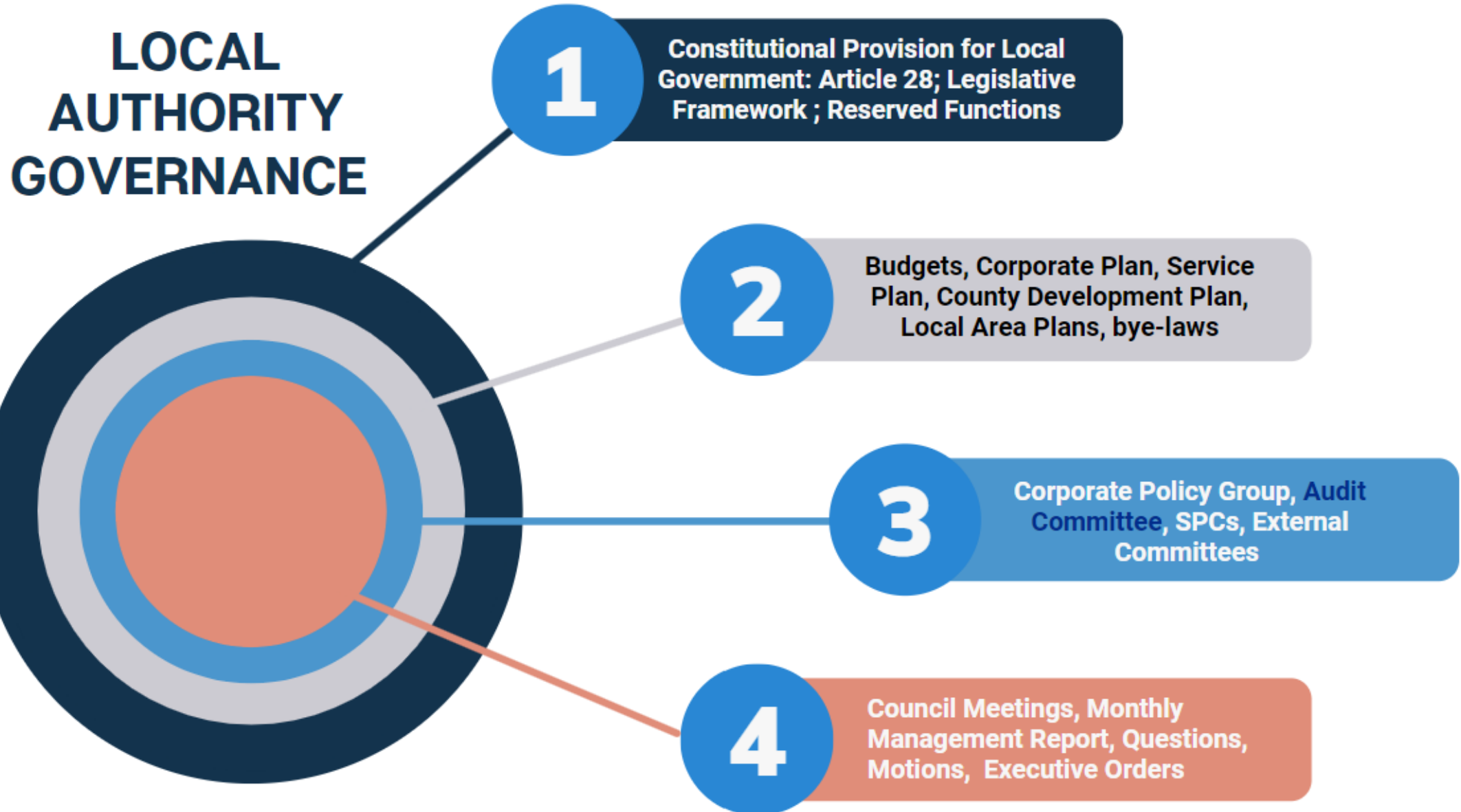# Work on the DLR Audit Committee:

Cllr. Anne Colgan

Member of Dún Laoghaire-Rathdown

County Council Audit Committee

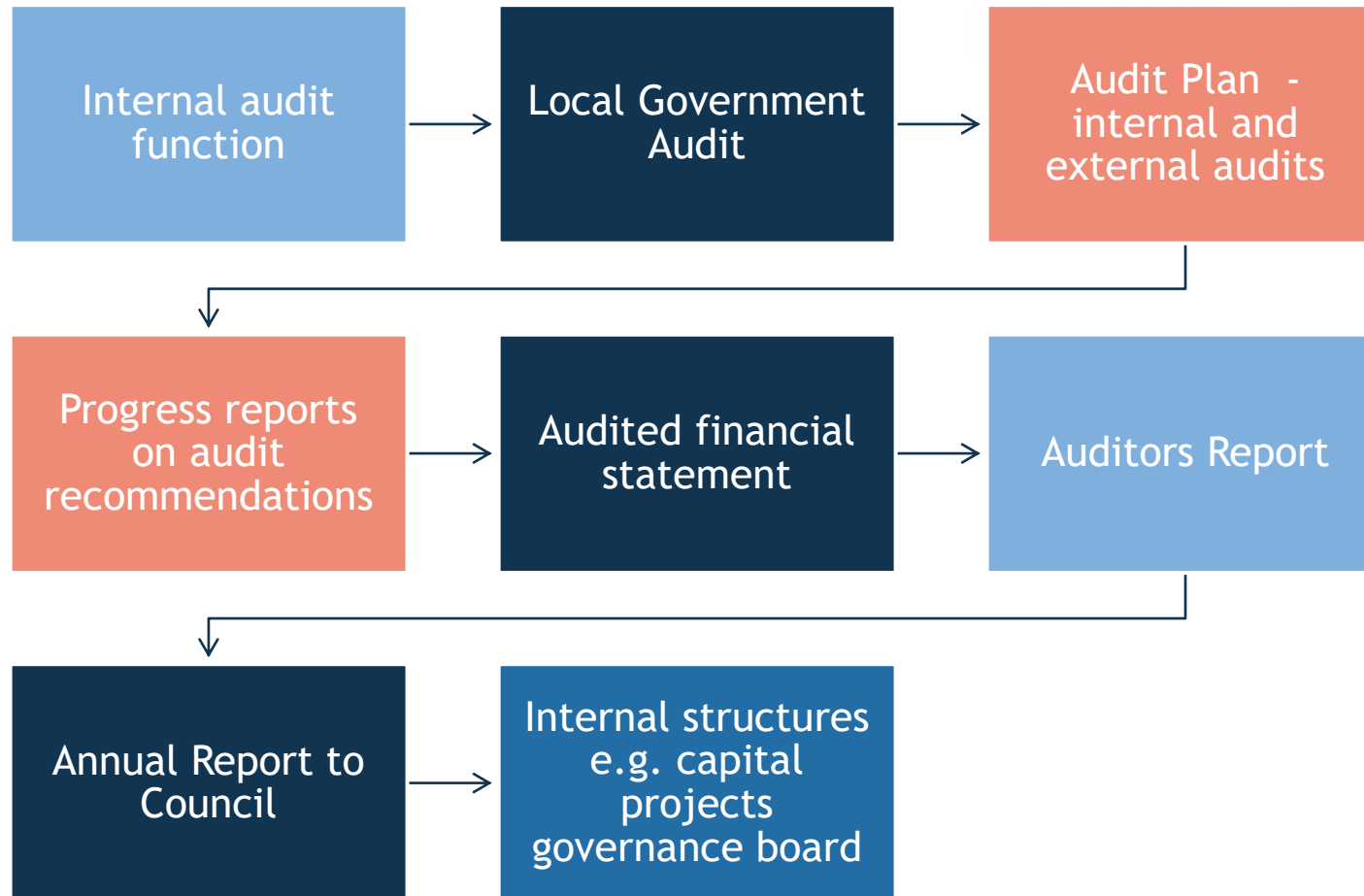# Audit Committee: A key strand of Local Authority Governance

LOCAL AUTHORITY GOVERNANCE

1 Constitutional Provision for Local Government: Article 28; Legislative Framework ; Reserved Functions

2 Budgets, Corporate Plan, Service Plan, County Development Plan, Local Area Plans, bye-laws

3 Corporate Policy Group, Audit Committee, SPCs, External Committees

4 Council Meetings, Monthly Management Report, Questions, Motions, Executive Orders

The Audit Committee:

❑Membership: 3 Independent members,
   3 elected councillors, independent Chair

❑Meeting: 6 meetings per year

❑Typical meeting length: 3/4 hours

Systems and structures


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┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐
│  Internal audit │ --> │ Local Government│ --> │  Audit Plan -   │
│    function     │     │      Audit      │     │  internal and   │
│                 │     │                 │     │ external audits │
└─────────────────┘     └─────────────────┘     └────────┬────────┘
                                                         │
        ┌────────────────────────────────────────────────┘
        v
┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐
│ Progress reports│ --> │ Audited financial│ --> │ Auditors Report │
│    on audit     │     │    statement    │     │                 │
│ recommendations │     │                 │     │                 │
└─────────────────┘     └─────────────────┘     └────────┬────────┘
                                                         │
        ┌────────────────────────────────────────────────┘
        v
┌─────────────────┐     ┌─────────────────┐
│ Annual Report to│ --> │ Internal structures│
│     Council     │     │  e.g. capital   │
│                 │     │    projects     │
│                 │     │ governance board│
└─────────────────┘     └─────────────────┘
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What programmes/processes to audit?

Risk register/risk rating, Corporate Plan, Service Plan

Individual Directors

Chief Executive

Members

Key focus of the Audit Committee

- Risk Register

- Audit Plan reflecting risk register

- Audit Reports

- Progress on Audit Plan and Recommendations (multi-year)

- Report of the Local Government Auditor

Ethos of the Audit Committee

✓Independence and objectivity

✓Confidentiality

✓Thoroughness

✓Good practice focus

✓Partnership

A Pro-active Role

❑Fostering best practices in performance of internal audit

❑Promoting efficiency and value for money

❑Reviewing risk management system

❑Reviewing audited financial statement, auditor's report

❑Assess actions taken by the Chief Executive in response to an audit report

❑Overseeing implementation of audit recommendations

Sample Agenda

➢ Conflict of Interest Procedure

➢ Consideration of 2019 Annual Financial Statement and Local Government Auditor's Report

➢ Internal Audit Report – Review of VAT Process

➢ Internal Audit Plan and Schedule 2020 (based on risks and priorities)

➢ Post Project Review - capital project

➢ Report on High level Overdue Audit Recommendations

➢ Value for Money Process

➢ Risk Management

Example of other internal and external audits

- ❑ Housing Adaptation Grants
- ❑ Capital programme
- ❑ Management of security bonds
- ❑ GDPR
- ❑ Procurement Review
- ❑ Business Continuity Plan
- ❑ IT Applications

- ❑ Software licenses
- ❑ Overtime
- ❑ Rents Collection
- ❑ Arts programme

First time member: the Challenges

❑Grasp of Role and boundaries of the role

❑Familiarisation with systems and structures

❑Knowing the stakeholders

❑The terminology!

In Conclusion..

➢Big commitment

➢Continuous learning

➢Ongoing training essential

➢Satisfying role

Thank you for your attention