

**12.1 APPOINTMENT OF COMMUNITY MEMBERS TO THE CITY OF VINCENT AUDIT COMMITTEE**

- Attachments:**
1. **Audit Committee Nomination - Resume of Applicant 1 - Confidential**
  2. **Audit Committee Nomination - Resume of Applicant 2 - Confidential**

**RECOMMENDATION:**

That Council in accordance with sections 5.10 and 7.1A of the *Local Government Act 1995*, **APPROVES BY ABSOLUTE MAJORITY** the appointment of the following two external independent members to the City's Audit Committee for the term 9 March 2022 to the date of the next ordinary local government election, 21 October 2023:

1. **Applicant 1; and**
2. **Applicant 2.**

**PURPOSE OF REPORT:**

To appoint two new independent external members to the City's Audit Committee.

**BACKGROUND:**

The primary function of the City's Audit Committee is to review the City's annual external audit and to liaise with the City's internal and external auditors to ensure that the City is appropriately managing its affairs. The objectives and powers of the Audit Committee are set out in its Terms of Reference.

**DETAILS:**

The Audit Committee comprises of up to 7 members, with up to three external independent members.

Administration invited expressions of interest for suitably qualified persons to nominate for the external independent member positions on the City's website and social media. Advertisements were also placed in the City's local papers.

Nominees were requested to provide a current resume and/or a covering letter to demonstrate their knowledge and experience of:

- business or financial management/reporting;
- risk management systems and procedures;
- internal business controls; and
- legislative compliance programs.

A total of ten submissions were received, with one subsequent withdrawal. At the 15 February 2022 meeting of the Audit Committee, following a discussion of the merits of various nominees and the relevance of the skills and attributes of each, it was resolved to recommend two nominees as the new external members.

The resumes of the nominees are at **Confidential Attachments 1 and 2**. The calibre of the nominees is strong, having relevant and diverse expertise and an interest in Internal Audit and Strategic ICT management. Administration believes that the nominees will contribute positively to the effectiveness of the Audit Committee.

The Audit Committee meetings are held approximately every two months, or more regularly as required. The proposed meeting dates for 2022 will be presented to the Audit Committee meeting on 16 March 2022 for approval.

**CONSULTATION/ADVERTISING:**

Nil.

**LEGAL/POLICY:**

Division 7.1A of the *Local Government Act 1995* sets out the requirement for Local Governments to establish an Audit Committee and sets out a range of requirements applicable to Audit Committees. Importantly, an Audit Committee must have at least 3 members, and the majority of members are to be Council Members.

The *Local Government (Audit) Regulations 1996* further prescribe the functions of an Audit Committee.

The Audit Committee Terms of Reference sets out in detail how the City's Audit Committee will function.

**RISK MANAGEMENT IMPLICATIONS:**

Low: The Audit Committee plays a key role in addressing the City's corporate risks and ensuring legislative compliance. Therefore the selection of appropriately skilled and qualified members of the Audit Committee is important in addressing organisational risk and ensuring good corporate governance.

**STRATEGIC IMPLICATIONS:**

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Innovative and Accountable

*We are open and accountable to an engaged community.*

*Our community is aware of what we are doing and how we are meeting our goals.*

**SUSTAINABILITY IMPLICATIONS:**

This does not contribute to any environmental sustainability outcomes. This activity is environmentally neutral.

**PUBLIC HEALTH IMPLICATIONS:**

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025*.

**FINANCIAL/BUDGET IMPLICATIONS:**

Nil.