MINUTES

Finance Committee

held at

Council Administration Centre
176 - Training Room
180 Mort Street, Lithgow

on

Tuesday 11 August 2026

at 4:30 PM

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1. Acknowledgement of Country

Lithgow City Council acknowledges Wiradjuri Elders past and present of the Wiradjuri nation - the original custodians of the land on which the Lithgow's communities reside. The Council also extends our respects to our neighbouring nations.

2. Present

Committee Members:
Councillor E Mahony - Chair,
Councillor T Evangelidis,
Councillor S Ring,

Councillors:
Councillor D Goodwin

Officers:
Vanessa Browning – Director Finance and Governance
Shaun Elwood – Director People and Place
Paul Smith – Interim Director Infrastructure and Project Delivery
Jonathon Reid – Financial Services Manager
Trinity Newton - Minute Taker

3. Apologies

Councillors:
Councillor C Coleman,
Councillor E Fredericks

Officers:
Ross Gurney

4. Confirmation of Minutes

ACTION

THAT it be noted the Minutes of the Finance Committee Meeting held 20 May 2026 were presented and adopted by Council at the Ordinary Meeting of Council held 29 June 2026.

MOVED: Councillor S Ring **SECONDED:** Councillor E Mahony

5. Declaration of Interest

There were no declarations of pecuniary interest made.

6. Staff Reports

6.2. Capital Projects Delivery 2025/2026 and Carryovers to 2026/2027

An overview of capital project delivery and funding pressures was provided by the Director of Finance and Governance. Discussions were held on the program delivery and future reporting expectations. In summary:

- Council is facing a significant deficit and needs closer coordination between finance and project delivery teams.
- Some capital works are managed as multi-year projects, and future reporting requires clearer milestones, and funding alignment.
- Councillors want more meaningful reporting through Finance Committee papers, including variations, project risks, next steps and clearer commentary.
- Council is managing complex road and infrastructure issues, including works and risks associated with Transport for NSW, which are placing pressure on the General Fund and limited staff resources.
- Staffing shortages and diversion of staff from business-as-usual work are affecting Council's capacity to deliver projects.
- There is concern about the cost and scope of road resurfacing, with suggestions that Council seek State and Federal Government support and consider higher contingencies in road project budgets.
- Communication to the community should better explain the challenges Council faces, particularly for works such as Bayonet Street.
- The key outcomes were to develop a capital project works reporting format and provide monthly variance reports for all capital projects to the Finance Committee.
- There is $3M of general funded works that were unable to be carried over into 2026/27 due to lack of unrestricted funds. These works will need to be prioritised and adjustments made as part of the September Quarterly Budget Review.

ACTION / RECOMMENDATION

That the Finance Committee develop a Capital Projects Works report format, which will be reported to the monthly Finance Committee Meetings.

MOVED: Councillor S Ring **SECONDED:** Councillor E Mahony

CARRIED

6.3. SRV Program - 2025/26 Update

The report identifies what has been achieved and notes that work is underway to provide more clearly defined information through the reporting process. Quarterly reporting with more non-financial information will be incorporated into the Quarterly Budget Review Statements reported to Council.

An amount of $3M is currently in reserve to fund SRV programs and projects in future.

ACTION / RECOMMENDATION

THAT more detailed reporting on the SRV program be included as part of the Quarterly Budget Review Statements reported to Council and the Finance Committee.

MOVED: Councillor S Ring **SECONDED:** Councillor Tom Evangelidis

CARRIED

6.1. Interim Audit Management Letter for year ended 30 June 2026

An overview of the progress of management letter actions was provided. It was advised that 18 management actions were carried over from prior audit periods and four additional audit findings were identified. Several items had been completed during the financial year but remained flagged due to audit testing periods, and improved monitoring and reporting of outstanding actions was endorsed.

The General Manager and Director of Finance and Governance outlined a meeting with the Auditor-General and feedback was provided to the Auditor-General that many of the issues in Management Letters relate to low-risk and minor matters. It was also noted that some actions appear to relate to isolated, one-off incidents that had already been identified and addressed, yet remain on the action list. The Auditor-General advised that this would be reviewed to ensure that appropriate allocation of resources is focused on priority issues.

The Committee requested that the Management Action Tracking List be reported to the Finance

ACTION / RECOMMENDATION

THAT the
1. Finance Committee note the 2025/2026 interim audit Management Letter; and
2. The Management Action Tracking List be tabled to the Finance Committee quarterly.

MOVED: Councillor S Ring **SECONDED:** Councillor E Mahony

CARRIED

6.4. Grants Register

Progress was reported on a consolidated grants register designed to satisfy audit requirements and provide clearer visibility of grant classifications, funding sources and accounting treatment. The agreed next step was to continue refining the register format, drawing on the preferred operating grants template and incorporating capital grant information.

Proposals were outlined for reporting frequencies and responsibilities across different grant categories, noting concerns that monthly reporting could overwhelm committee agendas. The committee supported ongoing development of a consolidated reporting approach, with separate treatment for high-value and high-risk projects where additional milestone reporting may be required.

Concerns were raised that staff resources were being consumed by low-value grant applications, with a suggestion to review approval thresholds and delegations. The intended outcome is a future proposal that would allow lower-value grant decisions to be made at manager or director level while maintaining appropriate governance controls.

ACTION / RECOMMENDATION

1. That monthly Wolgan Gap Road reports are tabled to every Finance Committee meeting inclusive of approval, expenditure, claims lodged, claims paid, forecast completion, and resourcing requirements.
2. That the format of the Operating Grants Register is applied to the Capital Grants Summary and Natural Disaster Summaries and are resubmitted at the September Finance Committee

MOVED: Councillor S Ring **SECONDED:** Councillor T Evangelidis

CARRIED

6.5. Country Passenger Transport Infrastructure Grants Scheme

The committee were informed of the process and the reason that this matter was put to the Finance Committee. A governance failure was detailed in relation to a transport infrastructure grant application, where assumptions about available funding allocations were not verified and communication breakdowns occurred after an ELT decision not to proceed.

It was stressed that grant applications should be assessed against long-term strategic priorities, asset affordability and community need rather than simply pursuing available funding. The discussion highlighted the importance of business cases, due diligence and resource planning before committing to new assets or externally funded projects. This will be encompassed in formalised internal processes under development.

The Committee agreed to continue with delivery of the works.

ACTION / RECOMMENDATION

THAT the Administration continue with the works and make an adjustment for to fund Council's co-contribution in the September Quarterly Review and budget for the remaining balance in the 2027/28 financial year.

MOVED: Councillor S Ring **SECONDED:** Councillor E Mahony

CARRIED

6.6. Proposed Development Fees - 2026/2027

This is a fee that is applicable to pre-DA meetings after the set time (which is free). This is to alleviate the misuse of the staff time for more intricate and in-depth matters that should be taken to an independent organisation.

The fees are also aimed to improve the level of applications that are lodged on the first instance, which streamline assessments times and reduces the amount of staff time required.

The Committee proposed that a business plan be prepared regarding discretionary fees, noting increasing demand for council staff to provide planning advice that would normally be obtained from private consultants. The Committee requested benchmarking information from comparable councils and agreed further justification should be brought forward before any changes are adopted.

ACTION / RECOMMENDATION

That the Director People and Places submit a business case to the Finance Committee for the introduction of the proposed discretionary fees.

MOVED: Councillor S Ring **SECONDED:** Councillor E Mahony

CARRIED

7. General Business

Reports for future Finance Committee Meeting

1. Information on voluntary rebates that are provided to Pensioners, including when it was last reviewed.
2. Introduction of new business rating categories for different levels of business.

8. Meeting Close

The Chair declared the meeting closed at 6:37pm.