

Finance and Risk Committee Terms of Reference – September 2024



1) Purpose

The primary purpose of the Finance and Risk Committee is to assist the Council to discharge its responsibility in the following areas:

- 1.1) ensuring the integrity of the Council's financial reports;
- 1.2) reviewing the Council's financial performance; and
- 1.3) reviewing the Council's risks and controls.

2) Responsibilities

The responsibilities of the Finance and Risk Committee shall include, but are not limited to the following:

2.1) Financial Reporting

- a) Reviewing financial statements and other financial information; and
- b) Reviewing the financial performance of Council.

2.2) Risk Management and Internal Control

- a) Monitoring financial and other risks of Council;
- b) Reviewing risk management practices;
- c) Reviewing audit reports and monitoring remedial action taken, where major deficiencies or breakdowns in controls or procedures have been identified, to ensure such action is appropriate and prompt; and
- d) Reviewing reports on any serious misappropriation of funds, fraud and/or theft from Council.

2.3) Reporting to the Council

- a) Ensuring that all matters relevant to the Finance and Risk Committee's roles and responsibilities are reported to Council.

3) Composition

3.1) The Finance and Risk Committee consist of the following:

Ordinary members:

- a) President Roxanne Kenny
- b) Deputy President Dalton McDonald
- c) Councillor Andrew Davis
- d) Councillor Lisa Sharman
- e) The following members of Council Staff:
 - (i) Chief Executive Officer

Ex-Officio members:

- a) Chief Financial & Information Officer and/or Manager Finance
- b) Council's Auditors

3.2) Ex-Officio members of the committee do not have a vote on any resolutions passed at a meeting.

4) Chairperson

4.1) The Chairperson of the Finance and Risk Committee shall be a committee member who is a Councillor; and

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4.2) The Chairperson is elected by the Committee.

5) Secretary

The Director Corporate Services will arrange secretarial services for the Committee.

6) Meetings

Meetings shall be held each month where no Council Meeting is held.

7) Quorum

7.1) A quorum at a Finance and Risk Committee meeting consists of a majority of its members holding office at the time of the meeting.

7.2) A member who is not physically present at a meeting is taken to be present if their attendance is in line with Council's policy MC11-CP Attendance at meetings via audio or audio-visual conferencing.

8) Term of appointment and termination for members

8.1) All Finance and Risk Committee members are appointed for the NT Local Government electoral term.

8.2) Councillors who are members of the Finance and Risk Committee, cease being a member of the committee if they are no longer a Councillor of Council.

8.3) Where a member of the Finance and Risk Committee resigns or otherwise ceases to be a member of the Finance and Risk Committee the Council will find an appropriate replacement as soon as reasonably possible.

8.4) The council may, by resolution, abolish the committee.

8.5) An Finance and Risk Committee is subject to control and direction by Council.

9) Authority

The Finance and Risk Committee has the authority to:

- a) seek any information it requires through the CEO or Chief Financial & Information Officer;
- b) seek any information it requires from the internal and/or external auditors with or without the presence of any Council staff;
- c) take such independent professional advice as it considers necessary; and
- d) make recommendations on remedial actions required in relation to Finance and Risk matters either to Council or Council staff, as appropriate.

The Finance and Risk Committee has no executive powers with regards to its findings and recommendations.