



AUDIT, RISK AND IMPROVEMENT COMMITTEE TERMS OF REFERENCE

TABLE OF CONTENTS

1. Objective 3

2. Independence 3

3. Authority 4

4. Composition and tenure 5

5. Role 7

6. Responsibilities of members 8

7. Work plans 9

8. Assurance reporting.....10

9. Administrative arrangements..... 11

10. Schedule 1 – Audit, Risk and Improvement Committee responsibilities16

AUDIT, RISK AND IMPROVEMENT COMMITTEE TERMS OF REFERENCE

DIRECTORATE: General Manager

BRANCH: Internal Audit

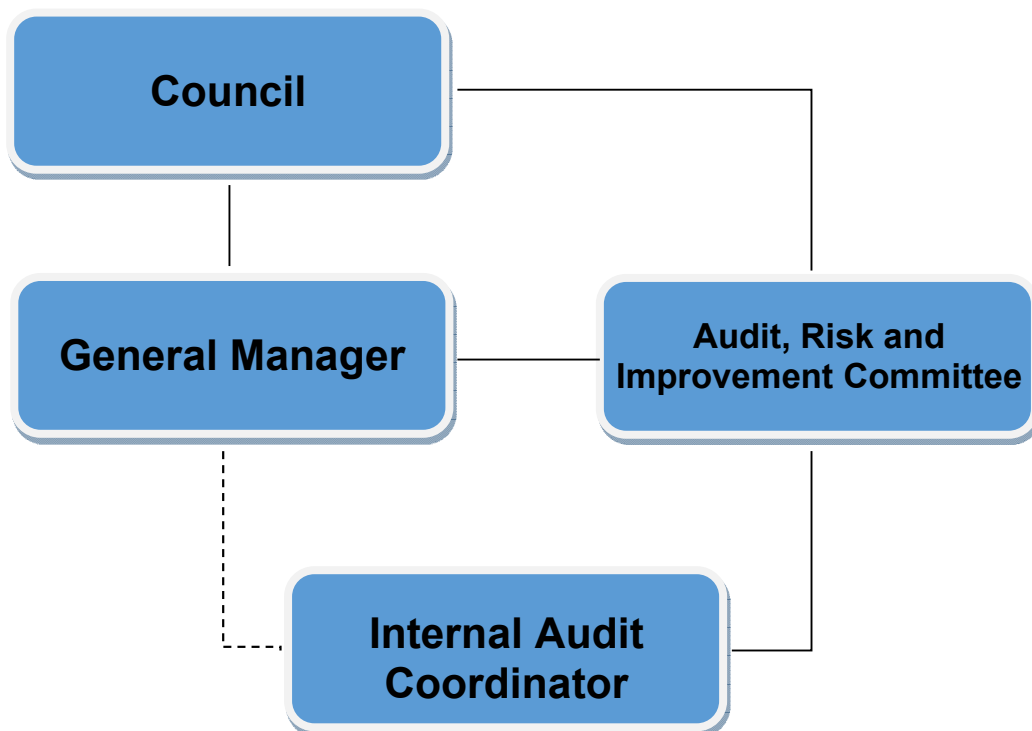
Council has established an Audit, Risk and Improvement Committee (Committee) in compliance with section 428A of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021* and the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. These terms of reference set out the committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

1. Objective

- 1.1 The objective of Council's Audit, Risk and Improvement Committee is to provide independent assurance to the governing body of Council by monitoring, reviewing and providing advice about the Council's governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

2. Independence

- 2.1 The Committee is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide Council with robust, objective and unbiased advice and assurance.
- 2.2 The Committee is to have an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of the Council. The Committee will provide independent advice to the Council that is informed by the Council's internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.
- 2.3 The Committee must always ensure it maintains a direct reporting line to and from the Council's internal audit function and act as a mechanism for internal audit to report to the governing body and the General Manager on matters affecting the performance of the internal audit function.
- 2.4 The following reporting line is prescribed where the dotted line represents 'administrative' reporting line, and the bold line represents the 'functional' reporting line:



3. Authority

3.1 The governing body of Council authorises the Committee, for the purposes of exercising its responsibilities, to:

- Access any information it needs from the Council
- Use any Council resources it needs
- Have direct and unrestricted access to the General Manager and senior management of the Council
- Seek the General Manager's permission to meet with any other Council staff member or contractor
- Discuss any matters with the external auditor or other external parties
- Request the attendance of any employee at Committee meetings, and
- Obtain external legal or other professional advice in line with councils' procurement policies and procedures (following budgetary consideration and consultation with the General Manager).

3.2 Information and documents pertaining to the Committee are confidential and are not to be made publicly available with the exception of Committee meeting minutes. The Committee may only release Council information to external parties that are assisting the Committee to fulfil its responsibilities with the approval of the General Manager, except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

- 3.3 Committee members will be bound by confidentiality requirements under Council’s Code of Conduct. All attendees are responsible and accountable for maintaining the confidentiality of the information they receive during the course of these meetings.
- 3.4 Members and attendees may be entrusted with highly sensitive information at times, as well as personal information regarding staff members. Therefore, they must maintain confidentiality at all times, displaying a high level of ethics and professionalism.
- 3.5 The Committee chairperson and independent members are not authorised to make public statements with regards to Council matters. Any media inquiries should be directed to the General Manager for action in accordance with Council’s Media Policy.
- 3.6 Any requests for disclosure of information relating to the Committee will be managed by the Governance Team and in accordance with the *Government Information (Public Access) Act 2009* and the *Privacy and Personal Information Protection Act 1998*.

4. Composition and tenure

- 4.1 The Committee consists of an independent chairperson and two independent members who have voting rights and one non-voting councillor member, as required under the *Local Government (General) Regulation 2021*.
- 4.2 The governing body is to appoint the chairperson and members of the Committee. Current Committee members are:

Elizabeth Gavey	Independent chairperson (voting)
Michael Quirk	Independent member (voting)
Barry Husking	Independent member (voting)
Peter McLean	Councillor member (non-voting)
Eva Campbell	Councillor alternate member (non-voting)

Council may add up to one alternate non-voting councillor member to the Committee structure.

- 4.3 All Committee members must meet the independence and eligibility criteria prescribed under the *Local Government (General) Regulation 2021*. Once a year, independent members must provide a written declaration that they meet the independence requirements outlined in the Office of Local Government’s Guidelines.
- 4.4 The Mayor cannot be appointed as a Councillor member of Council’s Audit, Risk and Improvement Committee.

- 4.5 Independent members will be appointed for up to a four-year term. Independent members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as chairperson of the Committee. Independent members who have served an eight-year term (either as a member or as chairperson) must have a two-year break from serving on the Committee before being appointed again. To preserve the Committee's knowledge of the Council, ideally, no more than one member should retire from the Committee because of rotation in any one year.
- 4.6 The terms and conditions of each independent member's appointment to the Committee are to be set out in a letter of appointment.
- 4.7 The non-voting Councillor member is appointed for the term of Council. The non-voting Councillor member position will be declared vacant on the date of the Council general election with new the non-voting Councillor member to be appointed at the next available Council meeting.
- 4.8 New independent and a non-voting Councillor member will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.
- 4.9 Prior to approving the reappointment or extension of the chairperson's or an independent member's term, the governing body is to undertake an assessment of the chairperson's or independent member's performance. Reappointment of the chairperson or an independent member is also to be subject to that person still meeting the independence and eligibility requirements prescribed under the *Local Government (General) Regulation 2021*.
- 4.10 Members of the Committee must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of the Council, the environment in which the Council operates, and the contribution that the Committee makes to the Council. At least one independent member of the Committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of the Council's financial reporting responsibilities to be able to contribute to the Committee's consideration of the Council's annual financial statements.

4.11 **Selection of Members**

The selection criteria and process for the appointment of the independent members shall ordinarily be as follows:

- (a) Council shall seek expressions of interest from persons interested in being appointed to the available position.
- (b) Council Management will assess the expressions of interest and shortlisted applicants may be interviewed by Council Management and an independent member prior to a selection decision.
- (c) Independent member appointments are to be approved by Council resolution.

Council must undertake a criminal record and a financial status (bankruptcy) check of Audit, Risk and Improvement Committee chairpersons and independent members before their appointment.

The non-voting Councillor member on the Committee will be nominated by the governing body at an Ordinary meeting of Council.

5. Role

5.1 As required under section 428A of the *Local Government Act 1993* (the Act), the role of the Committee is to review and provide independent advice to the Council regarding the following aspects of the Council's operations:

- Compliance
- Risk management
- Fraud control
- Financial management
- Governance
- Implementation of the strategic plan, delivery program and strategies
- Service reviews
- Collection of performance measurement data by the Council, and
- Internal audit.

5.2 The Committee must also provide information to the Council for the purpose of improving the Council's performance of its functions.

5.3 The Committee's specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to this terms of reference.

5.4 The Committee will act as a forum for consideration of the Council's internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.

5.5 The Committee has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

5.6 The Committee is directly responsible and accountable to the governing body for the exercise of its responsibilities. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of the Council rests with the governing body and the General Manager.

5.7 The responsibilities of the Committee may be revised or expanded in consultation with, or as requested by, the governing body from time to time.

6. Responsibilities of members

6.1 Independent members

The chairperson and independent members of the Committee are expected to understand and observe the requirements of the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. Independent members are also expected to:

- Make themselves available as required to attend and participate in meetings
- Contribute the time needed to review and understand information provided to it
- Apply good analytical skills, objectivity and judgement
- Act in the best interests of the Council
- Have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- Understand the relevant legislation and regulatory requirements appropriate to Council
- Maintain effective working relationships with the Council
- Have strong leadership qualities (chairperson)
- Lead effective committee meetings (chairperson), and
- Oversee the Council's internal audit function (chairperson).

6.2 Councillor member

To preserve the independence of the committee, the Councillor member of the committee is a non-voting member. Their role is to:

- Relay to the Committee any concerns the governing body may have regarding the Council and issues being considered by the Committee
- Provide insights into local issues and the strategic priorities of the Council that would add value to the Committee's consideration of agenda items
- Advise the governing body (as necessary) of the work of the Committee and any issues arising from it, and
- Assist the governing body to review the performance of the Committee.

Issues or information the Councillor member raises with or provides to the Committee must relate to the matters listed in Schedule 1 and issues being considered by the Committee.

The Councillor member of the Committee must conduct themselves in a non-partisan and professional manner. The Councillor member of the Committee must not engage in any conduct that seeks to politicise the activities of the Committee or the internal audit function or that could be seen to do so.

If the Councillor member of the Committee engages in such conduct or in any other conduct that may bring the Committee and its work into disrepute, the chairperson of the Committee may recommend to the governing body of Council, that the Councillor member be removed from membership of the Committee. Where the governing body of Council does not agree to the Committee chairperson's recommendation, the Council must give reasons for its decision in writing to the chairperson.

6.3 Conduct

Independent Committee members are required to comply with the Council's Code of Conduct.

Complaints alleging breaches of the Council's Code of Conduct by an independent Committee member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The General Manager must consult with the governing body before taking any disciplinary action against an independent Committee member in response to a breach of the Council's Code of Conduct.

6.4 Conflicts of interest

Once a year, independent members must provide written declarations to the Council stating that they do not have any conflicts of interest that would preclude them from being members of the Committee. Independent members are 'designated persons' for the purposes of the Council's Code of Conduct and must also complete and submit returns of their interests.

Committee members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where a Committee member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from Committee deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

6.5 Standards

Committee members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and AS ISO 31000:2018 Risk Management Guidelines where applicable.

7. Work plans

- 7.1 The work of the Committee is to be thoroughly planned and executed. The Committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the Committee and considered by the internal audit function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

- 7.2 The Committee may, in consultation with the governing body, vary the strategic work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the Committee to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the Committee.
- 7.3 The Committee must also develop an annual work plan to guide its work, and the work of the internal audit function over the forward year.
- 7.4 The Committee may, in consultation with the governing body, vary the annual work plan to address new or emerging risks. The governing body may also, by resolution, request the Committee to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the Committee.
- 7.5 When considering whether to vary the strategic or annual work plans, the Committee must consider the impact of the variation on the internal audit function and Management's existing workload and the completion of pre-existing priorities and activities identified under the work plan.

8. Assurance reporting

- 8.1 The Committee must regularly report to the governing body of Council to ensure that it is kept informed of matters considered by the Committee and any emerging issues that may influence the strategic direction of the Council or the achievement of the Council's goals and objectives.
- 8.2 The Committee will provide an update to the governing body and the General Manager of its activities and opinions after every Committee meeting. This may be undertaken by providing the governing body with the minutes to Committee meetings, in accordance with clause 9.4.
- 8.3 The Committee will provide an annual assessment to the governing body and the General Manager on the Committee's work and its opinion on how the Council is performing. This may be included in the Audit, Risk and Improvement Committee Annual Report.
- 8.4 The Committee will provide a comprehensive assessment every Council term of the matters listed in Schedule 1 to the governing body and to the General Manager in accordance with the Strategic Work Plan developed.
- 8.5 The Committee may at any time report to the governing body or the General Manager on any other matter it deems of sufficient importance to warrant their attention. The Mayor and the chairperson of the Committee may also meet at any time to discuss issues relating to the work of the Committee.
- 8.6 Should the governing body require additional information, a request for the information may be made to the chairperson by resolution. The chairperson is only required to provide the information requested by the governing body where the chairperson is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the *Local Government Act 1993*. Individual councillors are not entitled to request or receive information from the Committee.

9. Administrative arrangements

9.1 Meetings

The Committee will meet at least four times per year, including a special meeting to review the Council's financial statements.

The Committee can hold additional meetings when significant unexpected issues arise, to meet the requirements of the work plan, or if the chairperson is asked to hold an additional meeting by a Committee member, the General Manager or the governing body.

Committee meetings can be held in person, by telephone or videoconference. Proxies are not permitted to attend meetings if a Committee member cannot attend.

A quorum will consist of a majority of independent members. Where the vote is tied, the chairperson has the casting vote.

A meeting of the Committee must be adjourned if a quorum is not present within 15 minutes after the time designated for the holding of the meeting or at any time during the meeting. In either case, the meeting must be adjourned to a time, date and place fixed by the chairperson, or in his or her absence, by the majority of independent members present.

It must be recorded in the minutes the circumstances relating to the absence of a quorum (including the reasons for the absence of quorum) at or arising during a meeting, together with the names of the independent members present.

Where, prior to the commencement of a meeting, it becomes apparent that a quorum may not be present, or that the health, safety or welfare of Committee members or Council staff may be put at risk by attending the meeting because of a natural disaster or public health emergency, the chairperson may, in consultation with the General Manager, cancel the meeting. Where a meeting is cancelled under this section, another meeting must be set to a time, date and place fixed by the chairperson, in consultation with the General Manager, to consider the business listed on that agenda.

The chairperson of the Committee will decide the agenda for each Committee meeting. Each Committee meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the committee.

The Mayor, General Manager and the Internal Audit Coordinator should attend Committee meetings as non-voting observers. The external auditor (or their representative) is to be invited to each Committee meeting as an independent observer. The chairperson can request the Council's Chief Financial Officer, Manager Safety and Risk, Directors and other members of the Senior Management Team, any Councillors, any employee/contractor of the Council and any subject matter expert to attend committee meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the chairperson at any time.

Councillors that are not members of the Committee are to have a standing invitation to attend any meeting of the Audit Risk and Improvement Committee, as an observer only. Councillors may speak, subject to any obligation under clause 6.4 to declare a conflict of interest, only if permitted or requested to do so by the chairperson. All Councillors are entitled to receive notice of Committee meetings and an electronic copy of the meeting agenda list.

The Committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the Committee present.

The Committee must meet separately with the Internal Audit Coordinator and the Council's external auditor at least once each year.

A voting member shall no longer be a voting member of the Committee if they fail to attend three consecutive meetings without a leave of absence being granted.

9.2 Chairperson to have precedence

The chairperson is to have precedence over the control and management of the meetings.

The chairperson may call any member to order whenever in the opinion of the chairperson it is necessary to do so.

In the instance that the chairperson is unavailable to chair a meeting, the remaining members will vote an independent member to act as chairperson. The voted independent member shall serve as the chairperson for the period of absence of the duly nominated chairperson or, where the chairperson is no longer able to chair Committee meetings, until such time as Council appoints a replacement chairperson.

9.3 Dispute resolution

Members of the Committee and the Council's management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the Committee and the General Manager or other senior managers, the dispute is to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive of the Office of Local Government in writing.

9.4 Secretariat

The General Manager will nominate a staff member to provide secretariat support to the Committee. The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the chairperson at least one week before the meeting and ensure that minutes of meetings are prepared and maintained. Minutes must be approved by the chairperson and circulated within three weeks of the meeting to each member.

Draft minutes are to be reported to Councillors via the Councillor Update within one month of circulation to Committee members. The minutes are to be approved at the next Committee meeting and subsequently provided to the governing body of Council either via a Council meeting for noting, or via the Councillor Update. After the minutes are confirmed as an accurate record of the meeting, they will be signed by the chairperson.

9.5 Resignation and dismissal of members

Where the chairperson or an independent member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give 90 days' notice, wherever possible, to the chairperson and the governing body prior to their resignation to ensure a smooth transition to a new chairperson or independent member.

The governing body can, by resolution, terminate the appointment of the chairperson or an independent member before the expiry of their term where that person has:

- Breached the Council's Code of Conduct
- Performed unsatisfactorily or not to expectations
- Declared, or is found to be in, a position of a conflict of interest which is unresolvable
- Been declared bankrupt or found to be insolvent
- Experienced an adverse change in business status
- Been charged with a serious criminal offence
- Been proven to be in serious breach of their obligations under any legislation
- Experienced an adverse change in capacity or capability, or
- No longer met the independence requirements.

The position of a Councillor member on the Committee can be terminated at any time by the governing body by resolution.

9.6 Review arrangements

At least once every Council term, the governing body must review or arrange for an external review of the effectiveness of the Committee.

These terms of reference must be reviewed annually by the Committee and once each Council term by the governing body. Any substantive changes are to be approved by the governing body.

9.7 Further information

For further information on Council's Audit, Risk and Improvement Committee, contact Council's Internal Audit Coordinator on michelle.brockwell@camden.nsw.gov.au or by phone 13 CAMDEN.

Reviewed by chairperson of the audit, risk and improvement committee

[signed]

[date]

Reviewed by Council in accordance with Council resolution [insert resolution number] on [insert Council meeting date].

Camden Council
Audit, Risk and Improvement Committee Terms of Reference

RELEVANT LEGISLATIVE INSTRUMENTS: *Local Government Act 1993*
Local Government Amendment (Governance and Planning) Act 2016
Local Government (General) Regulation 2021
Office of Local Government's Guidelines for Risk Management and Internal Audit for local government in NSW

RELATED POLICIES, PLANS AND PROCEDURES: Internal Audit Charter

RESPONSIBLE PERSON: Internal Audit Coordinator

APPROVAL: Once each Council term by Council on recommendation of Audit Risk and Improvement Committee; and annually by the Audit, Risk and Improvement Committee

HISTORY:

Version	Approved by	Changes made	Date	EDMS Number
1	Camden Council	NA	10/06/2014	14/81253
2	Camden Council on recommendation of Business Assurance and Risk Committee	Yes	13/10/2015	15/305521
3	Camden Council on recommendation of Business Assurance and Risk Committee	Yes	09/04/2019	19/139987
4	Camden Council on recommendation of Audit, Risk and Improvement Committee	Yes	08/06/2021	21/263628
5	Audit, Risk and Improvement Committee	In line with Model Terms of Reference	17/05/2023	23/246318
	Council		12/09/2023	23/495378
6	Audit, Risk and Improvement Committee	Change in Councillor membership	27/03/2024	24/67794
	Council		11/06/2024	24/310076

10. Schedule 1 – Audit, Risk and Improvement Committee responsibilities

Audit

Internal audit

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the governing body, General Manager, senior management, the internal audit function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise the Council, where appropriate:
 - On whether the Council is providing the resources necessary to successfully deliver the internal audit function
 - If the Council is complying with internal audit requirements, including conformance with the International Professional Practices Framework
 - If the Council's internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the Council are suitable
 - Of the strategic four-year work plan and annual work plan of internal audits to be undertaken by the Council's internal audit function
 - If the Council's internal audit activities are effective, including the performance of the Internal Audit Coordinator and the internal audit function
 - Of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - Of the implementation by the Council of these corrective actions
 - On the appointment of the Internal Audit Coordinator and any long term contracted external providers
 - If the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities
- Committee Chair to contribute to the Internal Audit Coordinator's regular performance review
- Provide advice to the General Manager on the results of any external assessments of the internal audit function.

External audit

- Act as a forum for communication between the governing body, General Manager, senior management, the internal audit function and external audit
- Coordinate as far as is practicable, the work programs of internal audit and external audit
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided
- Review all external plans and reports (including closing reports and management letters) in respect of planned or completed audits and monitor Council's implementation of audit recommendations

- Provide advice to the governing body, and/or General Manager on action taken on significant issues raised in relevant external audit reports and better practice guides.

Risk

Risk management

Review and advise the Council, where appropriate:

- If the Council has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- Whether the Council is providing the resources necessary to successfully implement its risk management framework
- Whether the Council's risk management framework is adequate and effective for identifying and managing the risks the Council faces, including those associated with individual projects, programs and other activities
- Whether emerging risks are being identified and addressed by management
- The risk maturity of Council's risk management framework and whether risk management is integrated across all levels of the Council and across all processes, operations, services, decision-making, functions and reporting
- Of the adequacy of risk reports and documentation, for example, the Council's risk register and risk profile
- Whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- If there is a positive risk culture within the Council and strong leadership that supports effective risk management
- Of the adequacy of staff training and induction in risk management
- How the Council's risk management approach impacts on the Council's insurance arrangements
- Of the effectiveness of the Council's management of its assets, and
- Of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Compliance

Review and advise the Council, where appropriate, of the adequacy and effectiveness of the Council's compliance framework, including:

- If the Council has appropriately considered legal and compliance risks as part of the Council's risk management framework
- How the Council manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements,
- Whether appropriate processes are in place to assess compliance, and
- Whether Council's processes to monitor new and emerging regulatory requirements that will impact risk management, governance and ARIC responsibilities are appropriate.

Fraud control and ethics

Review and advise the Council, where appropriate:

- Of the adequacy and effectiveness of the Council's fraud and corruption prevention framework and activities, including whether the Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information.
- Whether management has taken steps to embed a culture which is committed to ethical and lawful behaviour.

Financial management

Review and advise the Council, where appropriate:

- If the Council is complying with accounting standards and external accountability requirements
- Of the appropriateness of the Council's accounting policies and disclosures
- Of the implications for the Council of the findings of external audits and performance audits and the Council's responses and implementation of recommendations
- Whether the Council's financial statement preparation procedures and timelines are sound
- Of the adequacy of its long term financial planning; through the annual consideration of the ten year long term financial plan, its underlying planning assumptions, risk considerations and projected operating performance and position
- The accuracy of the Council's annual financial statements, including:
 - Management compliance/representations, including sign off by the Chief Financial Officer on the effectiveness of internal controls over financial information
 - Significant accounting and reporting issues
 - The methods used by the Council to account for significant or unusual transactions and areas of significant estimates or judgements
 - Appropriate management signoff on the statements
- If effective processes are in place to ensure financial information included in the Council's annual report is consistent with signed financial statements
- If the Council's financial management processes are adequate
- The adequacy of cash management policies and procedures
- If there are adequate controls over financial processes, for example:
 - Appropriate authorisation and approval of payments and transactions
 - Adequate segregation of duties
 - Timely reconciliation of accounts and balances
 - Review of unusual and high value purchases
- If policies and procedures for management review and consideration of the financial position and performance of the Council are adequate (including the approach taken to address variances and budget risks and overall budgetary management)
- If the Council's grants and tied funding policies and procedures are sound.

Governance

Review and advise the Council of the adequacy of the Council's governance framework, including where appropriate:

- If Council has in place relevant policies and procedures and that these are periodically reviewed and updated
- Whether appropriate policies and procedures are in place for the management and exercise of delegations
- Whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- If the Council's monitoring and review of controls is sufficient
- Whether Council has effective Decision-making processes in place
- If reporting lines and accountability and management oversight responsibilities across Council are appropriate
- On activities including human resources and performance management activities; reporting and communication activities; and information and communications technology (ICT) governance, and
- On the management and governance of the use of data, information and knowledge.

Improvement

Strategic planning

Review and advise the Council, where appropriate:

- Of the adequacy and effectiveness of the Council's integrated, planning and reporting (IP&R) processes
- If appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- Whether the Council is effectively monitoring that it is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

- Review and advise the Council, where appropriate:
 - If the Council has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - If appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance,
 - If appropriate mechanisms are in place to periodically review Council's services to determine effectiveness of the service.
 - How the Council can improve its service delivery.

- Satisfy itself there are appropriate mechanisms in place to review and implement, where appropriate, reports and recommendations from authoritative bodies including:
 - State and Federal Government
 - Independent Commission against Corruption
 - NSW Ombudsman
 - Australian Institute of Company Directors
 - Other relevant accounting and legislative bodies.

Performance data and measurement

Review and advise the Council, where appropriate:

- If the Council has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- If the performance indicators the Council uses are effective, and
- Of the adequacy of performance data collection and reporting.



70 Central Avenue
Oran Park NSW 2570



13 22 63



mail@camden.nsw.gov.au



PO Box 183, Camden NSW 2570



www.camden.nsw.gov.au