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Audit and Risk Committee Charter

Purpose

1. This document presents the functions and responsibilities of the Audit and Risk Committee (the Committee).
2. The Australian Statistician has established the Committee in accordance with Section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and Section 17 of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule).
3. Under the PGPA Rule the ABS must determine the functions of the Committee by written charter (subsection 17(1)).

Functions

4. Consistent with subsection 17(2) of the PGPA Rule, the functions of the Committee include reviewing the appropriateness[1] of the Australian Statistician's financial reporting; performance reporting; system of risk oversight and management; and system of internal control.

Financial Reporting

5. The Committee will review and provide written advice to the Australian Statistician on the appropriateness of:
    a. the annual financial statements and their compliance with the PGPA Act, the PGPA Rule, the Accounting Standards and supporting guidance, and recommend the signing of the financial statements by the Australian Statistician
    b. the consolidated financial statements supplementary reporting pack
    c. ABS' financial reporting as a whole, with reference to any specific areas of concern or suggestions for improvement.

Performance Reporting

6. The Committee will review and provide written advice to the Australian Statistician on the appropriateness of:
    a. performance information included in the Portfolio Budget Statements and the Corporate Plan
    b. ABS' enterprise performance framework for developing and reporting performance information, consistent with the Commonwealth Performance Framework
    c. ABS' annual performance statement
    d. ABS' performance reporting as a whole, with reference to any specific areas of concern or suggestions for improvement.

System of Risk Oversight and Management

7. The Committee will review and provide written advice to the Australian Statistician on the appropriateness of:
    a. ABS' enterprise risk management framework and internal controls for the effective identification and management of its risks, consistent with the Commonwealth Risk

[1] For the purposes of the PGPA Act, PGPA Rule and this Charter, and consistent with rules of statutory interpretation, 'appropriateness' has its ordinary meaning of 'suitable or fitting for a particular purpose'.

Management Framework

b. ABS' approach to managing key risks, including those associated with major projects and programs implementation and activities
c. ABS' fraud and corruption control arrangements that are designed to detect, capture and effectively respond to fraud and corruption risks, consistent with the Commonwealth Fraud and Corruption Control Framework
d. ABS' system of risk oversight and management as a whole, with reference to the Commonwealth Risk Management Framework and Commonwealth Fraud and Corruption Control Framework, referring to any specific areas of concern or suggestions for improvement.

System of Internal Control

8. The Committee will review and provide written advice to the Australian Statistician on the appropriateness of ABS' system of internal control by reviewing the following items and advising of any specific areas of concern or suggestions for improvement:

   a. **internal control framework**:
      i) management's approach to maintaining an effective internal control framework
      ii) reviewing whether relevant policies and procedures are in place, including Australian Statistician Instructions and delegations, and management's approach to assess compliance.
   b. **legislative and policy compliance:** management's approach to compliance with key legislation
   c. **business continuity arrangements:** whether business continuity and IT disaster recovery plans are in place and have been periodically updated and tested
   d. **security arrangements**: the approach to maintaining an effective security system through review of the Protective Security Policy Framework compliance assessments and reports from the Chief Information Security Officer on ABS' cyber security risk and the cyber security strategy and uplift plan
   e. **internal audit arrangements:** including:
      i) internal audit program: reviewing that the program considers key risks and recommending approval of the program by the Australian Statistician
      ii) internal audit reports: reviewing and providing advice to the Australian Statistician on any major concerns identified
      iii) internal audit recommendations: monitoring the implementation of agreed actions
      iv) internal audit charter: reviewing that it includes appropriate authority, access, and reporting arrangements
      v) internal audit service providers: periodically meeting privately with the internal audit service providers to gain any further insights.
   f. **ethical and lawful conduct:** management's approach to embedding an integrity culture that promotes the proper use and management of public resources and the commitment to ethical and lawful conduct
   g. **procurement:**
      i) the ABS' procurement framework including risks and internal controls

    ii) the approach to major procurements and the plans for contract extension or replacement, taking into account the Commonwealth Procurement Rules.

h. **parliamentary committee reports, external reviews and resulting recommendations:**
    i) ANAO Performance Audits of other agencies and recommendations that may be relevant to the ABS
    ii) ANAO financial statement audits, ANAO Performance Audits, parliamentary committee reports, external reviews and evaluations of ABS and monitoring the implementation of resulting recommendations.

Membership

9. The Committee will comprise a minimum of three members appointed by the Australian Statistician. One of the members will be appointed as the Chair by the Australian Statistician.
10. In accordance with section 17(4) of the PGPA Rule, all members of the Committee must be persons who are not officials of ABS, and a majority of the members must be persons who are not officials of any Commonwealth entity.
11. Members of the Committee are expected to understand and observe the legal requirements of the PGPA Act and are also expected to:
    a. act in the best interests of the ABS
    b. apply good analytical skills, objectivity, and good judgement
    c. express opinions constructively and raise issues that relate to the Committee's responsibilities and pursue independent lines of enquiry
    d. contribute the time required to meet their responsibilities.
12. Members of the Committee will be appointed for an initial period determined by the Australian Statistician. Members may be re-appointed after a review of their performance for further periods as specified by the Australian Statistician.

Advisers

13. The Chief Operating Officer, the Chief Audit Executive and the Program Manager, Enterprise Management will attend meetings as permanent senior advisers to the Committee. Other senior executives may attend relevant meetings at the invitation of the Chair.
14. Representatives from the ANAO and ABS' internal audit service provider may attend relevant Committee meetings (in whole or in part) at the invitation of the Chair.

Independence

15. The Committee is directly accountable to the Australian Statistician for the performance of its functions. The Committee has no managerial responsibilities. It does not make decisions in relation to ABS' processes and functions. The Committee's role is to provide independent advice to the Australian Statistician.

Conflicts of Interest

16. Once a year, and when otherwise required, Committee members will provide written declarations of any potential or actual conflicts of interest they may have in relation to their responsibilities as members. Members should consider past employment, consultancy arrangements and related

party issues when making these declarations. The Chair should be satisfied that there are sufficient processes in place to manage any real or perceived conflict of interest.

17. At the beginning of each Committee meeting, members will declare any real or perceived conflicts of interest. The remaining members will decide whether the member should be excused from the meeting or from the Committee's consideration of the relevant agenda item(s). Any interests declared by the members will be recorded in the minutes.

Authority

18. The Australian Statistician authorises the Committee, in performing its functions, to:

    a. seek any information it requires from any ABS official or associated external party
    b. request legal or other professional advice, subject to approval by the appropriate delegate
    c. require the attendance of any ABS official at meetings, as appropriate.

Administrative Arrangements

Meetings

19. The Committee will meet at least five times per year. Special meetings may be held to review ABS' annual financial statements and performance statement or to meet other specific responsibilities of the Committee.

20. The Chair will call a meeting if requested to do so by the Australian Statistician and may call a meeting if requested by another Committee member.

21. A quorum will consist of a majority of members for all Committee meetings.

Secretariat

22. The ABS will provide secretariat services to the Committee. The Secretariat will ensure the Chair approves the agenda for each meeting; the agenda and supporting papers are circulated at least five business days before each meeting; and the minutes of each meeting are prepared in a timely way. Minutes must be reviewed by the Chair and circulated to each member prior to being included in the papers for the next meeting.

Reporting

23. The Chair will report regularly to the Australian Statistician. Any matter deemed of sufficient importance will be reported to the Australian Statistician as soon as practicable.

24. The Committee will, as often as necessary, and at least once a year, formally and in writing, report to the Australian Statistician on its operation and activities against the responsibilities outlined in this Charter.

Annual Work Plan

25. The Committee will develop an annual work plan detailing actions to be taken in order to perform the functions outlined in this Charter.

Review of Committee Performance

26. The Chair of the Committee will initiate a review of the performance of the Committee at least once every two years. The outcomes of this assessment will be reported to the Australian Statistician.

Review of Charter

27. At least annually, the Charter will be reviewed by the Committee and approved by the Australian Statistician with any recommended changes.

Approved

Australian Statistician

17 July 2026