

## AUDIT & RISK COMMITTEE POLICY

### APPROVALS

<b>POLICY NUMBER</b>	CORP-POL-021	<b>DOC.ID</b>	3585955
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<b>CATEGORY</b>	Statutory
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<b>POLICY OWNER</b>	Manager Governance & Corporate Services
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<b>APPROVAL DATE</b>	27 September 2023	<b>RESOLUTION NUMBER</b>	8500
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## OBJECTIVE

To provide a framework which Council's Audit & Risk Committee operates within all the functional areas of Council and meet all legislative requirements under the *Local Government Act 2009* and *Local Government Regulations 2012*.

Under section 105(4) of the *Local Government Act 2009*, a large local government is required to establish an Audit Committee and in accordance with sections 210 and 211 of the *Local Government Regulation 2012*, Council has resolved to establish an Audit & Risk Committee.

## SCOPE

This Policy and Audit & Risk Committee Charter applies to all Councillors, external representatives and employees appointed to, and participate in, the Isaac Regional Council Audit & Risk Committee.

An Audit Committee acts as an advisory body to senior management and the Council on issues relating to internal and external audits, and financial and other accountability responsibilities. An Audit Committee complements the relationship between internal audit and the wider organisation, safeguarding internal audit's independence and further increasing the internal audit function's effectiveness and value to the Council.

The Audit & Risk Committee will receive the full support of the Council and the full cooperation, involvement and support of senior management. It will also have ready access to staff, information, expertise and other resources necessary to carry out its responsibilities.

## DEFINITIONS

Not Applicable

## POLICY STATEMENT

The Audit & Risk Committee must meet at least twice each financial year and its responsibilities include, but are not limited to, the following aspects of Council's activities:

- a. Review each of the following matters:
  - i. the internal audit plan for the internal audit for the current financial year;
  - ii. the internal audit progress report for the internal audit for the preceding financial year including the recommendations in the report and the actions to which the recommendations relate;
  - iii. a draft of the local government's General Purpose Financial Statements for the preceding financial year before the statements are certified and given to the Auditor-General under section 212; and
  - iv. the Auditor-General's audit report and the auditor-general's observation report
  - v. about the local government's financial statements for the preceding financial year.

- b. Monitor the effectiveness of:
  - i. The risk management and internal control framework;
  - ii. The corporate risk management system/risks;
  - iii. Key governance processes; and
  - iv. Asset management.
- c. Review reports on the activities and investigations of any significant fraud prevention and security related matters;
- d. Review and monitor whether the audit process is effective;
- e. Ensure the objectivity and independence of all the audit functions;
- f. Critically review timely and reasonable implementation of management's agreed upon responses to audit's recommendations, findings and advice;
- g. The Audit & Risk Committee will self-assess annually;
- h. Review any other matters referred to it by Council or the Chief Executive Officer;
- i. Maintain an Annual Work Plan to facilitate (a)-(h) above and other responsibilities as per legislation; and
- j. as soon as practicable after a meeting of the committee, give the local government a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.

The Audit & Risk Committee will operate in accordance with the Audit & Risk Committee Charter and the relevant legislation.

## **Membership of the Audit & Risk Committee**

The Audit & Risk Committee will comprise:

- a. up to five members – two Councillor representatives and up to three suitably qualified external representatives (independent member);
- b. a representative from both the internal and external auditors shall attend meetings of the Audit & Risk Committee by invitation, but shall not be members of the Audit & Risk Committee;
- c. the Chief Executive Officer shall attend the meetings of the Audit & Risk Committee by invitation but shall not be members of the Audit & Risk Committee.

## Administration of Audit & Risk Committee Charter

The Chief Executive Officer has the delegated authority to make minor administrative changes to the Audit & Risk Charter, such as formatting, position title references and members of the Committee as resolved by Council.

## LEGISLATIONS AND RELATED GUIDELINES

- *Local Government Act 2009*
- *Local Government Regulations 2012*

## REFERENCES

ID	NAME
CORP-POL-022	Internal Audit Policy
CORP-MISC-070	Audit & Risk Committee Charter