

7.3 REVIEW OF THE AUDIT & RISK COMMITTEE CHARTER

(D21-179836)

Responsible Committee: Audit & Risk Committee

RECOMMENDATION

That Council adopts the amended Audit & Risk Committee Charter (attached) as recommended by the Audit & Risk Committee.

INTRODUCTION

The Audit & Risk Committee's Charter is required to be reviewed biennially. The Audit & Risk Committee reviewed the Charter at its meeting on 25 June 2021. The purpose of this report is to recommend to Council adoption of the amended Audit Committee Charter.

BACKGROUND

Following the implementation of the Local Government Act 2020 in March 2020, the Charter undertook a major review to comply with the new Act. The new Act includes changes to the role and governance of the Audit & Risk Committee as well as broader changes to Council's governance of interest to the Committee.

The establishment, composition and role of an Audit and Risk Committee is set out in Part 2, Division 8, Clauses 53 & 54. As part of the enactment of the new Act, Council is required to appoint (or reappoint) the independent A&RC members and adopt a Charter (or revised) by the 1 September 2020. The last review date was on 28 April 2020, where Council adopted the revised Charter following a review undertaken by the Audit & Risk Committee to comply with the required sections of the new Act.

DISCUSSION

In conducting the biennial review at its meeting on 25 June 2021 the Audit & Risk Committee has determined that some further changes are required.

The main changes are:

- New paragraph under "External Audit" & "Internal Audit" to "Seek resolution on any differing views between management and the External/Internal Auditors on audit findings and recommendations".
- New section on "Insurance & indemnity" outlining the continuation of Council's practice of indemnifying Independent Audit & Risk Committee members despite the omission of this requirement in the LGA 2020.

The revised Charter is attached with the changes as recommended, as well as some minor grammatical and formatting changes. Following adoption by the Council, the amended Charter will be updated on the Council's website.

CONCLUSION

The Audit & Risk Committee recommends that the Audit & Risk Committee Charter, as amended, be adopted.