

# NGĀ PAEARU MAHI/TERMS OF REFERENCE: FINANCE, AUDIT & RISK COMMITTEE



## NGĀ MEMATANGA/MEMBERSHIP

His Worship the Mayor, 3 councillors, 1 Independent Member

## TE KŌRAMA/QUORUM

3 committee members

## NGĀ WĀ HUI/MEETING FREQUENCY

Every 6 weeks and as required

## TE KAUPAPA/PURPOSE

This Committee will monitor overall financial management and the performance of the Council; and, act as a liaison point with the Council's auditors in order to ensure robust financial audits and reviews of Wairoa District Council.

## NGĀ KAWENGA/RESPONSIBILITIES

- Ensure that the work of the Committee is carried out in a way that enhances the social, economic, cultural, and environmental wellbeing of the Wairoa district
- Monitor the Council's external and internal audit work programmes and processes.
- Provide a communication link between management, internal/external auditors and the Council.
- Receive the Auditor's Management Report and make recommendations (if any) to Council on any suggested actions by the Auditor.
- Monitor the response to audit reports and the implementation of recommendations made by auditors.
- Monitor integrity and reliability of financial and other measures of performance and service levels. (monthly/quarterly report goes to Council if they meet before FAR)
- Monitor existing corporate finance policies and recommend to Council new corporate policies to prohibit unethical, questionable or illegal activities.
- Oversee the Health & Safety work programme
- Provide objective advice and recommendations to Council regarding the sufficiency, quality and results of assurance on the adequacy and functioning of the Council's risk management, control and governance frameworks and processes.
- Oversee the compilation and recommend the Annual Report to Council.

- Review the development of the financial strategies and policies as required by the long-term plan.
- Monitor the financial and non-financial performance and governance of Council Controlled Organisations – annual report and statement of intent to go to Council.

## **NGĀ TUKU MANA/DELEGATIONS**

Recommend to Council the terms and arrangements of the external audit programme as agreed with the external auditor.

Assess and approve expenditure where the circumstances could be perceived to give rise to a conflict of interest.

All powers necessary to perform the Committee's responsibilities except:

- a. Powers that Council cannot lawfully delegate under the Local Government Act 2002.
- b. Where the Committee's responsibility is limited to making a recommendation only.
- c. Approval of expenditure not contained within approved budgets.
- d. The approval of final policy.
- e. Deciding significant matters for which there is high public interest and which are controversial
- f. The commissioning of reports on new policy where that policy programme of work has not been approved by the Council
- g. Establishing subcommittees
- h. Delegating the Committee's responsibilities, duties or powers

## **NGĀ TUKANGA/PROCEDURES**

- Minutes are submitted to Council for receipt
- There will be an appropriate induction for new members of the Committee

# INDEPENDENT MEMBER: FINANCE, AUDIT & RISK COMMITTEE



## PURPOSE

The independent member of the Finance, Audit & Risk Committee provides independent technical and specialist advice on matters that the Committee have responsibilities for.

## EXPECTATIONS

- Conduct is consistent with the Council's Code of Conduct
- Ability to act independently and objectively
- Work constructively with management to achieve improvements
- A no surprises approach with other Committee members and Council staff
- Regular attendance at meetings (via audiovisual/audio or in person)
- Appropriate diligence, time, effort and commitment
- Carrying out the work of the committee in a timely manner
- Proactive approach to advising the committee and Chief Executive Officer of matters that require further attention

## EXPERIENCE REQUIRED

- Financial reporting (particularly in public entities with more complex financial reporting requirements)
- Broad governance
- Familiarity with risk management disciplines (identification, evaluation and management)
- Understanding of internal control and assurance frameworks
- A good understanding of the roles of internal and external audit
- Industry or sector expertise
- Local government experience in finance, risk, management, audit
- The ability to explain technical matters in their field to other Committee members