

CONFIDENTIAL ITEMS 2003 – SEPTEMBER 2020

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommendation to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
152	6 October 2020	Appointment of Two Independent Members to the Audit and Risk Committee and Committee Chairperson	<p><u>Pursuant to Section 90(3)(a)</u> Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except Chief Executive Officer, Deputy Chief Executive Officer/General Manager – Governance, Strategic Projects and Wastewater/Recycled Water, Chief Financial Officer, General Manager Planning and Development, General Manager Community Services, Acting General Manager Infrastructure, and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson.</p> <p>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 people who expressed an interest in membership of the Audit and Risk Committee in that details included in their resumes will be discussed.</p> <p>The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of details relating to personal information of people who expressed an interest in membership of the Committee including the role of Chairperson will be discussed.</p>	Report, attachment and minutes	That Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of details relating to personal information of people who expressed an interest in membership of the Committee including the role of Chairperson will be discussed.	Retained in confidence until the successful applicants and unsuccessful applicants have been advised of Council's decision.			<i>Report, Attachment and Minutes released on website 12 October 2020</i>

CONFIDENTIAL ITEMS 2003 – SEPTEMBER 2020

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			<p><u>Pursuant to Section 91(7)</u> Having considered Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report, attachment and minutes be retained in confidence until the successful applicants and unsuccessful applicants have been advised of Council's decision.</p>						
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RELEASED

18. CONFIDENTIAL REPORTS

**18.1 REPORT TITLE: CONFIDENTIAL ITEM: APPOINTMENT OF TWO
INDEPENDENT MEMBERS TO THE AUDIT AND
RISK COMMITTEE AND COMMITTEE
CHAIRPERSON**

DATE OF MEETING: 6 OCTOBER 2020

FILE NUMBER: DOC/20/111915

**ATTACHMENTS: 1. RECOMMENDATION TO APPOINT
DOC/20/138137 (Signed version will be made
available at the Council Meeting)**

Key Contact Alex Oulianoff, Chief Financial Officer
Manager/Sponsor Brian Clancey, Deputy CEO / General Manager
Governance, Strategic Projects,
Wastewater/Recycled Water

Mount Barker 2035 – District Strategic Plan:

Governance and Leadership

GL: Active democracy and effective representation

Annual Business Plan:

Nil

Purpose:

To provide the outcome of the recent expression of interest process for two independent members (and the role of Chairperson) of the Audit and Risk Committee following the resignation of one member in May 2020 and the term of another member being the Chairperson expiring shortly.

Summary – Key Issues:

- An Expression of Interest process was conducted for the appointment of two independent members of the Audit and Risk Committee and Committee Chairperson and this yielded 26 applications
- 7 applicants were interviewed by the appointed selection panel

Recommendation:**That Council:**1. Pursuant to Section 90(3)(a)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except Chief Executive Officer, Deputy Chief Executive Officer/General Manager – Governance, Strategic Projects and Wastewater/Recycled Water, Chief Financial Officer, General Manager Planning and Development, General Manager Community Services, General Manager Infrastructure, and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson.

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 people who expressed an interest in membership of the Audit and Risk Committee in that details included in their resumes will be discussed.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of details relating to personal information of people who expressed an interest in membership of the Committee including the role of Chairperson will be discussed.

2. That as per the Selection Panel's recommendations (attached) Council appoint:

- **Michelle Hammond** as an Independent Member to the Audit and Risk Committee commencing from the October 2020 ARC Meeting for a term of 3 years.
- **Gary Hughes** as an Independent Member to the Audit and Risk Committee commencing from the December 2020 ARC Meeting for a term of 2 years.
- **Michele Bennetts** be appointed as the Chairperson of the Audit and Risk Committee commencing from the December 2020 ARC Meeting and concluding at the end of her current term (March 2024).

Section 91(7) Order

3. Pursuant to Section 91(7)
That having considered Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report and minutes be retained in confidence until the successful applicants and unsuccessful applicants have been advised of Council's decision.

Background:

1. Pursuant to section 126 of the Local Government Act 1999 ("the Act") and Regulations Council must have an Audit Committee and its membership must include at least one Member who is not a Council member, may not include employees of this Council, and may comprise members of an Audit Committee of another Council.
2. Legislation allows a maximum of 5 Committee Members. In December 2018 Council determined to have a Committee of 5, 4 of whom are independent members.
3. The Audit & Risk Committee Terms of Reference include a maximum term of 8 years and two members (Chris Howis and Michael Bails – Chairperson) were reaching this maximum term in December 2020.
4. Chris Howis resigned in May 2020 and with the Chairperson's position expiring in December 2020 Council resolved to recruit for two independent members. One independent member position will take effect at the October 2020 Audit and Risk Committee meeting and one will take effect at the December 2020 meeting while the Chairperson role will take effect in December 2020 when the existing Chairperson's membership expires.
5. The Committee's Terms of Reference state that the Chairperson will be an independent Member.
6. The Council appointed a selection panel comprising Cr Narelle Hardingham, Cr Simon Westwood and the Chief Financial Officer Alex Oulianoff to recommend the most appropriate people for appointment.

Discussion:

7. An expression of interest for membership of this Committee was open from 22 July - 12 August 2020. Advertisements were placed in The Courier, Australian Institute of Company Directors website, Council's website, LGA website, and Council's Facebook page.
8. The appointments of the two new independent members is recommended to be for a term of 2 & 3 years, the varying term lengths for the two new appointments is to ensure that the end dates for the independent members on the panel are staggered.
9. The expiry of the current and proposed Independent members terms will be as follows, if the recommendations of the panel are supported.
 - a. Gary Hughes - December 2022
 - b. Pamela Lee - March 2023
 - c. Michelle Hammond - October 2023
 - d. Michelle Bennets - March 2024

This staggering of expiry dates is desired in order to achieve continuity and avoid a scenario of multiple independent committee positions expiring at or near the same time.

10. Selection criteria included experience in one or more of the following
 - corporate governance
 - corporate financial management
 - wastewater and recycled water
 - major infrastructure planning and delivery
 - Private sector business acumen
 - Experience in/or understanding of local government financial management practices
 - Internal audit and/or risk management experience in the management of large organisations;
 - Financial management, external audits, prudential reviews
 - Strategic management planning or business planning
11. Twenty eight (28) expressions of interest were received during this time.
12. The selection panel shortlisted and interviewed 7 people who expressed an interest and following reference checks, their preferred applicants are included in Attachment 1.
13. CV's of all people interviewed by the selection panel are available as a confidential document on the Council Members' Extranet – de-identified other than those recommended.

Community Engagement:

Informing only	Information regarding the successful applicants will be released, and the website updated, following Council's decision and once the successful and unsuccessful applicants have been notified.
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Policy:

Nil

Long Term Financial Plan:

Nil

Budget:

Nil

Statutory/Legal:

The Audit & Risk Committee operates in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999.

Staff Resource Requirements:

There is no additional impact on staff resources.

Environmental:

N/A

Social:

The operations of the Audit & Risk Committee are an important element of the Council's transparency and accountability to the community.

Risk Assessment:

There are no identified risks with this report.

Asset Management:

Nil

Conclusion:

These appointments will add additional skills and experience to complement the existing Audit and Risk Committee.

Previous Decisions By/Information Reports to Council:

Meeting Date	6 July 2020	HPRM Reference	DOC/20/78045
Title	PROCESS TO RECRUIT A REPLACEMENT INDEPENDENT MEMBER TO THE AUDIT AND RISK COMMITTEE		
Purpose	To appoint a selection panel to conduct a recruitment and interview process to provide a recommendation to council to fill a vacant independent member position on the Audit and Risk Committee.		

Meeting Date	20 January 2020	HPRM Reference	DOC/19/160214
Title	Process to Recruit an Independent Member to the Audit and Risk Committee		
Purpose	To appoint a selection panel to conduct a recruitment and interview process to provide a recommendation to fill a vacant independent member position on the Audit and Risk Committee.		

Attachment 1 to Item 18.1

	Recommendation to Appoint	HPEM	DOC/14/027531
		Date created	19 March 2014
		Next Review	19 March 2018

Position Title: **2 x Independent Member - Audit and Risk Committee**
1 x Independent Chair -Audit and Risk Committee

Department: **Audit and Risk Committee**

Selection Panel: Cr Narelle Hardingham - Councillor
Cr Simon Westwood - Councillor
Alex Oulianoff – Chief Financial Officer

Advertisement: An expression of interest for membership of this Committee was open from 22 July - 12 August 2020. Advertisements were placed in The Courier, Australian Institute of Company Directors website, Council's website, LGA website, and Council's Facebook page.

Selection Process: 28 applications were received by the closing date. The following applicants were shortlisted by the selection panel for interview based on their applications:

- Gary Hughes
- Michelle Hammond
- Emma Hinchey
- David Powell
- Lachlan Miller
- Pamela Lee – (Existing Member applying for Chairperson Role)
- Michele Bennetts – (Existing Member applying for Chairperson Role)

Interviews were conducted at the Civic Centre. Of the 7 candidates interviewed, the selection panel agreed that reference checking should be undertaken for Gary Hughes, Michelle Hammond, not required for Michele Bennetts as she is currently a member on the committee.

Referee Checks: Referee checks undertaken by the selection panel for Gary Hughes and Michelle Hammond confirmed that they were suitable candidates to recruit into the roles.

Recommendation After careful consideration and reviewing the interview scores, reference checks, the selection panel agreed that Gary Hughes, Michelle Hammond and Michele Bennetts have the skills and experience most ideally suited for the role(s).

 MOUNT BARKER DISTRICT COUNCIL	<h2 style="margin: 0;">Recommendation to Appoint</h2>	HPEM	DOC/14/027531
		Date created	19 March 2014
		Next Review	19 March 2018

It is recommended that:

- **Michelle Hammond** be appointed as an Independent Member to the Audit and Risk Committee commencing from the October 2020 ARC Meeting for a term of 3 years.
- **Gary Hughes** be appointed as an Independent Member to the Audit and Risk Committee commencing from the December 2020 ARC Meeting for a term of 2 years.
- **Michele Bennetts** be appointed as the Chair of the Audit and Risk Committee commencing from the December 2020 ARC Meeting and concluding at the end of her current term (March 2024).

The selection of these candidates will bring the following balance to the Audit and Risk Committee Membership:

- Cr Hardingham - (Existing Member)
 - o Council Member
 - o Human Resources and private sector experience
- Pamela Lee MBA, FAICD - (Existing Member)
 - o Independent
 - o Banking and Finance, and Local Government experience
- Michele Bennetts CPA, GAICD - (Existing Member)
 - o Independent
 - o Experience in chairing Audit and Risk Committees, private sector adviser to Local Government entities.
 - o Chair experience includes Rural City of Murray Bridge 2009-2010; and is currently the Chair of the Coorong District Council Audit and Risk Committee.
- Gary Hughes - (Recommended to appoint)
 - o Independent
 - o Wastewater and Recycled Water, and Private Sector experience.
- Michelle Hammond CPA, GAICD - (Recommended to appoint)
 - o Independent
 - o Board and Local Government Experience.

1 Cr Narelle Hardingham

2 Cr Simon Westwood

3 Alex Oulianoff

Date

Council Meeting for resolution:

6th October 2020

RELEASED

18. CONFIDENTIAL REPORTS

18.1	REPORT TITLE:	CONFIDENTIAL ITEM: APPOINTMENT OF TWO INDEPENDENT MEMBERS TO THE AUDIT AND RISK COMMITTEE AND COMMITTEE CHAIRPERSON
	DATE OF MEETING:	6 OCTOBER 2020
	FILE NUMBER:	DOC/20/111915
	ATTACHMENTS:	1. RECOMMENDATION TO APPOINT DOC/20/138137

Moved Councillor Minett that Council:

Pursuant to Section 90(3)(a)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except Chief Executive Officer, Deputy Chief Executive Officer/General Manager – Governance, Strategic Projects and Wastewater/Recycled Water, Chief Financial Officer, General Manager Planning and Development, General Manager Community Services, Acting General Manager Infrastructure, and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson.

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Seconded Councillor Westwood

CARRIED
OM20201006.21

Moved Councillor Westwood that Council as per the Selection Panel's recommendations (attached) Council appoint:

- Ms Michelle Hammond as an Independent Member to the Audit and Risk Committee commencing from the October 2020 ARC Meeting for a term of 3 years.
- Mr Gary Hughes as an Independent Member to the Audit and Risk Committee commencing from the December 2020 ARC Meeting for a term of 2 years.
- Ms Michele Bennetts be appointed as the Chairperson of the Audit and Risk Committee commencing from the December 2020 ARC Meeting and concluding at the end of her current term (March 2024).

Seconded Councillor Bailey

CARRIED
OM20201006.22

Moved Councillor Jones that Council:

Pursuant to Section 91(7)

Having considered Agenda Item 18.1 Appointment of two Independent Members to the Audit and Risk Committee and a Committee Chairperson in confidence under 90(2) and 3(a) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the report, attachment and minutes be retained in confidence until the successful applicants and unsuccessful applicants have been advised of Council's decision.

Seconded Councillor Morrison

CARRIED
OM20201006.23

RELEASED