

**ADELAIDE HILLS COUNCIL  
ORDINARY COUNCIL MEETING  
Tuesday 8 July 2025  
CONFIDENTIAL AGENDA BUSINESS ITEM**

**Item:** 19.2

**Responsible Officer:** Zoë Gill  
Executive Governance Officer  
Office off the Chief Executive.

**Subject:** Audit and Risk Committee Independent Member Appointment

**For:** Decision

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**1. Audit and Risk Committee Independent Member Appointment – Exclusion of the Public**

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- Chief Executive Officer, Greg Georgopoulos
- Director Corporate Services, Gary Lewis
- Director Community & Development, Jess Charlton
- Executive Governance Officer, Zoë Gill
- IT Support Officer, Tom Portas
- Minute Secretary, Skye Ludzay

be excluded from attendance at the meeting for Agenda Item 19.2 (Audit and Risk Committee Independent Member Appointment) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3)(a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because it would disclose the personal details of candidates who have expressed an interest to be on the Audit and Risk Committee.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

## **2. Audit and Risk Committee Independent Member Appointment - Confidential Item**

### **SUMMARY**

The Audit and Risk Committee Terms of Reference (TOR) provides that the Committee will consist of five (5) members comprising three (3) independent members and two (2) Council Members. Further the TOR provides for the structuring of the Independent Member terms to ensure the orderly rotation and continuity of membership despite changes to the composition of the Audit and Risk Committee.

On 22 April 2025 Council resolved to commence a recruitment process for one (1) Independent Member position, with the term commencing prior to 30 June 2025.

The recruitment process has now concluded.

The purpose of this report is to present the Selection Panel recommendation with a view to Council making an appointment to the vacant Independent Member role.

### **RECOMMENDATION**

**Council resolves:**

- 1. To receive and note the Audit and Risk Committee Independent Member Appointment Report.**
  - 2. To note that four (4) applicants were assessed as suitable for appointment to the Audit and Risk Committee, with Natalie Simmons being the preferred candidate.**
  - 3. To appoint Natalie Simmons to the position of Audit and Risk Committee Independent Member for a term to commence from 09 July 2025 until 30 June 2029 (inclusive).**
  - 4. To retain the unsuccessful candidates who were assessed as suitable for appointment on a list of suitable appointments, should a further vacancy arise before the end of this Council term. Council could elect to appoint directly from this list without advertising the role.**
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## **1. BACKGROUND**

The Committee's TOR provide the configuration and terms of the Committee membership:

#### 4. MEMBERSHIP

The following provisions are subject to regulation 14 of the *Local Government (Transitional Provisions) Regulations 2021*.

##### 4.1 CONFIGURATION & TERMS

- 4.1.1. Members of the Committee are appointed by Council in accordance with Section 126(2) of the Act and these Terms of Reference.

Committee Members	Method of Appointment	Term
Council Member	<ul style="list-style-type: none"><li>Council Resolution</li></ul>	Determined by Council Resolution
Independent Members	<ul style="list-style-type: none"><li>Expression of Interest</li><li>Selection Panel Assessment Process and Recommendation report to Council</li><li>Appointment Approval by Council Resolution</li></ul>	Partially overlapping terms with other Independent Members of up to four (4) years.  Maximum of eight (8) years consecutively.

- 4.1.2 The Committee will comprise five (5) members comprising:

- I. Three (3) Independent Members determined by Council; and
- II. Two (2) members of Council determined by Council

- 4.1.3 All members of the Committee must have skills, knowledge and experience relevant to the functions of the Committee, including financial management, risk management, governance and any other prescribed matter.

At the 11 April 2024 Council Meeting, Council appointed Ms Sarah Beesley as Independent Members of the Audit and Risk Committee:

Moved Cr Melanie Selwood  
S/- Cr Malcolm Herrmann

86/23

##### Decision 2:

1. To appoint Pamela Lee to the position of Audit Committee Independent Member for a term to commence from 01 May 2023 until 30 April 2027 (inclusive).
2. To appoint David Moffatt and Sarah Beesley to the positions of Audit Committee Independent Member for a term to commence from 01 December 2023 until 30 November 2027 (inclusive).

Carried Unanimously
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As of 11 April 2025 Ms Sarah Beesley resigned from office by written notice to the Council with her resignation effective immediately.

At their 14 April 2025 meeting, the Audit and Risk Committee recommended to Council that the CEO begin the recruitment of the vacant Independent Member position as soon as possible.

**Moved Cr Malcolm Herrmann**  
**S/- Pamela Lee**

**ARC6/25**

**The Audit and Risk Committee resolves:**

1. To acknowledge and thank Ms Sarah Beesley for her contribution from 1 May 2023 and notes her resignation effective 11 April 2025 due to work commitments (item 10.1, 14 April 2025 Audit and Risk Committee meeting).
2. Recommends to Council that the CEO begins the recruitment process for her replacement as soon as possible (item 10.1, 14 April 2025 Audit and Risk Committee meeting).

<b>Carried Unanimously</b>
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The Council resolved at its 22 April 2025 meeting to undertake a recruitment process for the selection of one (1) Independent Member to the Audit and Risk Committee.

**Moved Cr Leith Mudge**  
**S/- Cr Louise Pascale**

**132/25**

**Council resolves:**

1. That the report be received and noted.
2. To undertake a recruitment process for the selection of one Independent Member for the Audit and Risk Committee, with the term commencing prior to 30 June 2025.
3. To appoint Cr Melanie Selwood, Pamela Lee, and the CEO (or delegate/s) as members of the Audit and Risk Committee Independent Member Selection Panel.

<b>Carried Unanimously</b> <b>Cr Melanie Selwood voted in favour of the motion</b>
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Advertisements for Expressions of Interest for Audit and Risk Committee Independent Member were placed on SEEK, Careers in Council website and AHC's website for the period 1<sup>st</sup> – 30<sup>th</sup> May 2025.

Council received a strong field of twenty-three (23) candidates and the Selection Panel shortlisted five (5) candidates for interview and, where appropriate, referee checking. Four (4) candidates were assessed as suitable for appointment, with a preferred candidate identified.

The Audit and Risk Committee TOR provides for the staggering of Independent Member terms. It is proposed that the new Audit and Risk Committee member be appointed for a four (4) year term so as to provide continuity of membership and ensure positions do not become vacant at the same time.

## **2. ANALYSIS**

### **➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment**

*Strategic Plan 2024 – Your Place, Your Space*

Goal 4

Organisation

Objective O2

Operate with integrity using best practice governance processes.

Priority O2.1 Demonstrate accountable and transparent decision making.

➤ **Legal Implications**

Section 41 of the *Local Government Act 1999* sets out the processes for the establishment of council committees. These committees may be formed to assist council in the performance of its functions; to enquire into matters; to provide advice to council and to exercise delegated powers, functions and duties. The Audit and Risk Committee is a s41 committee.

Council adopted the current Audit and Risk Committee TOR at its 25 March 2025 meeting (Res: 109/25). The TOR sets out the role, functions and membership provisions which are compliant with the provisions of s126 of the Local Government Act.

Section 5 of the TOR outlines the recruitment process:

**5. INDEPENDENT MEMBER**

- 5.1. Recruitment of Independent Members will be undertaken by administration calling for expressions of interest.
- 5.2 A selection panel will be formed by the Council to assess applications and recommend to Council the preferred candidate for appointment to the Committee, and the term for which they should be appointed.
- 5.3 Senior Council Staff and Council Members and/or Independent Members of the Committee may be included on the selection panel. The selection panel is not a committee of the Council and will conduct its proceedings as it sees fit.
- 5.4 On the panel completing its assessment, a selection panel assessment and recommendation report will be prepared by the Panel and put to Council for a decision.
- 5.5 Appointments of Independent Members shall be made by resolution of Council.
- 5.6 Independent Member appointments will not align with timing of periodic Council elections (to maintain membership continuity over the Council election period). Each term of appointment for an Independent Member will be subject to the Act and these Terms of Reference.
- 5.7 Independent Member appointment terms will be for up to a maximum of four (4) years, as determined by the Council.
- 5.8 Independent Members may be re-appointed if assessed and subsequently recommended for re-appointment by an independent member selection panel at the time.
- 5.9 An independent member may not serve for more than eight (8) years continuously as a Committee member.

➤ **Risk Management Implications**

The Council's consideration of the Independent Member membership of the Audit and Risk Committee will assist in mitigating the risk of

*Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.*

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Low (3E)	Low (3E)

➤ **Financial and Resource Implications**

The ongoing costs associated with Independent Members are the sitting fees paid for meeting attendance and any training-related costs. At its 28 August 2021 meeting Council resolved the sitting fees for Audit and Risk Committee Independent Members as follows:

Moved Cr Nathan Daniell  
S/- Cr Mark Osterstock

184/21

Council resolves:

1. That the report be received and noted.
2. That in relation to the Audit Committee and the Chief Executive Officer Performance Review Panel:
  - a. To determine the sitting fees for Members, effective 1 December 2021, as follows:
    - i. Independent Presiding Member - \$575 (excl GST) per attended meeting.
    - ii. Independent Ordinary Member - \$450 (excl GST) per attended meeting.
    - iii. Authorised Training - \$75 (excl GST) per hour of training attended excluding travel time but with a travel allowance being paid at the standard Council rate.
  - b. That in the event that an Independent Ordinary Member is required to preside at a meeting in the absence of the Presiding Member, then that Member receives the \$575 (excl GST) sitting fee for that meeting.

Carried Unanimously
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Independent members are paid a \$450 sitting fee per meeting. Audit and Risk committee generally meets 6 times a year which equates to \$3,450 annually for independent members.

➤ **Customer Service and Community/Cultural Implications**

There is a high expectation that Council has appropriate governance and accountability mechanisms in place in relation to its meeting structures and that Council Committee members are competent and understand the role and functions of the committee and their individual obligations with regard to conduct.

➤ **Sustainability Implications**

Not applicable.

➤ **Engagement/Consultation conducted in the development of the report**

<i>Council Committees:</i>	Not Applicable
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>External Agencies:</i>	Not Applicable
<i>Community:</i>	Not Applicable

➤ **Additional Analysis**

A shortlist process was conducted by the Selection Panel, including fit with roles and functions of the Committee and with consideration to the diversity of the members.

After the interviews of shortlisted candidates, the Selection Panel has agreed to recommend Natalie Simmons for appointment as the Independent Members on the Audit and Risk Committee, noting they would like to mark three (3) of the other shortlisted candidates as suitable for appointment and to keep their records should another opening arise for appointment.

The profile of the recommended candidate is as follows:

- Natalie Simmons is a qualified accountant and is currently the volunteer Director on the Board of Lifeline Regional SA and Far West NSW, where she is the Deputy Chair of the Board of Directors and the Chair of the Audit Committee. Natalie is also currently the CEO of the Australian Chiropractic College. Natalie has significant experience in finance, risk, compliance and governance through her Board and Committee involvement and her career. Natalie is passionate about making a difference to community and providing a strategic focus on the Audit and Risk Committee.

The selection panel assessment and recommendation report has been provided to elected members.

**3. OPTIONS**

Council has the following options:

- I. The Council may elect to support the recommendation for the Independent Member appointment (Recommended)
- II. The Council may elect not to support the recommendation for the Independent Member appointments. This decision would require further review of the short listed candidates or advertising again for an Independent Member and further interviews to be undertaken. (Not Recommended)

**4. APPENDIX**

Nil

**3. Audit and Risk Committee Independent Member Appointment – Duration of Confidentiality**

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council's decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 18.1 in confidence under sections 90(2) and 90(3)(a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* to retain the Items in confidence as detailed in the Duration of Confidentiality Table below:

Item	Duration of Confidentiality NB: Item to be reviewed every 12 months if not released
Report	Until the appointment has been confirmed.
Related Attachments	Not applicable
Minutes	Until the appointment has been confirmed.
Other (presentation, documents, or similar)	Not applicable

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.