

**9.8 AUDIT COMMITTEE MEMBERSHIP****MINUTE NO. 448****AUTHOR: Director Corporate and Planning Services****REVIEWED BY: Acting Chief Executive****SUMMARY**

The Audit Committee is an Advisory Committee appointed by the Council pursuant to section 139 of the Local Government Act 1989 to assist Council in fulfilling its requirements relating to internal control mechanisms and external reporting requirements. The Committee currently comprises two Councillors (Cr Gaetano Greco and Cr Bo Li) and three external members, one of whom is the Chair (Mr David Ashmore).

Mr Ashmore was appointed to the Audit Committee by Council Resolution at the Council Meeting of 1 February 2010. At its meeting on 5 August 2013, Council resolved to reappoint Mr Ashmore as Committee member for a further one year term, expiring in December 2014 at which time Mr Ashmore would have served a total of five years.

At its meeting on 18 November 2013, the Council resolved that independent members of the Audit Committee be appointed for a three year term with an option of a further one year term by mutual consent.

**CONSULTATION****COUNCIL RESOLUTION**

**MOVED: Cr. O. Walsh**  
**SECONDED: Cr. A. Villella**

**THAT Council:**

- (1) Receives and notes this report on the imminent vacancy on Council's Audit Committee.
- (2) Authorises the Director Corporate and Planning Services to advertise and seek expressions of interest from suitably qualified people to fill the impending vacancy on Council's Audit Committee for a three year term expiring 31 December 2017 with an option for a further one year term by mutual consent.
- (3) Authorises for a Committee to be convened consisting of Councillors Greco and Li and the Director Corporate and Planning Services to shortlist, interview and recommend to Council a suitable candidate to the position of independent Audit Committee member.
- (4) Authorises the Director Corporate and Planning Services to write to Mr Ashmore thanking him for his professionalism, expertise and excellent contribution during his time as independent Audit Committee member.

**CARRIED**  
**REFER MINUTE NO 446**

<b>REPORT</b>
---------------

**INTRODUCTION AND BACKGROUND**

The Audit Committee is an Advisory Committee appointed by the Council pursuant to section 139 of the *Local Government Act* 1989 to assist Council in fulfilling its requirements relating to internal control mechanisms and external reporting requirements. The Committee currently comprises two Councillors (Cr Gaetano Greco and Cr Bo Li) and three external members, one of whom is the Chair (Mr David Ashmore).

Mr Ashmore was appointed to the Audit Committee by Council Resolution at the Council Meeting of 1 February 2010. At its meeting on 5 August 2013, Council resolved to reappoint Mr Ashmore as Committee member for a further one year term, expiring in December 2014 at which time Mr Ashmore would have served a total of five years.

At its meeting on 18 November 2013, the Council resolved that independent members of the Audit Committee be appointed for a three year term with an option of a further one year term by mutual consent.

**Expressions of Interest**

The Director Corporate and Planning Services will call for expressions of interest to fill the impending vacancy on Council's Audit Committee. Due process will be undertaken to consider the applications, interview short listed candidates and determine the preferred applicant for appointment as independent member to the Committee. Applicants would require skills in risk management, corporate governance, business management, financial and internal audit and first hand local government career experience at a Director level.

**Term of Office**

In line with the Council recommendation, the successful applicant will be appointed for a three year term with an option of one year term by mutual consent.

**Interview Process**

A Committee consisting of Councillors Greco and Li and the Corporate and Planning Services Director will assess the applications, short list the most suitable candidates for interview and recommend to Council the appointment of a preferred candidate.

**Proposed Timetable**

The following timetable is proposed:

September 2014	<ul style="list-style-type: none"> <li>• Advertise and seek expressions of interest</li> <li>• Committee convened to short list applications</li> </ul>
October 2014	<ul style="list-style-type: none"> <li>• Interview short listed candidates</li> <li>• Report to Council nominating preferred candidate</li> </ul>
November 2014	<ul style="list-style-type: none"> <li>• Letter of appointment to successful applicant</li> <li>• Report to Audit Committee on outcomes of the process</li> <li>• Letter of thanks to Mr David Ashmore</li> </ul>

February 2015	<ul style="list-style-type: none"><li>• Induction</li></ul>
March 2015	<ul style="list-style-type: none"><li>• Newly appointed independent Audit Committee member to attend scheduled Committee meeting.</li></ul>

## **POLICY IMPLICATIONS**

### **Environmental Sustainability**

In providing its oversight role, the Audit Committee considers a range of areas and oversees the program of work undertaken by Council's Internal Auditors.

### **Human Rights, Equity and Inclusion**

The Audit Committee endorses Council's commitment to human rights, equity and inclusion.

### **Other**

The Audit Committee plays an important role in supporting Council objectives.

## **FINANCIAL AND RESOURCE IMPLICATIONS**

Remuneration is in accordance with Council Budget provisions.

## **CONCLUSION**

The Audit Committee plays an important role in assisting Council with its oversight of financial management, risk, internal controls and external reporting. It forms a key part of Council's governance framework. The external members of the Audit Committee require a high level of expertise and commitment to fulfil their role.

## **FUTURE ACTIONS**

- Call for expressions of interest through public advertisements to seek applications from suitably qualified people to fill the vacancy on Council's Audit Committee
- Committee convened to short list applicants
- Interview short listed candidates
- Report to Council nominating preferred candidate
- Letter of appointment to successful applicant
- Report to Audit Committee on outcomes of the process
- Letter of thanks to Mr David Ashmore
- Provide induction
- Newly appointed independent Audit Committee member to attend scheduled Committee meeting.

**DISCLOSURE OF INTERESTS**

Section 80C of the *Local Government Act* 1989 requires members of Council staff and persons engaged under contract to provide advice to Council to disclose any direct or indirect interest in a matter to which the advice relates.

The Officer reviewing this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

**RELATED DOCUMENTS**

- Council Meeting Minutes – 1 February 2010, 5 August 2013 and 18 November 2013