

Audit and Risk Committee

Voting Members 3 x Councillors (2 x Deputies)	-	Three (3) x Shire Councillors
Chairperson		Shire Councillor and Voting Member
Deputies		2 x Shire Councillor
Non-voting Members 3 x Shire Staff (All non-voting)	-	Chief Executive Officer Director Corporate Services Manager Financial Services (Includes Secretariat role)
Community Delegates	-	Nil
Officer Responsible	-	Director Corporate Services
Meeting Schedule	-	At least four times per year
Meeting Location	-	Function or Committee Room, Shire of Broome
Quorum	-	2 voting members
Delegated Authority	-	Nil

FUNCTIONS:

1.0 NAME

The name of the Committee is the Audit and Risk Committee (the Committee).

2.0 DISTRICT/AREA OF CONTROL

Local Government boundaries of the Shire of Broome

3.0 OBJECTIVE / PURPOSE

The primary objective of the Committee is to support the Shire of Broome's Council in discharging its legislative responsibility associated with governing the Shire's affairs and overseeing the allocation of the Shire's finances and resources. The Committee will promote transparency and accountability in the Shire's financial reporting and promote effective and responsible management of risks to protect the Shire's assets. The Committee is to oversee:

- The enhancement of the integrity, credibility and objectivity of external financial reporting;
- The framework and systems which are designed to ensure effective management of financial and other risks and the protection of Council assets;
- The framework and systems which are designed to ensure compliance with relevant statutory and regulatory requirements as well as use of best practice guidelines; and
- The scope of work, objectivity, performance and independence of the external auditor including but not limited to coordination of the internal audit function with the external audit and the provision of an effective means of communication between the external auditor, internal auditor, the CEO and the Council.

4.0 STATUTE

Part 7 — Audit, of the Local Government Act 1995
Local Government (Audit) Regulations 1996

5.0 ESTABLISHMENT

The Committee has been established in accordance with Part 7 of the *Local Government Act 1995*. The Committee was established as per Council Resolution of 24 May 2005 and was last reviewed on 14 November 2019.

6.0 MEMBERSHIP

6.1 General

Council will appoint three elected members as delegates and two elected members as deputies to those delegates on the Committee.

The CEO and employees are non-voting members of the committee. The CEO or his/her nominee is to be available to attend meetings to provide advice and guidance to the committee. The local government shall provide secretarial and administrative support to the committee.

6.2 Tenure of Membership

The Tenure of Membership is per section 5.11 of the *Local Government Act 1995*.

7.0 DELEGATED AUTHORITY

The Audit and Risk Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its terms of reference. This is in order to facilitate informed decision-making by Council in relation to the legislative functions and duties of the local government that have not been delegated to the CEO.

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 and does not have any delegated financial responsibility. The Committee does not have management functions and cannot involve itself in management processes or procedures.

More specifically, the Committee is to assist and guide:

- Review the internal and external annual audit plans and the outcomes/results of all audits undertaken;
- Meet with the Shire's appointed external auditors as necessary;
- The review of the annual Compliance Audit Return (CAR) and report to the Council the results of that review, prior to adoption of the return by Council. After adoption, the return is to be signed by the Shire President and the CEO prior to it being forwarded to the Department.
- To consider proposals from the CEO as to whether the compliance audit, and the reviews of risk management, internal control and legislative compliance, are undertaken internally or an external party is contracted to undertake the task. In the case of an external party the Audit Committee would have responsibility to receive the review report from the CEO and make recommendations on it to full Council.
- Monitoring and reporting on the appropriateness and effectiveness of Council's programs for risk management, internal control and legislative compliance and receive a report from the CEO on risk management matters and the progress of actions from the Improvement Plan.
- Monitoring and reporting on the appropriateness and effectiveness of Council's financial management systems and procedures not less than once in every three financial years and the CEO, through the Audit Committee is to report to Council the results of those reviews.

8.0 COMMITTEE STRUCTURE

8.1 Chairperson

As appointed by delegates (is the Chairperson).

8.2 Secretariat

The Manager Financial Services will fulfil this administrative non-voting role.

8.3 Standing Ex-Officio Members

Nil.

9.0 MEETINGS

9.1 Annual General Meeting

N/A

9.2 Committee Meetings

The Committee shall meet at least quarterly; within fourteen (14) days of receiving the Annual Financial Report and Audit Report from Council's Auditor.

The Manager Financial Services generally calls meetings when required on behalf of the Director Corporate Services.

9.3 Quorum

Quorum is 2 voting members in accordance with Section 5.19 of the *Local Government Act 1995*.

9.4 Voting

Only elected member representatives are allowed to vote in accordance with section 5.21 of the *Local Government Act 1995*.

9.5 Minutes & Reporting

In accordance with the *Local Government Act 1995* section 5.22 and 5.25, and ***Local Government (Administration) Regulations 1996***.

The minutes are to be submitted to the next Committee meeting for confirmation and are to be signed by the Chairperson from the meeting at which the minutes are confirmed.

Unconfirmed minutes are to be available for inspection by members of the public within 5 business days after the meeting and Reports and Recommendations arising from the minutes shall be presented to Council at the next Ordinary Meeting for endorsement and/or action, or if this is not possible, then the earliest available Council Meeting.

9.6 Who Acts if No Presiding Member

The Committee shall elect a Deputy Chairperson In accordance with the ***Local Government Act 1995*** section 5.14.

9.7 Public Attendance at Meetings

Closed to the public pursuant to section 5.23(2) of the ***Local Government Act 1995*** and is not required to have questions from the public as there are no Council delegations.

9.8 Members Interests to be Disclosed

Members interest must be disclosed as per, Division 6 – Disclosure of financial interests, of the ***Local Government Act 1995***.