



# **Cowra Shire Council Information Package**

**Expression of interest**

Chairperson

Audit Risk and Improvement Committee

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## 1. Overview

Cowra Council (Council) is seeking expressions of interest for a suitably qualified and experienced person to appoint as Chairperson of Council's Audit, Risk and Improvement Committee (ARIC) for a period of 4 years.

Council provides a diverse range of services and facilities for the residents within the local government area, as well as for visitors. Council is committed to providing effective, responsible and authentic leadership through effective governance and internal operations needed to provide community services.

ARICs are mandatory for councils under section 428A of the *Local Government Act 1993*, which requires ARICs to keep under review the following aspects of their Council's operations:

- a) Compliance.
- b) Risk management.
- c) Fraud control.
- d) Financial management.
- e) Governance.
- f) Implementation of the strategic plan, delivery program and strategies.
- g) Service reviews.
- h) Collection of performance measurement data by the council.
- i) Any other matters prescribed by the regulations.

The ARIC provides information to Council for the purpose of improving Council's performance of its functions and provides an advisory role only. It performs its role by monitoring, reviewing, endorsing and advising Council on matters set out in its terms of reference (Charter).

The Chair and Members of the ARIC are expected to understand and observe the requirements of the *Local Government Act 1993*, *Local Government (General) Regulation 2021* and the *Guidelines for Risk Management and Internal Audit for Local Government in NSW*. Members must also:

- Have strong leadership qualities (Chairperson).
- Lead effective committee meetings (Chairperson).
- Oversee Council's internal audit function (Chairperson).
- 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 Council.
- Acknowledge, and comply with Council's Code of Conduct.
- 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.
- Maintain effective working relationships with Council.

## 2. Structure and Membership

The ARIC consists of an Independent Chair and two Independent Members who have voting rights, and one non-voting Councillor, as required under the *Local Government (General) Regulation 2021*.

The following staff and external professionals attend Committee meetings as non-voting attendees:

- General Manager.
- Director Corporate Services.
- Director Infrastructure and Operations.
- Directors Environmental Services.
- Finance Manager.
- Council's External Auditor (Audit Office).
- Non-Voting Councillor.
- The Mayor of Council has a standing invitation to attend in accordance with the Regulation.

The appointment term for the Chairperson and each independent external member is up to four years ensuring that continuity of independent membership is maintained over each general Council election where possible. They may be reappointed for a further term/s subject to a formal review of performance noting that the total term on the Committee cannot exceed 8 years.

## 3. ARIC Terms of Reference (Charter)

The ARIC Terms of Reference adopted by Cowra Council are attached to this document.

## 4. Independence Requirements

External members are to be independent to ensure they have no real or perceived bias or conflicts of interest that may interfere with their ability to act independently in providing Council with robust, objective and unbiased advice.

The *Local Government Regulation 2021*, prescribes the following:

### 216E Eligibility for appointment as independent member—the Act, Sch 6, cl 19B

A council must not appoint a person as an independent member of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person:

- (a) is able to read and understand financial statements, and
- (b) is able to understand the ethical requirements of government, including conflicts of interest, and
- (c) is able to form independent judgements, and
- (d) is willing to constructively challenge and question management practices and information, and
- (e) is professional and ethical in the exercise of the person's duties, and
- (f) is able to devote the necessary time and effort to the person's functions as a member of the committee, and
- (g) has knowledge in one or more of the following that is relevant to the person's role on the Audit, Risk and Improvement Committee:
  - (i) risk management,

- (ii) performance management,
- (iii) human resources management,
- (iv) internal and external auditing,
- (v) financial reporting,
- (vi) accounting,
- (vii) management control frameworks,
- (viii) internal financial controls,
- (ix) governance of organisations,
- (x) business operations, and
- (h) is independent of the council.

**216F Persons taken not to be independent of council—the Act, Sch 6, cl 19B**

- (1) The following persons are taken not to be independent of a council for the purposes of section 216E(h):
  - (a) a person who is a councillor of a council in New South Wales,
  - (b) a person who was a candidate for election to the council in the last election of the council,
  - (c) a person who was a councillor during the term of the council ending at the last election of the council,
  - (d) for a joint organisation or council that is a member council of a joint organisation—a person who is a non-voting representative of the board of the joint organisation,
  - (e) for a council that has entered an arrangement under the Act, section 428B with another council or body, a person who is an employee of the other council or body,
  - (f) a person who is employed by the council or was employed by the council in the previous 12 months,
  - (g) a person who conducts audits of the council for the Audit Office of NSW,
  - (h) a person who has a close personal or business relationship with a councillor or a person who has a senior role in the council that may lead to an actual or perceived conflict of interest,
  - (i) a person who provides, or has in the previous three years provided, material goods or services which directly affect matters considered by the Audit, Risk and Improvement Committee, Example— consultancy, legal, internal audit or advisory services
  - (j) a person who is a shareholder, owner, officer or employee of a company if
    - (i) the company has a business relationship with the council or a related entity, and
    - (ii) the business relationship comprises:
      - (A) a material business relationship, or
      - (B) a contractual relationship, or
      - (C) a direct financial interest, or
      - (D) a material indirect financial interest, and
    - (iii) the business relationship could reasonably be considered to be an actual or perceived conflict of interest,
  - (k) a person who is a relative of a person referred to in paragraph (i),
  - (l) a person who acts, or has previously acted, as an advocate for the council or a related entity, if the advocacy
    - (i) relates to a material interest, and
    - (ii) could reasonably be considered to be an actual or perceived conflict of interest.

- (2) In this section— related entity, of a council, means an entity formed by the council or an entity which the council participated in forming.

## 5. Selection Criteria

The Chairperson of the Audit, Risk and Improvement Committee must demonstrate the following:

### Essential Criteria

- Leadership qualities and the ability to promote effective working relationships in complex organisations.
- An ability to communicate complex and sensitive assessments in a tactful manner to the council's internal audit coordinator, senior management and the mayor and councillors.
- A sound understanding of:
  - the principles of good organisational governance and capacity to understand local government accountability, including financial reporting;
  - the business of the council or the environment in which it operates;
  - internal audit operations, including selection and review of the council's internal audit coordinator; and
  - risk management principles.
- Extensive senior level experience in governance and management of complex organisations, an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest).
- Functional knowledge in areas such as risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations
- A capacity to form independent judgements and a willingness to constructively challenge/question management practices and information, and
- A professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of the chairperson of an audit, risk and improvement committee.

### Desirable Criteria

- Extensive senior level experience in governance and management of complex organisations.
- Possession of a relevant professional qualification or membership (e.g. Institute of Internal Auditors; CPA Australia; and Chartered Accountants Australia and New Zealand; Australian Institute of Company Directors).
- Understanding the Cowra local government area.

## 6. Meetings

Committee meetings are held in February, May, August and November with up to two (2) additional meetings scheduled for the discussion of Financial Statements with the external

auditor. In addition, the ARIC is required to attend special meetings on significant Council issues when required.

The ARIC meetings are held in-person unless exceptional circumstances arise.

#### **7. Remuneration**

Council currently pays \$2,000 for the Chair and \$1,500 for independent members plus the Superannuation Guarantee Levy per meeting. Travel expenses are reimbursed.

#### **8. How to apply**

Interested applicants must provide:

- 1) A two page cover letter addressing the selection criteria.
- 2) A resume detailing their qualifications and experiences.
- 3) A completed Expression of Interest Form.

Applicants will be subject to reference checks together with a criminal record and a financial status (bankruptcy) check prior to any appointment being made.

The successful applicant will be required to sign a confidentiality agreement and abide with Council's Code of Conduct commencing from the date of appointment.

Expressions of interest must be submitted by 11:59pm on Sunday, 23 March 2025 and sent to [council@cowra.nsw.gov.au](mailto:council@cowra.nsw.gov.au)

Enquiries and requests for the ARIC charter and Council's Code of Conduct can be made by contacting:

Alan Dalton  
Director – Corporate Services  
phone: (02) 6340 2006  
or by email: [Alan.Dalton@cowra.nsw.gov.au](mailto:Alan.Dalton@cowra.nsw.gov.au)