

## AUDIT AND RISK MANAGEMENT COMMITTEE - INDEPENDENT MEMBER APPOINTMENT

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Report Author: Executive Officer - Governance, Risk & Compliance

Responsible Officer: Director Corporate Services

Ward(s) affected: (All Wards);

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*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 appointment of Mr Jonathan Kyvelidis as an Independent Member of Yarra Ranges Audit and Risk Management Committee (the Committee) for a three-year period commencing 1 July 2025 with remuneration of \$1,504.93 (excl. GST) per meeting.

This report also reconfirms a previous decision of Council that the remuneration for all existing Independent Audit and Risk Management Committee members is increased in line with the proposed rate cap of 3 per cent, effective 1 July 2025.

### RECOMMENDATION

***That Council endorse***

- 1. The appointment of Mr Jonathan Kyvelidis as an Independent Member of the Yarra Ranges Council Audit and Risk Management Committee for a three-year term commencing 1 July 2025 with remuneration of \$1,504.93 (excl. GST) per meeting.***
- 2. The remuneration for all Independent Members of the Yarra Ranges Council Audit and Risk Management Committee be increased by 3% effective 1 July 2025.***

### RELATED COUNCIL DECISIONS

Council approved the Audit and Risk Management Committee Charter (the Charter) on 11 February 2025.

## **DISCUSSION**

### ***Background***

The Committee has been established by Council under Section 53 of the *Local Government Act 2020* and is comprised of five members, with the majority being independent members. The terms of reference of the Committee are outlined in the Yarra Ranges Committee Charter (Charter).

The term of Mr. Stephen Schinck, Chair and Independent Member, expires on 30 June 2025. As per the Charter, Independent Member terms of appointment are limited to a maximum of three terms, with each term being a maximum of three years. The concluded term was Mr Schinck's third and final term as an independent member. As such, a recruitment process has been undertaken to appoint a new independent member to the Committee.

The Charter requires that the composition of the Committee include:

- Maximum of five member.
- Three independent members.
- Two Councillor representatives.
- Chairperson to be appointed by Council from the Independent Members for up to three years.

Over recent months the Director Corporate Services, with assistance from Management and Committee Independent Member, Katie Baldwin, conducted interviews for a new Independent Member. This recruitment process canvassed a strong pool of candidates with a broad range of skills in the context of the Committee's Charter and duties, a skills matrix assessment of current Committee members, and the organisation's emerging risks.

Following a highly competitive recruitment process, Mr Jonathan Kyvelidis is recommended for the role of Independent Member for a three-year period commencing 1 July 2025.

Mr Kyvelidis brings over twenty years of experience in external audit, business management, and financial services, currently serving as an independent member of eight Council Audit and Risk Management Committees.

Previously, Mr Kyvelidis led the external audit of every Council in Victoria as the Director of Local Government within the Victorian Auditor-General Office's (VAGO) financial audit division. This role gave him unique insights into the diverse challenges, risks, and operational complexities faced by metropolitan, regional, and peri-urban Councils across the state.

### ***Remuneration***

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 percentage each 1 July. Remuneration will be reviewed at the appointment of a new Independent Member.

From 1 July 2025, recommended remuneration is (inclusive of indexation for the 2025-26 rate cap):

- Independent Members: \$1,504.93 per meeting (excluding GST and based on 5 meetings per year); and
- Chair: \$1,825.66 per meeting (excluding GST and based on 5 meetings per year).

## **FINANCIAL ANALYSIS**

The financial implications of supporting the Committee are forecast within current and future operating budgets. .

## **APPLICABLE PLANS AND POLICIES**

The appointment of Independent Members 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**

Section 53 of the *Local Government Act 2020* requires Council to establish an Audit and Risk Management Committee.

## **SUSTAINABILITY IMPLICATIONS**

### ***Economic Implications***

The appointment of Mr Kyvelidis as an Independent Member of the Audit and Risk Management Committee contributes to economic sustainability of Council by ensuring effective oversight of financial management practices.

### ***Social Implications***

Mr Kyvelidis' appointment enhances social sustainability by fostering trust and transparency within the community. Effective governance and risk management practices, overseen by the Committee, contribute to the public's confidence in the council's operations. This, in turn, promotes social cohesion and engagement, key components of social sustainability.

### ***Environmental Implications***

The appointment of Mr Kyvelidis and, therefore, the effective functioning of the Committee can indirectly support environmental sustainability efforts. By ensuring sound financial management practices, the Committee enables Council to allocate

resources efficiently, including funds earmarked for environmental initiatives such as sustainability measures, waste management, and renewable energy projects.

## **COMMUNITY ENGAGEMENT**

No community engagement has been undertaken in preparing this recommendation.

## **COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT**

No specific external collaboration, innovation or continuous improvement initiatives were undertaken in preparing this recommendation.

## **RISK ASSESSMENT**

The Committee provides independent assurance to Council in respect of Council's management of risk, and as such the recommended appointment of a new Independent Member 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