

ITEM 14

AUDIT, RISK AND IMPROVEMENT COMMITTEE - EXTENSION OF TERM - CATHERINE HUDSON

The initial term of Catherine Hudson, Independent member of the Audit, Risk and Improvement Committee (ARIC) Chairperson expires on 30 September 2021. This report recommends that the appointment of Catherine Hudson to the Committee be extended, in accordance with the ARIC Charter, for one year, for the period up to 30 September 2022.

RECOMMENDATION

The term of Ms Catherine Hudson as an independent member of the Audit, Risk and Improvement Committee be extended for the period up to 30 September 2022.

REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Governance and Customer Service
Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

Council, at its meeting on 13 August 2018 appointed the following external independent members to the Audit Risk and Improvement Committee:

- Catherine Hudson - Appointment expires 30 September 2021.
- Stephen Horne - Appointment expires 30 September 2022.

With the impending implementation of a mandatory risk management and internal audit framework that will potentially require changes to ARIC operations that will come into effect in late 2021 or early 2022, continuation of the current committee structure and independent membership will maintain stability during the anticipated transition to a new structure.

PROPOSAL

The Office of Local Government (OLG) has previously released a discussion paper giving details of a proposed mandatory risk management and internal audit framework. Whilst council has a risk management framework in place and moved to an ARIC model in 2018, it is possible that further minor changes to the ARIC structure may be required to ensure compliance with the new framework if mandated as specified in the discussion paper. The new mandatory framework is expected to be released before the end of the 2021 calendar year.

With the likelihood of structural changes to the composition of the ARIC being required, plus other potential changes to the support structure for the ARIC it is recommended that the current committee structure and membership be continued to allow stability during the transition to the new mandatory framework.

The ARIC Charter allows for the term of an independent member to be extended, subject to the total tenure on the Committee for each independent member not exceeding eight years. The extension proposed to Catherine Hudson's membership is consistent with the Wollongong City Council ARIC Charter.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal "We are a connected and engaged community". It specifically delivers on core business activities as detailed in the Governance and Customer Service, Service Plan 2021-22.

FINANCIAL IMPLICATIONS

There are no direct financial implications relating to the extension of term.

CONCLUSION

With the impending implementation of a mandatory risk management and internal audit framework that will potentially require changes to ARIC operations that will come into effect in late 2021 or early 2022, continuation of the current committee structure and membership will maintain stability during the transition to a new structure.