

ORDINARY MEETING - ADDENDUM

25 July 2018

10.2 AUDIT ADVISORY COMMITTEE APPOINTMENT

Purpose

The purpose of this report is to recommend the appointment of an external independent member to Council's Audit Committee.

Officer Recommendation

That Council appoints Claude Baxter to the Audit Advisory Committee as an external independent member in accordance with provisions in the Audit Advisory Committee Charter.

Background

The primary objective of the Council's Audit Advisory Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.

The Charter of the Audit Advisory Committee is the primary instrument outlining the composition roles and responsibilities of the Committee and Committee members.

Currently one vacancy exists for an independent Committee member.

Discussion

Council officers have sought expressions of interest from the community to fill the vacant position on the committee. Eight expressions of interest were received.

In accordance with the Committee Charter a selection panel consisting of the Mayor, a Councillor member of the Committee and the Chief Executive Officers considered all submissions, and noted that they were all of a very high standard.

Following this assessment, the panel has recommended that Council appoints Mr Claude Baxter of Flowerdale to the vacant committee position.

Mr Baxter has significant senior executive experience in corporate and financial management in Local Government and in the private sector. He also has previous experience as an internal auditor and has been independent member of audit advisory committees in both Local Government and for an Alpine Management Board. He demonstrated a thorough understanding of the role of audit committees. In interview Mr Baxter also expressed an interest to contribute his skills to the local community and to assist Council via participation on the Audit Advisory Committee.

Council Plan/Strategies/Policies

This report is consistent with the Council Plan 2017-2021 Our Promise strategy to 'maintain Council's financial sustainability through sound financial and asset management'.

Relevant Legislation

Appointment of a member to the Audit Committee is consistent with the Audit Committee Charter Clause 2 (b) which allows membership of three independent persons. The term of appointment is for two years with the option for a further one year.

Financial Implications and Risk

An honorarium \$2,000.00 per annum is budgeted to be paid to external independent members of the Audit Committee.

Conflict of Interest

There are no declared conflicts of interest by Council officers in relation to this report.

Community and Stakeholder Consultation

The Expression of Interest was advertised on Council's website and through the statutory newspapers (refer below) and via social media on Council's Linked In page calling for submissions.

Newspaper / Other	<i>Publishing Date(s)</i>
Newspaper:	
Alexandra and Eildon Standard	28/3/18, 4/4/18, 30/05/18, 6/06/18
Yea Chronicle	28/3/18, 4/4/18, 30/05/18, 6/06/18
Marysville Triangle	30/3/18, 6/4/18, 1/06/18, 8/06/18
North Central Review	27/3/18, 3/4/18, 29/05/18, 5/06/18
Website	

Conclusion

The filing of the vacancies for the external independent member to the Audit Committee will provide continuity and stability of representation in successive years.