



The Institute of
Internal Auditors
Australia

Inter-jurisdictional **Analysis**

Audit Committees and Internal Audit

June 2025

Summary

This comparison is created from publicly available documents. It does not include additional relevant documents that may be held on an Intranet.

Inter-jurisdictional Analysis – Audit Committees and Internal Audit - Summary

June 2025

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards^
Corporate Sector						
Listed	R*	R*	R*	R*	R*	G
Non-Listed	G	G	G	G	G	G
Financial	R	R	R	R	R	G
NFP						
Australian Government						
Federal	R	G	R	R	G	
State and Territory Governments						
ACT	R	R	R	R	R	G
NT	R		R	R	R	
NSW	R	R	R	R	R	R
QLD	R**	G	G	G	R**	G
SA	R#	R#	G^^	G	R#	
TAS	R	R	G	R	R	G
VIC	R	R	R	R	R	R
WA	R	R	G	G	R	R
State and Territory Local Government						
ACT	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
NT	R	R	R			
NSW	R	R	R	R	R	G
QLD	R+	R	~	R	R	
SA	R		R	R	R	
TAS	R	R	R	R	G	G
VIC	R	R	R	R	R*	G
WA	R	R	R	G	G	

R = required (mandatory) G = guideline (not mandatory) Blank = no expectation # = public corporations only * = if not, why not
 ^ = International Standards for the Professional Practice of Internal Auditing + = large Councils only ~ = CEO cannot be a Committee Member
 ** = R for departments G for statutory bodies ^^ = mandatory for public corporations



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References



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Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
Corporate Sector						
Listed	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 4.1 (a)</i> The board of a listed entity should have an audit committee.	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 4.1 (a)(2)</i> The board of a listed entity should have an audit committee which is chaired by an independent director, who is not the chair of the board.	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 4.1 (a)(1)</i> The board of a listed entity should have an audit committee which has at least three members, all of whom are non-executive directors and a majority of whom are independent directors.	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 4.1 (a)(4)</i> The board of a listed entity should have an audit committee and disclose the relevant qualifications and experience of the members of the committee.	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 7.3</i> A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Corporate Governance Principles & Recommendations (4th Ed. 2019) <i>Recommendation 7.3</i> <i>Commentary Footnote:</i> Listed entities that have or wish to have an internal audit function may find the International Standards for the Professional Practice of Internal Auditing published by the International Internal Audit Standards Board helpful in understanding how that function should perform.

¹ The International Standards for the Professional Practice of Internal Auditing. Issued by the International Internal Auditing Standards Board – (if not, why not for listed companies)

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
Non-Listed	AS8000-2003 Good Governance Principles – AUS Standard <i>3.2.11 Audit Committees</i> The board should create an audit committee.	AS8000-2003 Good Governance Principles – AUS Standard <i>3.2.10.2 Companies</i> Board committees should generally be constituted with a majority of independent directors.	AS8000-2003 Good Governance Principles – AUS Standard <i>3.2.11 Audit Committees (b)</i> The audit committee should be comprised entirely of non-executive directors a majority of whom are independent.	AS8000-2003 Good Governance Principles – AUS Standard <i>3.2.11 Audit Committees (b)</i> Members of the Audit Committee should be financially literate.	AS8000-2003 Good Governance Principles – AUS Standard <i>3.2.11 Audit Committees (b)</i> The audit committee should approve and monitor policies for reporting, risk management and internal audit.	ASIC Information Sheet 221 Internal Audit References the Standards for more information.
	AS8000-2003 was withdrawn in 2017 but is not superseded. It can be applicable if an entity chooses to use it.					

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
Financial Institutions	Prudential Standard CPS 510 Governance C (Jan 2024) <i>Audit arrangements Board Audit Committee 51</i> An APRA-regulated institution (excluding foreign ADIs and Category C insurers but including EFLICs) must have a Board Audit Committee, which assists the Board by providing an objective non-executive review of the effectiveness of the regulated institution's financial reporting and risk management framework.	Prudential Standard CPS 510 Governance C (Jan 2024) <i>Audit arrangements Board Audit Committee 54 & 55</i> The chairperson of the Board Audit Committee must be an independent director of the APRA-regulated institution. The chairperson of the Board may a member of the Board Audit Committee, but may not chair the Committee.	Prudential Standard CPS 510 Governance C (Jan 2024) <i>Audit arrangements Board Audit Committee 53 75</i> The Board Audit Committee must have at least three members. All members of the Committee must be non-executive directors of the APRA-regulated institution. A majority of the members of the Committee must be independent.	Prudential Standard CPS 510 Governance A (Jan 2024) <i>Governance Arrangements The Board & Senior Management 19</i> The Board must ensure that directors and senior management of the institution, collectively, have the full range of skills needed for the effective and prudent operation of the institution, and that each director has skills that allow them to make an effective contribution to Board deliberations and processes. This includes the requirement for directors, collectively, to have the necessary skills, knowledge and experience to understand the risks of the institution, including its legal and prudential obligations, and to ensure that the institution is managed in an appropriate way taking into account these risks.	Prudential Standard CPS 510 Governance C (Jan 2024) <i>Internal audit 68</i> An APRA-regulated institution must have an independent and adequately resourced internal audit function for the institution. If a an APRA-regulated institution does not believe it is necessary to have a dedicated internal audit function, it must apply to APRA to seek an exemption from this requirement, setting out reasons why it believes it should be exempt. APRA may approve alternative arrangements for an institution where APRA is satisfied that they will achieve the same objectives.	ASIC Information Sheet 221 Internal Audit References the Standards for more information.
Charities & Not-For-Profit	The Australian Charities and Not-For-Profits Commission Governance Standards contain no applicable requirements – those entities also registered with the Australian Securities and Investment Commission should refer to non-listed company requirements above					

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
Australian Government						
Federal	Public Governance, Performance and Accountability Act 2013 <i>Section 45</i> <i>Audit committee for Commonwealth entities</i> (1) The accountable authority of a Commonwealth entity must ensure that the entity has an audit committee. <i>Section 92—Audit committee (for Commonwealth companies)</i> (1) The directors of a wholly-owned Commonwealth company must ensure that the company has an audit committee.	Resource Management Guide No. 202² Audit committees for Commonwealth entities and Commonwealth companies (2021) <i>Independence of Audit Committee Members</i> (10) Other measures to strengthen the committee's actual or perceived independence include appointing an independent chair. Resource Management Guide No. 202 (2021) A guide for non-corporate Commonwealth entities on the role of audit committee 2.1 The accountable authority may appoint an external chair who can perform his or her role free of any management responsibilities. 2.8 It is better practice to appoint an audit committee chair from among the external committee members.	Public Governance, Performance and Accountability Rule 2014³ S17 (4) If the entity is a non-corporate Commonwealth entity: (a) all of the members of the audit committee must be persons who are not officials of the entity; and (b) a majority of the members must be persons who are not officials of any Commonwealth entity. S17 (4AA) If the entity is a corporate Commonwealth entity all of the members of the audit committee must be persons who are not employees of the entity. S17 (5) The following persons must not be a member of the Audit Committee: (a) Head of the Accountable Authority (b) Chief Financial Officer (c) Chief Executive Officer.	Public Governance, Performance and Accountability Rule 2014 <i>Membership of the audit committee</i> S17 (3) The audit committee must consist of at least 3 persons who have appropriate qualifications, knowledge, skills or experience to assist the committee to perform its functions.	Resource Management Guide No. 202 Audit committees for Commonwealth entities and Commonwealth companies (2021) <i>3.2.3 Internal Audit</i> The internal audit function supports the board in discharging its duties and requirements under the PGPA Act. Resource Management Guide No. 202 A guide for non-corporate Commonwealth entities (2021) <i>3.2.3 Internal Audit</i> The internal audit function supports the accountable authority in discharging its duties and requirements under the PGPA Act.	

² Resource Management Guides are not binding.

³ Made under the authority of the Public Governance, Performance and Accountability Act 2013 (Commonwealth) S.101. NB: S17(4) & S17(4AA). Rule is as at March 2023.

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
State and Territory Governments						
ACT	Framework for Internal Audit Committee & Function 2020⁴ 4.1 Audit Committee Structure <i>Principle</i> The Governing Body of each agency is responsible for establishing an audit committee. The audit committee is accountable to the governing body. Each agency shall establish an audit committee as a separately constituted body where it is practicable and cost effective to do so.	Framework for Internal Audit Committee & Function 2020 4.1.2 Membership <i>Principle</i> ... with the chairperson also not an ACT Government employee.	Framework for Internal Audit Committee & Function 2020 4.1.2 Membership <i>Principle</i> At a minimum an audit committee must have the following: • three member audit committee with at least one of the members (the chairperson) is to be an independent external member and not an ACT Government employee; and • more than three member audit committee which has at least two members. The chairperson and the deputy chairperson are to be independent external members, and the chairperson is not an ACT Government employee.	Framework for Internal Audit Committee & Function 2020 4.1.3 Skills & Experience <i>Principle</i> Audit committee members will have the necessary skills and experience in order to discharge their responsibilities. This includes, for example, appropriate experience in financial accounting and auditing.	Framework for Internal Audit Committee & Function 2020 5.1 Structure of Internal Audit Function <i>Principle</i> The governing body of each agency is responsible for establishing the internal audit function. Each agency must establish an internal audit function where it is cost effective to do so. 5.1.1 Head of Internal Audit Each agency will appoint a HIA responsible for the internal audit function. The HIA will be accountable functionally for operations to the audit committee through the chair; and to the governing body and/or the delegated/ nominated officer.	Framework for Internal Audit Committee & Function 2020 5.1.1 Head of Internal Audit (HIA) <i>Guideline</i> Each Agency with an audit committee will appoint a HIA to: • develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. Independent external review should be undertaken of the internal audit function services at least once every five years

⁴ Established by S113 Public Sector Management Standards 2016.

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
NT	Treasurer's Directions L4/01⁵ 2001 Part 3 Responsible and Accountable Officers – Section 3 Audit Committees <i>Establishing an Audit Committee</i> 3.3.3 Accountable Officers may establish and maintain an audit committee to assist in discharging their responsibilities under the Act.		Treasurer's Directions L4/01 2001 Part 3 Responsible and Accountable Officers – Section 3 Audit Committees <i>Composition</i> 3.3.8 Ideally, an audit committee would normally consist of three to six members. 3.3.9 Accountable Officers should appoint members to an audit committee, ensuring senior level representation from a cross section of the Agency, and where appropriate, members external to the Agency. 3.3.11 An Agency's auditors should not be members of that Agency's audit committee, however, they could attend committee meetings as observers.	Treasurer's Directions L4/01 2001 Part 3 Responsible and Accountable Officers – Section 3 Audit Committees <i>Composition</i> 3.3.10 Members should be appointed to an audit committee for specified terms on a staggered basis such that a core of experienced members is retained.	Financial Management Act 1995 Part 3 Section 15(1) <i>Internal audit</i> The Accountable Officer of an Agency shall ensure that the Agency has an adequate internal audit capacity to assist the Accountable Officer in the performance of his or her functions under this Act.	

⁵ Made under the authority of the Financial Management Act 1995 (NT) S.38

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
NSW	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector⁶ <i>Core Requirement 3.1 Audit & Risk Committee</i> The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks and its external accountability obligations.	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector <i>Audit & Risk Committee</i> 3.1.7 The Accountable authority shall appoint only 'independent members' (including an 'independent chair') to the agency's Audit and Risk Committee from the panel of pre-qualified individuals.	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector <i>Audit & Risk Committee</i> 3.1.7 The Accountable Authority shall appoint only 'independent members' (including an 'independent chair') to the agency's Audit and Risk Committee from the panel of pre-qualified individuals.	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector <i>Audit & Risk Committee</i> 3.1.12 When selecting Audit and Risk Committee members, the Accountable Authority shall consider their suitability to the specific needs of the agency but also take reasonable steps to ensure that members collectively possess and maintain, the following skills and knowledge: (see listing for more detail).	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector <i>Core Requirements 2.1 Internal Audit Function</i> The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector <i>Core Requirements 2.2 Internal Audit Function</i> The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for the Professional Practice of Internal Auditing.

⁶ Made under the authority of the Public Finance and Audit Act 1983 (NSW) S.11 – (Treasury Policy Papers)

QLD	Financial and Performance Management Standard 2019⁷ 30(1) A department's accountable officer must, and a statutory body may, establish an audit committee ... 35(3) In establishing an audit committee, the accountable officer or statutory body must have regard to the audit committee guidelines document.	Audit Committee Guidelines 2023 Improving Accountability and Performance <i>3.2.4 Summary of Composition Requirements</i> 1. Agencies should appoint an independent Chair	Financial and Performance Management Standard 2019 30(4) The audit committee for a statutory body must include members of the statutory body or, if the statutory body has a governing body, members of the governing body. Audit Committee Guidelines 2023 Improving Accountability and Performance <i>3.2.4 Summary of Composition Requirements</i> 4. By 30 June 2025, agency audit committees should have a majority of independent members. 5. By 1 July 2025, agency audit committees are to have fully independent membership.	Audit Committee Guidelines 2023 Improving Accountability and Performance <i>4. Skills and Knowledge of Audit Committee.</i> An audit committee should consist of members who have an appropriate mix of skills and experience which will enable the committee to perform all of its functions effectively. <i>3.2.4 Summary of Composition Requirements</i> 7. Financial expertise 8. Industry expertise 9. Diversity	Financial Accountability Act 2009 S.78 (1) Each accountable officer must nominate either of the following to be responsible for internal audit activities (i) An appropriately qualified employee (ii) With approval of the Treasurer – an appropriately qualified person. Financial and Performance Management Standard 2019 24 (1) A department's accountable officer must establish an internal audit function... 24 (2) A statutory body must establish an internal audit function ... if (a) the statutory body is directed by the appropriate Minister... or, (b) the statutory body considers it is appropriate to establish the function.	Audit Committee Guidelines 2023 Improving Accountability and Performance <i>6.5 Internal Audit Review of internal audit function</i> The need to periodically review the effectiveness of the internal audit function is a particularly important task of the audit committee. To facilitate this, the audit committee must have regard to Queensland Treasury's Financial Accountability Handbook, and would consider the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. Financial Accountability Handbook Vol.2 2024 Internal Audit Charter The Charter should contain specific requirements... including ... any other issues that may be required by the International Professional Practices Framework.
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Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
SA	Public Corporations Act 1993 Section 31 (2) A public corporation must, unless exempted by the Treasurer, establish an audit committee.	Public Corporations Act 1993 Section 31 (3) The audit committee will comprise— (a) the board of the corporation, or such members of the board, as the board may from time to time determine; and (b) such other person or persons as the board may from time to time appoint; but may not include the chief executive officer of the corporation.	Government Boards and Committees (Guidelines for Agencies and Board Members) <i>Monitoring</i> A Board ... may appoint an audit committee mostly made up of non-executive members ... is generally mandatory for boards subject to the Public Corporations Act.	Government Boards and Committees (Guidelines for Agencies and Board Members) <i>Corporate Policy Development</i> 1.2 Recruiting and selecting members Bodies which are required to establish an audit committee need to ensure that members have the skills and willingness to serve on these committees.	Public Corporations Act 1993 Section 31 (1) A public corporation must establish and maintain effective internal auditing of its operations and the operations of its subsidiaries.	
TAS	Treasurer's Instruction FC-2 July 2019⁸ 2.6 The Accountable Authority must ensure that the Agency has an Audit Committee Government Enterprises Act 1995 S16 (1)(a) A Board must establish an audit committee.	Government Enterprises Act 1995 Schedule 7 Committees <i>1 Membership of Committees</i> (2) The chief executive officer of a Government Business Enterprise may not be a member of its audit committee (3) The Chairperson of an audit committee must be a director.	Financial Management – Better Practice Guidelines (Aug 2019) <i>Audit Committee</i> The Audit Committee may include one or more members from outside the Agency.	Treasurer's Instruction FC-2 July 2019 2.7 The Audit Committee must comprise at least three persons that have appropriate qualifications, knowledge, skills or experience to enable the Committee to perform its functions.	Treasurer's Instruction FC-2 July 2019 <i>Internal Audit</i> 2.2 The Accountable Authority must ensure that effective and appropriate internal audit arrangements are established and sufficiently resourced by the Agency.	Financial Management – Better Practice Guidelines (Aug 2019) <i>Introduction</i> The internal audit function should be undertaken in accordance with the standards promulgated by the Institute of Internal Auditors – Australia.

⁷ Made under the authority of the Financial Accountability Act 2009 (Qld). Departments are mandated but statutory bodies are not.

⁸ Made under the authority of the Financial Management Act 2016 (Tas)

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
VIC	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i>⁹ <i>3.2.1.1 Audit Committee</i> The Responsible Body must establish an Audit Committee. <i>3.2.1.2 Responsible Body role where Agency exempt from Audit Committee</i> Where the Agency is exempt from the requirement to maintain an Audit Committee under these Directions, the Responsible Body must: (a) actively assume the responsibilities of an Audit Committee set out in these Directions; and (b) take appropriate steps to ensure these responsibilities are fully discharged.	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i> <i>3.2.1.3 Audit Committee</i> The Audit Committee must: (f) be independent, with: (ii) an independent member as Chair (this must not be the Chair of the Responsible Body).	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i> <i>3.2.1.3 Audit Committee</i> The Audit Committee must: (f) be independent, with: (i) at least three members, the majority being independent members (where the Responsible Body is a statutory board, at least three members must be non-executive directors of the board).	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i> <i>3.2.1.3 Audit Committee charter, skills and independence</i> The Audit Committee must: (c) be constituted by members with appropriate skills and experience to discharge the Audit Committee's responsibilities, with at least one member having appropriate expertise in financial accounting or auditing.	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i> <i>3.2.2.1 Internal Audit Function</i> (a) The Responsible Body must establish and maintain, and may dismiss, the internal audit function. (b) The internal audit function may be sourced internally or externally.	Standing Directions 2018 of the Minister for Finance under the <i>Financial Management Act 1994</i> <i>3.2.2.2 Internal Audit Function</i> The Internal Audit function must: (h) apply relevant professional standards relating to internal audit.

⁹ S.8

WA	Treasurer's Instruction 2024¹⁰ <i>T10 Internal Audit Requirements</i> 1. Internal Audit 1.5 The accountable authority must ensure that the agency has an Internal Audit Committee ...	Treasurer's Instruction 2024 <i>T10 Internal Audit Requirements</i> 1. Internal Audit 1.5 The accountable authority must ensure that the agency has an Internal Audit Committee ... which is independently chaired by a suitably qualified person who is not employed within the agency.	Treasurer's Instruction 2024 <i>T10 Internal Audit 1.5 Internal Audit Committee</i> The appointment of the internal audit committee members should be undertaken with a view to achieving independence from the day-to-day management of an agency. As a result, the Director General, chief finance officer and Chief Executive Officer (if applicable) are not to be members of the internal audit committee.	Treasurer's Instruction 2024 <i>T10 Internal Audit 1.5 Internal Audit Committee</i> The internal audit committee of an agency should be comprised of at least three members, who should have an appropriate mix of skills, experience and knowledge to competently perform their duties	Financial Management Act 2006 Part 4 – Accountable authorities 53. Functions of accountable authorities (1) an accountable authority of an agency has the functions of — (d) unless otherwise directed in writing by the Treasurer, developing and maintaining an effective internal audit function for the agency. Treasurer's Instruction 2024 <i>T10 Internal Audit Requirements 1. Internal Audit</i> 1.2 The internal audit function of an agency must have independent status within the agency ... the chief audit executive) must: (i) functionally report to the Internal Audit Committee ...	Treasurer's Instruction 2024 <i>T10 Internal Audit 2. Conduct of Audits and Consultancy</i> 2.1 Agencies must ensure that the internal audit function complies with the most recent auditing standards issued by the Institute of Internal Auditors (IIA Standards), except where they are inconsistent with legislation and Treasurer's Instructions.
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Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
State and Territory Local Government						
ACT	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
NT	Local Government Act 2019 <i>S.86 Audit Committee</i> (1) A Council must, by resolution, establish and maintain an audit committee.	Local Government Act 2019 <i>S.86 Audit Committee</i> (4) The chairperson of an audit committee must not be a member of the council or a member of the council's staff.	Local Government Act 2019 <i>S.86 Audit Committee</i> (3) The members of an audit committee may consist of, or include, persons who are not members of the council.			



¹⁰ Made under the authority of the Financial Management Act 2016 (WA) S.78 – see also the Financial Administration Bookcase

NSW	Local Government Act 1993 Part 4A Internal Audit <i>Audit Risk & Improvement Committee</i> S428A (1) A council must appoint an Audit, Risk and Improvement Committee. S428B A council may enter into an arrangement with another council, or a body prescribed by the regulations for the purposes of this section, to jointly appoint an Audit, Risk and Improvement Committee to exercise functions for more than one council or body.	Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023 S. 216D A council must not appoint a person as the chairperson of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person— (j) is eligible to be appointed as an independent member of the Audit, Risk and Improvement Committee, and (k) is not an employee of a council or a joint organisation.	Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023 S. 216E A council must not appoint a person as an independent member of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person— (h) is independent of the council. S216F (declares who cannot be an independent member),	Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023 S. 216E A council must not appoint a person as an independent member of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person— (g) has knowledge in one or more of the following that is relevant to the person's role on the Audit, Risk and Improvement Committee— [listed in S. 216E(h) (i) to (x)]	Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023 S. 216P Internal audit co-ordinator (1) The general manager of a council must appoint a member of staff of the council to be the internal audit co-ordinator for the council ,,, (2) An internal audit co-ordinator who exercises functions under this section for a council— (a) must, in relation to the exercise of the functions— (i) report to the Audit, Risk and Improvement Committee for the council, and (ii) comply with a direction of the Audit, Risk and Improvement Committee, and (b) is not subject to a direction of the council or a member of staff of the council in relation to the exercise of the functions.	Risk Management and Internal Audit for local government in NSW Guidelines 2023 Purpose The core requirements relating to a council's internal audit function have been modelled on the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing (the 'International Professional Practices Framework') and best practice in the public and private sectors. The nature of the strategic work plan will be commensurate with the size and operational complexity of the council and its risk profile, and consistent with the requirements of the International Professional Practices Framework. Role of the General Manager ... ensuring the internal audit function complies with the International Professional Practices Framework.
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Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
QLD	Local Government Act 2009 Chapter 4 Part 3 Section 105 (2) <i>Auditing, including Internal Auditing</i> Each large¹¹ local government must also establish an audit committee.	Local Government Regulations 2012¹² (Chapter 5 Part 11 Division 1) Section 210 <i>Audit committee composition</i> (2) The chief executive officer cannot be a member of the audit committee but can attend meetings of the committee. (3) The local government must appoint 1 of the members of the audit committee as chairperson.	Local Government Regulations 2012 (Chapter 5 Part 11 Division 1) Section 210 <i>Audit committee composition</i> (1) The audit committee of a local government must— (a) consist of at least 3 and no more than 6 members; and (b) include— (i) 1, but no more than 2, councillors appointed by the local government.	Local Government Regulations 2012 (Chapter 5 Part 11 Division 1) Section 210 <i>Audit committee composition</i> (1) The audit committee of a local government must— (a) consist of at least 3 and no more than 6 members; and (b) include— (ii) at least 1 member who has significant experience and skills in financial matters.	Local Government Act 2009 Chapter 4 Part 3 Section 105 (1) <i>Auditing, including Internal Auditing</i> Each local government must also establish an efficient and effective internal audit function.	

¹¹ A “large” local government is also defined in the Local Government Regulations 2012 S.209

¹² Made under the authority of the Local Government Act 2009 (Qld) S.270

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
SA	Local Government Act 1999 Section 126 <i>Audit committee</i> (1) A council must have an audit committee. Local Government Act 1999 Schedule 2 Section 13 <i>Internal Audit</i> (2) A subsidiary must establish an audit committee. Local Government Act 1999 Schedule 2 Section 30 <i>Internal Audit</i> (2) A subsidiary, unless exempted by legislation, must establish an audit committee.	LGA ‘Financial Sustainability’ Information Paper No 3 – Audit Committees – 2015 <i>2010 AGM endorsed recommendation 3 – Committee Membership and structures:</i> That the LGA supports the concept of “best practice” for Audit Committee membership being: • two independent members. • the Chair of the Committee being either an Independent Member or an Elected Member who is not the Principal Member of the Council.	Local Government Act 1999 Section 126 <i>Audit committee</i> (2) The membership of an audit committee— (a) may include persons who are not members of the council; and (b) may not include an employee of the council (although an employee may attend a meeting of the committee if appropriate); and (c) may include, or be comprised of, members of an audit committee for another council; and (d) must otherwise be determined in accordance with the requirements of the regulations. Local Government (Financial Management) Regulations 2011¹³ <i>Part 5 Audit Committees 17. Membership</i> (1)(b) The audit committee of a council must include 1 person who is not a member of the council.	Local Government (Financial Management) Regulations 2011 <i>Part 5—Audit committees 17—Membership</i> (1) The audit committee of a council— (b) must include at least 1 person who is not a member of the council and who is determined by the council to have financial experience relevant to the functions of an audit committee.	Local Government Act 1999 Schedule 2 Sections 13, 30 <i>Internal Audit</i> (1) A subsidiary (includes regional subsidiaries) must establish and maintain effective auditing of its operations.	LGA ‘Financial Sustainability’ Information Paper No 3 – Audit Committees – 2015 <i>Attachment 1 – Model Terms of Reference for a Council’s Audit Committee</i> 7.4.2 consider and make recommendation on the program of the internal audit function and the adequacy of its resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.

¹³ Made under the authority of the Local Government Act 1999 (SA) S.27

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
TAS	Local Government Act 1993 Division 4 Section 85 <i>Audit panels</i> (1) A council is to establish an audit panel in respect of the council.	Local Government (Audit Panels) Order 2014¹⁴ Order 6 <i>Chairperson of audit panel</i> (1) The chairperson of an audit panel may only be an independent person who is a member of the audit panel.	Local Government (Audit Panels) Order 2014 Order 5 <i>Membership of audit panel</i> (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; (b) if the panel has 3 members, at least one must be an independent. (2) The following persons are eligible to be members of an audit panel: (a) a councillor, other than the mayor, of the relevant council; (c) a member of an audit panel of another council (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.	Local Government (Audit Panels) Order 2014 Order 5 <i>Membership of audit panel</i> (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.	Good Governance Guide 2022 <i>Effective Strategic Planning and Monitoring Performance - Financial Management</i> Your council must ensure that the following staff, systems and functions are in place: Suitably qualified and appropriately independent internal audit functions, including an audit panel.	Local Government Audit Panels - A Practice Guide 2024 <i>Appendix A – Relevant legislation, standards and other guides</i> International Standards for the Professional Practice of Internal Auditing.

¹⁴ Made under the authority of the Local Government Act 1993 (Tas) S.85B

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
VIC	Local Government Act 2020 - Section 53 (1) <i>Audit and Risk Committee</i> A Council must establish an Audit and Risk Committee.	Local Government Act 2020 - Section 53 (4) <i>Audit and Risk Committee</i> The chairperson of Audit and Risk Committee must not be a Councillor of the Council. Audit Committees A Guide to Good Practice for Local Government 2011 <i>Audit Committee Chair</i> The chair of the audit committee must be independent.	Local Government Act 2020 - Section 53 (3) <i>Audit and Risk Committee</i> An Audit and Risk Committee must – (a) Include members who are Councillors of the Council, and (b) Consist of a majority of members who are not Councillors of the Council ... (c) Not include any person who is a member of Council staff of the Council.	Local Government Act 2020 - Section 53 (3) <i>Audit and Risk Committee</i> (b) ... and who collectively have – (i) expertise in financial management and risk, and (ii) experience in public sector management ...	Local Government (Planning and Reporting) Regulations 2014 <i>Part 4 Annual Report</i> Refers to Schedule 1 as the 'prescribed governance and management checklist (re 131(3)(a)(ii) of the Act) Schedule 1 Annual Report - Governance and Management Checklist in Report of Operations: <i>Item 15 - Internal audit</i> Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls.¹⁵	Audit Committees A Guide to Good Practice for Local Government 2011 <i>Internal audit</i> Ensure that internal audit complies with appropriate standards – [footnote refers to IIA standards].

¹⁵ Must show whether engaged or not and reasons if not in the annual report.

Jurisdiction	Audit Committee				Internal Audit	
	Audit Committee	Independent Chair	Independent Members	Knowledge and Experience	Internal Audit	IIA Standards ¹
WA	Local Government Act 1995 - Section 7.1A <i>Audit committee</i> (1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.	Local Government Act 1995 - Section 7.1A <i>Audit committee</i> (3) A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent him or her as a member of an audit committee. (4) An employee is not to be a member of an audit committee.	Local Government Act 1995 - Section 7.1A <i>Audit committee</i> (2) The members of the audit committee of a local government are to be appointed* by the local government and at least 3 of the members, and the majority of the members, are to be council members. <i>* Absolute majority required.</i> (3) A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent him or her as a member of an audit committee. (4) An employee is not to be a member of an audit committee.	Local Government Operational Guidelines – Audit in Local Government 2013 <i>Operation of Audit Committees Membership</i> If the local government wishes to appoint one or more persons other than elected members to the committee, which is recommended, it should ensure that they have the requisite knowledge and skills to provide benefit to the committee.	Local Government Operational Guidelines – Audit in Local Government 2013 <i>Appendix 1 - Internal Audit</i> While it is recognised that smaller councils may not be able to justify a full time internal auditor, a small size of operation does not justify forgoing internal audit altogether. If audit committee or management is of the view that the employment of an independent internal auditor either full-time or part-time is not warranted, it may request the council to have the internal audit function undertaken as necessary by an external contractor, or expand the role of its external auditor.	