



Audit and Risk Committee Terms of Reference

Establishment

The Audit and Risk Committee is established by the City of Subiaco under section 7.1A(1) of the *Local Government Act 1995*.

Objective

The primary objective of the Audit and Risk Committee is to guide and assist the local government in carrying out its financial management and auditing functions and report to Council on the City's progress of such matters.

Areas of responsibility

The Audit and Risk Committee is to:

- Develop each year an Annual and a three year Strategic Audit Plan.
- Review internal and external audit reports and ensure their recommendations are implemented.
- Recommend the appointment to council of the City's internal auditor.
- Oversee the implementation of any actions in accordance with regulation 16(f) of the *Local Government (Audit) Regulations 1996*.
- Guide and assist the City in carrying out its functions:
 - Under Part 6 – Financial Management, of the *Local Government Act 1995*;
 - In relation to audits conducted under Part 7 – Audit, of the *Local Government Act 1995*;
 - Relating to other audits and other matters related to financial management.
- Review the CEO's report into the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance, given to it by the CEO under regulation 17 of the *Local Government (Audit) Regulations 1996*.
- Develop risk identification program and a strategy to address risk.
- Once a year report on risk within the City and satisfy itself that the appropriate controls and processes are in place and are adequate for dealing with those risks.

- Make recommendations to Council on implementing strategies to mitigate risk.
- To consider specific risks referred to it from Council.

Membership

Membership of the Audit and Risk Committee is comprised of:

- Three (3) elected members of council; and
- One (1) representative of the community with local government experience and/or formal auditing or accounting or company director experience.

Meetings

The Committee meets as required and at least three times per year. Special meetings can be initiated by any committee member or the internal auditor.

Delegated Authority

There are no powers delegated to this Committee.

Reporting

Recommendations from this Committee will be referred to Council for consideration.

Term

Appointment is for two years or until the next ordinary local government election day (whichever happens first) and members are eligible for re-appointment.