Audit & Risk Committee Terms of Reference

Record number	D26/38980
Committee Members	Elected Member: Mayor Marijka Ryan Independent Members: Mr Daniel Edgecombe (Presiding Member) Mrs Julie Best Mr Ross Haslam Mr Peter Tsakos
Last reviewed	9 June 2026
Adoption reference	Council
Resolution number	965
Previous review dates	26 March 2024, 29 November 2022

1. Purpose

The purpose of the Audit and Risk Committee is to oversee, provide independent assurance and advice to the Council and contribute to evaluating and improving the effectiveness of accounting, financial management, internal controls, risk management and corporate governance matters.

The Committee is established under sections 126 and 41 of the Local Government Act 1999 (the Act).

2. Roles and Functions

The Committee performs the following legislative functions:

1. Review annual financial statements to ensure they present fairly the state of affairs of the Council.
2. Propose, and provide information relevant to, a review of the Council's strategic management plans and annual business plan.
3. Monitor the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raise by Council's auditor.
4. Propose and review the exercise of powers under section 130A – Other investigations.
5. Liaise with the Council's auditor in accordance with any requirements prescribed by the regulations.
6. Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis.
7. Provide oversight of planning, scoping, delivery of the internal audit work plan.
8. Review and comment on reports provided by the internal audit function at least on a quarterly basis
9. Review and evaluate the effectiveness of policies, systems and procedures established and maintained for identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.
10. Review any Prudential Report obtained by the Council under section 48(1).
11. Make recommendations to Council on the appointment of the auditor pursuant to section 128.
12. Consider or perform any other function which may be referred to it by the Council, another Council Committee, or prescribed by the regulations.

Other functions performed by the Committee:

13. Consider new and review existing policies within the scope of the Committee's purpose, functions and duties.

3. Meetings

3.1 The Committee will meet at least once a quarter on the third Tuesday of a month commencing at 6.30pm, with meeting dates and times set by Council or the Chief Executive Officer.
(*Refer to Delegations Register under the Act (section 87) regarding who can call, reschedule and cancel meetings)*

3.2 Meetings will be held at Council's Civic Centre, by electronic means or such other location as determined by the Committee or CEO. The CEO will maintain procedures for members that may attend by electronic means.

3.3 Meetings of the Committee will be held in accordance with:

- Local Government Act 1999
- Local Government (Procedures at Meetings) Regulations 2013, specifically Part 2 for key Committees.
- Council's Code of Practice for Meeting Procedures
- Council's Code of Practice – Access to Council and Committee Meetings and Documents

3.4 The Committee will terminate at the end of the Council term unless terminated earlier by resolution of the Council.

4. Membership

4.1 The Committee will comprise of five (5) members appointed by the Council, being four (4) independent members and one (1) elected member, with one independent member being the Presiding Member of the Committee.

4.2 Independent members will be appointed for four (4) years with the term of office commencing midpoint of the Council term. In the event that there is a casual vacancy in the position of independent member, the period of appointment of a new independent member may be for a period less than four (4) years.

4.2.1 At the time of a vacancy of an independent member, a selection panel comprising the Presiding Member of the Committee and the CEO or his or her delegate, will undertake a selection process and recommend independent candidate(s) to the Council for appointment as independent member(s).

4.2.2 The Independent Member will have the necessary skills, knowledge and experience to ensure the effective discharge of the duties of the Committee. The following skill sets should include:

- Financial management
- Information technology
- Risk management
- Governance
- Internal audit
- External audit

- Strategic management
- Asset management
- Work health and safety management

4.2.3 Sitting fees will be paid to the independent members at $500 per meeting and $900 for the Presiding Member.

4.2.4 To ensure that the independent members of the Committee are provided with appropriate and timely training (at a cost to Council under delegation and approval of the CEO), both in the form of induction and ongoing training, a training fee in addition to sitting fees will be paid as follows:

a. All training attendance associated with sessions of less than two hours duration are to be absorbed as part of the existing negotiated sitting fee for each independent member

b. All training attendance associated with sessions greater than two hours duration are to be paid at 20% rate of the existing negotiated sitting fee for each independent member.

c. Any required attendance by a member of the Committee at a Council meeting or other similar meeting will be absorbed as part of the existing negotiated sitting fee for each independent member.

4.3 An elected member on the Committee will hold office only while they are a member of the Council, until the conclusion of the Local Government periodic election or their appointment is revoked by the Council.

4.4 The Committee may co-opt, or make use of the services of any other person for the purpose of investigating or deliberating on any specific matter or on any other temporary basis subject to available funds for such purposes and with the approval of the CEO. A person invited to assist the Committee is not a member and does not have a right to vote.

5. Quorum

5.1 A quorum for the Committee will be ascertained by dividing the total number of members of the Committee by two (2), ignoring any fraction resulting from the division and adding one (*in accordance with the Local Government (Procedures at Meetings) Regulations 2013*, regulation 26(a)).

6. Voting

6.1 Each member of the Committee at a meeting will have one vote.

6.2 In accordance with regulation 27 of the *Local Government (Procedures at Meetings) Regulations 2013*, the Presiding Member will have a deliberative vote but does not, in the event of an equality of votes, have a casting vote.

6.3 In the event of a tied vote the matter will be referred to the Council for deliberation.

7. Reporting

7.1 At least once a quarter, the Committee must provide a report to the Council after each meeting, summarising the work of the Committee during the period preceding the meeting and the outcomes of the meeting.

7.2 The Committee must provide an annual report to the Council on the work of the Committee during the period to which the report relates.

7.3 The Committee will evaluate its performance annually, which may occur as an informal discussion.

7.4 The Chief Executive Officer will provide an annual report to the Committee on the Council's internal audit processes.

8. Delegations

The Committee will have the delegated power to make decisions on matters relating to:

a. Determine the date, times and places of its meetings pursuant to section 87(1) of the Act.

b. Implement any delegated authority given to it by Council as set out in Council's Delegations Register.

c. The functions defined as Committee delegation in the table below, subject to relevant conditions / limitations.

TOR	Roles & Function	Delegation	Conditions / Limitations
2.1	Review annual financial statements to ensure that they present fairly the state of affairs of the Council	Recommendation to Council	N/A
2.2	Propose, and provide information relevant to, a review of the Council's strategic management plans and annual business plan	Recommendation to Council	N/A
2.3	Monitor the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raise by Council's auditor	Committee delegation	Within allocated budget or resources
2.4	Propose and review the exercise of powers under section 130A (other investigations)	Recommendation to Council	N/A
2.5	Liaise with the Council's auditor in accordance with any requirements prescribed by the regulations	Committee delegation	N/A
26	Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis	Committee delegation	Within allocated budget or resources
2.7	Provide oversight of planning, scoping and delivery of the internal audit work plan	Committee delegation	Within allocated budget or resources
2.8	Review and comment on reports provided by the internal audit function at least on a quarterly basis	Committee delegation	Within allocated budget or resources
2.9	Review and evaluate the effectiveness of policies, systems and procedures established and maintained for identifications, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis	Committee delegation – with exception of major policy changes	Policy changes limited to minor amendments, with major policy changes to be recommended to Council
2.10	Review any Prudential Report obtained by the Council under section 48(1)	Recommendation to Council	N/A
2.11	Make recommendations to Council on the appointment of the auditor pursuant to section 128.	Recommendation to Council	N/A
2.12	Consider or perform any other function which may be referred to it by the Council, another Council Committee, or prescribed by the regulations	Committee delegation	Within allocated budget or resources
2.13	Consider new and review existing policies within the scope of the Committee's purpose, functions and duties	Committee delegation – with exception of major policy changes	Policy changes limited to minor amendments, with major policy changes to be recommended to Council