# Special Council Meeting

# Minutes

20 October 2025

City of Belmont

CITY OF BELMONT

# Special Council Meeting

## Minutes

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**Attachments Index**

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Attachment 8.1.4 – Item 8.1 refers

**Confidential Attachments Index**

Confidential Attachment 8.1.1 – Item 8.1 refers
Confidential Attachment 8.1.2 – Item 8.1 refers

**Alternative Formats**

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**Elected Members are reminded to retain the OCM attachments for discussion with the minutes.**

# Minutes

**Present**

| | |
|---|---|
| Mayor R Rossi, JP (Presiding Member) | Mayor |
| Cr D Sessions (Deputy Mayor) | West Ward |
| Cr G Sekulla, JP | Central Ward |
| Cr J Harris | Central Ward |
| Cr B Ryan | East Ward |
| Cr P Marks | East Ward |
| Cr Abedin | South Ward |
| Cr J Davis | South Ward |
| Cr C Kulczycki | West Ward |

**In attendance**

| | |
|---|---|
| Mr J Christie | Chief Executive Officer |
| Mr S Downing | Director Corporate and Governance |
| Mr W Loh | Director Development and Communities |
| Mr M Murphy | Director Infrastructure Services |
| Ms D Dabala | Manager Governance and Legal |
| Ms L Chaplyn | Coordinator Media and Communications |
| Mrs J Cherry-Murphy | Coordinator Governance |
| Ms S Bell | Senior Governance Officer |
| Mr J Vidal | IT Support Officer |

**Guests**

| | |
|---|---|
| Mr A Richardson OAM JP | Honorary Freeman of the City |

**Members of the gallery**

There were 18 members of the public in the gallery and no press representatives.

# 1 Official Opening

**6:30pm The Presiding Member welcomed all those in attendance and declared the meeting open.**

The Presiding Member read aloud the Acknowledgement of Country.

| **Acknowledgement of Country** |
|---|
| Before I begin, I would like to acknowledge the Whadjuk Noongar people as the Traditional Owners of this land and pay my respects to Elders past, present and emerging.<br>I further acknowledge their cultural heritage, beliefs, connection and relationship with this land which continues today. |

The Presiding Member invited Cr Harris to read aloud the Affirmation of Civic Duty and Responsibility on behalf of Elected Members. Cr Harris read aloud the affirmation.

| **Affirmation of Civic Duty and Responsibility** |
|---|
| I make this affirmation in good faith and declare that I will duly, faithfully, honestly, and with integrity fulfil the duties of my office for all the people in the City of Belmont according to the best of my judgement and ability.<br>I will observe the City's Code of Conduct and Standing Orders to ensure efficient, effective and orderly decision making within this forum. |

# 2 Swearing in of newly Elected Councillors

The Chief Executive Officer invited Mr Alan Richardson OAM JP to conduct the Swearing-In Ceremony of the newly elected Councillors.

- Mr Bernie Ryan made an Elected Member declaration to take the Office of East Ward Councillor for a term of four years.
- Ms Jenny Davis made an Elected Member declaration to take the Office of South Ward Councillor for a term of four years.
- Mr George Sekulla made an Elected Member declaration to take the Office of Central Ward Councillor for a term of four years.
- Ms Deborah Sessions made an Elected Member declaration to take the Office of West Ward Councillor for a term of four years.
- Mr Khandokar (Zahid) Abedin made an Elected Member declaration to take the Office of South Ward Councillor for a term of two years.

# 3 Apologies and leave of absence

Nil.

# 4 Declarations of interest that might cause a conflict

## 4.1 Financial Interests

Nil.

## 4.2 Disclosure of interest that may affect impartiality

| Name | Item No and Title | Nature of Interest (and extent, where appropriate) |
|---|---|---|
| Cr J Davis | Item 8.1 - Audit, Risk and Improvement Committee | Familiar with one of the candidates. |
| Cr C Kulczycki | Item 8.1 - Audit, Risk and Improvement Committee | I am familiar with one of the applicants seeking selection as either the Independent Presiding Member or Independent Deputy Presiding Member of the City's Audit, Risk and Improvement Committee. |
| Cr G Sekulla | Item 8.1 - Audit, Risk and Improvement Committee | I'm familiar with one of the applicants. |

# 5 Announcements by the Presiding Member (without discussion) and declarations by Members

## 5.1 Announcements

The electors have spoken. I congratulate all sitting Councillors who have been re-elected and warmly welcome Cr Abedin to Council in South Ward.

I look forward to a productive next two years, working together to deliver positive outcomes and continue making the City of Belmont a great place to live.

## 5.2 Declarations by Members who have not given due considerations to all matters contained in the business papers presently before the meeting

**Cr Abedin requested an adjournment to allow time for him to read the confidential attachments for Item 8.1.**

**6:44pm Sessions moved, Harris seconded, that the meeting be adjourned to allow Cr Abedin time to read the confidential attachments.**

**Carried Unanimously 9 votes to 0**

For: Abedin, Davis, Harris, Kulczycki, Marks, Rossi, Ryan, Sekulla and Sessions

Against: Nil

**6:50pm Davis moved, Kulczycki seconded, that the meeting again be re-opened.**

**Carried Unanimously 9 votes to 0**

For: Abedin, Davis, Harris, Kulczycki, Marks, Rossi, Ryan, Sekulla and Sessions

Against: Nil

# 6 Public question time

## 6.1 Questions from members of the public

**6:50pm The Presiding Member drew the public gallery's attention to the rules of Public Question Time as written in the Public Question Time Form.**

**In accordance with rule (l), the Mayor advised that he had registered no members of the public who had given prior notice to ask questions.**

**The Presiding Member invited members of the public who had yet to register their interest to ask a question to do so. One further registration was forthcoming.**

### 6.1.1 Ms L Hollands, Redcliffe

1. In the oath declared by newly sworn-in Elected Members, it includes wording about the code of conduct. What training for Councillors occurs in relation to the code of conduct?

**Response**
**The Chief Executive Officer stated that questions at a Special Council Meeting must be in relation to the purpose of the meeting, and that Ms Hollands' question would be best asked at next week's Ordinary Council Meeting during Public Question Time.**

**6:53pm As there were no further questions, the Presiding Member declared Public Question Time closed.**

# 7 Election of Deputy Mayor

## 7.1 Election of Deputy Mayor

The Chief Executive Officer advised that one written nomination for the Office of Deputy Mayor had been received, this being for Cr Sessions, and called for further nominations for the Office of Deputy Mayor.

No further nominations were received. The Chief Executive Officer closed nominations.

The Chief Executive Officer declared Cr Sessions as the successful candidate, to be duly appointed as Deputy Mayor.

## 7.2 Declaration of Office by Newly Elected Deputy Mayor

Mr A Richardson OAM JP conducted the swearing-in ceremony.

Cr Sessions made an Elected Member Declaration to take the Office of Deputy Mayor for a term of two years.

# 8 Reports of administration

Cr Davis, Cr Kulczycki and Cr Sekulla disclosed at Item 4 of the Agenda "Disclosure of Interest" an Impartiality Interest in the following item in accordance with Regulation 22 of the *Local Government (Model Code of Conduct) Regulations 2021 (WA)*.

**The Mayor indicated that he would be exercising his right to Ex-Officio membership of the Audit, Risk and Improvement Committee in accordance with section 5.10(4) of the *Local Government Act 1995 (WA).***

## 8.1 Audit, Risk and Improvement Committee

| | | |
|---|---|---|
| Voting Requirement | : | Absolute Majority |
| Subject Index | : | 154/007 |
| Location/Property Index | : | N/A |
| Application Index | : | N/A |
| Disclosure of any Interest | : | Nil |
| Previous Items | : | Ordinary Council Meeting 27 May 2025 Item 12.6 |
| Applicant | : | N/A |
| Owner | : | N/A |
| Responsible Division | : | Corporate and Governance |

### Council role

**Overseeing** Overseeing the allocation of the City's finances and resources e.g. setting the annual budget, accepting tenders, determining what services and facilities the City is to provide, annual reports, selecting the CEO and reviewing the CEO's performance.

### Purpose of report

For Council to appoint Elected Members to the Audit, Risk and Improvement Committee (ARIC) as well as the newly required positions of the Independent Presiding Member and the Independent Deputy Presiding Member and to endorse the updated Terms of Reference.

## Summary and key issues

The appointment of Elected Members to Committees must take place following the Local Government Elections.

Due to changes required by the *Local Government Act 1995 (WA)* (the Act) (at s5.12 and s7.1A) the following appointments are also required to be made by Council:

- Independent Presiding Member
- Independent Deputy Presiding Member

The Terms of Reference have been amended to reflect the changes in membership of the ARIC and to improve clarity.

**Note:**

**The Presiding Member advised that in accordance with Section 5.23(2)(b) of the *Local Government Act 1995 (WA)* in order to discuss the Confidential Attachments for Item 8.1, Council will need to go behind closed doors.**

**7:06pm Sessions moved, Davis seconded that in accordance with Section 5.23(2)(b) of the *Local Government Act 1995 (WA)*, the meeting proceed behind closed doors to discuss the Confidential Attachments for Item 8.1 - Audit, Risk and Improvement Committee.**

**Carried unanimously 9 votes to 0**

For: Abedin, Davis, Harris, Kulczycki, Marks, Rossi, Ryan, Sekulla and Sessions

Against: Nil

**7:06pm Members of the public gallery departed the meeting.**

**7:06pm The IT Support Officer departed the meeting.**

**Note: Refer to the Confidential Minutes.**

**7:11pm The meeting came out from behind closed doors. 18 members of the public returned to the meeting.**

| Officer Recommendation |
|---|
| **Sekulla moved, Kulczycki seconded** |
| That Council: |
| 1. Appoints the following Elected Members and proxy Elected Members from each Ward to the Audit, Risk and Improvement Committee:<br>Mayor Rossi - Member (ex-officio)<br>Cr Harris - Member for Central Ward<br>Cr Sekulla - Proxy Member for Central Ward<br>Cr Ryan - Member for East Ward<br>Cr Marks - Proxy Member for East Ward<br>Cr Davis - Member for South Ward<br>Cr Abedin - Proxy Member for South Ward<br>Cr Kulczycki - Member for West Ward<br>Cr Sessions - Proxy Member for West Ward |
| 2. Appoints Jonathan Seth to the position of Independent Presiding Member of the Audit, Risk and Improvement Committee for a term of 2 years (expiring 14 October 2027) at the meeting attendance rate set by the Salaries and Allowances Tribunal. |
| 3. Appoints Shona Zulsdorf to the position of Independent Deputy Presiding Member of the Audit, Risk and Improvement Committee for a term of 2 years (expiring 14 October 2027) at the meeting attendance rate set by the Salaries and Allowances Tribunal. |
| 4. Endorses the updated Terms of Reference for the Audit, Risk and Improvement Committee (refer Attachment 8.1.3). |
| **Carried by absolute majority 9 votes to 0** |
| For: Abedin, Davis, Harris, Kulczycki, Marks, Rossi, Ryan, Sekulla and Sessions |
| Against: Nil |

## Location

Not applicable.

## Consultation

There has been no specific consultation undertaken in respect to this matter.

## Strategic Community Plan implications

In accordance with the 2024–2034 Strategic Community Plan:

**Key Performance Area: Performance**
**Outcome:** 10. Effective leadership, governance and financial management.

## Policy implications

There are no policy implications associated with this report.

## Statutory environment

Section 5.12 of the Act was amended effective 7 December 2024 and states:

(1) The local government must appoint* a member of a committee to be the presiding member of the committee.
(2) The local government may appoint* a member of a committee to be the deputy presiding member of the committee.

*Absolute majority required

Under the transitional provisions of the Act, the Presiding Member of any committee must be appointed no later than 1 July 2025 with Deputy Presiding Members having a similar timeframe.

Section 44 of the *Local Government Amendment Act 2024 (WA)* (Amendment Act 2024), states section 5.23(1) of the Act will be amended as follows:

(1) The following are to be open to members of the public –
  (a) all council meetings;
  (b) all meetings of a committee

Section 87 of the Amendment Act 2024, states section 7.1A of the Act will be deleted and the following inserted:

**7.1A Establishment of audit, risk and improvement committee**

(1) A local government must establish a committee of its council under section 5.8 to be called the audit, risk and improvement committee.

(2) The following provisions apply in respect of the membership of the audit, risk and improvement committee —

(a) an employee of the local government is not to be a member;

(b) no member is to be nominated by, or is to be appointed to represent, any employee of the local government;

(c) section 5.10(1)(b) does not apply.

(3) The presiding member of the audit, risk and improvement committee cannot be a council member of the local government or of any other local government.

(4) Any deputy presiding member of the audit, risk and improvement committee cannot be a council member of the local government or of any other local government.

**7.1B. Deputy of presiding member or of deputy presiding member**

(1) The local government must appoint a person under section 5.11A to be a deputy of the presiding member of the audit, risk and improvement committee.

(2) In addition to the requirement of section 5.11A(2)(c), the deputy of the presiding member cannot be a council member of any other local government.

(3) If section 5.14 applies to a meeting of the audit, risk and improvement committee, the committee members present at the meeting must choose the deputy of the presiding member, if present, to preside at the meeting.

(4) If the local government appoints a person under section 5.11A to be a deputy of the deputy presiding member of the audit, risk and improvement committee, in addition to the requirement of section 5.11A(2)(c), the appointed deputy cannot be a council member of any other local government.

## Background

At the 27 May 2025 Ordinary Council Meeting, Council resolved:

"That Council:

1. Endorses the change of name of the Standing Committee (Audit and Risk) to Audit, Risk and Improvement Committee with effect from 1 July 2025.

2. Endorses the current Elected Members, Presiding Member, Deputy Presiding Member and Independent Member on the Standing Committee (Audit and Risk) to continue in those roles as members of the Audit, Risk and Improvement Committee with effect from 1 July 2025 until 18 October 2025.

3. Endorses the Terms of Reference for the Audit, Risk and Improvement Committee (refer Attachment 12.6.1)."

## Report

### Elected Member Appointments

The Mayor is required to indicate if intending to exercise the right to Ex-Officio membership of the ARIC.

Where the Mayor is elected (or has notified – as per s5.10 (4) of the Act – of their desire to be an Ex-Officio Member) to a Committee, if the Mayor has been granted leave of absence by the Council, then the Deputy Mayor is expected (in accordance with s5.34 of the Act) to perform the function of the Mayor's committee responsibilities.

Appointment of Members and Proxy Members from each Ward is required, as per the Officer Recommendation above.

### Independent Presiding Member and Deputy Presiding Member

Proposed amendments to the Act are anticipated to commence later this year where local governments must appoint an Independent Presiding Member (IPM) and Independent Deputy Presiding Member (IDPM) to the Audit, Risk and Improvement Committee (refer to Statutory requirements above). The City invited expressions of interest through advertisements as follows:

- The West Australian (13 August 2025)
- Perth Now Southern (14 August 2025)
- City's website (13 August to 24 August 2025)
- Seek (13 August to 24 August 2025)
- Women on Boards (14 August to 24 August 2025)
- A post on the City's LinkedIn page (14 August 2025)

The City received 22 applications (2 received after the closing date).

The Interview Panel, consisting of the Director Corporate and Governance, Manager Finance and Manager Governance and Legal, met on 4 September 2025 and interviewed 3 candidates.
The Panel's recommendations are set out below:

- Candidate One be appointed the Independent Presiding Member (refer Confidential Attachment 8.1.1).

- Candidate Two be appointed the Independent Deputy Presiding Member (refer Confidential Attachment 8.1.2).

**Terms of Reference**

The Terms of Reference for the ARIC have been updated to reflect the changes to the Membership and provide clarity (refer Attachment 8.1.3 (track changes) and Attachment 8.1.4 (clean version)).

## Financial implications

Meeting rates for the IPM and IDPM are to be determined by the Salaries and Allowances Tribunal (SAT).

Advice received from the Department of Local Government, Industry Regulation and Safety advises local governments to make provision to pay an independent committee member at the current rate (maximum of $450) until the regulations have been amended, at which time SAT will publish a revised determination.

There are sufficient funds in the 2025-26 budget.

## Environmental implications

There are no environmental implications associated with this report.

## Social implications

There are no social implications associated with this report.

## Attachment details

| Attachment No and title |
| --- |
| 1. CONFIDENTIAL REDACTED - Candidate One (Confidential matter in accordance with Local Government Act 1995 (WA) Section 5.23(2)(b)) [**8.1.1** - 4 pages]<br>2. CONFIDENTIAL REDACTED - Candidate Two (Confidential matter in accordance with Local Government Act 1995 (WA) Section 5.23(2)(b)) [**8.1.2** - 5 pages]<br>3. Terms of Reference Audit Risk and Improvement Committee Track Changes [**8.1.3** - 5 pages]<br>4. Terms of Reference Audit Risk and Improvement Committee Clean Version [**8.1.4** - 4 pages] |

**TERMS OF REFERENCE**
**AUDIT, RISK AND IMPROVEMENT COMMITTEE**

LAST UPDATED: ~~Ordinary Council Meeting – 27 May 2025 (with effect from 1 July 2025)~~

## Purpose

The Audit, Risk and Improvement Committee (Committee) ~~To~~ assists ~~the~~ Council ~~to discharge its responsibilities with regar~~with ~~d to~~ its' ~~the exercise of~~ due care and diligence in ~~relation to the reporting of~~ financial reporting ~~information~~, ~~the application of~~applying accounting policies, and ~~the~~ managing ~~ement of~~ the financial affairs of the City of Belmont (City) ~~in accordance with~~ as required by ~~the provisions of~~ the *Local Government Act 1995 (WA)* and associated Regulations including an assessment of the City's management of risk.

The Committee is a formally appointed Committee of Council and is responsible to ~~that body~~Council. The Committee does not have any delegated power from Council and cannot make decisions on behalf of Council, nor does the Committee have any executive ~~powers or~~ authority ~~to implement actions~~ in areas over which the Chief Executive Officer (CEO) has legislative responsibility ~~and does not have any delegated power from Council.~~ The Committee does not have any management functions and cannot involve itself in management processes or procedures.

The Committee ~~is to~~ reports to Council and provides ~~appropriate~~ advice and recommendations on matters relevant to its' terms of reference ~~in order~~ to facilitate informed decision making by Council ~~in relation to the legislative functions and duties of the City~~on matters that have not been delegated to the CEO.

## Objective

The primary objective of the Audit, Risk and Improvement Committee is to accept responsibility for the annual external audit and ~~liaise~~ meet with the Office of the Auditor General (OAG) so that Council can be satisfied with the performance of the City in managing its' financial affairs.

Reports from the Committee ~~will~~ assist Council ~~in discharging~~to discharge its' legislative responsibilities of governing the City's affairs, performing the City's functions, determining the City's policies and overseeing the allocation of the City's finances and resources. The Committee ~~will ensure o~~assists openness in the City's financial reporting and ~~will~~ liaises with the CEO to ensure ~~that effective management of the~~ City's financial accounting systems are effectively managed and legislatively compliant.~~and compliance with legislation.~~

The Committee ~~is to~~ facilitates:

- The enhancement of the credibility and objectivity of internal and external financial reporting;
- Effective management of financial and other risks and the protection of Council assets;
- Compliance with laws and regulations as well as use of best practice guidelines relative to the appropriateness and effectiveness of the City's systems and procedures for risk management and~~,~~ internal control ~~and legislative compliance~~;
- ~~The~~ Coordination of ~~the~~ internal audit ~~function~~ with the external audit; and
- P~~The provision of~~ roviding an effective means of communication between the external auditor, internal auditor, the CEO and Council.

**Duties and Responsibilities**

The duties and responsibilities of the Committee members will be to –

1. **~~Internal and External~~ Audit Planning and Reporting**

Commented [SD1]: We should break this into two sections - External and Internal. They are sufficiently different to a section for each separately.

**A. External Audit**

a. Provide guidance and assistance to Council ~~as to~~in carrying out the functions of the City in relation to audits;
b. Meet with the auditor ~~once in each~~twice a year and provide a report to Council on the matters discussed and outcome of those discussions;

Commented [SD2]: We meet twice with the OAG. First to accept the OAG's audit plan and secondly, to receive the OAG's report and endorse the Annual Financial Statements

Commented [JC3R2]: @Stuart Downing updated

c. Liaise with the CEO to ensure that the City does everything in its power to-
   i. Assist the auditor to conduct the audit and carry out his or her duties under the *Local Government Act 1995 (WA)*; and
d. Examine the reports of the auditor after receiving a report from the CEO on ~~the~~ matters noted in the audit and –
   i. Determine if any matters raised require action to be taken by the City; and
   ii. Ensure that appropriate action is taken in respect of those matters;
e. Review the report prepared by the CEO on any actions taken in respect of any matters raised in the ~~report of the auditor~~audit report and present~~ing~~ the CEO's report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest ~~in time~~;
f. ~~Review the scope and effectiveness of the audit plan and program~~~~and its' effectiveness~~;
~~g. Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of the Council or CEO;~~
~~h. Review the level of resources allocated to internal audit and the scope of its' authority;~~

Commented [DD4]: Who's authority? The Committee's or the auditor's?

Commented [SD5R4]: The ARIC would raise the matter with the CEO if they believe the IA does not have sufficient resources

~~i.~~g. Facilitate liaison between the internal and external auditor to enable, where appropriate, ~~promote~~ compatibility ~~to the extent appropriate,~~ between their audit programs.
~~j.~~h. Support the auditor as required and ~~have functions to~~ oversee:
   i. The implementation of audit recommendations made by the auditor, which have been accepted by Council; and

ii. Accept~~ed~~ance of recommendations arising from reviews of the City's systems and procedures

**B. Internal Audit**

a. Review the scope and effectiveness of the three year internal audit plan and annual internal audit plan;
b. Review the appropriateness of internal audit reports completed as listed in the annual internal audit plan.
c. Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of the Council or CEO;
d. Review the level of resources allocated to internal audit and the scope of ~~its~~ ARIC's authority;
e. Support the Senior Internal Auditor as required and oversee:
   i. The implementation of audit recommendations made by the auditor, which have been accepted by Council; and
   ii. Acceptance of recommendations arising from reviews of the City's systems and procedures
f. Review the annual Quality Assurance and Improvement Program that is completed by the Senior Internal Auditor to determine compliance with the Global Internal Audit Standards.

**Commented [DD6]:** Who's authority? The Committee's or the auditor's?

**Commented [SD7R6]:** The ARIC would raise the matter with the CEO if they believe the IA does not have sufficient resources

**2. Financial Management**

a. Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management responds ~~acts~~ to matters raised;
b. Review the City's draft annual financial report, focusing on –
   i. Accounting policies and practices;
   ii. Changes to accounting policies and practices;
   iii. The process used in making significant accounting estimates;
   iv. Significant adjustments to the financial report (if any) arising from the audit process;
   v. Compliance with accounting standards and other reporting requirements; and significant variances from prior years;
c. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise ~~subsequent to~~ after any such recommendation but before the annual financial report is signed;
d. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.

**3. Legislative Compliance**

a. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from Council;

b. Review the annual Statutory Compliance Audit Return and make a recommendation on its' adoption ~~to~~by Council;

c. Review and submit to Council the CEO's reports ~~prepared by the CEO~~ on the results of the review of appropriateness and effectiveness of systems and procedures in relation to:

   i. Risk management;
   ii. Internal controls; and
   iii. Legislative compliance

   which are each subject to review not less than once in every 3 financial years.

d. Review and submit to Council reports prepared on the results of industry comparison reports (i.e. OAG, Department of Local Government, Sport and Cultural Industries, Public Sector Commission, Corruption and Crime Commission and other enquiries).

**4. Risk Management**

a. At least once every year consider a report ~~in relation to~~addressing the City's management of risk ~~within the City~~ and satisfy itself that appropriate controls and processes are in place ~~operation~~ and ~~are~~ adequate for dealing with the risks that impact on the City.

b. To examine and consider the transfer of risk through an annual review of Council's insurances.

c. To address any specific requests referred to it from Council in relation to issues of risk and risk management.

**Membership**

1. The membership of the Committee shall comprise the Mayor (Ex Officio) and an Elected Member from each of the four wards. The Elected Members being determined by nomination and if necessary, a ballot conducted at the Special Council Meeting following the City's ordinary election;
2. The membership of the Committee shall also ~~comprise of~~ include an independent Presiding M~~m~~ember and an independent Deputy Presiding Member who ~~is~~ are to be appointed by Council for a term of 2 years to expire immediately prior to the next City ordinary election. Th~~e~~is~~s~~e independent members ~~is~~ are not to be a staff member or an Elected Member of the City or any other local government.
3. If a vacancy on the Committee occurs for ~~whatever~~any reason, then Council shall appoint a replacement in accordance with the same arrangements as for the original appointment set out in 1 and (if considered appropriate) 2 above.

**Staff Attendees**

The following staff will attend Committee meetings to provide technical support and advice:

- Chief Executive Officer;
- Senior Internal Auditor;
- Director Corporate and Governance;
- Manager Finance, as required;
- Manager Governance and Legal, as required;
- Coordinator Business Planning, Improvement and Risk as required; and
- Additional staff where relevant to the agenda, with Director approval.

**Other Attendees**

Relevant persons may be invited to attend and address or advise the Committee, within the ambit of its' scope and where necessary with the approval of the Director Corporate and Governance and the Presiding Member.

**Meetings**

The Committee shall have flexibility in relation to when it needs to meet, but as a minimum shall meet twice a year. It is the responsibility of the Presiding Member to call the meetings of the Committee.

# Terms of Reference Audit, Risk And Improvement Committee

Approved: [insert Council meeting and date]

**Purpose**

The Audit, Risk and Improvement Committee (Committee) assists Council with its' due care and diligence in financial reporting, applying accounting policies, and managing the financial affairs of the City of Belmont (City) as required by the *Local Government Act 1995 (WA)* and associated Regulations including an assessment of the City's management of risk.

The Committee is a formally appointed Committee of Council and is responsible to Council. The Committee does not have any delegated power from Council and cannot make decisions on behalf of Council, nor does the Committee have any executive authority in areas over which the Chief Executive Officer (CEO) has legislative responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

The Committee reports to Council and provides advice and recommendations on matters relevant to its' terms of reference to facilitate informed decision making by Council on matters that have not been delegated to the CEO.

**Objective**

The primary objective of the Audit, Risk and Improvement Committee is to accept responsibility for the annual external audit and meet with the Office of the Auditor General (OAG) so that Council can be satisfied with the performance of the City in managing its' financial affairs.

Reports from the Committee assist Council to discharge its' legislative responsibilities of governing the City's affairs, performing the City's functions, determining the City's policies and overseeing the allocation of the City's finances and resources. The Committee assists openness in the City's financial reporting and liaises with the CEO to ensure City's financial accounting systems are effectively managed and legislatively compliant.

The Committee facilitates:

- The enhancement of the credibility and objectivity of internal and external financial reporting;
- Effective management of financial and other risks and the protection of Council assets

- Compliance with laws and regulations as well as use of best practice guidelines relative to the appropriateness and effectiveness of the City's systems and procedures for risk management and internal control;
- Coordination of internal audit with the external audit; and
- Providing an effective means of communication between the external auditor, internal auditor, the CEO and Council.

**Duties and Responsibilities**

The duties and responsibilities of the Committee members will be to –

**1. Audit Planning and Reporting**

**A. External Audit**

a. Provide guidance and assistance to Council in carrying out the functions of the City in relation to audits;
b. Meet with the auditor twice a year and provide a report to Council on the matters discussed and outcome of those discussions;
c. Liaise with the CEO to ensure that the City does everything in its power to-
    i. Assist the auditor to conduct the audit and carry out his or her duties under the *Local Government Act 1995 (WA)*; and
d. Examine the reports of the auditor after receiving a report from the CEO on matters noted in the audit and –
    i. Determine if any matters raised require action to be taken by the City; and
    ii. Ensure that appropriate action is taken in respect of those matters;
e. Review the report prepared by the CEO on any actions taken in respect of any matters raised in the audit report and present the CEO's report to Council for adoption prior to the end of the next financial year or 6 months after the last report prepared by the auditor is received, whichever is the latest;
f. Facilitate liaison between the internal and external auditor to enable, where appropriate, compatibility between their audit programs.
g. Support the auditor as required and oversee:
    i. The implementation of audit recommendations made by the auditor, which have been accepted by Council; and
    ii. Acceptance of recommendations arising from reviews of the City's systems and procedures

**B. Internal Audit**

a. Review the scope and effectiveness of the three year internal audit plan and annual internal audit plan;
b. Review the appropriateness of internal audit reports completed as listed in the annual internal audit plan.
c. Review the appropriateness of special internal audit assignments undertaken by internal audit at the request of the Council or CEO;
d. Review the level of resources allocated to internal audit and the scope of ARIC's authority;
e. Support the Senior Internal Auditor as required and oversee:
    i. The implementation of audit recommendations made by the auditor, which have been accepted by Council; and

ii. Acceptance of recommendations arising from reviews of the City's systems and procedures

f. Review the annual Quality Assurance and Improvement Program that is completed by the Senior Internal Auditor to determine compliance with the Global Internal Audit Standards.

**2. Financial Management**

a. Review reports of internal audits and by monitoring the implementation of recommendations made by the audit and reviewing the extent to which Council and management respond to matters raised;
b. Review the City's draft annual financial report, focusing on –
   i. Accounting policies and practices;
   ii. Changes to accounting policies and practices;
   iii. The process used in making significant accounting estimates;
   iv. Significant adjustments to the financial report (if any) arising from the audit process;
   v. Compliance with accounting standards and other reporting requirements; and significant variances from prior years;
c. Consider and recommend adoption of the annual financial report to Council. Review any significant changes that may arise after any such recommendation but before the annual financial report is signed;
d. Address issues brought to the attention of the Committee, including responding to requests from Council for advice that are within the parameters of the Committee's terms of reference.

**3. Legislative Compliance**

a. Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from Council;
b. Review the annual Statutory Compliance Audit Return and make a recommendation on its' adoption by Council;
c. Review and submit to Council the CEO's reports on the results of the review of appropriateness and effectiveness of systems and procedures in relation to:
   i. Risk management;
   ii. Internal controls; and
   iii. Legislative compliance

   each of which are subject to review not less than once every 3 financial years.
d. Review and submit to Council reports prepared on the results of industry comparison reports (i.e. OAG, Department of Local Government, Sport and Cultural Industries, Public Sector Commission, Corruption and Crime Commission and other enquiries).

**4. Risk Management**

a. At least once every year consider a report addressing the City's management of risk and satisfy itself that appropriate controls and processes are in place and adequate for dealing with the risks that impact on the City.
b. To examine and consider the transfer of risk through an annual review of Council's insurances.

c. To address any specific requests referred to it from Council in relation to issues of risk and risk management.

**Membership**

1. The membership of the Committee shall comprise the Mayor (Ex Officio) and an Elected Member from each of the four wards. The Elected Members being determined by nomination and if necessary, a ballot conducted at the Special Council Meeting following the City's ordinary election;
2. The membership of the Committee shall also include an independent Presiding Member and an independent Deputy Presiding Member who are to be appointed by Council for a term of 2 years to expire immediately prior to the next City ordinary election. These independent members are not to be a staff member or an Elected Member of the City or any other local government.
3. If a vacancy on the Committee occurs for any reason, then Council shall appoint a replacement in accordance with the same arrangements as for the original appointment set out in 1 and (if considered appropriate) 2 above.

**Staff Attendees**

The following staff will attend Committee meetings to provide technical support and advice:

- Chief Executive Officer;
- Senior Internal Auditor;
- Director Corporate and Governance;
- Manager Finance, as required;
- Manager Governance and Legal, as required;
- Coordinator Business Planning, Improvement and Risk as required; and
- Additional staff where relevant to the agenda, with Director approval.

**Other Attendees**

Relevant persons may be invited to attend and address or advise the Committee, within the ambit of its' scope and where necessary with the approval of the Director Corporate and Governance and the Presiding Member.

**Meetings**

The Committee shall have flexibility in relation to when it needs to meet, but as a minimum shall meet twice a year. It is the responsibility of the Presiding Member to call the meetings of the Committee.

# 9 Closure

**There being no further business, the Presiding Member thanked everyone for their attendance and closed the meeting at 7:15pm.**