NDIS Quality and Safeguards Commission

Audit and Risk Committee Charter

July 2026

Audit and Risk Committee Charter

1. Introduction

The NDIS Quality and Safeguards Commissioner has established the Audit and Risk Committee in accordance with subsection 45(1) 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).

1.1 Objective

The Audit and Risk Committee (Committee) is integral to good corporate governance. The Committee's objective is to provide independent advice to the NDIS Quality and Safeguards Commissioner (Commissioner) on the appropriateness of the NDIS Commission's financial and performance reporting, system of risk oversight and management, and system of internal control in accordance with subsection 17(2) of the PGPA Rule.

This charter sets out the Committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

Committee members are required to understand and observe the legal requirements of the PGPA Act and Rules. Members are expected to:

- act objectively in the best interests of the NDIS Commission;
- demonstrate capability, express opinions constructively and openly, and raise issues that relate to the Committee's responsibilities;
- contribute adequate time to meet their responsibilities; and
- actively maintain a good understanding of NDIS Commission's operating context.

Committee members must not use or disclose information obtained by the Committee except in meeting the Committee's responsibilities, or unless expressly agreed by the Commissioner.

1.2 Authority

The Commissioner authorises the Committee, in performing its functions, to:

- have unrestricted and timely access to management, employees and relevant information it considers necessary to effectively discharge its duties;
- have unrestricted and timely access to records, data and reports, subject to any legal information protection or privacy requirements;
- have the authority to discuss any matters with the external auditor or other external parties,

subject to confidentiality considerations;

- have the right to request the attendance of management at Committee meetings; and
- have the right to obtain external legal or other professional advice, subject to the prior approval of the Commissioner.

The Committee may engage independent advisers to assist with its duties, if agreed by the Commissioner.

2. Functions of the Committee

The Committee acts in an advisory capacity and has no decision-making authority or management responsibilities.

The key functions of the Committee will include reviewing the appropriateness of the NDIS Commission's financial reporting, performance reporting, system of risk oversight and management, and system of internal control.

2.1 Financial Reporting

The Committee will review the systems and processes for financial reporting and advise the Commissioner on the appropriateness of the NDIS Commission's:

- annual financial statements, including adequacy of areas of significant judgement and estimation;
- information (other than annual financial statements) requested by the Department of Finance in preparing the Australian Government's consolidated financial statements;
- processes and systems for preparing financial reporting information;
- financial record keeping; and
- processes in place to allow the NDIS Commission to stay informed throughout the year of any changes or additional requirements in relation to the financial reporting.

The Committee will provide an annual statement to the Commissioner:

- on whether, in its view, the annual financial statements, and any additional information required by the Department of Finance for the purpose of preparing the Australian Government consolidated financial statements comply with the PGPA Act, the PGPA Rules, the Accounting Standards issued by the Australian Accounting Standards Board (as may be amended from time to time) and supporting guidance; and
- in respect of the appropriateness of the NDIS Commission's financial reporting as a whole, with reference to any specific areas of concern or suggestions for improvement.

2.2 Performance Reporting

The Committee will review the systems, frameworks and procedures for assessing, monitoring and reporting on performance and advise the Commissioner on the appropriateness of the NDIS Commission's:

- Portfolio Budget Statements (PBS) and the Corporate Plan contain appropriate details of how the NDIS Commission's performance will be measured and assessed;
- approach to measuring its performance throughout the financial year against the performance measures included in its PBS and Corporate Plan is appropriate and in accordance with the Commonwealth Performance Framework. This may include reviewing, over time, particular elements of the performance measures; and
- systems and processes are appropriate for preparation of the NDIS Commission's annual performance statement and inclusion of the statement in its annual report.

The Committee will review the annual performance statements and provide advice to the Commissioner on their appropriateness for the NDIS Commission.

The Committee will provide an annual statement to the Commissioner on whether, in its view, the annual performance statements and performance reporting as a whole are appropriate, with reference to any specific areas of concern or suggestions for improvement.

2.3 System of risk oversight and management

The Committee will review the system of risk oversight and management and advise the Commissioner on:

- the appropriateness of the NDIS Commission's enterprise risk management policy framework and the necessary internal controls for the effective identification and management of the entity's risks, in keeping with the Commonwealth Risk Management Policy (for non-corporate entities);
- approach to managing the NDIS Commission's key risks, including those associated with individual projects and program implementation and activities;
- process for developing and implementing the NDIS Commission's fraud and corruption control arrangements consistent with the fraud and corruption control framework, and satisfy itself that the entity has adequate processes for detecting, capturing and effectively responding to fraud and corruption risks; and
- articulation of key roles and responsibilities relating to risk management and adherence to them by NDIS Commission officials.

The Committee will provide an annual statement to the Commissioner on whether, in its view, the system of risk oversight and management as a whole is appropriate (with reference to the Commonwealth Risk Management Policy for non-corporate entities), and on any specific areas of concern or suggestions for improvement.

2.4 System of Internal Control

The Committee will review the system of internal control and advise the Commissioner on the appropriateness of the NDIS Commission's:

- approach to maintaining an effective internal control framework and whether appropriate processes are in place for assessing whether key policies and procedures are complied with;
- processes for ensuring relevant policies and procedures, such as Accountable Authority Instructions, delegations and other key policies, are in place;

- systems for monitoring legislative and policy compliance risks within the internal control framework, enterprise risk management framework, fraud and corruption control framework and planning;
- approach to embedding a culture that promotes the proper use and management of public resources and is committed to ethical and lawful conduct;
- approach to maintaining effective internal control over security, information management, data governance, cyber security and digital systems, including compliance with the *Protective Security Policy Framework*;
- Internal Audit and Assurance Plan (IAAP), ensuring coverage of the enterprise risks;
- monitoring and implementation of internal and external audit recommendations;
- mechanisms for reviewing relevant parliamentary Committee reports, external reviews and evaluations of the entity, and overseeing management's implementation, where appropriate, of resultant recommendations; and
- systems for monitoring compliance with the *National Disability Insurance Scheme (NDIS) Act 2013* and NDIS Rules.

Consistent with the Internal Audit Charter, the Committee will endorse the Internal Audit and Assurance Plan (IAAP), monitor its delivery and recommend its approval to the Commissioner.

The Committee will provide an annual statement to the Commissioner on whether the system of internal control is appropriate as a whole for the NDIS Commission, with relevant policies and procedures in place, and with reference to any specific areas of concern or suggestions for improvement.

3. Committee Membership

3.1 Composition

The Committee is comprised of an independent Chair and a minimum of three additional independent members external to the NDIS Commission.

The Chair and members are appointed by the NDIS Commissioner.

The Committee is a skill-based governance committee. Members should collectively possess sufficient knowledge of governance, assurance, audit, finance, information technology, legislation, risk management, compliance and internal control. Members of the Committee should have senior management skills and experience in a relevant environment and awareness of the NDIS Commission's operating context.

As the responsibilities of the Committee evolve in response to regulatory, economic and reporting developments, member competencies and the overall balance of skills on the Committee will be periodically evaluated to respond to emerging needs.

3.2 Terms of Appointment

Committee appointments will be made by the NDIS Commissioner. The Committee Chair will be appointed for an initial term of three years.

Member appointments will ordinarily be made for an initial term of three years, with appointments staggered to enable continuity of knowledge. Committee membership constitutes a personal and specific appointment – as such, proxies are not permitted.

The Chair and members will be eligible for reappointment by the Commissioner for successive terms of two years, subject to satisfactory performance. The maximum total period of service for the Chair and members will ordinarily be five years, unless otherwise determined by the Commissioner. The Commissioner may appoint one member to be deputy chair of the Committee.

3.3 Observers, Advisers and Presenters

The Commissioner may attend Committee meetings as an observer and to contribute insights to assist Committee deliberations.

The Chief Financial Officer, Chief Information Officer, General Legal Counsel, Chief Risk Officer, Chief Internal Auditor, other management representatives, and a representative from the ANAO may attend as observers or advisers, as determined by the Chair, but will not be members of the Committee.

4. Engagement with stakeholders

The Committee is responsible for maintaining an effective working relationship with the Australian National Audit Office (ANAO) to support independent assurance and accountability. In fulfilling this responsibility, the Committee will:

- meet privately with the ANAO at least once each year;
- provide input on planned ANAO financial statement and performance audit coverage;
- monitor management's responses to all ANAO financial statement management letters and performance audit reports, including the implementation of audit recommendations; and
- provide advice to the Commissioner on action taken on significant issues raised in relevant ANAO reports.

All communication with management and staff, as well as with any advisers, is to be open, direct and comprehensive. The Chair is the primary liaison between the Committee and the Commissioner.

It is important for the Committee Chair and members to develop, establish and maintain an effective working relationship with the Commissioner and executive management.

Any concerns or differences should be resolved by way of open negotiation, with the final arbiter being the Commissioner.

5. Administrative arrangements

5.1 Annual work plan

A forward work plan, including meeting dates and agenda items, will be agreed by the Committee at the end of each year and reviewed periodically to ensure it remains fit for purpose throughout the year.

5.2 Induction

New Committee members will receive information and briefings on the work of the Committee to assist them to meet their responsibilities. Inductions for new Committee members will be arranged by the secretariat.

5.3 Secretariat

The Assistant Director, Audit within the Audit, Fraud and Risk team, provides secretariat services to the Committee. The secretariat can be contacted via email at internalaudit@ndiscommission.gov.au.The Secretariat will ensure the agenda for each meeting and supporting papers are circulated at least 5 working days before the meeting and ensure the minutes of the meeting are prepared and maintained. Minutes must be reviewed by the Chair after the meeting and distributed within ten business days to each member and Committee observers, as appropriate. The Secretariat will maintain records in accordance with the Commission's obligations under the *Archives Act 1983* and Section 37 of the PGPA Act.

5.4 Meeting schedule and Quorum

The Committee will meet at least four times each financial year. The Committee Chair is required to call a meeting if requested by the Commissioner. In addition to the four meetings, a special meeting may be held to review the annual financial statements and performance statements.

Meetings may be held in person, by teleconference or by video conference.

The quorum for the Committee will be a majority of Committee members, one of whom must be the Chair or the Deputy Chair of the Committee, as nominated by the Commissioner.

The Chair will meet with the Commissioner at least twice a year to discuss key issues and may also provide written advice on relevant issues after each meeting. The Commissioner may attend Audit and Risk Committee meetings as an observer or to provide an update on emerging risks.

The Committee, either collectively or through any individual Committee member, may at any time report to the Commissioner any matters it deems of sufficient importance to do so.

The Committee will provide the Commissioner with an annual report at the conclusion of each financial year on its operations, activities, outcomes and achievements, together with focus areas for the coming financial year. The report will be based around the four key functional statements of advice prepared annually for the Commissioner.

5.5 In-camera sessions

The Committee will meet privately at least once each year on its own or with the Chief Internal Auditor and Chief Risk Officer. The Committee will also meet privately at least once each year with the external auditor. The Committee may meet privately with the Commissioner, Associate Commissioner and Chief Operating Officer as required to discuss key risks, priorities and emerging issues relevant to the Commission.

5.6 Conflicts of interest

It is the responsibility of all Committee members to disclose any actual, potential or perceived conflict of interest to the Chair, who will decide whether the member should be excused from Committee deliberations for a particular matter.

At the beginning of each meeting, all Committee members and attendees are required to declare any conflicts of interest which may apply to specific matters on the meeting agenda. Declarations will be captured in meeting minutes by the Committee Secretariat to enable the Committee Chair and members to demonstrate transparency.

On an annual basis, all Committee members will provide written declarations to the Commissioner on any material personal interests they may have in relation to their responsibilities. Members should consider past employment, consultancy arrangements and related party issues in making these declarations. The Committee Chair, in consultation with the Commissioner, should be satisfied that there are sufficient processes in place to manage any real or perceived conflicts.

6. Review of Committee Performance

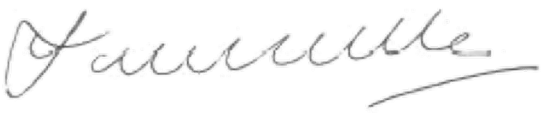
The Committee will assess its own performance at least once every two years and report the findings to the Commissioner. The assessment may include input from the Commissioner, Committee members, senior management, internal audit, and other relevant stakeholders as determined by the Commissioner.

7. Review of the Charter

The Committee will review this charter at least once a year against current best practice, relevant professional standards and any new legislation or regulations, and recommend any substantive changes to the Commissioner for approval.

Approval of the Charter

Approved:



Louise Glanville, NDIS Quality and Safeguards Commissioner *13 July 2026*