

Strategic Finance Governance Improvement Plan

Action Code	Action	Progress to date	Progress Comments
IP.1.1	Develop a Cash Reserves Policy to establish a minimum cash position.	100	Completed - Restricted Funds Policy adopted by Council at their Ordinary June 2024 meeting
IP.1.2	Establish following reserves: <ul style="list-style-type: none"> • Restricted reserve to meet the cost of replacement/renewal of Blue Haven Terralong assets 	100	Completed - Externally restricted Blue Haven Terralong ILU Maintenance Levy reserve established in Restricted Funds Policy 2024
IP.1.3	Ongoing annual investment in identified cash reserves	0	Not due
IP.1.4	Develop a Borrowing Policy based on sound, long-term financial management principles.	0	Not due
IP.1.5	Continue to pursue grant funding with low exposure to residual/recurrent expenditure or growth in depreciation/renewal	70	Significant work has been reviewed and completed - this is part of the business as usual for the grants officer
IP.1.6	Nominate estimated costs and distribution of proceeds of sales of property resolved to divest (liquidity plan schedule).	0	Not due
IP.2.1	Develop Pricing Policy for fees and charges, including applying user pays principles where it is appropriate to do so	0	Not due
IP.2.2	Utilising Planning Agreements or site-specific Section 7.11 Contribution Plans, continue to pursue developer funding, including in perpetuity funding, to mitigate the financial burden on Council.	35	Developers are being encouraged to utilise Planning Agreements for new urban release areas through scoping proposals. The use of site specific Section 7.11 Contribution Plans will be further considered as part of the Growth and Housing Strategy development.
IP.2.3	Prepare a Parking Strategy to introduce paid parking for certain areas of the Municipality	15	Financial data obtained from regional NSW council on implementation and operational costs of paid parking. Data is being reviewed internally.
IP.3.1	Review existing Asset Management Policy and prepare and adopt an improvement plan to ensure Policy is contemporary and aligned with IP&R Guidelines.	40	The recently formed Asset Management Steering Committee has agreed this is a priority with the current target date for adoption by Council being by end March 2025
IP.3.2	As part of preparing next Community Strategic Plan, review and update Asset Management Strategy to incorporate contemporary Asset Management Policy.	5	Once the AM Policy has been adopted by Council (March 2025) the AM Strategy will be reviewed

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IP.3.3	Commence review of individual Asset Management Plans to include forward maintenance and renewal requirements for individual asset types.	0	The AMSC has reviewed this item and agreed the templates will be updated in 2025 however completion of all elements of all AMPs is a longer term action - timings and prioritisation of this are to be reviewed by AMSC in early 2025
IP.3.4	Complete and make public a dilapidation/building report for Terralong and Havilah	45	<p>Council has received a preliminary building assessment report for its Blue Haven Terralong assets. Council is now seeking the skills of a suitably qualified person/s to review and undertake a financial analysis of this building assessment report with the objectives to:</p> <ul style="list-style-type: none"> • Confirm accuracy of preliminary building assessment report against the relevant requirements of National Construction Code and the Aged Care Act 1997 (C'with), the Retirement Villages Act 1999 and the Retirement Villages Regulation 2017 • Determine the cost of undertaking the required works required to ensure the Blue Haven Terralong assets comply with the requirements of above listed requirements, • Determine the appropriate maintenance fees for Blue Haven Terralong residents considering the above objectives
IP.3.6	Complete Plan of Management for Blue Haven Terralong, including, examining options to retain and refurbish Terralong to conform with contemporary independent living units	0	Not due
IP.3.7	<p>Prepare business cases and masterplans to identify revenue opportunities associated with the following catalyst sites:</p> <ul style="list-style-type: none"> • Kiama Sports Precinct, including Kiama Leisure Centre • Havilah Place • 11 Manning Street • Council's Works Depot • Council's Waste Depot • Spring Creek 	15	<p>Draft masterplan for Kiama Sports Precinct currently being reviewed internally. Business case for Council's Works Depot prepared. Business case and subdivision plans being prepared for Havilah Place.</p>

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IP.3.8	Update and finalise Property Plan including reviewing existing revenue generated by each property, current financial performance and potential for growth for each property, and underperforming properties.	60	The Property Plan/ Strategy is being reviewed internally with a plan to presented to Council in February 2025.
IP.4.1	Prepare and adopt a Continuous Improvement Framework, including the identification of services to be reviewed in Years 1, 2 and 3	100	Completed - The framework developed and consultation has occurred, the framework is currently being reviewed by ELT
IP.4.2	Hold a Service Review Think Tank to consistently determine the key priorities for each service within the Council's budgetary constraints.	100	Completed - The Think Tank was held in September 2024
IP.4.3	Develop an actions matrix to identify which actions of the completed service reviews should be prioritised, based on risks, costs and timeframes and to identify quick wins.	100	Completed - Implementation Matrix finalised September 2024.
IP.5.1	Develop a Technology One Roadmap, that examines the full cost of fully implementing Technology One.	100	Completed - an implementation plan was presented to Council and endorsed at November 2024 Council meeting.
IP.5.2	Undertake an analysis of available software solutions already utilised by Council to determine the most efficient and effective software solution/s for Council.	60	The review has commenced following the analysis
IP.5.3	Develop a Strategy for deploying a new: <ul style="list-style-type: none"> · Salary System · Position Description Framework · Payroll Cycle · Performance Review processes 	70	The new salary system commenced in November 2024, this includes a new performance review process. The position description framework project will commence in January 2025
IP.6.1	Adopt a year-on-year operational savings program across the business to grow cash balances	0	Not due
IP.6.2	Continue rigorous internal monthly and quarterly financial monitoring processes	100	Monthly and quarterly reports continue to be prepared and reported to both Council and the OLG.

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IP.6.3	Develop and implement a Project Management Framework to ensure all Council projects are consistently managed on time and on budget.	70	draft Project Management Framework currently being developed. Anticipated to be reported and adopted by Executive by December 2024.
IP.6.4	Address issues associated with Blue Haven Terralong including, but not limited to: · The true cost which should be applied and whether the general rate revenue is subsidising its operations · The adequacy of current and proposed future maintenance fees · Review the level of maintenance fees	0	Action requires finalisation of Action 3.4
IP.6.5	Ongoing review of operating costs with the goal of identifying permanent savings	50	Ongoing reviews continue to occur.
IP.6.6	Restructure the presentation of draft and published budgets to detail programs and activities compared to current and previous years and funding sources for each capital project.	100	QBR now contains this information.
IP.6.7	Revalue land improvements (non-depreciable and depreciable), other structures, swimming pools, open space and recreational assets, library books and other assets within 'Infrastructure, property, plant and equipment' to bring Council closer to verifying all IPPE balances.	0	Swimming pools, open space and other structures are scheduled for completion in the 2024/25 FY.
IP.6.8	Revalue stormwater drainage assets and land under roads to bring Council closer to verifying all IPPE balances	100	Completed and included in 2023/24 financials
IP.6.9	Continue identified processes and procedures to ensure that Council resolutions are obtained when internally restricted cash is going to be released for alternate purposes where possible.	50	Identified process continues.
IP.6.11	Review audit logs for privileged and super user accounts from One Council and Authority to ensure privileged and super user access is appropriate	0	To be included/reviewed as part of Action 8.22
IP.6.12	Review user access for Authority and One Council to ensure staff have appropriate access	0	To be included/incorporated into Action 8.22

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IP.6.13	Continue to reconcile grant income and expenses on a monthly basis going forward in order to calculate reserve balances. This will also provide an overview of the grant receipt, cost and any required funding (acquittal) request.	100	Monthly reconciliation procedure is now in place.
IP.6.14	Continue weekly independent review of exception payroll report to ensure anomalies in remuneration etc. which could indicate potential fraud are captured.	100	Weekly independent reviews of exception payroll reports continue to occur.
IP.6.15	Continue review of termination payments	100	Regular review of termination payments continues to occur.
IP.6.16	Review and capitalise Work In Progress YR1	0	Not due
IP.6.17	Implement a robust quality review process for asset classes which are not subject to comprehensive revaluation, to assess for any potential impairment. This impairment exercise should be conducted on an annual basis	50	Finance and Assets undertook a process at end 2023/24 period
IP.6.18	Continue implementing the following best practice procedures: <ul style="list-style-type: none"> • Enforce segregation of duties when processing manual payments • Periodic review of all supplier Masterfile changes" 	50	Best practice measures continue to be implemented.
IP.7.1	Adopt and implement an Advocacy Strategy which seeks to address cost-shifting, facilitate key actions of this Plan, leverage partnership funding with neighbouring councils and strategic partners.	10	Draft Advocacy Strategy to be prepared and presented to new Council by December 2024. Refine of Strategy to occur in conjunction with Actions 3.1, 3.2 and 3.3 to ensure advocacy actions align with infrastructure requirements.
IP.7.2	Work with ISJO to prepare a new Statement of Regional Priorities, including opportunities to investigate opportunities for resource sharing and combined advocacy approaches.	0	Statement of Regional Priorities due to be prepared late 2025.
IP.7.3	Continue to collaborate and share benchmarking information with neighbouring councils	5	Data continues to be shared between neighbouring councils. Discussions about establishing a State-wide 'service review group' occurring.

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IP.8.1	<p>Undertake an immediate review of the Policy Register and ensure that:</p> <ul style="list-style-type: none"> • any policy that has not been reviewed in the last 5 years is identified for review as soon as possible 	60	<p>All policies have been moved to a central register as part of the policy register in the pulse system, The policies have been grouped into responsible teams and highlighted if an urgent review is requirement. This project will continue into the new year.</p>
IP.8.2	<p>Undertake a desktop review of the entire policy register occur to generate a policy status list categorising each document as follows, or similar:</p> <ul style="list-style-type: none"> • Maintain as Council Policy • Maintain as Internal/Operational Policy • Change from Council Internal/Operational Policy • Amend / Merge with another policy • Redundant - to be deleted • Change from Council / Internal Policy to Procedure 	70	<p>Refer to Action 8.1 comments</p>
IP.8.3	<p>Report to the Council Executive recommending the revocation of redundant policy and other documents, confirmation of correct categorisation of each document and details of policies requiring significant review.</p>	50	<p>Refer to Action 8.1 comments.</p>

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<p>IP.8.4</p>	<p>The Policy Framework and Policy Development and Review Procedure be reviewed to consider the following:</p> <ul style="list-style-type: none"> a) Requiring policies to be reviewed every three years. b) Require each policy to be either formally reconfirmed or re-adopted once every four years by either the Executive Leadership Team or Council (once every Council term) as appropriate. i.e., other review can simply be a desktop review if no changes required. c) State that policies will only be submitted to the Consultative Committee if they relate to matters impacting on workplace safety, staff behaviour or conduct or would involve a significant impact on levels of staff resourcing. d) Determine whether “internal policy” or “operational Policy” will be the term consistently applied to policies set by the Executive Leadership Team. e) Implementation of appropriate KPIs to ensure timely review of all policies. 	<p align="center">50</p>	<p>Refer to Action 8.1 comments.</p>
<p>IP.8.5</p>	<p>Undertake a review of policy and procedure templates to consider the following:</p> <ul style="list-style-type: none"> a) Remove the consultation section from all policy and procedure templates. b) Review the “Operational Policy”. This is inconsistent with the terms used in the Policy Framework. Council will need to determine whether “internal policy” or “operational Policy” will be the term consistently applied to policies set by the Executive Leadership Team. c) Update the procedure template to provide advice to staff that replication of content between policies and procedures should be avoided 	<p align="center">50</p>	<p>Refer to Action 8.1 comments.</p>

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IP.8.6	A review of staff knowledge and understanding of the PULSE Policy Module be undertaken and an appropriate training plan be developed in response.	50	Refer to Action 8.1 comments.
IP.8.7	An urgent review of the Business Continuity Plan and Crisis Management Framework, and all associated documentation be undertaken, with updated copies of separate Business Continuity Plan, Crisis Management Plan and Crisis Management Communications Plan to be adopted and accompanied by an appropriate training and awareness campaign for relevant staff.	10	Internal review has commenced and need for review has been raised with Audit, Risk & Improvement Committee.
IP.8.8	Six months after the adoption of the updated Business Continuity Plan and Crisis Management Plans an appropriate scenario testing event be scheduled to confirm staff understanding of the application of the plans.	0	To be progressed within 6 month of completing Action 8.7
IP.8.9	That the draft four-year internal audit plan consider the inclusion of appropriate internal audits relating to the following strategic risks. Noting that the financial security of the Council, the Performance Improvement Order and Blue Haven site are priority risks for the Council, the internal audits should be considered for scheduling from 2025/26 onwards: <ul style="list-style-type: none"> • Risk Management • Governance Arrangements • Organisation Capability 	25	Governance Arrangements included in Strategic Internal Audit Plan 2025-2028. Components of Risk Management also included.

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IP.8.10	<p>That the following registers be reviewed to ensure that they contain all required information, and are up to date in accordance with publishing timeframes:</p> <ul style="list-style-type: none"> • Contracts Register required under s27 of the Government Information (Public Access) Act 2009 • Development Contributions Register required under cl217 of the Environmental Planning and Assessment Regulation 2021 	100	<p>Completed - Contracts Register, as at 18 July 2024, published on Council's website Contributions Register, as at 30 June 2024, published on Council's website</p>
IP.8.11	<p>Confirmation of the status of the Draft Development Application Policy be urgently undertaken. The policy should be published to the Council website if adoption has occurred, and if not the policy should be immediately placed before Council for adoption in accordance with the Environmental Planning and Assessment Regulation 2021.</p>	100	<p>Completed - Development Application Policy adopted by Council at their Ordinary July 2024 meeting</p>
IP.8.12	<p>The current work on developing an updated compliance policy be expedited and an updated policy covering the areas identified in the report be presented to Council at the earliest opportunity.</p>	80	<p>Draft Compliance Policy has been circulated to the department for comment and feedback is being collate; This will be exhibited and final adoption to Council early 2025.</p>
IP.8.13	<p>A defined process be immediately established to call for conflicts of interest at the commencement of Councillor briefing sessions, including the application of the requirements of the Code of Conduct in the management of those conflicts and maintain a register of conflicts declared at briefing sessions in accordance with clause 3.39 of the Code of Meeting Practice.</p>	100	<p>Completed - implemented with significant training etc. for new Council as part of induction program.</p>

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IP.8.14	Establish a procedure to follow when a Councillor declares a pecuniary or significant non-pecuniary interest in a matter at a briefing, with particular reference as to whether the Councillor is still provided copies of briefing materials or reports after making the declaration.	100	Completed - implemented with significant training for new Council as part of induction program.
IP.8.15	The codes of conduct be urgently reviewed to include specific definition and prohibition of sexual harassment, to contribute towards compliance with Council's positive duty requirements under the Sex Discrimination Act 184 (Cth).	40	Code of Conduct being included in Policy Review Program, Refer to Actions 8.1-8.6.
IP.8.16	An immediate review of the Internal Reporting (PID) Policy be undertaken to ensure compliance with PID legislation with particular emphasis on: <ul style="list-style-type: none"> • Renaming the policy "Public Interest Disclosures Policy" • The process for how a complaint in relation to the Council Chief Executive Officer can be made, how it would be handled and what responsibilities the Mayor would have in such circumstances. 	40	Review of PID Policy occurring as part of Policy Review Program. Refer to Actions 8.1-8.6.
IP.8.17	Urgent training for all Public Interest Disclosure Officers be undertaken in relation to the changes to PID legislation and Council's Policy and updated responsibilities of Disclosures Officer.	80	Training has occurred, review of policy required
IP.8.18	Urgently complete a self-assessment against the foundational requirements within the Cyber Security Guidelines – Local Government and report the results to management and the Audit Risk and Improvement Committee.	0	Not due

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IP.8.20	<p>A review of arrangements for establishing new suppliers to Council be undertaken to ensure the separation of the functions of creating new suppliers from accounts payable. It is recommended that council give consideration to:</p> <ul style="list-style-type: none"> • Implementing a policy requiring that the employee who sets up new vendors or changes vendor information does not have the ability/access in the financial system to create vendor payments, • Ensure that an independent officer reviews and approves the vendor account creation process, this officer is to have no ability to create vendors in the system, • Appropriate configurations and restrictions be implemented in the Tech1 Financial System to ensure the above two points occur, • periodically verifying any changes to vendor master files', and • A requirement for mandatory vacations, or job rotations, of all key personnel involved in the vendor payment process. 	100	Completed - segregation of duties and independent review is now in place and operational.
IP.8.21	<p>The development of appropriate exception reporting in relation to procurement and accounts payable, as identified in the previous internal audit on procurement, be expedited to enhance and expand the current range of reporting available to potentially identify irregularities in procurement and accounts payable functions.</p>	100	Periodic exception reports are in place and operational.
IP.8.22	<p>Develop a strategic roadmap for when and how the remaining recommendations for the 2024 Hopwood Report are to be implemented</p>	60	<p>Project Group, including Head of Implementation, Legal & Governance Service Implementation Lead, Governance Coordinator, Manager People & Performance, Enterprise Risk Coordinator and Internal Auditor, convened. Recommendations currently being reviewed and draft roadmap being prepared. Roadmap will be incorporated into first six-month review of Improvement Plan due in December 2024.</p>