

I certify that this is a copy of the authorised version of this Statutory Rule as at 1 January 2016, and that it incorporates all amendments, if any, made before and in force as at that date and any reprint changes made under any Act, in force before the commencement of the *Legislation Publication Act 1996*, authorising the reprint of Acts and statutory rules or permitted under the *Legislation Publication Act 1996* and made before 1 January 2016.

Ruth Henderson
Deputy Chief Parliamentary Counsel
Dated 2 December 2024

TASMANIA

LOCAL GOVERNMENT (AUDIT PANELS) ORDER 2014

STATUTORY RULES 2014, No. 34

CONTENTS

1. Short title
2. Commencement
3. Interpretation
4. Functions of audit panel
5. Membership of audit panel
6. Chairperson of audit panel
7. Term and conditions of appointment of audit panel members
8. Notification of appointment of members of audit panel
9. Charter of audit panel
10. Annual work plan
11. Meetings of audit panel
12. Recommendation of audit panel
13. Resources of audit panel

LOCAL GOVERNMENT (AUDIT PANELS) ORDER 2014

I make the following order under section 85B(1) of the *Local Government Act 1993*.

Dated 10 February 2014.

BRYAN GREEN
Minister for Local Government

1. Short title

This order may be cited as the *Local Government (Audit Panels) Order 2014*.

2. Commencement

This order takes effect on the day on which its making is notified in the *Gazette*.

3. Interpretation

(1) In this order –

Act means the *Local Government Act 1993*;

audit panel means an audit panel that a council is required to establish under section 85(1) of the Act;

Local Government (Audit Panels) Order 2014
Statutory Rules 2014, No. 34

c. 4

independent person means a person who is not a councillor or employee of the relevant council.

- (2) The *Acts Interpretation Act 1931* applies to the interpretation of this order as if it were by-laws.

4. Functions of audit panel

- (1) In this clause –

Part 7 plan means a strategic plan, an annual plan, a long-term financial management plan or a long-term strategic asset management plan of a council prepared under Division 2 of Part 7 of the Act.

- (2) For the purposes of section 85A(1)(d) of the Act, the following matters are specified as the matters that an audit panel is to consider in a review of the relevant council's performance:
- (a) whether the annual financial statements of the council accurately represent the state of affairs of the council;
 - (b) whether and how the Part 7 plans are integrated and the processes by which, and assumptions under which, those plans were prepared;
 - (c) the accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the council has in relation to

safeguarding its long-term financial position;

- (d) whether the council is complying with the provisions of the Act and any other relevant legislation;
- (e) whether the council has taken any action in relation to previous recommendations provided by the audit panel to the council and, if it has so taken action, what that action was and its effectiveness.

5. Membership of audit panel

- (1) The audit panel of a council is to be constituted by a minimum of 3 and a maximum of 5 members of whom –
 - (a) if the panel has 4 or 5 members, at least 2 must be independent persons; or
 - (b) if the panel has 3 members, at least one must be an independent person.
- (2) Without limiting who may be members of an audit panel, the following persons are eligible to be members of an audit panel:
 - (a) a councillor, other than the mayor, of the relevant council;
 - (b)
 - (c) a member of an audit panel of another council, if he or she is an independent person in respect of the other council.

Local Government (Audit Panels) Order 2014
Statutory Rules 2014, No. 34

c. 5

- (2A) A councillor, or employee, of a council is not eligible to be a member of an audit panel of another council.
- (3) A person who is an employee, or the general manager or the mayor, of a council is not entitled to be a member of the audit panel of that council.
- (4) The council is to appoint the members of its audit panel.
- (5) In appointing an independent person as a member of an audit panel, the council –
 - (a) is to ensure that the person possesses good business acumen and sound management and communication skills; and
 - (b) may take into account any other relevant knowledge, abilities and skills of the person including, but not limited to –
 - (i) knowledge and expertise in the areas of audit practices and financial management; and
 - (ii) knowledge of and experience in relevant industries; and
 - (iii) experience with governance processes including, but not limited to, risk management.

6. Chairperson of audit panel

- (1) The chairperson of an audit panel may only be an independent person who is a member of the audit panel.
- (2) If an audit panel includes more than one independent person as members, the relevant council is to appoint one of the independent persons as chairperson of the audit panel.

7. Term and conditions of appointment of audit panel members

- (1) A member of an audit panel holds office for such period of not less than one year and not more than 4 years as is specified in the member's instrument of appointment and, if eligible, may be reappointed.
- (2) A member of an audit panel who is an independent person is entitled to be paid the remuneration and allowances determined by the relevant council.

8. Notification of appointment of members of audit panel

The general manager of a council is to notify the Director of –

- (a) the appointment of all the members of the council's audit panel, and the term of each of those appointments, as soon as practicable after establishing the panel; and

Local Government (Audit Panels) Order 2014
Statutory Rules 2014, No. 34

c. 9

- (b) the identity of the chairperson, and each independent member, of the audit panel; and
- (c) of the appointment of each new member of the audit panel, and the term of that appointment, as soon as practicable after making that appointment.

9. Charter of audit panel

- (1) A council may provide to its audit panel a charter relating to –
 - (a) the manner in which the audit panel is to perform its functions; and
 - (b) the procedure of the audit panel in respect of its meetings.
- (2) A charter under subclause (1) may relate only to administrative matters.

10. Annual work plan

To assist the audit panel in performing its functions efficiently and effectively, the audit panel is to develop an annual work plan that includes, but is not limited to, a schedule of meetings and the known objectives for each meeting so scheduled.

11. Meetings of audit panel

- (1) In this clause –

financial manager means the person, determined by the general manager of a council by notice provided to the person, to be responsible to the general manager in relation to the preparation of the council's financial statements (for the purposes of this clause only).

- (2) An audit panel is to hold not less than 4 meetings in each financial year.
- (3) At a meeting of an audit panel, a quorum is constituted by a majority of the total number of members appointed.
- (4) Despite subclause (3), if at least one member who is an independent person is not present at the meeting of the audit panel, there is no quorum present.
- (5) The general manager of a council is to attend, or to ensure that his or her delegate attends, each meeting of the council's audit panel.
- (6) The financial manager of a council is to attend, or to ensure that his or her delegate attends, each meeting of the council's audit panel.
- (7) An audit panel may invite or allow any councillor of the relevant council or an employee of the relevant council to attend one or more meetings of the audit panel.
- (8) Subclauses (5), (6) and (7) do not apply in relation to a meeting of the audit panel if the audit panel determines that the meeting is to be held in private.

Local Government (Audit Panels) Order 2014
Statutory Rules 2014, No. 34

c. 12

- (9) Except as provided by this order or the charter provided to an audit panel under clause 9, the audit panel may regulate its own proceedings.
- (10) An audit panel is to provide a copy of the minutes of its meeting to the relevant council as soon as reasonably practicable.

12. Recommendation of audit panel

On conducting a review under section 85A of the Act, the audit panel is to provide the relevant council with a written report of its conclusions and recommendations, if any.

13. Resources of audit panel

A council is to provide secretariat support to, and all necessary funding required by, its audit panel.

Local Government (Audit Panels) Order 2014
Statutory Rules 2014, No. 34

Printed and numbered in accordance with the *Rules Publication Act 1953*.

Notified in the *Gazette* on 19 February 2014.

This order is administered in the Department of Premier and Cabinet.

NOTES

The foregoing text of the *Local Government (Audit Panels) Order 2014* comprises those instruments as indicated in the following table. Any reprint changes made under any Act, in force before the commencement of the *Legislation Publication Act 1996*, authorising the reprint of Acts and statutory rules or permitted under the *Legislation Publication Act 1996* and made before 1 January 2016 are not specifically referred to in the following table of amendments.

Citation	Serial Number	Date of commencement
<i>Local Government (Audit Panels) Order 2014</i>	S.R. 2014, No. 34	19.2.2014
<i>Local Government (Audit Panels) Amendment Order 2015</i>	S.R. 2015, No. 79	1.1.2016

TABLE OF AMENDMENTS

Provision affected	How affected
Clause 5	Amended by S.R. 2015, No. 79