

7 APPOINTMENT OF INDEPENDANT MEMBERS TO AUDIT COMMITTEE

FILE REFERENCE INT1916735

RESPONSIBLE GENERAL MANAGER Derek Madden

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RECOMMENDATION

That:

1. Messrs Vince Philpott and Michael Said be appointed as independent members of the Audit Committee
2. Mr Hugh Parkes, whose term as a member has expired, be removed as a member of the Committee.

Attachments

Nil

EXECUTIVE SUMMARY

Independent members of the Audit Committee are required to be appointed to the Committee by the Council.

Expressions of interest to fill a current vacancy on the Committee, caused by the expiry of the term of appointment of Mr Hugh Parkes, have been called and after conducting interviews of a shortlist of persons expressing such an interest Messrs Vince Philpott and Michael Said are recommended to be appointed to the Committee.

BACKGROUND

The term of appointment of Mr Hugh Parkes as an independent member of the Audit Committee has expired. An expression of interest process was conducted via the Pakenham Gazette newspaper and council's website seeking expressions of interest from suitably qualified and experienced person to fill this vacancy.

The current structure of the Audit Committee is two external members, one of which is to be Chairperson, and two councillors. The Local Government Act Bill, which is to be reintroduced into State Parliament, requires that a majority of members of the committee must be independent members.

The Audit Committee Charter allows for a maximum of three independent members and it is proposed that Council should take the opportunity of appointing an additional two members rather than merely replace the vacancy caused by the term of office of Mr Hugh Parkes expiring.

A total of 12 expressions of interest were received and after conducting interviews of a shortlist of person lodging such expressions of interest Messrs Vince Philpott and Michael Said are recommended to be appointed. Both individuals have expertise in financial management and risk and experience in public sector management as required by the provisions of the Local Government Bill.

POLICY IMPLICATIONS

Nil

RELEVANCE TO COUNCIL PLAN

Maintaining the Audit Committee structure, focus and membership is in keeping with the Council Plan goals of embracing and demonstrating effective governance and transparency, governing and decision making in the best interests of the Cardinia Shire community, making financial decisions that achieve the objectives of Council and long-term financial sustainability and making financial decisions that are fair and ethical and balance costs and benefits between present and future generations.

CONSULTATION/COMMUNICATION

An extensive expression of interest process was undertaken seeking a new Independent member of the audit Committee

FINANCIAL AND RESOURCE IMPLICATIONS

Independent members of the Audit Committee received \$1,800 per meeting and the Committee meets quarterly.

CONCLUSION

It is considered appropriate to appoint Messrs Vince Philpott and Michael Said as independent members of the Audit Committee.