



**GLAMORGAN
SPRING BAY
COUNCIL**

Glamorgan Spring Bay Council

Audit Panel Charter

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Audit Panel Charter

The Glamorgan Spring Bay Council has established the Audit Panel in compliance with Division 4 of the Local Government Act 1993 (the Act), the Local Government (Audit Panels) Order 2014 and the Local Government (Audit Panels) Amendment Order 2015.

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

1.1 Objective

The objective of the Audit Panel (the Panel) is to assist Elected Members (Councillors) of the Glamorgan Spring Bay Council (the Council) by reviewing the Council's performance under section 85A of the Act and reporting to the Council its conclusions and recommendations.

1.2 Functions

To assist the Council in fulfilling its responsibilities relating to the review of the Council's performance and compliance the Panel is to consider :-

- a) The Council's financial system, financial governance arrangements and financial management;
- b) That the Annual Financial Statements of the Council accurately represent the state of affairs of the Council.
- c) That the Strategic Plan; Annual Plan; Long-Term Financial Management Plan; Long-Term Strategic Asset Management Plan;; and Asset Management Policy are integrated and the processes and assumptions under which those plans were prepared are documented.
- d) The accounting procedures, internal controls, anti-fraud, anticorruption and risk management systems, controls and policies that are in place which safeguards the Council's long-term financial position.
- e) Compliance with all provisions of the *Local Government Act 1993* and any other relevant legislation.
- f) The action taken and its effectiveness in relation to previous recommendations made by the Panel.

1.3 Key Areas

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

- a) Corporate governance;
- b) Systems of internal control;
- c) External and internal audit;
- d) Risk management frameworks;
- e) Human resource management, including policies, procedures and enterprise agreements;
- f) Procurement;
- g) Information and communications technology governance;
- h) Management and governance of the use of data, information and knowledge; and
- i) Internal and external reporting requirements.

1.4 Membership

The membership of the Panel will comprise of **4 members**, whereby 2 members must be independent persons (including the independent chairperson).

An 'Independent Person' is a person who is not a Councillor, employee of Glamorgan Spring Bay Council or a Councillor or employee of another Council.

The following persons are eligible to be members of the Audit Panel:-

- a) A Councillor, other than the Mayor, of Glamorgan Spring Bay Council;
- b) An independent member of another Council's audit panel;
- c) An independent member appointed by Council with relevant knowledge and expertise.

The Glamorgan Spring Bay Council is to appoint all members to its Audit Panel with all independent persons having the relevant knowledge and experience.

A member of the Audit Panel will be appointed for a period not less than one year and not more than four (4) years. An independent member may be reappointed for a further term not exceeding four (4) years. A Councillor representative must stand down at the next election following the appointment of the Audit Panel but shall be eligible for re-appointment if re-elected to Council.

1.5 Chairperson

The Chairperson must be an Independent Person. The Glamorgan Spring Bay Council is to directly appoint the Chairperson.

1.6 Remuneration

Remuneration for independent members of the panel will be reviewed annually and set at agreed rates, subject to Council approval.

1.7 Annual Work Plan

The 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 scheduled.

1.8 Responsibilities of Panel Members

Members of the Audit Panel are expected to understand and observe the legal requirements of the Act and the Audit Panel orders. Members are also expected to:

- a) Act in the best interests of the Council;
- b) Apply sound analytical skills, objectivity and judgement;
- c) Express opinions constructively and openly;
- d) Raise issues that relate to the Audit Panel's functions and pursue independent lines of enquiry within the Panel's deliberations and meetings; and
- e) Contribute the time required to review the papers provided.

1.9 Confidentiality

Panel Members must maintain the confidentiality of any information, documents and communication that the Council or Panel has designated as being in confidence, and only access Council information in order to perform their role as a Panel member.

1.10 Interests

Audit Panel Members must declare any real, potential or perceived pecuniary or non-pecuniary interests that may affect them in carrying out their functions. The Audit Panel member with the interest must also notify the General Manager of the Council, in writing, of the interest within seven days of declaring the interest.

Independent members are to consider past employment, consultancy arrangements and related party issues in making declarations.

A standing item for declarations of interest should be included in all Panel meeting agenda.

The Chairperson of the Audit Panel is to ensure that the declaration of an interest is recorded in the minutes of the meeting and any relevant written report.

1.11 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.

1.12 Meetings

The Panel will meet at least four (4) times a year. The Panel may hold additional meetings as and when required in order to fulfil its functions. Any two (2) members of the Panel or the General Manager may request a meeting at any time.

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

A quorum is constituted by a majority of the total number of Panel Members appointed. At least one Panel Member who is an independent person is to be present, otherwise there is no quorum present at the meeting.

The General Manager (or Delegate) and Finance Manager (or Delegate) with secretariat support must attend all meetings unless the Chairperson determines that the meeting is to be held with only Panel Members in attendance.

The Audit Panel may invite any employee of Glamorgan Spring Bay Council, representative of the Tasmanian Audit Office and/or any other person to attend meetings of the Audit Panel for the purposes of providing specialist information or advice to the Panel. Attendees are only to be present for those items for which their specialist advice is required and are subject to the same confidentiality provisions as Panel Members.

The Audit Panel may also allow any Councillor of the Glamorgan Spring Bay Council to attend meetings of the Audit Panel in the capacity as an observer. Observers must not participate in the meeting. Observers are subject to the same declaration of interests and confidentiality provisions as Panel Members.

Reasonable notice will be given of the meetings to all members of the Panel and an agenda is to be provided with any relevant attachments.

1.13 Secretariat and Resources

Council is to provide secretariat support to, and all necessary funding required by, the Audit Panel to perform its functions.

1.14 Reporting

The Panel will provide a written report (minutes) to the next Ordinary Council Meeting or as soon as practical following a meeting, concerning the outcomes and/or recommendations made by the Panel which will then be noted and/or accepted by Council.

The Audit Panel must provide an annual report to the Council that comprises, at least:

- a) A summary of the work undertaken and significant findings during the past year;
- b) A review of the Panel's Charter and, if required, recommended changes to the Council for its approval;
- c) An update on membership of the Panel, in particular if there has been or may be change;
- d) The significant aspects of the Panel's deliberations for the coming year; and
- e) Any other matters deemed, by the Panel, as requiring the Council's attention.

1.15 Review

The Audit Panel will undertake a regular review and evaluation of its own performance.

This Charter will be reviewed at least every 4 years.