

# LOUTH COUNTY COUNCIL

## *Audit Committee*

**Minutes of the inaugural meeting of Louth County Council Audit Committee held in Setanta Room, County Hall, Dundalk on Tuesday 18<sup>th</sup> November 2014 at 2.00pm**

**In Attendance:** Mr. Richard Bowden  
Dr. Philip Byrne  
Mr. Billy Doyle  
Councillor Kevin Callan  
Councillor Conor Keelan

Ms. Bernie Woods, Head of Finance  
Mr. Paddy Donnelly, Secretary to the Audit Committee

**Apologies:** none

**Guests:** Mr. Maurice O'Neill, Local Government Auditor

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### **1. Introduction and Confirmation of Appointment**

The Secretary to the Audit Committee, P. Donnelly welcomed the members to the inaugural meeting and this was endorsed by Ms. B. Woods, Head of Finance. Following the introductions of members and confirmation of appointment as issued by the Cathaoirleach, the members proceeded to the business of the meeting.

### **2. Election of Chairperson**

The Committee Secretary advised the members that it was required to appoint a Chairperson from within the number of external members to Chair the Audit Committee for the five year period of office as provided for in S.I. No. 244 of 2014.

Mr. Billy Doyle proposed Dr. Philip Byrne and this was seconded by Mr. Richard Bowden and agreed by all.

The Chairman thanked the members for their support and he looked forward to serving the Audit Committee and Louth County Council over the next five years. He noted the significant work and important role that the Audit Committee has to play in the governance and administration of the Local Authority.

### **3. Charter for the Audit Committee**

The Chairman referred to a draft charter that had been circulated to the members in advance of the meeting. The charter had been prepared in line with the changes in the new legislation and some new requirements that are placed on Audit Committees. The members considered the document in detail and made a number of minor changes. The Chairman commented that under Section 2 of the charter where functions were set out for the committee, he felt that this is the area from where the Audit Committees work plan would be drawn. The Charter was agreed by the members on the proposal of the Chairman and seconded by Cllr. Callan.

### **4. Work Programme for Audit Committee**

The members discussed at length issues that may form the basis of the work programme for the coming year and for the duration of the term of the committee.

Issues included Risk Management whereby Directors of Service would be asked to report to the committee in regard to the mitigation measures that are in place to meet the risks identified to the organisation. The Corporate Plan will be considered, as will Service Delivery Plans and other Team Development Plans prepared by the Chief Executive and the Management Team. It was also important that the committee looked at value for money opportunities, and while looking at specific issues within the authority that they look at other streams of reporting based on international best practice.

The Chairman, Dr. Philip Byrne agreed to draft a template and bring the matter before the members at a future meeting.

### **5. Annual Financial Statement for Louth County Council 2013**

Mr. Maurice O'Neill, Local Government Auditor joined the meeting and presented the Annual Financial Statement to the members which had been circulated with the Agenda.

The Chairman pointed out that it was now a requirement of the new legislation that the Audit Committee consider the Financial Statement in advance of it being presented to Council. The Head of Finance advised the members that the intention was to bring the matter to Council at the December meeting, subject to the Audit Committee having had sufficient time to review the matter.

Mr. O'Neill highlighted the key issues in relation to the Financial Statement and addressed the members' queries in regard to same. A number of key issues dominated the conversation, which included the under provision for bad debts identified by the Local Government Auditor, together with Debt Collection and Fire Fees.

There was an extensive and in-depth discussion in regard to the provisions of the Act, particularly around Section 60 where the term 'consideration' of the

Annual Financial Statement is outlined. This as Mr. Doyle pointed out was a difference to Section 59 where it said that the Committee might 'review' the Annual Financial Statement. Mr. Richard Bowden agreed with the matter and, while offering a possible explanation for the difference in terminology, felt it was important that this matter was clarified as it would have an impact on how the report that the Audit Committee would attach to the Financial Statement for the Council would be drafted.

The Chairman advised the members that nationally a reporting template to meet the statutory requirements set out for the Committee was currently being drafted, and he proposed to bring this to the next meeting. He suggested that a special meeting should be held to consider the Annual Financial Statement with a view to facilitating its presentation at the December meeting if possible. This was agreed, and the next meeting was confirmed for Tuesday 9<sup>th</sup> December 2014 at 2.00 pm, with a single item Agenda of Annual Financial Statement to be listed thereon.

#### **6. Local Government Service Indicators**

The Committee Secretary referred the members to a document that had been circulated with the Agenda which outlined 47 Service Indicators on which local authorities are required to report on an annual basis. He brought this to the member's attention following the matter being raised at the training for Audit Committees. The Chairman welcomed the presentation of the document and suggested that it would be a matter that would come before the Committee during their term of office. There was a short discussion on this matter together with other indicators that may come about, particularly those from NOAC and reviews that they are proposing to carry out within the sector over the period.

#### **7. Any Other Business**

The issue of conflict of interest was discussed and the Chairman proposed that an item 'conflict of interest' should be listed on all agenda, which would give members an opportunity to declare any conflicts of interest they might be aware of in regard to items listed on the agenda. The members instanced a number of cases where there could be a possible conflict of interest due to their membership of boards as nominated by the local authority. Independent members also advised that through their work there may be instances that there may be a conflict of interest, and it was agreed that the matter would be listed as the Chairman suggested.

#### **8. Audit Committee Meeting Schedule**

The members agreed that the next meeting of the committee would be as set out on Tuesday 9<sup>th</sup> December at 2.00 pm and a further schedule of meetings would be agreed at that meeting. It was proposed that there would be approximately six meetings of the committee in any one year.

The Chairman in thanking the members for their attendance thanked the Local Government Auditor and looked forward to having him at future meetings. He thanked the staff and concluded the business of the meeting.

**Confirmed at Meeting held on:** \_\_\_\_\_

**Chairman:** \_\_\_\_\_

**Meetings Administrator** \_\_\_\_\_