

EXPRESSION OF INTEREST

AUDIT, RISK AND IMPROVEMENT COMMITTEE

Independent Member Information Package

May 2025

Closes: 4 pm Monday 26 May 2025

Overview

The Riverina Water Audit, Risk and Improvement Committee (ARIC) is a key component of Riverina Water's governance framework and is a requirement under section 428A of the Local Government Act. The objective of the ARIC is to provide independent assistance and assurance to the CEO and to the Board by overseeing and monitoring Riverina Water's governance, risk and control frameworks and its external accountability requirements.

An effective committee has the potential to strengthen the control environment (of which it is part) and to assist the CEO and Board to fulfil their stewardship, leadership and control responsibilities.

The Riverina Water Board is seeking interest for a new independent member of the Committee.

ARIC Structure and membership

The ARIC is comprised of three external independent members (one of whom is the Chair) and one non-voting Board member. The ARIC operates in line with the *Risk Management and Internal Audit guidelines for local councils in NSW*.

The current Chair will be finishing their 8-year tenure in June 2025 with one of the other members taking the Chair from 1 July 2025. This has created a vacancy on the Committee for an independent member.

This appointment will be for an initial period of four years (ie from 1 July 2025 to 1 July 2029) in line with the Riverina Water ARIC Terms of Reference. There may be an option to extend for a further period.

Internal Audit

Riverina Water has contracted out its internal audit function. Centium provide this service to Riverina Water and report directly to the ARIC. An internal audit schedule is determined by the ARIC annually, identifying planned audits and scopes based on a management review of the enterprise risk register and any other advice or information provided to the Committee.

ARIC Terms of Reference

The ARIC terms of reference Appendix 1) outlines the role of the Committee including responsibilities in relation to:

- Compliance
- Risk Management
- Fraud Control
- Financial Management
- Governance
- Implementation of the strategic plan, delivery program and strategies
- Performance measurement data
- Any other matters prescribed in the regulations

The Audit, risk, and improvement committee has an advisory and assurance role only. The Committee can provide information to the Board for the purpose of improving Riverina Water's performance of its functions. They are to exercise no administrative function, delegated financial responsibilities or any management functions.

Meetings

The ARIC meets five times each per year (one meeting to review the financial statements). Meetings are held at the Riverina Water administration centre, 91 Hammond Avenue Wagga Wagga, and are currently scheduled on a Thursday morning. Remote attendance is permissible through Teams.

Business papers are distributed at least five working days prior to meetings. A forward meeting plan determines the agenda items at each meeting, but generally includes any reports from external auditors, reports from the internal auditors, officer reports, a confidential verbal update from the CEO and Committee operations' reports.

The CEO, Director Corporate Services, Director of Engineering and Internal Audit Coordinator attend each meeting (as available), along with any other officers who have reports to be presented to the Committee.

Also in attendance at each meeting is a representative from Centium, and invitations are extended to Riverina Water's external auditor, the Audit Office of NSW, to attend meetings as required.

Member obligations

Committee members are required to comply with the following requirements:

- Riverina Water Code of Conduct Policy 1.0 and any relevant sections of the Riverina Water Code of Meeting Practice Policy 1.02
- All policies, operational standards and procedures applicable to committee members, including EEO, WHS and Respect at Work
- Maintaining confidentiality in relation to all discussions and information obtained during meetings
- Ensuring all conflicts of interest are declared and recorded in the minutes
- Completing an annual Disclosure by councillors and designated persons' return

Copies of our policies are available on our website and policies and procedures are also available on request.

Remuneration and facilities

Independent external members of the ARIC are paid for their attendance at meetings.

For 2024-25 the fees are:

- \$1,015.19 per meeting for the Chair (\$5,075.95 per annum based on 5 meetings)

- \$756.90 per meeting for independent members (\$3,784.50 per annum based on 5 meetings)

Fees are exclusive of GST and inclusive of preparation and on-costs. Fees are paid through payroll and superannuation contribution is made on behalf of members to their nominated super fund.

Travel and accommodation costs are considered and approved by the CEO when and as appropriate.

Fees are indexed in line with the annual determination of the Remuneration Tribunal for councillor fees but are ultimately set by resolution of the Board. They are reviewed each year.

Independence criteria

The independent member cannot:

- Currently be a councillor of any NSW Council
- Be a candidate at the last election of any of our constituent councils
- Be a person who has held office in any of our constituent councils during its previous term
- Be currently employed by Riverina Water or been employed by Riverina Water during the last 12 months
- Conduct audits of the council on behalf of the Audit Office of NSW
- Have a close personal or business relationship with a Riverina Water Board member (councillor) or a person who has a senior role at Riverina Water that may lead to a real or perceived conflict of interest
- Currently, or within the last three years, provided any material goods or services (including consultancy, legal, internal audit and advisory services) to Riverina Water which directly affect matters considered by the audit, risk and improvement committee
- Be (or have a close family member who is) a substantial shareholder, owner, officer or employee of a company that has a material business, contractual relationship, direct financial interest or material indirect financial interest with the council or a related entity which could be considered a real or perceived conflict of interest, or
- Currently or have previously acted as an advocate of a material interest of behalf of Riverina Water or a related entity which could be considered a real or perceived conflict of interest.

Eligibility requirements

A person appointed as a member of the ARIC must possess the skills, knowledge and experience necessary to undertake their role effectively.

In addition to meeting the independence criteria, an independent member of the ARIC must demonstrate the following:

- An ability to understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest)
- Functional knowledge in areas such as:
 - internal audit and external auditing
 - risk management
 - governance (including planning, reporting and oversight)
 - Performance management
 - Internal financial controls
 - accounting
 - human resource management
 - business operations
 - management control
 - IT/cyber security
 - engineering
 - water utility operations and asset management
- A capacity to form independent judgments and willingness to constructively challenge/question management practices and information
- A professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of an independent member of the audit, risk and improvement committee.

Evaluation of Applications

The evaluation of expressions of interest will take into account relevant experience and the person's likely ability to apply appropriate analytical and strategic management skills to their role on the Committee.

Once evaluated a recommendation on the successful applicant will be made to the Board at its 22 June 2025 meeting, and applicants informed shortly thereafter.

Probity Checks

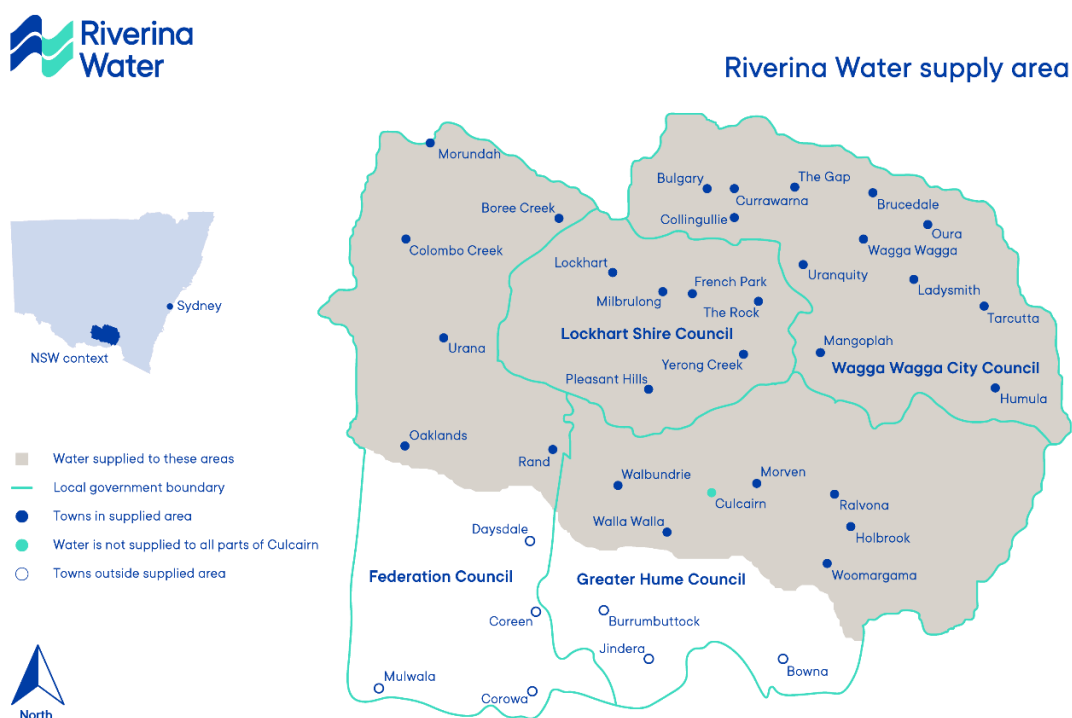
A criminal records and financial status (bankruptcy) check will be undertaken for audit, risk and improvement committee members before their appointment.

About Riverina Water

Riverina Water County Council is a council under the Local Government Act 1993 and was gazetted on 2nd May 1997. It is responsible for the construction, operation, and maintenance of water supply to the local government areas of Wagga Wagga City, Federation (part), Greater Hume (part) and Lockhart Shire.

Riverina Water services an area of approximately 15,500 square kilometres. An estimated 77,000 people are provided with water through over 31,000 service connections. Riverina Water owns and operates the water supply infrastructure from the natural source to the customer's meter.

Riverina Water currently employs 127 staff with its headquarters at 91 Hammond Avenue Wagga Wagga.



Riverina Water is governed by a Board of nine elected members (councillors): five from Wagga Wagga City Council, two from Greater Hume Council, one from Federation Council and one from Lockhart Shire Council.

How to lodge an expression of interest

Please provide an expression of interest providing examples or evidence as required. Please include your resume and contact details.

Your expression of interest must be marked:

Expressions of Interest

Riverina Water Audit Risk and Improvement Committee member

And emailed to: admin@rwcc.nsw.gov.au

Applications close: 4 pm Monday 26th May 2025.

Please direct any enquiries to the CEO, Andrew Crakanthorp on (02) 69220603 or via email acrakanthorp@rwcc.nsw.gov.au

If shortlisted interviews are likely to be conducted early June.

Please address the following in your expression of interest:

1. Why you would like to become a member of the Riverina Water Audit Risk & Improvement Committee
2. Details of experience on similar committees and details of formal qualification and professional memberships you hold that would be relevant to your role on the ARIC.
3. How your skills, experience and personal attributes would assist the Riverina Water ARIC to achieve its objectives.
5. Any conflicts of interest you may have if successfully appointed to the Committee
6. Any special needs or requirements to assist you to successfully carry out this role

Appendix 1 – Riverina Water Audit Risk & Improvement Committee Terms of Reference.

Riverina Water Audit Risk & Improvement Committee terms of reference

Riverina Water has established an audit, risk and improvement committee in compliance with section 428A of the *Local Government Act 1993* of the *Local Government (General) Regulation 2021* and the Departmental Chief Executive's *Guidelines for risk management and internal audit for local government in NSW*. These terms of reference set out the committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

Objective

The objective of the audit, risk and improvement committee is to provide independent assurance to the board by monitoring, reviewing and providing advice about Riverina Water governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

Independence

The committee is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide Riverina Water with robust, objective and unbiased advice and assurance.

The committee is to have an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of Riverina Water. The committee will provide independent advice to Riverina Water that is informed by its internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.

The committee must always ensure it maintains a direct reporting line to and from Riverina Water's internal audit function and act as a mechanism for internal audit to report to the board and the chief executive officer (CEO) on matters affecting the performance of the internal audit function.

Authority

Riverina Water authorises the committee, for the purposes of exercising its responsibilities, to:

- access any information it needs from Riverina Water
- use any Riverina Water resources it needs
- have direct and unrestricted access to the CEO and senior management of Riverina Water

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- seek the CEO's permission to meet with any other Riverina Water staff member or contractor
 - discuss any matters with the external auditor or other external parties
 - request the attendance of any employee at committee meetings, and
 - obtain external legal or other professional advice in line with Riverina Water's procurement policies. Such advice to be sought in partnership with the CEO.

Information and documents pertaining to the committee are confidential and are not to be made publicly available. The committee may only release council information to external parties that are assisting the committee to fulfil its responsibilities with the approval of the CEO, except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

Composition and tenure

The committee consists of an independent chair and two independent members who have voting rights and one non-voting board member, as required under the *Guidelines for risk management and internal audit for local government in NSW*.

The Riverina Water Board is to appoint the chair and members of the committee. Current committee members are:

Mr Bryce McNair	Independent chair (voting)
Mr Shannon Buckley	Independent member (voting)
Mr David Kortum	Independent member (voting)
Clr Georgie Davies	Board member (non-voting)

All committee members must meet the independence and eligibility criteria prescribed in the *Guidelines for risk management and internal audit for local government in NSW*.

Members will be appointed for up to a four-year term. Members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as chair of the committee.

Members who have served an eight-year term (either as a member or as chair) must have a two-year break from serving on the committee before being appointed again. To preserve the committee's knowledge of Riverina Water and its operation, ideally, no more than one member should retire from the committee because of rotation in any one year.

The terms and conditions of each member's appointment to the committee are to be set out in a letter of appointment. New members will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Prior to approving the reappointment or extension of the chair or an independent member's term, the Board is to undertake an assessment of their performance. Reappointment of the chair or a committee member is also to be subject to that person still meeting the independence and eligibility requirements.

Members of the committee must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of Riverina Water, the environment in which Riverina Water operates, and the contribution that the committee makes to Riverina Water.

At least one member of the committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of Riverina Water's financial reporting responsibilities to be able to contribute to the committee's consideration of Riverina Water's annual financial statements.

Role of the committee

As required under section 428A of the *Local Government Act 1993* (the Act), the role of the committee is to review and provide independent advice to Riverina Water regarding the following aspects of its operations:

- compliance
- risk management
- fraud control
- financial management
- governance
- implementation of the strategic plan, delivery program and strategies
- service reviews
- collection of performance measurement data by Riverina Water , and
- internal audit.

The committee must also provide information to Riverina Water for the purpose of improving Riverina Water's performance of its functions.

The committee's specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to this Terms of Reference.

The committee will act as a forum for consideration of Riverina Water's internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.

The committee has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

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 Riverina Water rests with the Board and the CEO.

The responsibilities of the committee may be revised or expanded in consultation with, or as requested by, the Board from time to time.

Responsibilities of members

Independent members

The chair and members of the committee are expected to understand and observe the requirements of the *Guidelines for risk management and internal audit for local government in NSW*.

Members are also expected to:

- make themselves available as required to attend and participate in meetings
- contribute the time needed to review and understand information provided to it
- apply good analytical skills, objectivity and judgement
- act in the best interests of Riverina Water
- have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- maintain effective working relationships with the board and management
- have strong leadership qualities (chair)
- lead effective committee meetings (chair), and
- oversee Riverina Water's internal audit function (chair).

Board member

To preserve the independence of the committee, the board member of the committee is a non-voting member. Their role is to:

- relay to the committee any concerns the Board may have regarding Riverina Water and issues being considered by the committee
- provide insights into local issues and the strategic priorities of Riverina Water that would add value to the committee's consideration of agenda items
- advise the Board (as necessary) of the work of the committee and any issues arising from it, and
- assist the Board to review the performance of the committee.

Issues or information the board member raises with or provides to the committee must relate to the matters listed in Schedule 1 and issues being considered by the committee.

The board member of the committee must conduct themselves in a non-partisan and professional manner. The board member of the committee must not engage in any conduct

that seeks to politicise the activities of the committee or the internal audit function or that could be seen to do so.

If the board member of the committee engages in such conduct or in any other conduct that may bring the committee and its work into disrepute, the chair of the committee may recommend to the Board, that the board member be removed from membership of the committee. Where the Board does not agree to the committee chair's recommendation, the Board must give reasons for its decision in writing to the chair.

Code of Conduct

Committee members are required to comply with Riverina Water's Code of Conduct.

Complaints alleging breaches of the Code of Conduct by an independent committee member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The CEO must consult with the Board before taking any disciplinary action against an independent committee member in response to a breach of Riverina Water's Code of Conduct.

Conflicts of interest

Once a year, committee members must provide written declarations to Riverina Water stating that they do not have any conflicts of interest that would preclude them from being members of the committee. Independent committee members are 'designated persons' for the purposes of Riverina Water's Code of Conduct and must also complete and submit returns of their interests.

Committee members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where a committee member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from committee deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

Standards

Committee members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and current Australian risk management standard, where applicable.

Work Plans

The work of the committee is to be thoroughly planned and executed. The committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the committee and the internal audit function. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The committee may, in consultation with the Board, vary the strategic work plan at any time to address new or emerging risks. The Board may also, by resolution, request the committee to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the committee.

The committee must also develop an annual work plan to guide its work, and the work of the internal audit function over the forward year.

The committee may, in consultation with the Board, vary the annual work plan to address new or emerging risks. The Board may also, by resolution, request the committee to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the committee.

When considering whether to vary the strategic or annual work plans, the committee must consider the impact of the variation on the internal audit function's existing workload and the completion of pre-existing priorities and activities identified under the work plan.

Assurance Reporting

The committee must regularly report to the Board to ensure that it is kept informed of matters considered by the committee and any emerging issues that may influence the strategic direction of Riverina Water or the achievement of Riverina Water's goals and objectives.

The committee will provide an update to the Board and the CEO of its activities and opinions after every committee meeting.

The committee will provide an annual assessment to the Board and the CEO on the committee's work and its opinion on how Riverina Water is performing.

The committee will provide a comprehensive assessment every board term of the matters listed in Schedule 1 to the Board and the CEO.

The committee may at any time report to the Board or the CEO on any other matter it deems of sufficient importance to warrant their attention. The Board chair and the chair of the committee may also meet at any time to discuss issues relating to the work of the committee.

Should the Board require additional information, a request for the information may be made to the committee chair by resolution. The committee chair is only required to provide the information requested by the Board where the chair is satisfied that it is reasonably necessary for the Board to receive the information for the purposes of performing its functions under the Local Government Act. Individual board members are not entitled to request or receive information from the committee.

Administrative arrangements

Meetings

The committee will meet a minimum of 4 times per year, with a possible additional special meeting to review Riverina Water's financial statements.

The committee can hold additional meetings when significant unexpected issues arise, or if the chair is asked to hold an additional meeting by a committee member, the CEO or the Board.

Committee meetings can be held in person, by telephone or on-line platforms such as Teams or Zoom. Proxies are not permitted to attend meetings if a committee member cannot attend.

A quorum will consist of a majority of independent voting members. Where the vote is tied, the chair has the casting vote.

The chair of the committee will decide the agenda for each committee meeting. Each committee meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the committee.

The CEO, the Director Corporate Services and the Director of Engineering should attend committee meetings as non-voting observers. The Governance and Corporate Planning Officer will attend each meeting in their role as the Internal Audit Coordinator. If the internal audit function is outsourced, a representative from the outsourced internal audit function should also attend the meeting as appropriate.

The external auditor (or their representative) is to be invited to each committee meeting as an independent observer. The chair can request Riverina Water's Manager Finance & Sourcing or equivalent, risk management officer or equivalent, senior managers or equivalent, any board members, any employee/contractor of Riverina Water and any subject matter expert to attend committee meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the chair at any time.

The committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the committee present.

The committee must meet separately with the principal of the internal audit function and the external auditor at least once each year.

Dispute resolution

Members of the committee and Riverina Water management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the committee and CEO or other senior managers, the dispute is to be resolved by the Board.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive in writing.

Secretariat

The CEO will nominate a staff member to provide secretariat support to the committee. The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the chair at least 5 working days before the meeting and ensure that minutes of meetings are prepared and maintained. Minutes must be approved by the chair and circulated within 10 working days of the meeting to each member.

Resignation and dismissal of members

Where the chair or a committee member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give one month notice to the chair and the Board prior to their resignation to allow Riverina Water to ensure a smooth transition to a new chair or committee member.

The Board can, by resolution, terminate the appointment of the chair or an independent committee member before the expiry of their term where that person has:

- breached Riverina Water's code of conduct
- performed unsatisfactorily or not to expectations
- declared, or is found to be in, a position of a conflict of interest which is unresolvable
- been declared bankrupt or found to be insolvent
- experienced an adverse change in business status
- been charged with a serious criminal offence
- been proven to be in serious breach of their obligations under any legislation, or
- experienced an adverse change in capacity or capability.

The position of a board member on the committee can be terminated at any time by the Board by resolution.

Schedule 1 – Riverina Water audit risk and improvement committee responsibilities

Audit

Internal audit

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the Board, CEO, senior management, the internal audit function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise Riverina Water:
 - on whether Riverina Water is providing the resources necessary to successfully deliver the internal audit function
 - if Riverina Water is complying with internal audit requirements, including conformance with the International Professional Practices Framework
 - if Riverina Water's internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by Riverina Water are suitable
 - of the strategic four-year work plan and annual work plan of internal audits to be undertaken by Riverina Water's internal audit function
 - if Riverina Water's internal audit activities are effective, including the performance of the internal audit function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - of the implementation by management of these corrective actions
 - on the appointment of the head of the internal audit function and external providers, and

External audit

- Act as a forum for communication between the Board, CEO, senior management, the internal audit function and external audit
- Coordinate as far as is practicable, the work programs of internal audit 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 plans and reports in respect of planned or completed audits and monitor council's implementation of audit recommendations
- Provide advice to the Board and/or the CEO on action taken on significant issues raised in relevant external audit reports and better practice guides

Risk

Risk management

Review and advise Riverina Water:

- if it has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether it is providing the resources necessary to successfully implement its risk management framework
- whether the risk management framework is adequate and effective for identifying and managing the risks Riverina Water faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of Riverina Water and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, Riverina Water's risk register and risk profile
- whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- if Riverina Water has taken steps to embed a culture which is committed to ethical and lawful behaviour
- if there is a positive risk culture within Riverina Water and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how Riverina Water's risk management approach impacts on the council's insurance arrangements
- of the effectiveness of Riverina Water's management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal controls

Review and advise:

- whether Riverina Water's approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
- whether Riverina Water has in place relevant policies and procedures and that these are periodically reviewed and updated
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if Riverina Water's monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately

Compliance

Review and advise the adequacy and effectiveness of Riverina Water's compliance framework, including:

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- if Riverina Water has appropriately considered legal and compliance risks as part of its risk management framework
 - how Riverina Water manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
 - whether appropriate processes are in place to assess compliance.

Fraud and corruption

Review and advise Riverina Water of the adequacy and effectiveness of its fraud and corruption prevention framework and activities, including whether Riverina Water has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

Financial management

Review and advise:

- if Riverina Water is complying with accounting standards and external accountability requirements
- of the appropriateness of Riverina Water's accounting policies and disclosures
- of the implications for Riverina Water of the findings of external audits and performance audits and its responses and implementation of recommendations
- whether Riverina Water's financial statement preparation procedures and timelines are sound
- the accuracy of Riverina Water's annual financial statements prior to completion of external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by Riverina Water to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in Riverina Water's annual report is consistent with signed financial statements
- if Riverina Water's financial management processes are adequate
- the adequacy of cash management policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of Riverina Water are adequate
- if any Riverina Water grants and tied funding policies and procedures are sound.

Governance

Review and advise Riverina Water regarding its governance framework, including:

- decision-making processes
- implementation of governance policies and procedures

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- reporting lines and accountability
 - assignment of key roles and responsibilities
 - committee structure
 - management oversight responsibilities
 - human resources and performance management activities
 - reporting and communication activities
 - information and communications technology (ICT) governance, and
 - management and governance of the use of data, information and knowledge

Improvement

Strategic planning

Review and advise Riverina Water:

- of the adequacy and effectiveness of its integrated, planning and reporting (IP&R) processes
- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether Riverina Water is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW government agencies, Commonwealth government agencies, insurance bodies)
- Review and advise:
 - If Riverina Water has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
 - how Riverina Water can improve its service delivery and the performance of its business and functions generally

Performance data and measurement

Review and advise:

- if Riverina Water has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- if the performance indicators Riverina Water uses are effective, and
- of the adequacy of performance data collection and reporting.

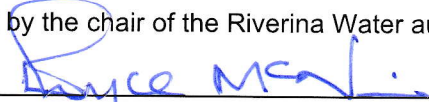
Review arrangements

At least once every board term, the Board must review or arrange for an external review of the effectiveness of the committee.

These terms of reference must be reviewed annually by the committee and once each board term by the Board. Any substantive changes are to be approved by the Board.


Terms of Reference review details

Reviewed by the chair of the Riverina Water audit, risk and improvement committee

[signed] 

[date] 6 DEC 23

Reviewed by the Riverina Water Board in accordance with a resolution of the Board.

[signed] 

[date] 14 December 2023

[resolution reference] 23/148

Next review date: November 2026 if not required before
