

Review Audit and Risk Committee Terms of Reference

Strategic Alignment - Enabling Priorities

Public

Friday, 3 February 2023
Audit and Risk Committee

Program Contact:
Manager Governance

Approving Officer:
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EXECUTIVE SUMMARY

Clause 14.4 of the Audit and Risk Committee Terms of Reference states that the Committee will review its Terms of Reference at least once a year.

The Audit and Risk Committee undertook a self-assessment review, and at their meeting on 28 October 2022 discussed some changes to be considered in the Audit and Risk Committee Terms of Reference.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Endorses the revised Terms of Reference as Attachment A to Item 5.6 on the Agenda for the meeting of the Audit and Risk Committee held on 3 February 2023 for adoption by Council.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	<p>Strategic Alignment – Enabling Priorities</p> <p>The role of the City of Adelaide is to uphold the values of integrity and accountability. To ensure that the Council delivers services to the community as a leader, advocate, and facilitator by maintaining a transparent decision-making process</p>
Policy	Not as a result of this report
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	Not as a result of this report
22/23 Budget Allocation	Not as a result of this report
Proposed 23/24 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
22/23 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. The Terms of Reference assist the Audit and Risk Committee, Council, and its community in understanding the Committee's role and responsibilities.
2. The recommended changes to the Audit and Risk Committee Terms of Reference are listed below:
 - 2.1. Structure of the Terms of Reference to align with other Council Committee Terms of Reference.
 - 2.2. Inclusion of a new Part Two which sets out the functions of the Audit and Risk Committee as prescribed in section 126(4) of the *Local Government Act 1999 (SA)* (the Act), (and the removal of duplication).
 - 2.3. Structure of Part Three of the Terms of Reference (Role) changed to better align with the order of the functions (as listed in Part Two - Functions).
 - 2.4. Part Four - Reporting has been simplified.
 - 2.5. Section 14.2 of the current Terms of Reference has been included. This section speaks to the CEO role to identify matters to be reported to the Audit and Risk Committee that have a material impact on the operation of Council as an elected body. Council has resolved to have a City Finance and Governance Committee which will review governance arrangements. This section has been deleted to remove this duplication. It is noted that the CEO can choose to bring anything to the Audit and Risk Committee in relation to its function and role.
 - 2.6. Removal of the Lord Mayor as a specified Council member. This is to allow Council to nominate a representative of its choosing.
 - 2.7. Addition of a section that clarifies the role of the Chair.
 - 2.8. Recognition of the introduction of Chapter 5, Part 4 Member Integrity provisions in the Act.
 - 2.9. Deletion of the meeting procedures sections, as these are largely repeating the provisions in the City of Adelaide Standing Order Parts 1, 3 and 4 *Local Government (Procedures at Meetings) Regulations 2013*. Links are provided instead.
 - 2.10. Minor typographical amendments.
3. There was no other specific feedback to changes to the Terms of Reference, however the Audit and Risk Committee noted their desire for an opportunity to focus more on matters of strategic risk.
4. A review of Council's Risk Management Framework will be undertaken in March 2023, and will include an assessment of reporting to the Audit and Risk Committee, to ensure there is sufficient oversight.

ATTACHMENTS

Attachment A – Revised Audit and Risk Committee Terms of Reference.

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