

EXPRESSION OF INTEREST

AUDIT, RISK AND IMPROVEMENT COMMITTEE
INDEPENDENT MEMBER

AUGUST 2026

Overview

Kempsey Shire Council is located on the Mid North Coast of New South Wales and is known for its genuine hospitality, pristine beaches, sub-tropical rainforests, mountain ranges, rock river gorges, sprawling farmland and peaceful villages. We are a dynamic and progressive local government authority, with responsibility for \$1.1 billion worth of assets and employing over 330 dedicated employees.

The Audit, Risk & Improvement Committee (the Committee) was established in February 2019 to provide independent assurance and assistance to Council on risk management, control, governance, and external accountability responsibilities.

Council is now seeking Expressions of Interest from suitably qualified and experienced people for appointment as an independent external member of the Committee. The vacancy arises following the appointment of one of the Committee's current independent external members as the new independent Chair. This Expression of Interest (EOI) process is open to external applicants who meet the independence, skills and experience requirements set out in the Committee's Charter.

Committee Objectives

The objective and focus of the Committee is to provide independent assurance, oversight and assistance to Council on risk management, control, governance, and external accountability responsibilities, on an advisory capacity.

The responsibilities of the Committee include, but are not limited to, keeping under review the following aspects of Council's operations:

- risk management;
- internal audit;
- fraud and corruption control;
- financial management;
- corporate governance;
- strategic planning;
- service reviews;
- legislative compliance; and
- any other matters prescribed by the regulations.

As part of this objective, the Committee ensures adequate and effective systems of internal control are in place throughout Council and assists in the implementation of the internal and external audit plans, providing advice to Council for the purpose of improving Council's performance of its functions.

Audit, Risk & Improvement Committee Charter and Governance Framework

The Committee operates in accordance with Council's Audit, Risk & Improvement Committee Charter (Procedure 3.9.8, Version 6, adopted 18 June 2026). The Charter is based on the Guidelines for Risk Management and Internal Audit for Local Government in NSW issued by the Office of Local Government, and reflects Council's obligations under the



Local Government Act 1993, including the annual and term assessments required under section 428A of that Act.

Committee Membership

The Committee's voting membership comprises three independent external members, one of whom is the Chairperson. The Chief Executive Officer (CEO), Directors, the Internal Auditor and an optional Councillor observer (non-voting) participate in Committee meetings as required, together with representatives of Council's external audit firm as needed. Key voting and non-voting positions are appointed in accordance with Council's ARIC Skills Matrix (see ARIC Charter). Taken collectively, the members of the Committee are to have a broad range of skills and experience relevant to Council's operations, and at least one member must have accounting or related financial management experience with an understanding of accounting and auditing standards in a public-sector environment.

Eligibility and Independence Requirements

Applicants must be independent of Council. In accordance with the Charter and the Office of Local Government Guidelines, an independent voting member cannot:

- currently be a councillor of any NSW council
- be a non-voting representative of the board of a joint organisation
- be a candidate at the last election of the council
- be a person who has been a Mayor / Councillor in the council during its previous term
- be currently employed by the council or a joint organisation to which Council is a member, or been employed 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 councillor or a person who has a senior role in the council that may lead to a real or perceived conflict of interest
- be a current employee of another local council in NSW
- have provided any material goods or services to Council in the past three years
- be (or have a close family member who is) a substantial shareholder, owner, officer or employee of a company that has a material business interest with Council
- currently or have previously acted as an advocate of a material interest on behalf of the council.

Required Skills, Knowledge and Experience

All independent external members must demonstrate:

- a commitment to the independence of their role;
- integrity;
- a capacity to dedicate sufficient time and energy;
- financial literacy, including an ability to read or understand basic financial statements, ask pertinent questions about them, and interpret and evaluate answers;
- an ability to give direct and honest opinions and offer different perspectives and constructive suggestions; and



- inquisitiveness and independent judgment.

In addition, applicants should demonstrate functional knowledge in one or more of the areas that would provide a valuable contribution to the Committee, as set out in the ARIC Skills Matrix at Appendix 1 of the Charter:

- local government;
- internal audit and external audit;
- risk management;
- governance;
- performance management;
- financial management and reporting;
- accounting;
- human resources management;
- internal control frameworks;
- fraud and corruption prevention;
- IT and cyber security; and
- the local community, or another relevant subject matter.

Note: the former NSW Government pre-qualification scheme for independent members is no longer required.

Responsibilities of Members

As a voting member of the Committee, members are expected to:

- understand the relevant legislative and regulatory requirements appropriate to Kempsey Shire Council;
- 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 issues, and pursue independent lines of enquiry.

Members are also expected to undertake any training on the operation of audit, risk and improvement committees recommended by the Chair, based on the Chair's assessment of the skills, knowledge and experience of the Committee.

Selection Criteria

Applicants are asked to provide a written response addressing each of the following criteria, which together represent the key selection points for the position:

- demonstrated independence, and eligibility to serve as an independent voting member, as set out above;
- personal qualities of integrity, inquisitiveness and independent judgment, including a demonstrated ability to give direct and honest opinions, offer different perspectives and make constructive suggestions;
- financial literacy, including the ability to read and understand financial statements, ask pertinent questions about them, and interpret and evaluate the answers;
- functional knowledge and practical experience in one or more of the Committee's areas of responsibility, such as risk management, internal audit and external audit, governance, financial management and reporting, internal control frameworks, fraud



- and corruption prevention, IT and cyber security, performance management, or service delivery and business improvement;
- knowledge and understanding of the local government or broader public sector operating environment, including the relevant legislative and regulatory requirements; and
- capacity and commitment to dedicate sufficient time and energy to the role, including preparation for and attendance at a minimum of four meetings each year, one of which is held in person.

Selection and Appointment Arrangements

The Charter provides for the Chief Executive Officer and the Chair of the Committee to appoint the independent external members in accordance with Council's ARIC Skills Matrix. Expressions of Interest will be assessed against the selection criteria set out above by the Chair of the Committee and the Chief Executive Officer, and shortlisted applicants may be invited to an interview. Council will be advised of the appointment. Council is required to undertake a criminal record check and a check of financial status (bankruptcy) for an independent member before their appointment.

Term of Appointment

Independent external members are appointed for a term of up to four (4) years, after which they are eligible for extension or re-appointment for a further term following a formal review of performance, to a maximum combined tenure of eight (8) years. The successful applicant will be expected to commence at the first available Committee meeting following appointment, and will receive an induction briefing on appointment.

Committee Meetings and Remuneration

The Committee meets at least four times per year, with one meeting each year devoted to reviewing and endorsing the annual audited financial reports and external audit opinion. Meetings are held predominantly by video conference, and the Committee aims to hold at least one in-person meeting each year. The Chair determines the need for any additional meetings.

Council-nominated remuneration for an independent external member is currently \$1,100 per meeting (excluding GST). Superannuation contributions (12%) are also paid. Travel and accommodation costs are paid for the Committee's one annual in-person meeting.

Council is continuing to review options for the payment of Committee fees and superannuation, including the potential for future payments to be processed through Council's payroll system with PAYG withholding applied, and will consult with Committee members before any change is implemented.

Constraints and Code of Conduct

All Committee members are required to comply with the following:

- maintain confidentiality in relation to all discussions and information obtained during or as a result of Committee meetings;



- declare a conflict of interest with any issue on the agenda at the commencement of the meeting, or as soon as any potential conflict arises; and
- ensure all conflicts of interest are declared and recorded in the minutes and, if necessary, that affected parties are asked to leave the room while the matter is discussed.

All Committee members shall abide by Council's Code of Conduct and relevant policies at all times.

Expression of Interest Submission

Applicants wishing to nominate for the independent member position should submit their Expression of Interest in writing to the Chief Executive Officer by Friday 25 September 2026. Submissions must include a written response addressing each of the selection criteria set out in this document (no more than four pages) and a current curriculum vitae, including details of two professional referees.

Enquiries

All enquiries or requests for information should be directed to Andrew Meddle, CEO, or Matthew Bentley, Internal Auditor, on 02 6566 3200.

