disclosures at least annually
Responsible Accounting Officer	<ul style="list-style-type: none"> • Identify related entities (subsidiaries, associates, joint ventures) • Issue disclosure forms to KMP (excluding Councillors) annually • Review Council systems to identify related party transactions • Assess and verify KMP disclosures • Maintain the Register of Related Party Transactions • Assess transactions for materiality • Ensure required disclosures in financial statements • Provide guidance to KMP on this policy
Manager Office of the General Manager	<ul style="list-style-type: none"> • Issue disclosure forms to Councillors on commencement and annually • Maintain the Councillor Related Party Disclosure Register

- Provide guidance to KMP on this policy

Version Control and Change History

Version	Amendment Details	Policy Owner	Period Active
1.0	Georges River Council Related Party Disclosures Policy.	Chief Financial Officer/ Manager Governance and Risk Management	4/09/2018 - 21/11/2022
1.1	Related Party Disclosure Form (previously Appendix A) removed from policy on 18/2/20 as it was an outdated version.	Chief Financial Officer/ Manager Governance and Risk Management	N/A
2.0	Scheduled policy review completed, including template updates, title changes, and administrative corrections.	Chief Financial Officer/ Head of Corporate Governance and Risk	21/11/2022 – 15/08/2023
2.1	Administrative change to Policy Owner	Chief Financial Officer	15/08/2023 – xxx
3.0	Redundant content removed; outdated references deleted; formatting improved; KMP cessation disclosure timing updated from before to after.	Chief Financial Officer	Xxxx --- Current

GEORGES RIVER COUNCIL FINANCE <h1 style="margin: 0;">Related Party Disclosures</h1> <p style="margin: 0;">Key Management Personnel – Fact Sheet</p> <p style="margin: 0;">What you must declare, who it covers, and when to submit your disclosure.</p>	COMPLIANCE REQUIREMENT <h2 style="margin: 0;">AASB 124</h2> <p style="margin: 0;">Related Party Disclosures</p>
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IMPORTANT: As a KMP, you are legally required to disclose related party relationships and transactions under **AASB 124**. These disclosures are subject to external audit. **If in doubt – disclose, and contact the Chief Financial Officer.**

1 WHO ARE KMP?

Key Management Personnel (KMP) are persons with authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. At Georges River Council, a KMP is defined as:

Mayor	Councillor
General Manager	Director

Acting Roles: Staff may be considered as KMP when acting in the above internal roles - **acting in a vacant position = KMP; acting to cover annual leave only = generally not KMP.** This includes where acting arrangements of one KMP role result from vacancy in another KMP role. Council will advise if an acting role qualifies.

2 WHAT IS A RELATED PARTY?

A related party of a KMP includes:

- The **KMP themselves**
- Their **close family members** (see Section 3)
- Entities **controlled or jointly controlled** by the KMP or their close family members (see Section 4)

A **Related Party Transaction** is any transfer of resources, services or obligations between Council and a related party – **whether or not a price is charged.**

3 WHO ARE CLOSE FAMILY MEMBERS?

ALWAYS INCLUDED Definite Close Family Members	ASSESS CASE-BY-CASE May Be a Close Family Member *
Your spouse or domestic partner	Your brothers and sisters, if they could influence, or be influenced by, you in dealings with Council
Your children	Your parents and grandparents, if they could influence, or be influenced by, you in dealings with Council
Your dependants	Your aunts, uncles and cousins, if they could influence, or be influenced by, you in dealings with Council
Children of your spouse or domestic partner	Your nieces and nephews, if they could influence, or be influenced by, you in dealings with Council
Dependants of your spouse or domestic partner	Any other family member who could reasonably influence, or be influenced by, you in dealings with Council

** Under AASB 124, extended family members are included where an influence relationship in Council dealings exists or could reasonably be expected.*

4 ENTITIES YOU CONTROL OR JOINTLY CONTROL

You must disclose any entity **you or a close family member** control or jointly control. Entities include companies, trusts, partnerships, joint ventures, clubs, charities and associations (incorporated or unincorporated).

POWER Ability to direct the entity's decision-making	RETURNS Exposure or rights to variable returns from the entity	LINK Ability to use that power to affect the level of returns
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JOINT CONTROL EXAMPLE
A Councillor owning 50% of a company alongside a family member, where all board decisions require unanimous agreement, has joint control and must disclose the entity – even if it has no current dealings with Council.

5 WHAT TRANSACTIONS MUST BE DISCLOSED?

Routine, arms-length transactions available to the general public (e.g. paying rates, using a public park) are **ordinary citizen transactions** and are generally not reportable. Always disclose and let Council assess materiality.

\$10,000
Aggregate materiality threshold per financial year. Transactions at or above this must be disclosed. Transactions below this threshold may still require disclosure if any factor below applies.

Consider disclosure even below \$10,000 if any of these apply:

- ? Was it carried out on non-market terms?
- ? Is it outside normal day-to-day Council operations?
- ? Was it subject to Council approval?
- ? Did it provide a financial benefit not available to the public?
- ? Could it be collectively significant alongside other transactions?

Rule of thumb: *Disclose everything – let Council determine what is material.*

6 WHEN MUST YOU SUBMIT A DISCLOSURE?

ANNUALLY 30 June Submit your annual Related Party Disclosure each financial year	WITHIN 30 DAYS OF Any Change After any change to your close family members or associated entities	WITHIN 30 DAYS OF Starting After a KMP commences their term or employment with Council	WITHIN 30 DAYS OF Finishing After a KMP ceases their term or employment with Council
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Important: These disclosures are **in addition to** your Code of Conduct obligations – including Conflict of Interest (Pecuniary & Non-Pecuniary) and Gifts & Benefits disclosures. Related party information **may be audited** as part of Council's annual external audit. For privacy and right to information details, refer to Council's **Related Party Disclosure Policy**.

<p>Questions or unsure whether something needs to be declared?</p> <p>Contact the Chief Financial Officer before your submission deadline. Submit your completed annual disclosure form each year. Refer to Council's Related Party Disclosure Policy for full privacy details.</p>	<p>ANNUAL DEADLINE</p> <p>30 June</p> <p>Each Year</p>
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Item: FIN015-26 Quarterly Commercial Property Portfolio Report for Period Ending 31 December 2025

Author: Senior Property Officer

Directorate: Business and Corporate Services

Matter Type: Committee Reports

RECOMMENDATION:

That Council receive and note the contents of this report in relation to the Quarterly Commercial Property Portfolio, for the period ending 30 December 2025.

EXECUTIVE SUMMARY

1. This report contains information about the properties within the Commercial Property Portfolio for the period 1 September 2025 to 31 December 2025.
2. Council is undertaking a consolidated review of its property portfolio to clarify asset performance and future opportunities. Key acquisitions and disposals are progressing in line with strategy, with sale proceeds directed to Council reserves. Planning for open space assets continues, while leasing challenges at two major commercial sites present short-term impacts but longer-term repositioning opportunities.
3. The Commercial Property Portfolio remains strong, generating \$3.175 million in 2024/25. Overall performance supports Council's financial sustainability and reduces reliance on ratepayers.

BACKGROUNDStrategic Property Planning

4. Council is progressing a consolidated review of its community and strategic property holdings to provide a clear, unified understanding of current assets and future opportunities. This review will support informed decision-making in relation to asset utilisation, investment priorities and long-term planning outcomes. A high-level strategic assessment of selected key sites has been undertaken to identify potential opportunities and constraints.

Acquisitions and Disposals

5. Council-approved acquisitions and disposals continue to progress in line with Council's adopted asset strategy and reserve management framework. Proceeds from approved sales are intended to be directed to relevant Council reserves to support future service and asset investment priorities:
 - (a) Acquisition of land at Culwulla Street, South Hurstville, subject to exchange of contracts.
 - (b) Proposed acquisition of state government owned land at Hedley Street, Riverwood to support open space and potential future development outcomes.
 - (c) Disposal of 62 Ocean Street, Kogarah, with proceeds allocated to the Childcare Asset Reserve for the implementation of the Early Learning Feasibility Study.
 - (d) Disposal of part of Moore Park, Beverley Park, now progressed through public hearing with no objections received.

Open Space Assets

- 6. Planning work is progressing in relation to the demolition of Council-owned open space assets at 13–15 Keith Street, Peakhurst, to support future site outcomes and ensure assets are appropriately managed.

Key Commercial Leasing Matters

- 7. Two strategic commercial assets continue to present leasing challenges:
 - (a) Level 2, 2 Belgrave Street, Kogarah remains vacant and is being actively managed. Options to improve the marketability and long-term performance of the asset are under consideration. Any proposed investment to support future leasing outcomes will be subject to further assessment and reporting through appropriate governance channels.
 - (b) Leasing arrangements for 38 Humphreys Lane, Hurstville have not progressed as anticipated. The property will continue to be managed as part of Council's commercial portfolio, with compliance works and future leasing options to be considered to support improved utilisation and income generation.

FINANCIAL IMPLICATIONS

Portfolio Performance

- 8. The Commercial Property Portfolio is a significant Council asset comprising 76 tenancies and leases and seven commercial car parks, returning a net income of \$3.175 million in 2024/25. The portfolio continues to provide a stable revenue stream supporting Council's financial sustainability.
- 9. The Commercial Property Portfolio continues to perform strongly, generating a net income of \$3.175 million in 2024/25 from 76 tenancies and leases and seven commercial car parks. Overall vacancy levels remain low, with five vacancies across the portfolio, reflecting a resilient position relative to broader market conditions.
- 10. Two of the current vacancies relate to larger, strategic assets at 38 Humphreys Lane, Hurstville and Level 2, 2 Belgrave Street, Kogarah. While these vacancies present a short-term income risk, they also represent an opportunity for Council to reposition key assets through targeted investment or revised leasing strategies to improve long-term returns.
- 11. Commercial car parking operational adjustments implemented during the year have supported more efficient management of parking assets and contributed positively to Council's overall financial position.
- 12. The portfolio's overall strength mitigates exposure to individual asset vacancies; however, prolonged vacancies in major properties may place pressure on income if not addressed. Conversely, the current performance provides Council with strategic flexibility, including the ability to reinvest in under-performing assets, fund priority capital works, or leverage disposals to support future income-generating opportunities.
- 13. The table below provides a summary of income performance against budget for Council's Commercial Property Portfolio for quarter.

Property Type	No. of Properties / Agreements	Current Vacancies	YTD Net Result Actual	YTD Net Result Budget	Variance	Comments

Commercial Properties inc. retail	66	5	\$925,722	\$1,112,558	\$186,836 (Unfavourable)	Income is below budget due to ongoing tenant vacancies and reactive maintenance costs across our vacant properties, which were not included in the original budget estimates.
Commercial Car Parks	7	NA	\$466,818	\$378,615	\$88,203 (Favourable)	Gross income is exceeding current budgeted expectations.
Footway Trading	141	NA	\$33,742	\$37,551	\$3,810 (Unfavourable)	Income below budget due to timing of rental payment.
Outdoor Furniture Advertising	3	0	\$93,557	\$95,695	\$2,138 (Unfavourable)	Income slightly below budget.
Telecoms	5	0	\$36,479	\$33,900	\$2,579 (Favourable)	Income exceeding budget.
Total	222	5	\$1,556,318	\$1,658,319	\$102,002 (Unfavourable)	

FIN015-26

RISK IMPLICATIONS

14. Council's top strategic risk is financial sustainability. The commercial property portfolio offers an additional revenue stream to support community services and infrastructure. By growing the revenue from the Commercial Property Portfolio, Council can reduce its dependence on ratepayers to fund services.

COMMUNITY ENGAGEMENT

15. No community engagement is required for this report.

FILE REFERENCE

D26/92249

ATTACHMENTS

Nil

Item: FIN016-26 **Project Update and Milestone Completion - Carss Park Pool**

Author: General Manager

Directorate: Business and Corporate Services

Matter Type: Committee Reports

FIN016-26

RECOMMENDATION:

- (a) That Council receive and note the project update on Carss Park Pool.
- (b) That Council receive and note the completion of Milestone 1 and the General Manager's approval to provide payment to NSW Office of Sport (OOS) in accordance with the Project Funding Agreement.
- (c) That Council Acknowledge the positive progress on the project undertaken by OOS.

EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with an update on the status of the Carss Park Pool, including confirmation of the completion of Milestone 1 under the Project Funding Agreement with NSW Office of Sport (OOS), and to outline next steps.

BACKGROUND

2. Council has entered into a Project Agreement with OOS for the delivery of the Carss Park Pool.
3. The agreement outlines five (5) project milestones, with funding released upon successful completion and verification of each milestone.
4. Council is a member of the Project Control Group (PCG) and participates in oversight, monitoring, and verification activities consistent with the project governance framework.
5. Project milestones and funding schedule:

Milestone	Description	Council Contribution (ex GST)	Target Date
1.	Review of Environmental Factors or any other planning approval as required	\$2 million	March 2026
2.	Project Works Contractor commencing construction on the Land	\$7 million	September 2026
3.	Myrtha Pools structural installation completion by the Project Works Contractor	\$3 million	May 2027
4.	Completion of construction by the Project Works Contractor	\$2 million	October 2027
5.	Completion (i.e., Handover of facility to Council)	\$1 million	October 2027

CURRENT UPDATE

Milestone 1

6. The OOS has submitted documentation confirming the completion of Milestone 1: Review of Environmental Factors or other required planning approvals.
7. As part of the PCG, Council officers have reviewed:
 - (a) The submitted environmental and planning documentation
 - (b) Alignment with the project agreement deliverables
 - (c) Supporting evidence and approval pathways
8. Officers confirmed that the Review of Environmental Factors (REF) was formally approved on 3 March, and the document should now be publicly accessible on the NSW Planning Portal. In addition, the Steering Committee (SteerCo) resolved on 27 February to endorse the release of the project's design package and all associated tender documentation to the market.
9. These actions collectively satisfy the requirements for the Milestone 1 payment, as they demonstrate completion of the planning approvals and readiness to proceed to procurement in accordance with the Project Agreement. The SteerCo's endorsement and compliance with the milestone criteria are documented in the PCG meeting minutes, which provide the formal record of these decisions.
10. Therefore, Milestone 1 has been verified as completed and compliant with the requirements of the Project Agreement. On this basis, the General Manager has authorised the release of the Milestone 1 payment to the OOS.

Capital Expenditure Guidelines

11. The Office of Local Government (OLG) has formally confirmed Council's Capital Expenditure submission for the Carss Park Pool project meets the requirements of the Guidelines. The OLG have confirmed that the project cost is inclusive of land remediation and accepted the project funding sources are Council, Federal and State Government.
12. The OLG outlined Council's ongoing obligations to comply with several conditions. These include:
 - (a) Ongoing inclusion of capital and operating costs in the LTFP.
 - (b) Ongoing compliance with the Capital Expenditure Guidelines.
 - (c) Notification to the OLG of cost increases $\geq 10\%$ and provide revised funding plan.
 - (d) Continue updating all project documentation in line with the Guidelines (OOS Project Management).
 - (e) Provide clear, accountable reporting to Council and the community.
13. The OLG also highlighted that acceptance of the Capital Expenditure submission is not an approval or endorsement of the project and that Council must manage the project consistent with section 8 of the Local Government Act. In that, Council is responsible for ensuring the Carss Park Pool project is managed:
 - responsibly
 - transparently

- within budget
- in the community's best interests
- with proper governance
- with financial sustainability in mind

FINANCIAL IMPLICATIONS

Council Contribution to Project \$22.7 million

Details	Actual Costs	Budgeted contributions to NSW Office of Sport
Carss Park Aquatic Facility plans and studies	\$500k	
Demolition and Land Remediation of former Carss Park Pool	\$7.2 million	
Outdoor pool component (ref. CCL010-25)		\$10 million
Contribution to the Learn to-Swim (LTS) pool (ref. CCL086-25)		\$5 million

Milestone 1 Completion

- The completion of Milestone 1 triggers a \$2 million (ex GST) payment to OOS. The General Manager has provided approval for release of funds in accordance with the Agreement. Future payments will be made only upon completion of each milestone and satisfaction of verification requirements.
- The Carss Park Aquatic Facility Construction Contribution Reserve is the funding source for the capital contribution, with a projected balance of \$11.67 million as at 30 June 2026. The remaining \$3.3 million required will be funded in accordance with Council's 2026/27 budget strategy.

RISK IMPLICATIONS

- The project continues to carry financial, asset management, governance, and reputational risks due to the shared delivery model. Strong oversight through the Project Control Group and clear communication with State agencies remain essential to managing these risks.
- Strategic Risk 1: Financial Sustainability - Council's constrained LTFP limits capacity to absorb cost overruns or scope changes. A joint funding arrangement for the pool exposes Council to financial risks outside its direct control. Clear agreements and oversight through the Project Control Group are required to maintain budget certainty.
- Strategic Risk 3: Assets and Infrastructure - As Council is not managing delivery, design and lifecycle outcomes may not fully align with operational or maintenance needs. Early input and defined standards are needed to minimise whole-of-life costs and ensure the facility meets Council requirements.
- Strategic Risk 6: Reputation - Delays, cost increases, or performance issues may impact Council's reputation despite its shared governance role. Transparent communication and active project monitoring are required to maintain community confidence.
- Strategic Risk 7: Ineffective Governance - Shared decision-making increases governance complexity and may reduce accountability or slow decisions. Clear roles, reporting, and strong participation in the Project Control Group are necessary to ensure effective oversight

COMMUNITY ENGAGEMENT

21. The community engagement undertaken for the project has been previously reported to Council and was included within Council's submission to the OLG, as required under the Capital Expenditure Guidelines process.

FILE REFERENCE

D26/92352

ATTACHMENTS

Nil