

7.3.3 AUDIT AND RISK COMMITTEE CHARTER AMENDMENT

Responsible Manager:	Kate Heissenbuttel, Manager Corporate Performance
Responsible Director:	Simone Wickes, Director Corporate Services

RECOMMENDATION

That Council endorses the amendments to the Monash Council Audit and Risk Committee Charter.

INTRODUCTION

The Audit and Risk Committee (Committee) is an independent advisory committee to Monash City Council established under sections 53 and 54 of the Local Government Act 2020 (the Act).

The Committee's Charter sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities and reporting, administrative and governance arrangements.

COUNCIL PLAN STRATEGIC OBJECTIVES

A council with good governance, strong leadership and community involvement in decision making

A Council that provides governance and leadership for the benefit of our community through community engagement, advocacy, decision making and action.

BACKGROUND

The Monash Audit and Risk Committee Charter was last formally reviewed and endorsed by Council in October 2025. However, it has been identified that a clause from the earlier Charter was inadvertently omitted. Clause 5.1.8 from the 2023 Charter, which states that "A person may be an independent member of the Committee for 9 consecutive years, provided that during that time the person has been both Chairperson and independent member, such that the person has not served in either role for more than 6 years," is now being brought to Council for consideration and reinstatement.

As part of this review, the Charter has also been refined, with some minor amendments made to enhance clarity and ensure consistent interpretation of the Charter.

DISCUSSION

Post 2025 Charter review, Council considers these amendments (tracked changes version at Attachment 1 and clean version at Attachment 2) including:

- Reinstatement of clause 5.1.8 as discussed above.
- Clarity of text related to Committee membership in clauses 6.1.1, 6.1.5, 6.1.6, 6.2.4. and 6.2.6.
- Clarity of Panel representation in the event an independent member is unable to fulfil the role in clause 6.1.3.

- Correction of officer title in clause 6.2.9

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

POLICY IMPLICATIONS

There are no policy implications to this report.

CONSULTATION

Community consultation was not required.

SOCIAL IMPLICATIONS

There are no social implications to this report.

HUMAN RIGHTS CONSIDERATIONS

There are no human rights implications to this report.

GENDER IMPACT ASSESSMENT

A GIA was not completed because this policy/program/service does not have a 'direct' and 'significant' impact on the community.

CONCLUSION

That the revised Audit and Risk Committee Charter (Attachment 2) be supported and endorsed by Council.

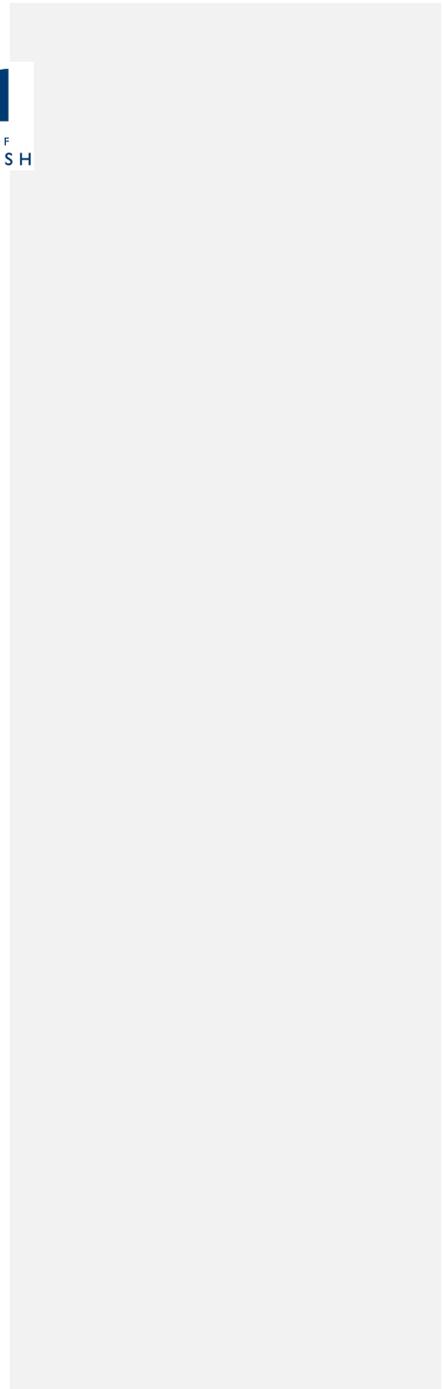
ATTACHMENT LIST

1. ARC Charter -2026 Amendment- Tracked Changes [7.3.3.1 - 11 pages]
2. ARC Charter -2026 Clean [7.3.3.2 - 11 pages]



AUDIT AND RISK COMMITTEE CHARTER

| ~~October-February~~ 20256

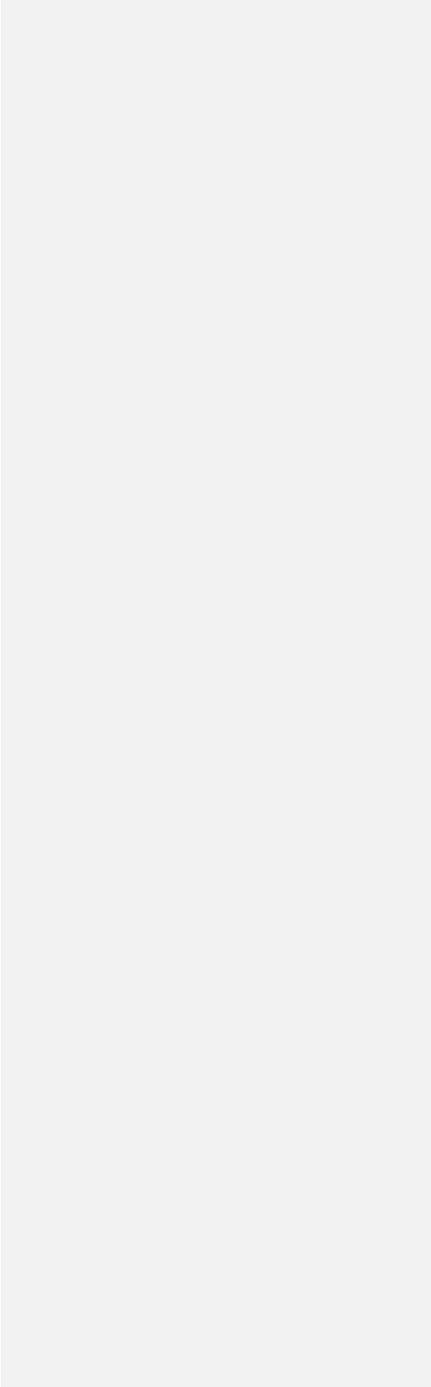




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This Charter has been prepared to ensure compliance with the Local Government Act 2020.

1 Purpose of Charter

The Audit and Risk Committee (the Committee) is an independent advisory committee to Monash City Council (Council) established under sections 53 and 54 of the *Local Government Act 2020* (the Act).

The committee assists Council in fulfilling its responsibilities relating to external financial and performance reporting, risk management, corporate governance, internal control environment and providing advice to drive good governance and continuous improvement.

The Committee Charter (the Charter) has been developed with regard to '*Audit Committees - A Guide to Good Practice for Local Government*'¹, January 2011 issued by the Minister for Local Government, the Victorian Auditor-General's report on *Audit Committee Governance*² issued in August 2016, and contemporary corporate governance practices.

The Charter sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities and reporting, administrative and governance arrangements.

2 Committee Objectives

The Committee's objective is to provide appropriate independent advice and recommendations to Council on matters relevant to the Committee's Charter in order to facilitate decision-making by Council in relation to the discharge of Council's accountability requirements.

The Committee will provide oversight and guidance on the following matters:

- Council financial and performance reporting;
- Compliance with Council policies and procedures with the Act, including the overarching governance principles, and other relevant legislation and regulations;
- The effectiveness of the management and reporting of Council's risk management and fraud and corruption prevention systems and processes;
- The effectiveness of Council's system of internal controls;
- The effectiveness of the internal and external audit functions;
- The provision of an effective means of communication between the external auditor, internal audit, Management (including the Executive Leadership team and officers), and Council; and
- Any other matter considered relevant to the duties and reasonability's of the committee.

The Committee establishes an Annual Work Plan to enable it to discharge its responsibilities effectively pursuant to the requirements of the Charter and reviews the Annual Work Plan at every meeting.

3 Authority and Independence

The Committee does not have executive powers or authority to implement actions and does not have any delegated functions, duties, powers or financial responsibility or authority. The Committee does not have any management functions. The Committee is therefore independent of the Council and Management.

¹ [Audit Committees Guidelines-A-guide-to-good-practice-for-local-government.pdf \(localgovernment.vic.gov.au\)](#)

² [Audit Committee Governance | Victorian Auditor-General's Office](#)



4 Committee's Duties and Responsibilities

The duties and responsibilities of the Committee include:

4.1 External Reporting

The Committee will:

- 4.1.1** Review Council's draft annual financial report and annual performance statement, focusing on:
 - the reporting requirements of accounting policies and Approved Accounting Standards;
 - changes to reporting requirements due to changes in accounting policies and Approved Accounting Standards;
 - the assumptions used and processes applied in making significant accounting estimates;
 - significant adjustments to the financial report (if any) arising from the audit process;
 - compliance with accounting standards and other reporting requirements of financial and non-financial information; and
 - significant changes to the content of reports, the operating results, financial position and performance indicators in comparison to the prior year.
- 4.1.2** Review, and when satisfied it is appropriate, recommend to Council the adoption in principle of the Annual Financial and Performance Statements and review any significant changes and the reasons for those changes that may arise subsequent to any such recommendation but before the financial report is signed.
- 4.1.3** Review significant accounting and external reporting issues and understand their effect on the annual financial report and the audit thereof.
- 4.1.4** Review changes to the Local Government Performance Reporting Framework and understand the impact of those changes on Council's performance indicators.
- 4.1.5** Review the completeness of corporate governance processes as prescribed in the Governance and Management Checklist of the Local Government (Planning and Reporting) Regulations 2020.

4.2 External Audit

The Committee will:

- 4.2.1** Be briefed by the External Auditor on the audit strategy prior to the commencement of each year's audit process;
- 4.2.2** Discuss and review with the External Auditor the scope and the planning of the audit;



- 4.2.3 Discuss and review with the External Auditor issues arising from the audit, including all significant Management Letter items and the potential impact of those items on Council's system of internal control and performance outcomes;
- 4.2.4 Seek resolution on any differing views between Management and the External Auditors on audit findings and recommendations.
- 4.2.5 Ensure significant findings and recommendations made by the External Auditor and Management's proposed responses are received, discussed and appropriately actioned by Management;
- 4.2.6 Review on an annual basis the performance of the External Auditor; and
- 4.2.7 Meet with the External Auditor at least once in each year without Management in attendance.

4.3 Internal Control Environment

The Committee will:

- 4.3.1 Maintain an awareness of local government performance audits undertaken by the Victorian Auditor-General's Office and any other relevant reviews, such as those undertaken by Australian and Victorian public sector integrity bodies, including the Australian National Audit Office, the Independent Broad-Based Anti-Corruption Commission, the Local Government Inspectorate and the Victorian Ombudsman and consider relevant recommendations for action or implementation where appropriate;
- 4.3.2 Confirm that Management is aware of these external reviews and have considered the relevant recommendations for action or implementation;
- 4.3.3 Review the adequacy and effectiveness of key systems and controls as a basis for providing a sound internal control framework and review all self-assessments as provided by management;
- 4.3.4 Monitor that key policies, procedures, systems and controls are reviewed regularly and updated where required; and
- 4.3.5 Review the systems and processes implemented by Council for monitoring compliance with relevant legislation and regulations and the results of Management's response to any instance of non-compliance.

4.4 Internal Audit

The Committee will:

- 4.4.1 Be consulted by Council officers on any proposal or process by Council to appoint or terminate Council's internal audit service provider; and shall endorse any proposal to change or reappoint to Council.
- 4.4.2 Review the Strategic Internal Audit Plan and recommend to Council the approval of the Plan for the coming financial year. This review should consider whether, over a period of three years, the Plan systematically addresses:
 - internal controls over significant areas of risk, including non-financial management control

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- systems;
 - internal controls over revenue, expenditure, assets and liability processes;
 - the efficiency, effectiveness and economy of significant Council programs; and
 - compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements;
- 4.4.3 Review the proposed scopes for each internal audit and provide recommendations in a timely fashion;
- 4.4.4 Review internal audit reports and monitor the implementation of recommendations by Management;
- 4.4.5 Review the level of resources allocated to internal audit and the effectiveness of the function;
- 4.4.6 Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of Council or the Chief Executive Officer to ensure continued independence of the internal audit function;
- 4.4.7 Facilitate liaison between the internal and external auditors to promote compatibility, to the extent appropriate, between their audit programs with a view to minimising duplication;
- 4.4.8 Seek resolution on any differing views between Management and the internal auditors on audit findings and recommendations;
- 4.4.9 Meet with the internal auditor at least once in each year without Management in attendance; ~~and~~
- 4.4.10 The Committee will review with Management, on an annual basis the performance of the internal auditor, including adherence to appropriate professional and quality standards. ~~and~~

4.5 Internal Control and Risk Management

The Committee will:

- 4.5.1 Review the effectiveness of Council's Enterprise Risk and Opportunity Management Framework, ensuring it has appropriate risk management processes and adequate management information systems in place;
- 4.5.2 Review Council's risk appetite statement with risk tolerance level and the degree of alignment with Council's risk profile;
- 4.5.3 Review Council's risk profile including the Council's strategic risk register and the changes occurring in the profile from meeting to meeting;
- 4.5.4 Consider the adequacy of actions taken to ensure that material risks have been dealt with in a timely manner;
- 4.5.5 Review to ensure that Council has appropriate insurance and claims management processes in place;
- 4.5.6 Monitor emerging risks ensuring management awareness and focus. ~~and~~



4.6 Ethical Behaviour

The Committee will:

- 4.6.1 Receive updates from Management of any suspected cases of fraud, corruption, legislative breach or serious misconduct impacting Council;
- 4.6.2 Recommend any specific measures or investigations identified as necessary or desirable by the Committee to Council and/or Management;
- 4.6.3 Monitor any breaches of ethical standards and monitor the implementation of recommendations arising from reports presented;
- 4.6.4 Monitor and provide advice on fraud prevention systems and controls;
- 4.6.5 Monitor any subsequent investigation, including the investigation of any suspected cases of fraud, corruption, legislative breach, serious misconduct or breaches of conflict of interest;
- 4.6.6 Critically analyse and follow up any internal or external audit reports that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues, and any other matters relevant under the Committee's Charter and review Management's responses to, and actions taken as a result of, the issues raised; and
- 4.6.7 Review the findings of any examinations by regulatory or other independent agencies, and any auditor (internal or external) observations and confirm that Management have taken appropriate action as a result of the findings.

4.7 Matters Referred to the Committee by Council

- 4.7.1 The Committee will address issues brought to its attention, including responding to requests from Council for advice.

5 Committee Operations

5.1 Meetings

The following requirements shall apply to meetings of the Committee:

- 5.1.1 The Committee shall meet as required, but at least quarterly, each year.
- 5.1.2 The Committee will prepare an annual work plan, ensuring it covers off all requirements of this Charter each year.
- 5.1.3 Meeting agendas will be structured to allow adequate time to discuss matters of significance as determined by the Members.
- 5.1.4 The Chief Executive Officer, Director Corporate Services, Manager Corporate Performance (or their nominated representatives) and internal auditor should attend all meetings, unless otherwise determined by the Committee, having regard to the nature

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and sensitivity of the matters being discussed.

- 5.1.5** Other members of Management or Council Officers may be invited to attend at the discretion of the Committee.
- 5.1.6** Representatives of the External Auditor will attend a meeting to consider the draft annual financial report and results of the external audit and have a standing invitation to attend other meetings.
- 5.1.7** A quorum of any meeting will be at least two independent members (which may include the Chairperson) and at least one Councillor member.
- 5.1.8** Committee members can attend the meeting via dial-in or video conference, and will be included as part of the quorum.
- 5.1.9** Additional meetings shall be convened at the discretion of the Chairperson or at the written request of:
- o any two members of the Committee;
 - o the Chief Executive Officer (independently or at the request of Council);
 - o the Internal Auditor;
 - o or the External Auditor.
- 5.1.10** The agenda and supporting documentation for Committee meetings will be circulated by the Chief Executive Officer or their delegate to members of the Committee at least one (1) week in advance of each meeting.
- 5.1.11** Minutes will be taken at each meeting, documenting attendance, formal recommendations and actions arising.
- 5.1.12** The Chairperson will sign the minutes following the confirmation of the minutes at a subsequent meeting.
- 5.1.13** Where a matter is required to be dealt with by the Committee between meetings, a report outlining the matter and a request to vote on the item will be sent by the Chief Executive Officer or their delegate via email, with the outcome to be endorsed and minuted at the next Committee meeting.
- 5.1.14** The Corporate Services Directorate shall provide secretarial and administrative support to the Committee.

5.2 Reporting

- 5.2.1** The Committee may report to Council on any matters of significance as determined by the Committee.
- 5.2.2** The Committee Chairperson must prepare and when approved by the Committee provide to the Chief Executive Officer a bi-annual audit and risk report which:
- describes and summarises the activities of the Committee during the past 6 months;
 - provides any findings and recommendations in relation to the functions of the Committee;
 - request that the Chief Executive Officer table the report at the next Council meeting.
- 5.2.3** The Chairperson is entitled to attend any meeting of Council at any other time to bring any particular matters to the attention to Councillors which the Chairperson or Committee sees fit. Such meetings may be held with or without Management present at



the determination of the Chairperson following approval from the Mayor.

- 5.2.4 The Charter and details of Committee members will be published on Council’s website.
- 5.2.5 Council’s Annual Report will contain information on the membership of the Committee, number of meetings held and attended by Committee members, audit processes, details of any remuneration paid to independent members during the reporting period and a summary of work completed by the internal and external auditor during the year.

6 Committee Governance

6.1 Membership

6.1.1 The Committee will be comprised of no less than five members:

- ~~one (1) independent Chairperson;~~
- ~~two (2) independent members; and~~
- ~~three (3) independent members, one of whom will be appointed as Chairperson;~~
- two (2) Councillors (plus one alternate Councillor).

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6.1.2 All members shall have full and equal voting rights unless a member is unable to vote due to a conflict of interest.

6.1.3 ~~The Panel will recruit and recommend the independent members including Chairperson to Council for appointment.~~ A selection Panel will be formed comprising at least one independent member and one Councillor representative for the recruitment of independent members, or in the case where all eligible independent members have a conflict of interest, two at least two councillor representatives. ~~The Panel will be charged with recruit and recommending the independent members including Chairperson to Council for appointment.~~ The Corporate Services Directorate shall provide recruitment support to the Panel.

6.1.4 In accordance with Council’s commitment to cultural diversity and gender equality, composition of the Committee will aim for gender balance and culturally diverse representation, including Aboriginal and Torres Strait Islander representation

Chairperson

~~6.1.5 The Chairperson must be one of the three independent members.~~

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~~6.1.6 The Chairperson shall have a casting vote on occasions where there is an equal tally of votes on a matter. In the absence of the appointed Chairperson from a meeting, the meeting will appoint an acting Chairperson from the independent members present.~~

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~~6.1.5 The Chairperson must be an independent member of the Committee.~~

~~The Chairperson shall have a casting vote on occasions where there is an equal tally of votes on a matter. In the absence of the appointed Chairperson from a meeting, the meeting will appoint an acting Chairperson from the independent members present.~~

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6.2 Independent Members

6.2.1 New independent member appointments will be publicly advertised



6.2.2 Applications for independent membership will be assessed against appropriate criteria, ensuring an appropriate mix of skills and capabilities within the Committee.

6.2.3 Independent members (including the Chairperson) shall be appointed by Council for a term of up to three years. At the conclusion of their first term, existing members will be eligible to apply to be reappointed for one additional three-year term.

~~6.2.4 A person can only serve in the positions of independent member or Chairperson for a maximum of 6 consecutive years.~~

6.2.4 A person may be an independent member of the Committee for 9 consecutive years, provided that during that time the person has been both Chairperson and independent member, and such that the person has not served in either role for more than 6 years.

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6.2.5 The terms of each member should be generally arranged so that there is an orderly rotation of membership and avoidance of more than one member retiring at the same time.

6.2.6 Should the resignation or retirement of any two of the independent members ~~(including Chairperson)~~ coincide within four months of each other, Council may extend one independent member's term by one year to ensure continuity, even if doing so will result in the independent member exceeding the maximum term limits. Preference is given to the member that has served the lesser consecutive period.

6.2.7 Council may, at its discretion, remove an independent member from the Committee before the expiry of their term. If Council proposes to remove an independent member (including the Chairperson) from the Committee, it must give written notice to the independent member of its intention to do so and provide that independent member with the opportunity to be heard at a Council meeting.

6.2.8 Remuneration will be paid to each independent member of the Committee as determined by Council from time to time. Annual increases in the remuneration of Committee members will be limited to increases in the Consumer Price Index (CPI All Groups Melbourne) and adjusted annually on July 1.

6.2.9 All new independent members will receive an induction by the ~~Chief Financial Officer~~ Director Corporate Services to assist them to meet their Committee responsibilities.

6.3 Councillor Members

6.3.1 Councillor members and an alternate Councillor member will be appointed to the Committee by Council annually.

6.3.2 The alternate Councillor member will be entitled and expected to attend a Committee meeting whenever an appointed Councillor member is unable to do so, either on a meeting-by-meeting basis or for the remainder of their term.

6.3.3 Any Councillor who is not a member of the Committee, may attend any meeting of the Committee as an observer but shall not participate in discussion or voting.

6.4 Performance Evaluation

In accordance with section 54 (4a) of the Act, the Committee must undertake an annual



assessment of its performance against the Charter and provide a copy of the annual assessment to the Chief Executive Officer for tabling at the next Council meeting.

6.5 Conduct

6.3.1 Independent members (including the Chair) are required to comply with the spirit of those provisions and:

- Submit initial and biannual personal interest returns in accordance with the Act;
- Declare and manage any conflicts of interest which arise in accordance with the Act;
- Not misuse their position on the Committee for personal benefit or to the detriment of Council; and
- Not disclose information obtained through their role on the Committee without written approval of the Chief Executive Officer or their delegate.

6.3.2 Members of the Committee must be fully aware of their responsibilities with regard to the management of interests in relation to the discharge of their duties as a member of the Committee. Management of interests includes the proper management of any conflicts of interest as and when they may arise.

6.3.3 Failure to comply with the provisions of the Act with regard to conflicts of interest may result in the independent member's appointment being terminated by Council.

6.6 Insurance and indemnity

Council will indemnify, and keep indemnified, independent Committee members against all actions or claims (whether arising during or after the term of office of that member) in respect of any act or thing done or omitted to be done in good faith:

- In the performance of their duties and functions as independent members of the Committee; or
- In the reasonable belief that the act or omission was in the performance of their duties and functions as independent members of the Committee.

6.7 Review of Committee Charter

The Committee will review the Committee Charter on at least a biennial basis, or as required following relevant changes to the Act or other related Acts and Regulations and recommend any changes to Council for approval.

The next review date will be September 2027.



AUDIT AND RISK COMMITTEE CHARTER

February 2026



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1 Purpose of Charter

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- The effectiveness of the management and reporting of Council's risk management and fraud and corruption prevention systems and processes;
- The effectiveness of Council's system of internal controls;
- The effectiveness of the internal and external audit functions;
- The provision of an effective means of communication between the external auditor, internal audit, Management (including the Executive Leadership team and officers), and Council; and
- Any other matter considered relevant to the duties and reasonability's of the committee.

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- 4.2.7** Meet with the External Auditor at least once in each year without Management in attendance.

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The Committee will:

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- 4.3.2** Confirm that Management is aware of these external reviews and have considered the relevant recommendations for action or implementation;
- 4.3.3** Review the adequacy and effectiveness of key systems and controls as a basis for providing a sound internal control framework and review all self-assessments as provided by management;
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- systems;
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- 4.4.9** Meet with the internal auditor at least once in each year without Management in attendance; and
- 4.4.10** The Committee will review with Management, on an annual basis the performance of the internal auditor, including adherence to appropriate professional and quality standards.

4.5 Internal Control and Risk Management

The Committee will:

- 4.5.1** Review the effectiveness of Council's Enterprise Risk and Opportunity Management Framework, ensuring it has appropriate risk management processes and adequate management information systems in place;
- 4.5.2** Review Council's risk appetite statement with risk tolerance level and the degree of alignment with Council's risk profile;
- 4.5.3** Review Council's risk profile including the Council's strategic risk register and the changes occurring in the profile from meeting to meeting;
- 4.5.4** Consider the adequacy of actions taken to ensure that material risks have been dealt with in a timely manner;
- 4.5.5** Review to ensure that Council has appropriate insurance and claims management processes in place;
- 4.5.6** Monitor emerging risks ensuring management awareness and focus.



4.6 Ethical Behaviour

The Committee will:

- 4.6.1** Receive updates from Management of any suspected cases of fraud, corruption, legislative breach or serious misconduct impacting Council;
- 4.6.2** Recommend any specific measures or investigations identified as necessary or desirable by the Committee to Council and/or Management;
- 4.6.3** Monitor any breaches of ethical standards and monitor the implementation of recommendations arising from reports presented;
- 4.6.4** Monitor and provide advice on fraud prevention systems and controls;
- 4.6.5** Monitor any subsequent investigation, including the investigation of any suspected cases of fraud, corruption, legislative breach, serious misconduct or breaches of conflict of interest;
- 4.6.6** Critically analyse and follow up any internal or external audit reports that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues, and any other matters relevant under the Committee's Charter and review Management's responses to, and actions taken as a result of, the issues raised; and
- 4.6.7** Review the findings of any examinations by regulatory or other independent agencies, and any auditor (internal or external) observations and confirm that Management have taken appropriate action as a result of the findings.

4.7 Matters Referred to the Committee by Council

- 4.7.1** The Committee will address issues brought to its attention, including responding to requests from Council for advice.

5 Committee Operations

5.1 Meetings

The following requirements shall apply to meetings of the Committee:

- 5.1.1** The Committee shall meet as required, but at least quarterly, each year.
- 5.1.2** The Committee will prepare an annual work plan, ensuring it covers off all requirements of this Charter each year.
- 5.1.3** Meeting agendas will be structured to allow adequate time to discuss matters of significance as determined by the Members.
- 5.1.4** The Chief Executive Officer, Director Corporate Services, Manager Corporate Performance (or their nominated representatives) and internal auditor should attend all meetings, unless otherwise determined by the Committee, having regard to the nature and sensitivity of the matters being discussed.



- 5.1.5** Other members of Management or Council Officers may be invited to attend at the discretion of the Committee.
- 5.1.6** Representatives of the External Auditor will attend a meeting to consider the draft annual financial report and results of the external audit and have a standing invitation to attend other meetings.
- 5.1.7** A quorum of any meeting will be at least two independent members (which may include the Chairperson) and at least one Councillor member.
- 5.1.8** Committee members can attend the meeting via dial-in or video conference, and will be included as part of the quorum.
- 5.1.9** Additional meetings shall be convened at the discretion of the Chairperson or at the written request of:
- any two members of the Committee;
 - the Chief Executive Officer (independently or at the request of Council);
 - the Internal Auditor;
 - or the External Auditor.
- 5.1.10** The agenda and supporting documentation for Committee meetings will be circulated by the Chief Executive Officer or their delegate to members of the Committee at least one (1) week in advance of each meeting.
- 5.1.11** Minutes will be taken at each meeting, documenting attendance, formal recommendations and actions arising.
- 5.1.12** The Chairperson will sign the minutes following the confirmation of the minutes at a subsequent meeting.
- 5.1.13** Where a matter is required to be dealt with by the Committee between meetings, a report outlining the matter and a request to vote on the item will be sent by the Chief Executive Officer or their delegate via email, with the outcome to be endorsed and minuted at the next Committee meeting.
- 5.1.14** The Corporate Services Directorate shall provide secretarial and administrative support to the Committee.

5.2 Reporting

- 5.2.1** The Committee may report to Council on any matters of significance as determined by the Committee.
- 5.2.2** The Committee Chairperson must prepare and when approved by the Committee provide to the Chief Executive Officer a bi-annual audit and risk report which:
- describes and summarises the activities of the Committee during the past 6 months;
 - provides any findings and recommendations in relation to the functions of the Committee;
 - request that the Chief Executive Officer table the report at the next Council meeting.
- 5.2.3** The Chairperson is entitled to attend any meeting of Council at any other time to bring any particular matters to the attention to Councillors which the Chairperson or Committee sees fit. Such meetings may be held with or without Management present at the determination of the Chairperson following approval from the Mayor.



- 5.2.4** The Charter and details of Committee members will be published on Council's website.
- 5.2.5** Council's Annual Report will contain information on the membership of the Committee, number of meetings held and attended by Committee members, audit processes, details of any remuneration paid to independent members during the reporting period and a summary of work completed by the internal and external auditor during the year.

6 Committee Governance

6.1 Membership

- 6.1.1** The Committee will be comprised of no less than five members:
- three (3) independent members, one of whom will be appointed as Chairperson;
 - two (2) Councillors (plus one alternate Councillor).
- 6.1.2** All members shall have full and equal voting rights unless a member is unable to vote due to a conflict of interest.
- 6.1.3** A selection Panel will be formed comprising at least one independent member and one Councillor representative for the recruitment of independent members, or in the case where all eligible independent members have a conflict of interest, at least two councillor representatives. The Panel is charged with recommending the independent members including Chairperson to Council for appointment. The Corporate Services Directorate shall provide recruitment support to the Panel.
- 6.1.4** In accordance with Council's commitment to cultural diversity and gender equality, composition of the Committee will aim for gender balance and culturally diverse representation, including Aboriginal and Torres Strait Islander representation.

Chairperson

- 6.1.5** The Chairperson must be one of the three independent members.
- 6.1.6** The Chairperson shall have a casting vote on occasions where there is an equal tally of votes on a matter. In the absence of the appointed Chairperson from a meeting, the meeting will appoint an acting Chairperson from the independent members present.

6.2 Independent Members

- 6.2.1** New independent member appointments will be publicly advertised.
- 6.2.2** Applications for independent membership will be assessed against appropriate criteria, ensuring an appropriate mix of skills and capabilities within the Committee.
- 6.2.3** Independent members (including the Chairperson) shall be appointed by Council for a term of up to three years. At the conclusion of their first term, existing members will be eligible to apply to be reappointed for one additional three-year term.
- 6.2.4** A person may be an independent member of the Committee for 9 consecutive years, provided that during that time the person has been both Chairperson and independent member, and such that the person has not served in either role for more than 6 years.



- 6.2.5** The terms of each member should be generally arranged so that there is an orderly rotation of membership and avoidance of more than one member retiring at the same time.
- 6.2.6** Should the resignation or retirement of any two of the independent members coincide within four months of each other, Council may extend one independent member's term by one year to ensure continuity, even if doing so will result in the independent member exceeding the maximum term limits. Preference is given to the member that has served the lesser consecutive period.
- 6.2.7** Council may, at its discretion, remove an independent member from the Committee before the expiry of their term. If Council proposes to remove an independent member (including the Chairperson) from the Committee, it must give written notice to the independent member of its intention to do so and provide that independent member with the opportunity to be heard at a Council meeting.
- 6.2.8** Remuneration will be paid to each independent member of the Committee as determined by Council from time to time. Annual increases in the remuneration of Committee members will be limited to increases in the Consumer Price Index (CPI All Groups Melbourne) and adjusted annually on July 1.
- 6.2.9** All new independent members will receive an induction by the Director Corporate Services to assist them to meet their Committee responsibilities.

6.3 Councillor Members

- 6.3.1** Councillor members and an alternate Councillor member will be appointed to the Committee by Council annually.
- 6.3.2** The alternate Councillor member will be entitled and expected to attend a Committee meeting whenever an appointed Councillor member is unable to do so, either on a meeting-by-meeting basis or for the remainder of their term.
- 6.3.3** Any Councillor who is not a member of the Committee, may attend any meeting of the Committee as an observer but shall not participate in discussion or voting.

6.4 Performance Evaluation

In accordance with section 54 (4a) of the Act, the Committee must undertake an annual assessment of its performance against the Charter and provide a copy of the annual assessment to the Chief Executive Officer for tabling at the next Council meeting.

6.5 Conduct

- 6.3.1** Independent members (including the Chair) are required to comply with the spirit of those provisions and:
- Submit initial and biannual personal interest returns in accordance with the Act;
 - Declare and manage any conflicts of interest which arise in accordance with the Act;
 - Not misuse their position on the Committee for personal benefit or to the detriment of Council; and
 - Not disclose information obtained through their role on the Committee without



written approval of the Chief Executive Officer or their delegate.

6.3.2 Members of the Committee must be fully aware of their responsibilities with regard to the management of interests in relation to the discharge of their duties as a member of the Committee. Management of interests includes the proper management of any conflicts of interest as and when they may arise.

6.3.3 Failure to comply with the provisions of the Act with regard to conflicts of interest may result in the independent member's appointment being terminated by Council.

6.6 Insurance and indemnity

Council will indemnify, and keep indemnified, independent Committee members against all actions or claims (whether arising during or after the term of office of that member) in respect of any act or thing done or omitted to be done in good faith:

- In the performance of their duties and functions as independent members of the Committee; or
- In the reasonable belief that the act or omission was in the performance of their duties and functions as independent members of the Committee.

6.7 Review of Committee Charter

The Committee will review the Committee Charter on at least a biennial basis, or as required following relevant changes to the Act or other related Acts and Regulations and recommend any changes to Council for approval.

The next review date will be September 2027.