

14.2 AMENDMENT TO AUDIT ADVISORY COMMITTEE TERMS OF REFERENCE

Division: Finance
Director: Glenn Kallio
Author/Position: Lorraine Sendall -
Executive Assistant - Finance

SUMMARY

This report proposes to amend the Terms of Reference for the Audit Advisory Committee to enable Council to reappoint independent members to its Committee for consecutive terms.

RESOLUTION:

Council resolve to;

- 1. Amend Clause 3 (b) of its Audit Advisory Committee Terms of Reference to read as follows:-**
 - 3 (b) Appointments of external/independent persons shall be made by Council by way of a public advertisement and be for a term of three years. Council has the option of inviting interested members to serve consecutive terms and in this case it would not be necessary for the position to be publicly advertised.**

Moved: Cr. Perry
Seconded: Cr. Fletcher

CARRIED
(R401/10)

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SUMMARY

This report proposes to amend the Terms of Reference for the Audit Advisory Committee to enable Council to reappoint independent members to its Committee for consecutive terms.

BACKGROUND

The Terms of Reference for the Audit Advisory Committee currently does not allow for external members to be reappointed for consecutive terms. In 2002, the Audit Charter was amended to allow this to happen but it seems that this Clause has inadvertently been omitted over the course of when the Audit Charter/Terms of Reference has been updated.

ISSUES

It is becoming increasingly difficult to source independent, suitably qualified persons willing to serve on Council's Audit Advisory Committee. In the recent appointments to the Committee, Council found it necessary to re-advertise after the closing of initial applications in order to fill the positions with suitably qualified people.

The Terms of Reference, as adopted by Council on 9 December 2009 is as follows:-

- 3 (b) Appointments of external persons shall be made by Council by way of a public advertisement and be for a maximum term of three years. The terms of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives.

It is proposed to amend the wording to this clause as follows:-

- 3 (b) Appointments of external/independent persons shall be made by Council by way of a public advertisement and be for a term of three years. Council has the option of inviting interested members to serve consecutive terms and in this case it would not be necessary for the position to be publicly advertised.

RELEVANT POLICIES

Audit Advisory Committee Terms of Reference

OPTIONS

1. Adopt the proposed change of wording to the Audit Advisory Committee Terms of Reference.

2. Not adopt the proposed change of wording to the Audit Advisory Committee Terms of Reference.

SOCIAL IMPLICATIONS

It is considered that there are no social implications within this report.

ENVIRONMENTAL IMPLICATIONS

It is considered that there are no environmental implications within this report.

CULTURAL IMPLICATIONS

It is considered that there are no cultural implications within this report.

RISK MANAGEMENT IMPLICATIONS

It is considered that there are no risk management implications within this report.

FINANCIAL IMPLICATIONS

It is considered that there are no financial implications within this report.

CONSULTATION

The current sitting members are under the impression that this clause is currently in the Terms of Reference.

IMPLEMENTATION AND MARKETING PLAN

It is considered that an implementation and marketing plan is not required.

OFFICER'S DECLARATION OF INTERESTS

Executive Manager Finance – Glenn Kallio

In providing this advice as the Director, I have no disclosable interests in this report.

Author – Lorraine Sendall

In providing this advice as the Author, I have no disclosable interests in this report.

CONCLUSION

Amending the Terms of Reference to allow for the re-appointment of independent members without the need to advertise at the completion of fixed terms for external members would be beneficial to Council in terms of savings in advertising and administration.

ATTACHMENTS

There are no attachments for this report.

RECOMMENDATION

Council resolve to;

- 1. Amend Clause 3 (b) of its Audit Advisory Committee Terms of Reference to read as follows:-**
 - 3 (b) Appointments of external/independent persons shall be made by Council by way of a public advertisement and be for a term of three years. Council has the option of inviting interested members to serve consecutive terms and in this case it would not be necessary for the position to be publicly advertised.**