# MINUTES – 12 March 2026

PORT STEPHENS COUNCIL

Minutes of the Audit, Risk and Improvement Committee of Port Stephens Council held in the Training Room, Raymond Terrace on – 12 March 2026, commencing at 3.58pm.

**PRESENT:**

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| Chair: | Deborah Goodyer. |
| Members in attendance: | Paul Dunn, Deborah Goodyer (by AVL). |
| Officers in attendance: | Greg Kable, Director Facilities & Infrastructure, Janelle Gardner, Acting Director Community Futures, Zoe Pattison, Director Corporate Strategy & Support/Acting General Manager, Glen Peterkin, Finance Section Manager, Tony Wickham, Governance Section Manager, Chris Hilkemeijer, Enterprise Risk Manager (left at 5.23pm). |
| Guests in attendance: | Alex Hardy, Prosperity Advisors (by AVL - left at 4.24pm), David Hutchison, PKF, Nicky Rajani, Audit Office of NSW (by AVL - arrived at 4.01pm and left at 4.24pm). |
| Apologies: | Tim Crosdale, General Manager, Steve Peart, Director Community Futures, Cr Jason Wells and Rhodora De Ramos, Prosperity Advisors. |

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>That the Minutes of the Ordinary Meeting of Port Stephens Council Audit Risk and Improvement Committee held on 9 October 2025 be confirmed. |

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| | There were no Declaration of Interest received. |

# INDEX

# GENERAL MANAGER'S UPDATE

The Acting General Manager provided an update on the following topics:

1) Council's priorities – further engagement with the Mayor and Councillors over the past 3 months on the identified priorities: Roads, Housing and the Environment. There has been a clear direction provided in the draft Integrated Planning and Reporting documents developed for the next financial year.

2) Code of Meeting Practice – the ARIC were informed of the recent changes to the Code of Meeting Practice following the release by the Office of Local Government, and engagement with the elected Council to work through the implementation of the changes to Council meeting processes and procedures.

3) Newcastle Airport – the ARIC were informed of the increase in passenger numbers as a result of the opening of the international terminal at the Airport. Additionally, the commencement of the new route through to Singapore via Bali. Property development at the Airport is progressing and the Airport Board are finalising the Newcastle Airport Strategy.

4) ARIC Independent member vacancy and recruitment of the Internal Auditor role – the ARIC were advised that at the close of expression of interests to fill the ARIC independent member vacancy 25 applications were received and assessments have been conducted with the ARIC Chairperson, General Manager and Governance Section Manager, with interviews to be held later this month.

   The Internal Auditor role is in the final stages of recruitment and interviews have been completed with a number of checks being conducted prior to making an offer.

**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>1) The Acting General Manager's update was received and noted. |

# ARIC WORKPLAN AND ACTIONS ARISING

**ITEM NO. 5.1** **FILE NO: 25/301706**
**EDRMS NO: PSC2015-01492**

## ARIC WORKPLAN AND ACTIONS ARISING FROM THE PREVIOUS MEETING

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Note there are no outstanding Audit, Risk and Improvement Committee Workplan actions or actions arising from the previous meeting, other than as outlined in this report.
2) Express its appreciation to Mr Frank Cordingley for his service over the past 8 years on the former Port Stephens Council Audit Committee and the current Audit, Risk and Improvement Committee.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee:<br><br>1) Note there are no outstanding Audit, Risk and Improvement Committee Workplan actions or actions arising from the previous meeting, other than as outlined in this report.<br>2) Write and express its appreciation to Mr Frank Cordingley for his service over the past 8 years on the former Port Stephens Council Audit Committee and the current Audit, Risk and Improvement Committee. |

# INTERNAL AUDIT

The Chairperson moved to bring Item 7.3 forward and it be dealt with at this stage, followed by Items 7.1, 7.2, 8.1 and 10.1.

**ITEM NO. 6.1** **FILE NO: 25/339911**
**EDRMS NO: PSC2015-03053**

## INTERNAL AUDIT FINDINGS UPDATE

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the Internal Audit Findings update.

**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the Internal Audit Findings update. |

**ITEM NO. 6.2** **FILE NO: 25/349413**
**EDRMS NO: PSC2021-03053**

## INTERNAL AUDIT AND STRATEGIC PLAN 2026 TO 2029 WORKPLANS

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee:<br>1) Receive and note the report.<br>2) Approve the DRIVES24 Compliance Audit to be included in the Internal Audit Plan being the third audit for 2025 to 2026, with the removal of the Long Term Financial Plan.<br>3) The Internal Auditor be requested to look at development of an Audit Universe and Assurance map to inform the 2026 to 2027 Internal Audit plan and include the proposed audit areas for the additional year of the 4 year rolling audit plan.<br>4) The agenda for the May 2026 ARIC meeting consider the timing and scope of the future Data Governance and Cyber Security Internal Audits listed in the Strategic Audit Plan. |

Note: The Financial Services Manager provided a brief update on the Long Term Financial Plan Performance Audit by the NSW Audit Office, informing the ARIC the report will be tabled in the NSW Parliament prior to making it available to the ARIC.

**ITEM NO. 6.3** **FILE NO: 26/53802**
**EDRMS NO: PSC2015-01492**

## QUALITY ASSESSMENT IMPROVEMENT UPDATE

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the status report of the External Quality Assessment Improvement Roadmap at (**ATTACHMENT 1)**.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the status report of the External Quality Assessment Improvement Roadmap at (**ATTACHMENT 1)**. |

Note: The Chair proposed that as part of the ongoing QAIP, a self-assessment against the GIAS will be due by year end. On commencement of the internal auditor, the Chair is available to assist if required.

# EXTERNAL AUDIT/FINANCE UPDATE

**ITEM NO. 7.1** **FILE NO: 26/21746**
**EDRMS NO: PSC2015-01492**

**FINANCIAL MANAGEMENT - PURCHASING**

REPORT OF: GLEN PETERKIN - FINANCIAL SERVICES SECTION MANAGER
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the review findings of the Supplier Payments and Purchasing Card Transaction reports **(ATTACHMENT 1 and 2)**.

**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the review findings of the Supplier Payments and Purchasing Card Transaction reports **(ATTACHMENT 1 and 2)**. |

**ITEM NO. 7.2** **FILE NO: 26/34993**
**EDRMS NO: PSC2015-01492**

**FINANCIAL MANAGEMENT - COUNCILLOR EXPENSES**

REPORT OF: GLEN PETERKIN - FINANCIAL SERVICES SECTION MANAGER
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the review findings of the Mayor and Councillor Expense Report **(ATTACHMENT 1)**.

**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the review findings of the Mayor and Councillor Expense Report **(ATTACHMENT 1)**. |

**ITEM NO. 7.3** **FILE NO: 26/37213**
**EDRMS NO: PSC2015-01492**

## EXTERNAL AUDIT UPDATE

REPORT OF: GLEN PETERKIN - FINANCIAL SERVICES SECTION MANAGER
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the Final Management letter for the financial year ended 30 June 2025 **(ATTACHMENT 1)**.
2) Endorse the Audit Engagement Plan for the financial year ended 30 June 2026 **(ATTACHMENT 2)**.
3) Receive and note the progress report on prior External Audit findings **(ATTACHMENT 3)**.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee:<br><br>1) Receive and note the Final Management letter for the financial year ended 30 June 2025 **(ATTACHMENT 1)**.<br>2) Endorse the Audit Engagement Plan for the financial year ended 30 June 2026 **(ATTACHMENT 2)**.<br>3) Receive and note the progress report on prior External Audit findings **(ATTACHMENT 3)**. |

Note: The ARIC meeting in July 2026 will be held on 16 July 2026.

Alex Hardy and Nicky Rajani left the meeting at 4.24pm following Item 7.3.

# RISK MANAGEMENT UPDATE REPORT

**ITEM NO. 8.1** **FILE NO: 26/37992**
**EDRMS NO: PSC2015-01492**

## RISK MANAGEMENT UPDATE

REPORT OF: CHRIS HILKEMEIJER - ENTERPRISE RISK MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the Risk Management Report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee:<br>1) Receive and note the Risk Management Report.<br>2) An overall annual Enterprise Risk report be provided to the Committee each financial year. |

# GOVERNANCE AND COMPLIANCE UPDATE

**ITEM NO. 9.1** **FILE NO: 25/301666**
**EDRMS NO: PSC2024-01598**

## GOVERNANCE REPORT

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the report. |

# ICT AND CYBER SECURITY UPDATE

**ITEM NO. 10.1** **FILE NO: 26/33016**
**EDRMS NO: PSC2015-01492**

## ICT AND CYBER SECURITY UPDATE

REPORT OF: ZOE PATTISON - DIRECTOR CORPORATE STRATEGY AND SUPPORT
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the contents of this report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the contents of this report. |

Note: A presentation (15 minutes) will be provided at a future ARIC meeting on one risk area and the key controls - how the controls function and the effectiveness of control and any concerns.

# INTEGRATED PLANNING AND REPORTING

**ITEM NO. 11.1** **FILE NO: 26/28624**
**EDRMS NO: PSC2015-01492**

## INTEGRATED PLANNING AND REPORTING

REPORT OF: ZOE PATTISON - DIRECTOR CORPORATE STRATEGY AND SUPPORT
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the contents of this report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026 MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the contents of this report. |

# SERVICE REVIEW AND BUSINESS IMPROVEMENT UPDATE

**ITEM NO. 12.1** **FILE NO: 26/28621**
**EDRMS NO: PSC2015-01492**

## SERVICE REVIEW PROGRAM AND CONTINUOUS IMPROVEMENT UPDATE

REPORT OF: ZOE PATTISON - DIRECTOR CORPORATE STRATEGY AND SUPPORT
DIRECTORATE: CORPORATE STRATEGY AND SUPPORT

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Receive and note the contents of this report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee receive and note the contents of this report. |

# GENERAL BUSINESS

**ITEM NO. 13.1** **FILE NO: 25/301661**
**EDRMS NO: PSC2015-01492**

## FUTURE MEETING DATES

REPORT OF: TONY WICKHAM - GOVERNANCE SECTION MANAGER
DIRECTORATE: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT THE COMMITTEE:**

1) Note future meeting dates outlined in this report.

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**AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING - 12 MARCH 2026**
**MOTION**

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| | **Chair Deborah Goodyer**<br>**Member Paul Dunn**<br><br>The Committee notes future meeting dates outlined in this report. |

There being no further business the meeting closed at 5.44pm.