

3.1 AUDIT & RISK COMMITTEE MEMBERSHIP – REAPPOINTMENT OF INDEPENDENT MEMBER AND RECRUITMENT OF INDEPENDENT CHAIRPERSON

(D19-355670)

Responsible Director: Danny Wain, Chief Financial Officer

RECOMMENDATION

That the Council:

- 1. Having noted that the first term of independent Audit & Risk Committee member Ms Katie Baldwin will expire in June 2020, and given her interest to continue in the position, resolves to reappoint Ms Katie Baldwin as an independent member of Council's Audit & Risk Committee for a 3 year period ending 30 June 2023;*
- 2. Having noted that the second and final term of independent Chairperson of Council's Audit & Risk Committee, Mr Geoff Harry, will conclude in June 2020 resolves to commence the recruitment and selection process for appointment of an independent Chairperson member;*
- 3. Resolves that a public expression of interest process be undertaken to appoint the new independent Chairperson member with the selection panel to comprise the current Chairperson, Mr Geoff Harry, the Mayor and one other Councillor (a representative of the Audit & Risk Committee as nominated during the annual process to decide on Council representatives on organisations and committees);*
- 4. Resolves that in the case that an existing independent Committee member nominates for Chairperson, and is subsequently selected for the position of Chairperson, requests the selection panel identify a replacement independent member from their shortlist; and*
- 5. Receives a further report in 2020 from the selection panel regarding a recommendation for appointment of an independent Chairperson to the Committee and, in the case of a consequent vacancy, provide a recommendation on a replacement independent Committee member.*

BACKGROUND

Ms Katie Baldwin is currently an independent member of Council's Audit & Risk Committee (the Committee) and is due to complete her first three year tenure at the end of June 2020. The Audit & Risk Committee Charter allows an independent member of the Committee to serve two consecutive three-year terms. Ms Baldwin is eligible to be reappointed for a second three-year term and has expressed an interest in continuing on the Committee.

Mr Geoff Harry, currently an independent Chairperson of the Committee, will conclude his second 3 year term on 30 June 2020. Under Clause 4.10 of Council's Audit & Risk Committee Charter, which states: "A person can only serve in the positions of independent member or Chairperson for a maximum of six consecutive years", Mr Harry is ineligible to reapply for a further term on the Committee.

DISCUSSION

In accordance with section 4.2 of the Audit & Risk Committee Charter, Council can appoint and select the recruitment and selection process however the Council chooses. It is therefore up to Council to decide on the composition of the selection panel for the recruitment of the Chairperson so that officers can undertake a public expression and interest process in early 2020.

Councillor Audit & Risk Committee members will be appointed during the annual process to appoint Councillors to various organisations and committees. As such, the Councillor members on the selection panel will need to be formally determined by Council at this time.

There is a possibility that either of the independent Committee members may apply for the Chairperson role. This has occurred previously at Monash and is not an uncommon experience at other metropolitan Councils. In the event this occurred it would create a new vacancy on the Committee: an independent member.

To avoid Council running a second recruitment process, and to not prejudice any decision the independent members may choose, it is recommended that the recruitment process for the Chairperson be managed with this possibility in mind. Practically, this would entail advertising and recruitment packs noting that an independent member vacancy may occur and seeking indication, from applicants for the Chairperson role, their interest in filling this arising vacancy if it eventuated. The selection panel would then be able to recommend to Council an applicant to fill such a vacancy.

CONCLUSION

The Council, having noted that the first term of independent Audit & Risk Committee member, Ms Katie Baldwin will conclude in June 2019 resolves:

- a) to reappoint Ms Katie Baldwin as an independent member of Council's Audit & Risk Committee for a 3 year period ending 30 June 2023, in accordance with Clause 4.9 of the Audit & Risk Committee Charter;
- b) to commence the recruitment and selection process for appointment of an independent Chairperson to the Committee;
- c) to nominate the current Chairperson, Mr Geoff Harry, to the selection panel along with two Councillors to be decided during annual process to decide on Council representatives on organisations and committees; and
- d) in the event of a vacancy due to an independent member being selected for the Chairperson position, to ask the selection panel to recommend another applicant to the independent committee member position.