

## Appointment of Audit Committee Independent Member

Report Date: 17 January 2019  
Reporting Officer: Corporate Services Manager, Kelly Westell  
Responsible Manager: Corporate Services Manager, Kelly Westell  
File Number: 7.14.1.1  
Previous Reference: Council meeting 28 November 2018 Item 17.4 Audit Committee – Membership, Allowances and Terms of Reference

### Report Purpose

For Council to consider expressions of interest for a second independent member position on the Audit Committee.

### Officer Recommendation

1. That, pursuant to Section 90(2) of the *Local Government Act 1999* (“the Act”), the Council orders that all members of the public except Steven Griffiths (Acting Chief Executive Officer), Kelly Westell (Corporate Services Manager), Leon Kruger (Infrastructure Services Manager), Sonya Jones (Acting Community and Development Services Manager), Muhammad Jawad (Accountant) and Debra Swan (Admin Officer), be excluded from attendance at the meeting for Agenda Item 18.1 – ‘Appointment of Audit Committee Independent Member’.
2. That the Council is satisfied that pursuant to section 90(3)(a) of the Act, the information to be received, discussed or considered in relation to this Agenda item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of those applying for the role of independent member of the Audit Committee.
3. That the Council is satisfied that the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.
4. That Council provides feedback on the expressions of interest received to allow officers to prepare a shortlist of applicants who have demonstrated the necessary skills to hold the position of independent member of the Wakefield Regional Council Audit Committee.
5. That Council authorises the Mayor, Cr May and Cr Wood to interview the shortlisted applicants to further assess their suitability and desire for the role and to make the appointment of an independent member to the Wakefield Regional Council Audit Committee for a term concluding at the 2022 Local Government elections.
6. That, having considered Agenda Item 18.1 ‘Appointment of Audit Committee Independent Member’ in confidence under Sections 90(2) and 90(3)(a) of the *Local Government Act 1999*, the

## PREVIOUSLY CONFIDENTIAL

Council, pursuant to Section 91(7)(b) of the Act orders that all the discussion and minutes be retained in confidence and not available to the public – on the basis that they contain information concerning the personal affairs of applicants – until such time as the preferred candidate has accepted the position and all applicants have been informed of the Council's decision.

### Discussion

At its meeting on 28 November 2018, Council adopted the Audit Committee Terms of Reference, appointed Mayor Rodney Reid as Committee Presiding Member and appointed Cr May and Cr Wood as members. Independent Member Dafydd Llewelyn's term expires in November 2020.

In relation to Audit Committee membership, the Terms of Reference stipulate:

*The Committee shall consist of five members, one being the Principal Member of Council as an ex officio member, at least one of whom shall be an independent member, i.e. not a member of Council, at least half the members shall be members of Council. The members of the Committee shall be appointed by Council.*

*Independent member(s) of the Committee shall have recent and relevant financial, risk management and/or internal audit experience.*

The *Local Government (Financial Management) Regulations 2011* specify:

*The audit committee of a council—*

*(a) must have between 3 and 5 members (inclusive); and*

*(b) must include at least 1 person who is not a member of the council and who is determined by the council to have financial experience relevant to the functions of an audit committee ...*

Officers were asked to seek Expressions of Interest (EOI) from suitably qualified people for a second independent role on the Committee, with a further report to be presented to Council after applications had been received.

In early December, advertisements were placed in the four newspapers covering the Wakefield region, on the Council and LGA websites and on Seek inviting EOIs by Friday 18 January 2019. Copies of the expressions of interest and resumes from the applicants will be circulated to Council Members as a memo after the closing time for submissions (5pm) and these are to remain confidential.

As a number of the applications demonstrate recent and relevant financial, risk management and/or internal audit experience, it is recommended an interview be conducted with a shortlist of the applicants, to be determined by Council. Interviews would be arranged as soon as possible to further understand the applicants' levels of experience, skills and knowledge and their suitability for the role.

## **PREVIOUSLY CONFIDENTIAL**

The recommendation is for a term extending to the 2022 Council elections. This allows some continuity in terms of independent membership should Dafydd Llewelyn's role on the Committee cease at the end of his term in 2020.

### **Statutory Responsibilities**

Section 41 of the Local Government Act 1999 – Committees; Section 126 of the Local Government Act 1999 – Audit Committee; Regulation 17 of the Local Government (Financial Management) Regulations 2011 – Audit Committee Membership

### **Strategic Plan Reference**

Pillar 4: Community Wellbeing

### **Other Plan or Policy References**

Wakefield Regional Council Audit Committee Terms of Reference

### **Financial Implications (of the recommendation)**

There is a minor recurrent cost implication due to paying for an additional independent member allowance (\$372 sitting cost per meeting and travel allowance).

### **Risk Assessment (of the recommendation)**

Low risk as appointment is in accordance with statutory requirements.

### **Attachments**

Advertisement – Expressions of Interest

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# WAKEFIELD

REGIONAL COUNCIL

## **Wakefield Regional Council Audit Committee – Independent Member**

Expressions of interest are invited from suitably qualified people to fill a second position as an independent member of Council's Audit Committee.

The primary role of the Audit Committee is to monitor Council's financial reporting, external audit and financial governance functions and applicants should have relevant financial, risk management and/or internal audit experience. The Committee's Terms of Reference are available on Council's website: [wrc.sa.gov.au](http://wrc.sa.gov.au).

The Audit Committee meets at least four times a year and the independent members are paid a sitting fee.

Expressions of interest should take the form of a one-page cover letter and CV and should be submitted to Corporate Services Manager,

Kelly Westell:

**Post – PO Box 167, Balaklava SA 5461,  
OR**

**Email – to [admin@wrc.sa.gov.au](mailto:admin@wrc.sa.gov.au)**

**Closing time is  
5pm, Friday 18th January, 2019**

**For further information please contact  
Ms Westell on 8862 0800**

Jason Kuchel  
Chief Executive Officer