

AUDIT AND RISK MANAGEMENT COMMITTEE CHAIR APPOINTMENT

Report Author: Executive Officer Governance, Risk & Compliance
Responsible Officer: Director Corporate Services
Ward(s) affected: (All Wards)

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

This report recommends the reappointment of Mr Stephen Schinck as the Chair of Council's Audit and Risk Management Committee (the Committee) for the period commencing 1 October 2024 to 31 May 2025.

RECOMMENDATION

That Council endorse the reappointment of Mr Stephen Schinck as the Chair of the Yarra Ranges Council Audit and Risk Management Committee for the period commencing 1 October 2024 to 31 May 2025.

DISCUSSION

Purpose and Background

Council's Audit and Risk Management Committee (the Committee) has been established as an Advisory Committee to Council as required by Section 53 of the *Local Government Act 2020* (the Act). The terms of reference of the Committee are outlined in the Committee Charter (the Charter) which has been approved by Council and published on Council's website.

The Charter requires that the composition of the Committee include:

- Up to five members.
- Minimum of three Independent Members.
- Minimum of Two Councillor Representatives.

Council is required to appoint a Chairperson of the Committee, the Chairperson being one of the Independent Members.

Mr Stephen Schinck is an Independent Member of the Committee and the current Committee Chairperson. Mr Schinck has 16 years' experience as a senior executive in the Department of Treasury and Finance (DTF) and has held executive management roles in corporate planning and governance, human resource strategy, asset management and operations, organisational risk management, internal audit and financial management and planning.

Mr Schinck is also the current Chair of the Audit and Risk Committees for Energy Safe Victoria and Safe Transport Victoria, and an Independent Member of the Audit and Risk Committees for the Victorian Labour Hire Authority and Murrindindi Shire Council.

Recommended option and justification

Mr Schinck has been nominated to be re-appointed as Chairperson with unanimous support by the Committee.

It is recommended that Council endorse Mr Schinck as the Committee Chairperson for the remainder of his committee term, commencing 1 October 2024 to 31 May 2025.

The reappointment of Mr Schinck as Committee Chair will provide continuity and build on the Committee's existing knowledge and processes. This supports continuous improvement in the Committee's oversight capabilities and effectiveness.

RELATED COUNCIL DECISIONS

The Audit and Risk Management Committee Charter was approved by Council at a meeting in November 2022. Mr Schinck was approved as the Committee Chairperson from 1 October 2023 to 1 October 2024 by Council at a meeting in September 2023.

FINANCIAL ANALYSIS

All financial implications associated with this recommendation are covered by existing operational budgets.

Section 12.5 of the Charter states that remuneration will be paid to each Independent Member and the Chair on a per meeting basis, with fees being indexed in alignment with the rate cap each 1 July.

From 1 July 2024, the Independent Member Chair remuneration is \$1,773.46 per meeting (excluding GST and based on five meetings per year).

APPLICABLE PLANS AND POLICIES

The appointment of an Independent Chair to the Committee links to the Council's Key Strategic Objective – High Performing Organisation and meets Council's obligations under the *Local Government Act 2020*.

RELEVANT LAW

It is a legislated requirement that Council establish an Audit and Risk Management Committee, appoint Independent Members and a Chair, adopt, and maintain a Charter and provide a bi-annual report to Council.

SUSTAINABILITY IMPLICATIONS

Economic Implications

The appointment of an experienced and qualified Chair for the Committee supports sound financial governance and oversight of Council's risk management practices. This contributes to Council's long-term economic sustainability by helping ensure proper stewardship of Council resources.

Social Implications

Strong governance and risk management practices, overseen by a capable Committee Chair, help protect Council's ability to deliver critical services and programs to the community. This supports social sustainability by safeguarding Council's capacity to meet community needs over time.

Environmental Implications

While not directly related to environmental outcomes, effective risk management and governance overseen by the Committee can support Council's ability to address environmental risks and pursue sustainability initiatives. The Chair's leadership helps ensure environmental considerations are appropriately factored into Council's risk assessment and mitigation strategies.

COMMUNITY ENGAGEMENT

No community engagement has been undertaken in preparing this recommendation.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

No collaboration with other Councils, Governments or statutory bodies was sought for this recommendation.

The reappointment of Mr Schinck as Committee Chair will provide continuity and build on the Committee's existing knowledge and processes. This supports continuous improvement in the Committee's oversight capabilities and effectiveness.

Mr Schinck's extensive experience chairing audit and risk committees for other government entities presents opportunities for cross-pollination of best practices and innovative approaches to governance and risk management. His leadership can help drive ongoing refinement and enhancement of the Committee's operations.

RISK ASSESSMENT

The Committee provides independent assurance to Council in respect of Council's management of risk, and as such the recommended reappointment of Mr Schinck as Chair will ensure the continuation of a high performing Committee, therefore reducing Council's overall risk exposure.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS

Nil