

# Audit, Risk and Improvement Committee

## Terms of reference

### Establishment of Audit, Risk and Improvement Committee

1. The Audit, Risk and Improvement Committee ("**Committee**") is established by the Town of Victoria Park ("**Town**") in accordance with section 5.8 and 7.1A of the Local Government Act 1995 ("**the Act**").

### Objectives of the Committee

2. To provide advice and recommendations to the Council of the Town on its compliance and oversight responsibilities in relation to financial reporting, risk management, internal controls, legislative compliance, ethical accountability, and the internal and external audit functions and to fulfill any and all obligations as specified and required by the Local Government Act 1995.

### Composition and Tenure

3. The Committee shall consist of the following:
  - (a) The Mayor;
  - (b) Three Councillors;
  - (c) Two External Independent Members, one of which is to be the Presiding Member and one of which is to be the Deputy of the Presiding Member.
4. All appointments to the Committee shall be by nomination and appointed by Council. The Presiding Member and Deputy of the Presiding Member are to be appointed in accordance with the Local Government Act 1995.
5. Members are appointed for two (2) year terms to coincide with the local government election cycle, unless for a shorter period, in the event a Member cannot continue to fulfill the obligations of membership, and in such case, a new member shall be appointed by Council for the remainder of the Term of the outgoing member.

### Committee Support

6. The Committee shall be supported by the Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Community Planner, Manager of Governance, and a Minute Taker as identified by the Town.
7. Auditors, external and internal, may be invited by the Presiding Member to the meeting. Generally, if a report is prepared by an external Auditor, the Town administration will seek to arrange for the external Auditor to speak to the report and respond to questions in relation to the report at a Committee meeting.

### Committee Operations

8. The general affairs of the Committee shall be administered in accordance with these Terms of Reference, the Local Government Act 1995 and the Town's adopted Meeting Procedures Local Law 2019.
9. The Committee may institute and manage any other rules considered necessary for the day-to-day operations of the Committee provided they are not in conflict with any Local Law or legislation.
10. The Committee's recommendations must be considered and adopted by Council before implementation and if they are not adopted they will not be implemented.

11. The Terms of Reference are to be reviewed in line with the election of new members and any amendment is to be submitted for Council approval prior to Committee adoption.

## Meetings

12. The Committee must meet on a quarterly basis, or as required. Each quarterly meeting shall be determined at the preceding quarterly meeting, by the Committee.
13. The Committee may change the date of a quarterly meeting, or other meeting by agreement reached by way of email or if no agreement can be reached by the determination of the Presiding Member.
14. Meetings will be open meetings in the context of Section 5.23(1) of the Act.
15. Recommendations of the Committee are to be made by a simple majority and will be presented to Council at the next Ordinary Council Meeting after the committee meeting, or as reasonably practicable.
16. A quorum, as identified in section 5.19 of the Act, is at least 50% of the number of members of the Committee.

## Meeting Minutes

17. The Chief Executive Officer is responsible for keeping minutes of all business transacted at each meeting.
18. The minutes shall be made available to all Elected Members and the External Representative of this Committee.

## Areas of Responsibility

### Audit

19. Review audit reports issued under section 7.12A(3) of the Local Government Act 1995 to confirm that required actions are identified and to monitor management's progress in implementing those actions.
20. Review management's response addressing significant audit findings, including actions taken or planned, in relation to a report provided under section 7.12A(4)(a) of the Local Government Act 1995.
21. Review audit reports under Regulation 17 of the Local Government (Audit) Regulations 1996 and monitor management's progress in identifying and implementing required actions.
22. Receive and review the annual Compliance Audit Return and make any recommendations if it considers appropriate to Council.
23. Review and recommend to Council the Town's 3-year internal audit program including the annual audit schedule derived from that plan.
24. Review all other internal audits as or if provided to the Committee by the CEO and consider recommended actions for recommendation to Council.

### Risk

25. Review quarterly updates on the development and effectiveness of the Town's Risk Management Framework, including progress of risk register uplift activities, and, where available, risk profile movements, control effectiveness, and emerging risks.
26. Report to Council on any significant or escalating risks or control gaps.
27. Review the Town's Risk Management Framework and recommend any proposed changes to Council.

## Improvement

28. Review written advice prepared by the CEO under section 8.6(1)(a) of the Local Government Act 1995 and consider any resulting actions for recommendation to Council.
29. Review written advice prepared under section 8.23(4)(a) of the Local Government Act 1995 and consider recommended actions for Council.
30. Consider and recommend the Town's annual financial report to Council for adoption.
31. Recommend any proposed changes to Council in view of the risks identified.

## Delegation

32. This Committee has no delegated authority.
33. The Committee is a formally appointed committee of Council and is responsible to that body. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility.
34. The Committee has no management functions and must not involve itself in management processes or procedures, other than by making a recommendation to Council.

## Reporting

35. The Committee shall report to Council by way of its minutes and any recommendations it may make.

## Revision history

Version	Action	Date	Authority	Resolution number	Report number
1	Adopted	21/05/2019	Council	86/2019	Item 10.3
2	Amended	21/04/2020	Council	385/2020	Item 15.8
3	Reviewed and amended	15/02/2022	Council	17/2022	Item 15.2
4	Reviewed and amended	12/12/2023	Council	266/2023	Item 15.1
5	Reviewed and amended	16/06/2026	Council	103/2026	Item 15.1