



ATSB Audit and Risk Committee Charter

The Chief Commissioner of the ATSB has established the Audit and Risk Committee (the Committee) in compliance with section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) section 17 – Audit committee for Commonwealth entities.

Role

The Committee's role is to provide independent advice to the Chief Commissioner (and to the Commission, Executive and Senior Leadership Team) on the ATSB's financial and performance reporting responsibilities, risk oversight and management, and system of internal control.

The Committee is not responsible for the executive management of these functions. The Committee will engage with management in a constructive and professional manner in discharging its advisory responsibilities and formulating its advice to the Chief Commissioner.

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

- act in the best interests of the ATSB as a whole
- apply good analytical skills, objectivity and good judgment
- express opinions constructively and openly, raise issues that relate to the Committee's responsibilities and pursue independent lines of enquiry
- contribute the time required to meet their responsibilities.

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 Chief Commissioner.

The Committee will be assisted by the ATSB's internal audit function that will be responsible for delivering an internal audit program in line with the Committee's guidance and subject to approval by the Chief Commissioner. The Committee will exercise a governance role in relation to the ATSB's internal audit function.

Authority

The Chief Commissioner authorises the Committee, within its role and responsibilities, to:

- obtain any information it requires from any official or external party (subject to any legal obligation to protect information)
- discuss any matters with the Australian National Audit Office (ANAO), or other external parties (subject to confidentiality considerations)
- request the attendance of any official, including the Chief Commissioner, at Committee meetings
- obtain external legal or other professional advice, as considered necessary to fulfil its role, at the ATSB's expense, subject to approval by the Chief Commissioner or delegate.

Membership

The Committee comprises 3 members, appointed by the Chief Commissioner.

The members may be officials of a Commonwealth entity other than the ATSB or persons who are not officials of any Commonwealth entity. Most members must be persons who are not officials of any Commonwealth entity.

The Committee may have a temporary increase in the number of members as a result of staggering the rotation of members.

A member's initial appointment term should not exceed one year. Members may be reappointed for a further term of no more than three years, after a review of their performance. The maximum period that a person may be a member of the Committee is six years.

Committee members, taken collectively, will have a broad range of skills and experience relevant to the operations of the ATSB including governance, risk management, human resources, auditing and transport safety. At least one member of the Committee will have accounting or related financial management experience, with an understanding of accounting and auditing standards in a public sector environment.

The Chief Commissioner will appoint the Chair of the Committee, who will be one of the members who is not an official of any Commonwealth entity. The Chair must not be the same person as the Chair of the Commission. The Committee is authorised to appoint a Deputy Chair who will act as Chair in the absence of the Chair.

The Chief Commissioner, Chief Financial Officer, other management representatives and external providers of internal audit services may attend meetings as advisors as determined by the Chair but will not be members of the Committee.

A representative or representatives of the ANAO will be invited to attend meetings of the Committee, as an observer.

Functions

Consistent with subsection 17(2) of the PGPA Rule, the Chief Commissioner has determined that the functions of the Committee are below:

- **financial reporting – review and provide independent advice on the appropriateness of the ATSB's:**
 - annual financial statements and related management representations
 - information requested by the Department of Finance in preparing the Australian Government's consolidated financial statements, including the supplementary reporting package
 - internal processes and systems for preparing financial reporting information
 - financial record keeping
 - financial planning and forward estimates
 - processes in place for the ATSB to stay informed throughout the year of any changes or additional requirements in relation to the financial reporting.
- **performance reporting – review and provide independent advice on the appropriateness of the ATSB's:**
 - systems and procedures for assessing, monitoring and reporting on achievement of the ATSB's performance, In particular the Committee will satisfy itself that the ATSB's:
 - a) Portfolio Budget Statements and corporate plan contain appropriate details of how the ATSB's performance will be measured and assessed
 - b) approach to measuring its performance throughout the financial year against the performance measures included in its Portfolio Budget Statements 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
 - c) systems and processes are appropriate for preparation of its annual performance statements and inclusion of the statements in its annual report.
- **system of risk oversight and management – review and provide independent advice on the appropriateness of the ATSB's:**

- enterprise risk management framework and associated internal controls for effective identification and management of the ATSB's risks, in accordance with the Commonwealth Risk Management Policy
- approach to managing key risks, including those associated with individual key projects, program implementation, and activities
- process for developing and implementing the entity's fraud control arrangements, including processes for detecting, capturing and effectively responding to fraud risks are consistent with the Commonwealth Fraud Control Framework
- articulation of key roles and responsibilities relating to risk management and adherence to them by ATSB officials
- reports on fraud from management that outline any significant or systemic allegations of fraud, the status of any ongoing investigations and any changes to identified fraud risk in the entity.
- **system of internal control – review and provide independent advice on the appropriateness of the ATSB's:**
 - approach to maintaining an effective internal control framework, including processes for assessing compliance with key policies and procedures
 - management policies and procedures, including accountable authority instructions, delegations, a business continuity management plan or other existing policies, and that these are periodically reviewed and updated
 - effectiveness of systems for monitoring the ATSB's compliance with laws, regulations and associated government policies with which the ATSB must comply
 - consideration of legal and compliance risks as part of the ATSB's enterprise risk management framework, fraud control and corruption framework and planning
 - approach to maintaining an effective internal security system (including complying with the Protective Security Policy and Framework).
 - reviewing internal audit reports and providing advice to the accountable authority on major concerns identified in those reports, and recommending action on significant matters raised – including identification and dissemination of information on good practice
 - coverage, taking into account coverage of the ATSB's primary risks in the development of an internal audit work program
 - monitoring the implementation of agreed recommendations from internal audits.
- **Other functions – the Committee should satisfy itself that:**
 - an appropriate approach has been taken in establishing business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested
 - that the accountable authority has taken steps to embed a culture that promotes the proper use and management of public resources and is committed to ethical and lawful conduct
 - the ATSB has appropriate mechanisms in place for compliance with the *Transport Safety Investigation Act 2003*

Engagement with the ANAO

In undertaking its role, the Committee will engage with the ANAO, as the ATSB's external auditor, in relation to the ANAO's financial statement and performance audit coverage. In particular, the Committee will:

- 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

- provide advice to the Chief Commissioner on action to be taken on significant issues raised in relevant ANAO reports or guidance
- meet privately with the ANAO at least once per year.

Audit and Risk Committee Work and Meeting Plan

Each year, the Committee will revise its annual work and meeting plan that outlines the meeting schedule and activities to be undertaken to achieve the Committee's functions. Agenda items for each meeting will be based on the work plan and determined on a meeting-by-meeting basis.

Sub-committees

The Committee may establish one or more sub-committee/s to assist the Committee in meeting its responsibilities, in consultation with the Chief Commissioner.

The responsibilities, membership and reporting arrangements for each sub-committee shall be documented and approved by the Committee.

Committee sub-committees should not assume any management functions, nor should management exert inappropriate influence over the work of sub-committees.

Reporting

The Committee will, as often as necessary, and at least once a year, report to the Chief Commissioner on its operation and activities during the year and confirm to the Chief Commissioner that all functions outlined in this charter have been satisfactorily addressed.

At least once a year, the Committee will provide a statement to the Chief Commissioner outlining:

- whether the annual financial statements, in the Committee's view, comply with the PGPA Act, the PGPA Rules, the Accounting Standards and supporting guidance
- whether additional entity information (other than financial statements) required by the Department of Finance for the purpose of preparing the Australian Government consolidated financial statements (including the supplementary reporting package) comply with the PGPA Act, the PGPA Rules, the Accounting Standards and supporting guidance
- the appropriateness of the ATSB's financial reporting, performance reporting and risk oversight and management, and system of internal control, as a whole, with reference to any specific areas of concern or suggestions for improvement.

The Chair will report to the Chief Commissioner after each meeting. The Chair will report any matter deemed of sufficient importance to the Chief Commissioner immediately. In addition, at any time an individual Committee member may request a meeting with the Chief Commissioner.

Administrative arrangements

Meetings

The Committee will meet at least four times per year. One or more special meetings may be held to review the ATSB's annual financial statements and performance statements or to meet other specific responsibilities of the Committee.

The Chair is required to call a meeting if asked to do so by the Chief Commissioner, and to decide if a meeting is required if requested by another member, internal audit or the ANAO.

Quorum

A quorum will consist of a majority of Committee members. The quorum must be in place at all times during the meeting.

Secretariat

The Chief Commissioner will provide resources 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 one week before the meeting, and ensure the minutes of the meetings are prepared and maintained. Minutes must be approved by the Chair and circulated within two weeks of the meeting to each member and Committee advisors and observers, as appropriate.

Conflicts of interest

At least once a year, Committee members will provide written declarations, through the Chair, to the Chief Commissioner declaring 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 and the Chief Commissioner, in consultation with the Chair, should be satisfied that there are sufficient processes in place to manage any actual or perceived conflict.

At the beginning of each Committee meeting, members are required to declare any material personal interests that may apply to specific matters on the meeting agenda. If required by the Chair, the member will be excused from the meeting or from the Committee's consideration of the relevant agenda item(s). The Chair is also responsible for deciding, in consultation with the Chief Commissioner if appropriate, whether they should excuse themselves from the meeting or from the Committee's consideration of the relevant agenda item(s). Details of any material personal interests declared by the Chair and other members, and actions taken, will be recorded in the minutes.

Induction

When a new member joins the Committee, the Manager Governance will arrange giving that person relevant information and briefings to assist them to meet their Committee responsibilities.

Evaluation arrangements

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 Chief Commissioner.

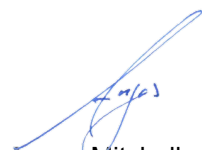
The review will be conducted on a self-assessment basis with appropriate input sought from the Chief Commissioner, Committee members, management, the internal auditors, the ANAO, the Chief Financial Officer, and any other relevant stakeholders, as determined by the Chair of the Committee.

The Chair will provide advice to the Chief Commissioner on members' performance when an extension of the member's tenure is being considered.

Review of the charter

At least once a year the Committee will review this charter. This review will include consultation with the Chief Commissioner. Any substantive changes to the charter will be recommended by the Committee and formally approved by the Chief Commissioner.

Approval



Angus Mitchell
Chief Commissioner and CEO
Date

Document control

Approval

Date	Name	Title
13 October 2025	Angus Mitchell	Chief Commissioner, Australian Transport Safety Bureau

Endorsement

Date	Authorisation Body
25 September 2025	Audit and Risk Committee