

**GO6 – Audit Committee – Appointment of External Member**

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TRIM 9731 & 5374-4

**EXECUTIVE SUMMARY**

- The purpose of this report is to seek Council's endorsement of the Audit Committee Panel's selection of a new member.
- It is recommended that Council approve the appointment of Stephen Horne to the Audit Committee and thank the outgoing member, Michael Muston for his significant contribution to the Audit Committee during his tenure.

**REPORT**

Council's external Audit Committee members are appointed for a four (4) year term, with a staggered replacement program of each member.

The rotation of members is in line with best practice principles and supports the oversight of ongoing matters; ensures the continuity of the internal audit function and aids in maintaining the independence of the Audit Committee.

The appointment of external members to the Audit Committee is important in the ongoing culture of policy compliance and good governance. The Committee provides an assurance role that promotes the need for accountability.

Council called for Expressions of Interest with applications accepted up until 10 April 2017. A total of eight (8) strong and competitive submissions were received.

A preliminary assessment of applications was undertaken by a panel comprising of:

- Executive Director Community Services & Corporate Support
- Director Infrastructure & Environment
- Manager Financial Services; and
- Council's Principal Governance Officer.

A short-list was determined and interviews held. Each of the interviewed applicants were assessed against predetermined criteria with panel members unanimously agreeing on Stephen Horne as the preferred applicant.

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Mr Horne's experience includes:

- Managing Director & CEO - Internal Audit Bureau NSWG (IAB)
- Assistant Auditor - General (Performance Audit) NSW
- NSW Local Council Audit Risk Improvement Committees (x4)
- Victorian Local Council Audit Risk Committee (x1)
- NSW Government Audit Committees (x2).

Mr Horne's previous work with the Audit Office will enhance Council's progression with the new provisions of the Local Government Act 1993 requiring Council's to form Audit, Risk & Improvement Committees.

His experience will also assist the Committee with oversight of the Audit Office's proposed Fraud and Performance Audits.

**CONSULTATION**

Expressions of Interest were assessed by a panel of Executive; Management and Senior staff.

Reference checks of the preferred applicant were carried out by the panel members.

**FINANCIAL IMPLICATIONS**

Funding has been allocated within the Audit Committee budget allocation.

**ATTACHMENTS**

Nil

**RECOMMENDATION**

1. That Stephen Horne be appointed to the Audit Committee for a four (4) year term.
2. That Council thank Michael Muston for his significant contribution to the Audit Committee during his tenure.