

COUNCIL REPORT

1st Ordinary Council Meeting

Agenda Item:	13.1.2
Report Title:	Risk Management and Audit Committee - Chairperson
Meeting Date:	Tuesday 4 February 2025
Author:	Governance Lead, Angie Torr
Approver:	General Manager Finance and Governance, Wati Kerta

Community plan

Governance: Council is trusted by the community and invests in things that the public value.

Purpose

This Report provides Council with an update on the Risk Management and Audit Committee Chairperson's term of appointment and asks Council to nominate Elected Members to form the Selection Panel for the next Chairperson.

Key messages

- The Risk Management and Audit Committee Terms of Reference, endorsed by Council, provide that the Chairperson position is an Independent Member appointed by Council.
- The current Chairperson's two-year appointment expires on 1 June 2025. Independent Members can be appointed for a total period of up to four years.
- The Terms of Reference do not prevent the current Chairperson from reapplying for the position and being appointed another term.
- To ensure a smooth transition between terms, it is recommended that advertising and recruitment for the Chairperson position commence as soon as possible.
- Council will be required to nominate three Elected Members to form the Chairperson selection panel.

Recommendation

1. THAT Report entitled Risk Management and Audit Committee - Chairperson be received and noted.
2. THAT Council endorse the following three Elected Members to form the Risk Management and Audit Committee Chairperson selection panel:
 - a. Chair-
 - b. Member-
 - c. Member-

Background

Section 86 of the Local Government Act 2019 (NT) (the Act) requires Council to establish an audit committee that oversees Council's governance, risk management and compliance.

The composition of the Risk Management and Audit Committee (RMAC) is guided by the Act and Terms of Reference (TOR) which requires the Chairperson to be independent of Council and Council staff. RMAC must consist of at least four members, with at least two being Independent Members. All members of RMAC must be appointed by Council resolution.

Independent Chairperson Ms Clare Milikins was initially appointed on 1 June 2021 for a period of two years ending on 1 June 2023. Ms Milikins was reappointed for a further two years, commencing 2 June 2023 and expiring 1 June 2025. As a result, the maximum four year appointment term as per the Terms of Reference for the RMAC has now ended.

Discussion

Council undertakes a comprehensive and public recruitment process to attract independent members to RMAC, ensuring the inclusion of highly skilled professionals with relevant experience. The process involves advertising vacancies widely to reach a diverse pool of qualified candidates. Applicants are assessed based on their board and committee membership experience, responses to key questions, and alignment with RMAC's Terms of Reference.

When a committee position approaches the end of its term or becomes vacant, Council are required to recruit a replacement committee member. A selection panel (panel) is nominated from Council. The panel is required to short list applicants for the purpose of conducting interviews. Once the interviews are complete, the panel will make a selection recommendation to Council.

An Expression of Interest for the Chairperson position will be placed on the City of Palmerston Career Opportunities webpage and LinkedIn, as well as an advertisement in the NT News. Advertising is anticipated to commence in late February and run for a four-week period.

Due to the position being a significant role, it is recommended that recruitment commence as soon as possible to allow sufficient time to attract suitable applicants and to allow for a smooth transition between Chairpersons. The Terms of Reference doesn't exclude the current Chairperson from reapplying.

The process and recruitment timeframe will be as follows, the table below highlights key actions and the proposed timeline.

1.	Action	2.	Key Dates
3.	Council Meeting – Selection Panel nominated	4.	4 February
5.	Advertisement commences	6.	17 February
7.	Advertisement closes	8.	17 March
9.	Selection Panel meets to discuss applications (prior/post Council Meeting)	10.	Week Beginning 31 March
11.	Interviews held	12.	Week Beginning 14 April
13.	Selection Panel meets to discuss preferred applicant (if required)	14.	Week Beginning 21 April
15.	Preferred Applicant endorsed by Council	16.	6 May

The current Independent Chairperson will be advised of this process, including acknowledgement of their current term.

Consultation and marketing

Marketing and Communications and People and Place teams were consulted to ensure that the process and the timeframes for the recruitment process are reasonable.

Policy implications

The Risk Management and Audit Committee are responsible for delivering the principles and key roles as set out in the Terms of Reference including:

- Risk Management and Internal Controls
- Internal and External Audit Plan
- Review of Annual Report
- Review of Committee's Annual Performance



Budget and resource implications

Council remunerates the Independent Chairperson of the Committee in accordance with the remuneration schedule set out by the Northern Territory Government for a Class C1 Advisory and Review Board.

Risk, legal and legislative implications

The appointment of the Independent Chairperson and the composition of the Risk Management and Audit Committee is guided by section 86 of the Local Government Act 2019 (NT).

This Report addresses the following City of Palmerston Strategic Risks:

6. Governance

Failure to effectively govern.

Strategies, framework and plans implications

This Report relates to the following City of Palmerston Strategies, Framework and Plans:

- Long Term Financial Plan

Council officer conflict of interest declaration

We the author and approving officer declare that we do not have a conflict of interest in relation to this matter.

Attachments

Nil