

Position Description and Expressions of Interest

Position title:	External and Independent Member – NCCMA Board Audit and Risk Committee
Reports to:	Audit and Risk Committee Chair
Location:	Huntly
Band classification:	N/A
Employment status:	Casual
Hours:	Per meeting

About the North Central Catchment Management Authority (CMA)

The North Central Catchment Management Authority (CMA) is the lead natural resource management (NRM) agency in north central Victoria. Our vision is for sustainably managed land, water and biodiversity resources that support productive and prosperous communities now and in the future. Our Mission is that we create natural resource management partnerships and programs that deliver lasting change.

We achieve this through:

- Connecting natural resource management activities;
- Enabling active communities and;
- Supporting sound decisions with knowledge.

We pride ourselves on integrating community values in the planning and coordination of land, water and biodiversity management. To achieve this, we strive to provide a workplace and work practices that embrace and reflect the diversity of our community and support inclusion and participation by everyone. This is supported by a workplace culture built on respect that is inclusive, adaptive and agile.

Our trademark and behaviours

The North Central CMA's trademark is "*We are knowledgeable, engaging and reliable*". We achieve this through our commitment to the following behaviours across all areas of our organisation:

- Seek to understand
- Be honest and take responsibility
- See something, do something
- Show respect
- Actively engage

The foundation of North Central CMA's success is in the behaviours, knowledge and skills of our people. To maintain and exceed current levels of success and to chart our future direction with confidence, it is essential that we continue to employ people who are aligned to our trademark and can commit to these behaviours.

Together with the appropriate skills and experience, this commitment is required to become a dedicated and valued member of our team.

Our operating environment

The principal statutory obligations of the North Central CMA are prescribed in the Victorian Catchment and Land Protection Act 1994 and Water Act 1989. The core function of the North Central CMA is the delivery of our accountabilities under the *Catchment and Land Protection Act and Water Act 1994*, which primarily include; Regional planning and coordination; Regional delivery; Statutory functions under Part 10 of the Water Act 1989; and Statutory functions under Part 77 of the Water Act 1989.

The North Central CMA is principally responsible for protecting and improving the health of the region's natural resources in-line with the North Central Regional Catchment Strategy (RCS) and its approved plans and sub-strategies, and delivering on its statutory responsibilities for waterway, rural drainage and floodplain management.

The North Central CMA's strategic direction is guided by Victorian and Australian Government policies including: Our Catchments, Our Communities; Water for Victoria; Protecting Victoria's Environment-biodiversity 2036; Victorian Waterway Management Strategy; Victorian Floodplain Management Strategy; Victorian Climate Change Framework; Living Murray Program and National Landcare Program.

The North Central CMA comprises a Board, which is directly responsible for strategic direction and which has final responsibility for the functions of the Authority.

Position objective

The purpose of the Audit and Risk Committee is to assist the Board through independent review of the Authority's operations and auditor reports to provide assurance about the integrity of the financial processes, systems and reporting, risk management framework, compliance framework and implementation procedures throughout the organisation.

Core responsibilities and duties

The core responsibilities and duties are outlined in the Audit and Risk Committee Charter (Attached).

Appropriate Skills and Experience

The appropriate skills and experience for an Audit Committee member, including the external member, include:

- integrity, objectivity, accountability, honesty and openness;
- an understanding of the Agency, its products, its services, risks and controls (it is noted that new audit committee members may not have a full understanding of the Agency when joining and should be given sufficient time to understand the business);
- the ability to read or understand basic financial statements, ask relevant questions about them and interpret and evaluate the answers;
- the ability to enquire, evaluate and make independent judgement;
- the ability to offer different perspectives to management and constructive suggestions; and
- an understanding of Audit Committee functions.

In addition, Audit Committee members should have the capacity to dedicate sufficient time and energy to the role.

Appropriate expertise in financial accounting or auditing includes:

- a thorough knowledge of Australian accounting standards and financial statements;
- experience in applying the Australian accounting standards in connection with financial reporting and public financial statements;
- experience in preparing or auditing general purpose financial statements;
- an understanding of the accounting issues within the specific industry;
- a thorough knowledge of Australian auditing standards; or
- experience with internal controls and procedures for financial reporting.

Independence of the Audit Committee Member

An essential feature of an effective audit committee is independence from management – this will assist in mitigating any influencing of the work and oversight of the committee.

Relationships that may be seen to impair an Audit Committee member's independence and render a candidate ineligible include:

- current or previous employment by the Agency or having been a non executive Board director after ceasing to hold such employment;
- receipt of material consulting, advisory or contractual relationship with the Agency other than as a Board or committee member of the Agency; or
- any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the person's ability to act in the best interests of the Agency.

Key selection criteria

These criteria have been developed to complement the adopted Audit and Risk Committee Charter.

- Demonstrated experience in any number of industry sectors, including Local Government, State Government or the Not for Profit Sector
- Knowledge and expertise in audit functions, including understanding the role of an internal audit function
- Demonstrated experience in financial management, organisational or business skills
- Understanding of risk management issues
- Understanding of the role of corporate governance
- Understanding of the role of compliance
- Professional Membership of an Accounting Industry Body such as CPA or CA

Remuneration

External Audit and Risk Committee members will receive fixed attendance fee for each meeting attended in accordance with the Audit and Risk Committee Terms of Reference. This fee is currently \$400 per meeting which covers both the meeting and meeting preparation. Travel costs will be reimbursed through a set rate per km should travel other than to Huntly be required. The Committee meets at least quarterly.

Expressions of Interest

For any queries on the role or to register your Expression of Interest application must be submitted via email to adam.woods@nccma.vic.gov.au, Executive Manager Corporate Services.

Expressions of Interest must be submitted by no later than 4pm, Friday 1st May 2020.

Information to be provided

Respondents should provide the following information as part of their Expression of Interest:

1. Resume
2. A summary detailing how the respondent addresses the key selection criteria
3. Evidence of relevant professional membership of relevant industry body
4. At least two professional referees contact details

Selection process

Following submission of your Expression of Interest, applications will be reviewed by the Interview Committee, which will be chaired by the Chairman of the Audit and Risk Committee. The submissions will be shortlisted, and suitable candidates will be invited for an interview.

The successful candidate will be referred to the CMA Board for appointment.

Other relevant information

Diversity and Inclusion

The North Central CMA acknowledges Aboriginal Traditional Owners within the region, their rich culture and spiritual connection to Country. the contribution and interest of Aboriginal people and organisations in land and natural resource management. We value the unique skills and experience Aboriginal employees bring to our culture and our community and are committed to providing supportive career development opportunities.

The North Central CMA is an equal opportunity employer and welcomes applicants from a diverse range of backgrounds. It is our policy to provide reasonable adjustments for persons with a disability. If you need assistance or adjustments to fully participate in the application or interview process, please contact the Human Resources Manager.

Privacy and Probity

The collection and handling of applications and personal information will be consistent with the requirements of the *Privacy and Data Protection Act 2014*.



Audit and Risk Committee Charter

1 Purpose

The purpose of the Audit and Risk Committee is to assist the Board through independent review of the Authority's operations and auditor reports to provide assurance about the integrity of the financial processes, systems and reporting, risk management framework, compliance framework and implementation procedures throughout the organisation.

2 Authority

The Board authorises the committee, within the scope of its role and responsibilities, to:

- ▶ obtain any information it needs from any employee through the Chairman of the Board or the Chief Executive Officer, and any relevant external party (subject to their legal obligation to protect information);
- ▶ discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- ▶ request the attendance of any employee at committee meetings;
- ▶ obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at the Authority's expense.

3 Composition and Tenure

- ▶ The Board is responsible for the appointment of at least three non-executive committee members drawn from the Board.
- ▶ The committee may appoint an additional external member with appropriate skills to support the work of the committee.
 - External members will be appointed for a 2 year term plus a further 2 year term option and an externally advertised Expression of Interest (EOI) will be called for at the end of the term.
 - Remuneration of External Members will be reviewed and set by the committee prior to the EOI process.
- ▶ The Board will appoint a non-executive member as Chair of the committee. This person cannot be the Chairman of the Board.



- ▶ Members will be appointed for an initial period not exceeding three years after which they will be eligible for extension or re-appointment following a formal review of their performance.
- ▶ The Accountable Officer (Chief Executive Officer) and the Chief Financial Officer are expected to attend all committee meetings unless excused. They are not members of the committee. The internal auditors¹ are permanently invited to attend.
- ▶ Guests may be invited from time to time as appropriate.
- ▶ The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Authority. At least one member of the committee should have sound accounting or related financial management experience.

4 Roles and Responsibilities

- ▶ The committee has no executive powers, unless delegated to it by the Board.
- ▶ The committee is directly responsible and accountable to the Board for the exercise of its responsibilities. In carrying out its responsibilities, the committee must at all times recognise that primary responsibility for management of the Authority rests with the Chief Executive Officer.
- ▶ The responsibilities of the committee may be revised or expanded in consultation with, or as requested by, the Board.

The committee's responsibilities include:

4.1 Risk management

- ▶ Review management's risk framework and key performance indicators that monitor the timely completion of projects;
- ▶ review the risk assessment around the public perception of the Authority's performance;
- ▶ review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of the Authority's financial and business risks, including fraud;
- ▶ review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- ▶ review whether a sound and effective approach has been followed in establishing the Authority's business continuity planning arrangements, including whether disaster recovery plans have been tested periodically; and

¹ Standing Directions of the Minister for Finance (Governance Direction 3.2.1.3 (h))



- ▶ review the Authority's fraud control plan and satisfy itself the Authority has appropriate processes and systems in place to capture and effectively investigate fraud related information.

4.2 Control framework

- ▶ Review organisational performance through management reports and processes;
- ▶ review whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisors is sound and effective;
- ▶ review whether management has in place relevant policies and procedures, and that these are periodically reviewed and updated;
- ▶ determine whether the appropriate processes are in place to assess, whether policies and procedures are complied with;
- ▶ consider how management identifies any required changes to the design or implementation of internal controls; and
- ▶ review whether management has taken steps to embed a culture which is committed to ethical and lawful behavior.

4.3 External accountability

- ▶ Review the financial statements and provide advice to the Board (including whether appropriate action has been taken in response to audit recommendations and adjustments), and recommend their signing by the Chair of the Board;
- ▶ satisfy itself that the financial statements are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal controls;
- ▶ review the processes in place designed to ensure that financial information included in the Authority's annual report is consistent with the signed financial statements;
- ▶ satisfy itself that the Authority has appropriate mechanisms in place to review and implement, where appropriate, the Standing Directions of the Minister for Finance; and
- ▶ satisfy itself that the Authority has a performance management framework that is linked to organisational objectives and outcomes.

4.4 Legislative compliance

- ▶ Determine whether management has appropriately considered legal and compliance risks as part of the Authority's risk assessment and management arrangements; and
- ▶ review the effectiveness of the system for monitoring the Authority's compliance with relevant laws, regulations and associated government policies.



4.5 Internal audit

- ▶ Act as a forum for communication between the Board, senior management and internal and external audit;
- ▶ review the internal audit coverage and annual work plan, ensure the plan is based on the Authority's risk management plan, and recommend approval of the plan by the Board;
- ▶ establish and maintain the internal audit charter;
- ▶ review all audit reports and provide advice to the Board on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice;
- ▶ monitor management's implementation of internal audit recommendations;
- ▶ periodically review the performance of internal audit; and
- ▶ recommend to the Board the appointment of the internal auditor.

4.6 External audit

- ▶ Act as a forum for communication between the Board, senior management and internal and external audit;
- ▶ provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided;
- ▶ review all external audit plans and reports in respect of planned or completed audits and monitor management's implementation of audit recommendations; and
- ▶ provide advice to the Board on action taken on significant issues raised in relevant external audit reports and better practice guides.

4.7 Responsibilities of members

- ▶ *Contribute the time needed to study and understand the papers provided;*
- ▶ *apply good analytical skills, objectivity and good judgment; and*
- ▶ express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of enquiry.

4.8 Reporting

The Committee Chair will present to the Board:

- ▶ a summary of the Authority's progress in addressing the findings and recommendations made in internal audit reports, and in the Auditor-General's reports;
- ▶ an overall assessment of the Authority's risk, control and compliance framework, including details of any significant emerging risks or legislative changes impacting the Authority;
- ▶ all minutes of the Committee for noting (provided with papers for the next Board meeting);



- ▶ any recommendations requiring Board action and/or approval; and
- ▶ The committee may, at any time, report to the Board any other matter it deems of sufficient importance to do so. *In addition, at any time an individual committee member may request a meeting with the Chair of the Board.*

5 Administrative arrangements

5.1 Meetings

- ▶ The committee will determine the frequency of meetings per year, but shall meet at least four times per year. A special meeting may be held to review the Authority's annual financial statements;
- ▶ the Chair is required to call a meeting if asked to do so by the Board, or another committee member;
- ▶ a forward meeting plan, including meeting dates and agenda items, will be agreed by the committee each year. The forward meeting plan will cover all of the Audit and Risk Committee's responsibilities, as detailed in this charter.

5.2 Attendance at meetings and quorums

- ▶ A quorum will consist of at least fifty percent plus one of the members of the Committee, present in person or by using any technology. The quorum must be present at all times during the meeting;
- ▶ meetings can be held in face-to-face, or via telephone or video conference as considered appropriate by the Committee Chair;
- ▶ the committee may meet privately with the internal auditors if requested²;
- ▶ the committee will provide a standing invitation to the external auditor to attend Audit and Risk Committee meetings and will also meet privately with the external auditor once a year to ensure frank and open communication³;
- ▶ management including the Chief Executive Officer may be asked to leave meetings at any time.

5.3 Secretariat

- ▶ Minutes will be taken by an appointed Secretary and approved by the Chair; and
- ▶ an agenda will be issued the week prior to each meeting and will include relevant supporting documentation.

² Standing Directions of the Minister for Finance 2016 (Governance 3.2.1.1.(vi))

³ Standing Directions of the Minister for Finance 2016 (Governance 3.2.1.1(g(iv)(v))



5.4 Conflicts of interest

- ▶ Audit and Risk Committee members must declare any conflicts of interest at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted.
- ▶ Where members or observers at Audit and Risk Committee meetings are deemed to have a real, or perceived, conflict of interest it may be appropriate that they are excused from committee deliberations on the issue where a conflict of interest exists.

5.5 Induction

- ▶ New members will receive relevant information and briefings on their appointment to assist them to meet their committee responsibilities.

5.6 Assessment arrangements

- ▶ The Chair of the committee, in consultation with the Chair of the Board, will initiate an annual review of the performance of the committee. The review will be conducted in conjunction with the Board annual review. The review will be conducted on a self-assessment basis (unless otherwise determined by the Board) with appropriate input sought from the Board, the Chief Executive Officer, the internal and external auditors, management and any other relevant stakeholders, as determined by the Board. The results of the annual performance review shall be communicated to the Board.
- ▶ Assessment should qualify that the Audit and Risk Committee adds value to the organisation.

5.7 Review of charter

- ▶ The Audit and Risk Committee Charter be reviewed and re-approved by the Board (Responsible Body) at least once every three years⁴.

5.8 Confidentiality

- ▶ Unless otherwise required by law, the members of the Committee are required to keep Committee discussions, committee papers and deliberations confidential.⁵

⁴ Standing Directions of the Minister for Finance 2016 (Direction 3.2.1.3(b))

⁵ Best Practice Guidelines CPA/Audit Australia