

Central Highlands Council Audit Panel Charter

The Central Highlands Council has established the Audit Panel in compliance with the *Local Government Act 1993* (the Act) and the *Local Government (Audit Panels) Order 2014*.

This Charter sets out the Panel's objectives, authority, composition, tenure, functions, reporting and administrative arrangements.

Objective

The objective of the Audit Panel is to review the council's performance under section 85A of the Act and report to the council its conclusions and recommendations.

Authority

The Central Highlands Council authorises the Audit Panel, within its responsibilities, to:

- obtain any information it requires from any employee or external party (subject to any legal obligation to protect information);
- discuss any matters with the Tasmanian Audit Office, or other external parties (subject to confidentiality considerations);
- request the attendance of any employee, including members of the council, at Audit Panel meetings; and
- obtain legal or other professional advice, as considered necessary to meet its responsibilities, subject to Council approval.

Composition and tenure

The Audit Panel comprises 2 councillors and 1 independent member, appointed by the council.

The council will appoint an independent member as the Chair of the Panel.

Audit Panel members are appointed for a period of 2 years.

Audit Panel members may be re-appointed at the approval of the council.

Functions

The functions of the Audit Panel are to consider whether:

- the annual financial statements of the council accurately represent the state of affairs of the council;
- the strategic plan, annual plan, long-term financial management plan and long-term strategic asset management plans of the council are integrated and the processes by which, and assumptions under which, those plans were prepared are sound and justified;
- the accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the council has in relation to safeguarding its long-term financial position are appropriate;
- whether the council is complying with the provisions of the Act and any other relevant legislation; and
- whether the council has taken any action in relation to previous recommendations provided by the Audit Panel to the council.

In fulfilling its functions, the Audit Panel should consider the following key areas:

- corporate governance;
- human resource management, including policies, procedures and enterprise agreements;
- information and communications technology governance;
- management and governance of the use of data, information and knowledge; and
- internal and external reporting requirements.

Responsibilities of Panel members

Members of the Audit Panel are expected to understand and observe the legal requirements of the Act and *Local Government (Audit Panels) Order 2014*. Members are also expected to:

- act in the best interests of the council;
- apply sound analytical skills, objectivity and judgment;
- express opinions constructively and openly, raise issues that relate to the Audit Panel's functions and pursue independent lines of enquiry; and
- contribute the time required to review the papers provided.

Reporting

The Audit Panel is to provide a copy of its meeting minutes to the council as soon as practical after every Audit Panel meeting.

If the Audit Panel has conducted a review under section 85A of the Act, the Audit Panel must provide a written report of its conclusions and recommendations to the council.

Administrative arrangements

Meetings

The Audit Panel will meet at least four times per year.

The Audit Panel is to regulate its own proceedings in accordance with this Charter.

The Chair may determine that a meeting is to be held in private.

The General Manager and Financial Manager, or their delegates, are to attend Audit Panel meetings unless the Chair determines a meeting is to be held in private.

The Audit Panel may invite any councillor and/or employee of the council and/or representative of the Tasmanian Audit Office to attend meetings of the Audit Panel.

Quorum

A quorum of an Audit Panel meeting is 2 members, including an independent member.

Work Plan

The Audit Panel is to develop an annual work plan that includes, but is not limited to, a schedule of meetings and the known objectives for each meeting.

The forward meeting schedule should include the dates, location, and proposed agenda items for each meeting for the forthcoming year, and cover all the functions of the Audit Panel outlined in this Charter.

Secretariat

The council, in consultation with the Audit Panel, will appoint a person to provide secretariat support to the Audit Panel. The secretariat will:

- ensure the agenda for each meeting is approved by the Chair;
- ensure the agenda and supporting papers are circulated at least one

week prior to the meeting; and

- ensure the minutes of the meetings are prepared and submitted to the council as soon as practicable after each meeting.

Interests

Audit Panel members must declare to the Chair any pecuniary or non-pecuniary interests that may affect them carrying out their functions.

Independent members are to consider past employment, consultancy arrangements and related party issues in making these declarations and the Chair should be satisfied that there are sufficient processes in place to manage any real or perceived interest.

At the beginning of each Audit Panel meeting, members are required to declare any potential or actual interest that may apply to specific matters on the meeting agenda. Where required by the Chair, the member will be excused from the meeting or from the Audit Panel's consideration of the relevant agenda item(s). Details of potential or actual interests declared by members will be appropriately minuted.

Induction

The council will provide new Audit Panel members with relevant information and briefings on their appointment to assist them to meet their Audit Panel responsibilities.

Remuneration

Remuneration for the Chair of the Audit Panel shall be negotiated with the incumbent

Review of Charter

The council will review this Charter at least every 2 years.

Approved: Council Meeting 18 January 2022

Review Date: 31 January 2024