

Westmeath County Council



Audit Committee Charter

Approved by Audit Committee Monday 11th September 2017

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1. Purpose

The Audit Committee has an independent role in advising the Council on financial and budgetary reporting processes, internal audit, risk management and value for money, as part of the governance arrangements that operate within the Council. It provides assurance to the Council regarding the suitability of these systems and processes.

The Committee shall act in a non-executive advisory capacity and reports directly to the elected Council.

2. Functions

In accordance with the Local Government Reform Act 2014 the functions of an Audit Committee are as follows:

- a) To review the Council's financial and budgetary reporting practices and procedures,
- b) To foster the development of best practice in the performance by the Council of its Internal Audit function and, as part of this:
 - Review the Internal Audit Charter and bring any recommendations to the attention of the Chief Executive,
 - Review and assess the draft annual Internal Audit Plan,
 - Assess the outcome of the internal audit process, having regard to any findings and recommendations of the internal audit unit and management responses thereto,
 - Assess the implementation of agreed corrective actions by management having regard to follow-up audits,
 - Meet separately at least annually with the Internal Auditor.
- c) To review any Audited Financial Statement, Auditor's Report or Auditor's Special Report in relation to Westmeath County Council and assess any actions taken within the Council by the Chief Executive in response to such a statement or report and to report to the Council on its findings.
 - The Audit Committee shall meet separately, at least annually, with the Local Government Auditor.
- d) To assess and promote efficiency and value for money with respect to the Council's performance of its functions,
- e) To review annually systems that are operated by the Council for the management of risks.

In addition the Local Government (Audit Committee) Regulations 2014 stipulate that:

- The Audit Committee shall operate in accordance with a written charter that shall be adopted by Westmeath County Council with or without amendment. It must be reviewed annually by both the Audit Committee and Westmeath County Council.
- The Audit Committee must prepare an Annual Work Programme that shall be adopted by Westmeath County Council with or without amendment. The programme must include the review of relevant findings and recommendations of the National Oversight and Audit

Commission and the response of the Chief Executive to such findings and recommendations; and take further action as appropriate.

- The Committee must ensure that procedures are in place whereby employees of Westmeath County Council may in confidence raise concerns about possible irregularities in financial reporting or other financial matters.
- The Audit Committee must prepare its report in accordance with section 121 of the Local Government Act 2001 and submit same to Westmeath County Council (Audited AFS and Auditor's Report).
- An Annual Report must be prepared by the Audit Committee within three months of the expiration of each calendar year. It must include its considerations and findings during the year and a review of its own performance. The Chairperson must send the report to the Chief Executive and to the local authority.

3. Composition of Audit Committee

The key to an Audit Committee's effectiveness is in its membership.

- The Audit Committee of Westmeath County Council shall consist of five persons and shall include;
 - not less than three external members,
 - not more than two serving or retired elected members, and
 - two or more persons having knowledge or experience in finance, audit or accounting.
- The appointment of members of an Audit Committee shall be a reserved function of the local authority.
- Appointments to an Audit Committee will be for the duration of the elected council, with subsequent committees to be established within three months of the polling day of the election of the incoming members of the Council.
- Where a vacancy arises it shall be the duty of the Chairperson to request that the Corporate Policy Group commence the process for replacing the Audit Committee member.

4. Meetings

The Audit Committee is established by resolution of the Council upon nomination by the Corporate Policy Group, who must consult with the Chief Executive.

- a) There should be at least four meetings per annum, with authority to convene additional meetings, as circumstances require. A member may be disqualified where he or she fails to attend 75% of the meetings of the Committee in any calendar year.
- b) The quorum will be three members.

- c) The Chairperson of the Committee shall be selected by its members and shall be one of the external members.
- d) In the absence of a Chairperson, those present will elect a Chairperson.
- e) A copy of the minutes of all meetings will be forwarded to the Chief Executive.
- f) The Committee may meet infrequently in camera without the presence of officials.
- g) New members will undertake an induction programme within three months of appointment.

5. Confidentiality

The Committee shall be obliged to safeguard information received by them in confidence.

Whether information is confidential or not will depend on its nature. The Committee's approach shall be to assume that all unpublished information, however gained, is confidential. Members and those in attendance shall not, without the approval of the Chairperson, discuss matters arising with third parties, or directly or indirectly disclose to these parties information obtained in the course of their duties during their membership or afterwards.

Members of the Committee shall bear in mind that the duty of confidentiality extends not only to the business of the council, past and present, but also to third parties from or about whom information has been received in confidence.

A member of the Committee should never disclose or use, outside his/her defined role, whether in his/her interest or that of another party, information received by him/her in confidence unless he/she has a right or obligation to do so, or he/she has received informed consent from the party to whom the duty of confidentiality is owed. The duty of confidentiality is not only to keep information confidential, but also to take all reasonable steps to preserve same.

6. Access and Working Procedures

- At the request of the Chairperson of the Audit Committee, the Chief Executive shall attend a meeting of the committee and may arrange for the attendance of such other employees as he or she considers necessary. The Committee is entitled to discuss its work with the Chief Executive, Director of Services and Head of Internal Audit.
- The Audit Committee shall meet separately at least annually with:
 - The Chief Executive
 - The Local Government Auditor and
 - The Internal Auditor.
- The Local Government Auditor and/or Internal Auditor may request a meeting with the Committee via the Chairperson to discuss items of exceptional importance.
- The Local Government Auditor and the Internal Auditor may communicate with the Committee as they see fit.
- The Committee shall adopt its own working procedures including the right to receive independent professional advice with the approval of the Chief Executive.

- The Head of Finance will act as Secretary to the committee.
- Training and support should be provided to assist members in discharging their functions.
- In the event that a conflict of interest arises, the Chairperson will determine the appropriate course of action. If it is the Chairperson that has the conflict of interest, the Council (or Committee) should ask another committee member to determine the correct course of action.
- The Audit Committee shall prepare an Annual Work Programme that shall be adopted with or without amendment by the local authority.

7. Protected Disclosures

The Audit Committee shall ensure that procedures are in place whereby employees/workers of Westmeath County Council are encouraged to report internally as soon as possible, any concerns they may have regarding potential wrongdoing in the workplace, in the knowledge that their concerns will be taken seriously and investigated, where appropriate, and that their confidentiality will be respected, in the manner provided by the Protected Disclosures Act, 2014. These procedures will take cognisance of any legislative requirements together with guidance which may issue from time to time from the Department of the Environment, Community and Local Government.

In accordance with WCC Audit Committee Protocol for Protected Disclosures, the Chairperson of the Audit Committee should refer any protected disclosures received to the staff member appointed to receive disclosures.

8. Reporting

- a) The Chief Executive shall provide the audited financial statement, auditor's report or auditor's special report to the Audit Committee for consideration at the next practicable meeting of the committee.
- b) The Audit Committee shall report to the Council on its consideration of the statement or report at the next practicable meeting of the Council following the Audit Committee's consideration.
- c) The Committee will formally report to the Council within three months of the end of each calendar year on its activities and will give advice and make recommendations, as it may deem appropriate. In presenting a report to the Council, the Committee shall simultaneously forward a copy of the report to the Chief Executive.

9. Independence

The Committee shall be independent in the performance of its functions and responsibilities and shall not be subject to direction or control from any other party.

10. Amendment of Charter

This Charter shall be reviewed annually and may be amended or updated in joint consultation between the Chief Executive and the Committee. It must also be adopted by the members of Westmeath County Council.

Signed:

Anne O' Keeffe
Chairperson

Pat Gallagher
Chief Executive

John Shaw, MCC
Cathaoirleach

Date : October 2017