

Internal Audit Charter v2.0



Comhairle Chontae na Gaillimhe
Galway County Council

1. Purpose of Internal Audit

The Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) defines Internal Auditing as:

....an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations.

Internal auditing enhances the organisation's:

- Successful achievement of its objectives
- Governance, risk management, and control processes
- Decision-making and oversight
- Reputation and credibility with its stakeholders
- Ability to serve the public interest

2. Council Policy

Galway County Council is committed to promoting the highest standard of corporate governance through the organisation. This objective is incorporated into the Council's Corporate Plan. Internal Audit is an important element in facilitating the achievement of this goal.

It is the policy of Galway County Council to maintain and support a quality Internal Audit function that endeavours to operate in line with professional standards.

Management has primary responsibility for establishing and maintaining a proper and effective control environment and for managing risk. Management also bears primary responsibility for the prevention and detection of fraud.

3. Mandate

The mandate for Internal Audit in Local Authorities is set out in S.I. No. 508/2002 - Article 16 of the Local Government (Financial Procedures and Audit) regulations 2002, requires Local Authorities to 'maintain an adequate and effective system of internal audit of its accounting records and control systems'.

Galway County Council Internal Audit Unit undertakes its responsibilities while having regard for the Global Internal Audit Standards.

Internal auditors in the public sector work in a political environment under governance, organisational and underlying structures that differ from the private sector.

The public sector is founded upon and governed under a legal framework that includes laws, regulations, administrative orders and rules and other types of governing requirements specific to the jurisdiction within which the organisation operates. In some cases, therefore the application of the Standards may differ for Internal Auditors within the public sector.

The Internal Audit function endeavours to operate in line with professional standards.

4. Organisational Independence, Reporting and Objectivity

Internal Audit at Galway County Council is administratively located within the HR, Corporate Services, City & County Libraries directorate.

The Director of HR, Corporate Services, City & County Libraries directorate is the Secretary to the Audit Committee.

The Head of Internal Audit has direct access to the Chief Executive and may interact directly with the Audit Committee.

The Internal Audit Unit must be independent of the activities they audit and should not have any operational responsibilities outside audit.

5. Authority

In the implementation of the audit programme, internal audit staff are authorised to have full, free, and unrestricted access to all the Council's records, assets, and personnel.

The Internal Audit Unit is entitled to request and receive all the information and explanations they require for the proper performance of their duties.

Management acknowledges the independence and authority afforded to Internal Audit and will co-operate fully and in a timely manner with Internal Audit staff during individual audit assignments.

6. Audit Scope

The remit of the Internal Audit Unit extends to all activities of Galway County Council.

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Council's governance, risk management and internal control processes.

Internal control has been defined as the whole system of controls, financial and otherwise, established by management in order to carry out the business of the local authority in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets and secure, as far as possible, the completeness and accuracy of records.

Internal Audit is responsible for giving assurance to the Chief Executive of the Council on the existence, adequacy and effectiveness of the Council's internal control and risk management systems.

Internal Audit may perform consultancy and advisory services related to the governance, risk management and control as appropriate for the Council. It may, if deemed appropriate by the Head of Internal Audit and/or Audit Committee, or if requested by management, review systems under development and advise on appropriate controls without prejudice to its right to subsequently audit such systems.

7. Duties and Responsibilities of Internal Audit

The primary responsibility of Internal Audit is critically and objectively to review and appraise the following:

- The design and operation of all systems and procedures which are intended to control the Council's operations including those used by management to measure the extent to which programmes and other operations run by the Council are successful in the achievement of policy objectives.

- The adequacy, reliability and integrity of the information being provided for decision making and for accountability and the extent to which this information is used.
- The degree of compliance with local policies, plans and procedures and also with national and international policies, laws, and regulations.
- The procedures and arrangements for the acquisition, safeguarding and disposal of assets.
- The arrangements for economic, efficient, and effective use of resources.

In discharging this responsibility, Internal Audit will also identify and report on any deficiency or weakness in systems and controls and make appropriate recommendations for improvement.

Internal audit will maintain ongoing liaison with the Local Government Auditor responsible for the Council's external audit.

Internal Audit will support the Audit Committee secretary and will undertake various duties in relation to the effective operation of the Audit Committee. These duties include preparing agendas, minutes, and all supporting documentation for each Audit Committee meeting. Internal Audit will attend the quarterly meetings of the Audit Committee and any other meetings as required.

Internal Audit will carry out Audit reports for inclusion in the Quality Assurance Report in respect of the Public Spending Code which will be submitted to the National Oversight and Audit Commission on an annual basis.

The Internal Audit function of Galway County Council will have regard to any recommendations made by the Local Government Audit Service's Value for Money reports on the Internal Audit function.

8. Audit Approach & Methodology

The Annual Audit Plan is prepared by the Head of Internal Audit in conjunction with the Chief Executive, Executive Team, and the Audit Committee.

The approved plan shall be based on a Corporate Risk Assessment, which is signed by the Chief Executive, Chair of the Audit Committee, and the Head of Internal Audit.

Internal Audit will prepare an annual report on its activities for inclusion in the Council's Annual Report.

An overview of the Internal Audit review procedure is outlined in [Appendix 1](#).

9. Management Responsibility

Management has primary responsibility for establishing and maintaining a proper and effective control environment and for managing risk. Management also bears primary responsibility for the prevention and detection of fraud.

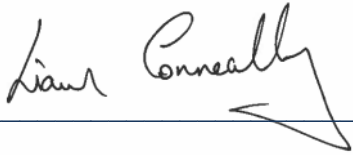
Heads of Section and other Line Management are encouraged to participate in the audit planning process by identifying areas and activities, which carry significant financial, operational, or other business risks.

10. Review of Internal Audit Charter

This Internal Audit Charter will be subject to annual review for approval by the Chief Executive and the Audit Committee.

11. Approval

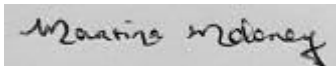
This Internal Audit Charter was approved by the Audit Committee at its meeting held on **19th February 2025**.



Chief Executive



Head of Internal Audit



Audit Committee Chairperson

Appendix 1 - Audit Procedure Overview

1. Preparatory work undertaken which involves information gathering on the audit subject.
2. Notice of audit incorporating an opening meeting request issues to the Director of Service and relevant staff of the Business Unit subject to the audit.
3. The audit objective, scope and methodology are prepared for discussion at the opening meeting.
4. Opening meeting takes place, with objective and scope of audit review agreed, including request for records, permissive access to systems and any other information required to undertake the review. Audit is then deemed to have commenced.
5. Information meetings take place as necessary throughout the review process.
6. Draft audit report containing executive summary, audit opinion, observations, findings, and necessary actions is prepared and is issued to the Business Unit for their review and comment.
7. Close out meeting held with relevant Business Unit Director and/or relevant staff to agree and sign off on draft report. Once agreed, final report will include assigned ownership of recommendations and agreed timeline for completion.
8. The final report is circulated to the Chief Executive/Executive Team and the Head of Internal Audit is notified of any comments prior to circulation of the report to the Audit Committee.
9. Audit reports are presented to the Audit Committee at various meetings held throughout the year.
10. Line management are to take prompt action to implement accepted recommendations. It is an ongoing responsibility of the various directorates and departments to monitor the extent of their progress. Director/Head of Business unit may be required, periodically, to provide assurance to Internal Audit and the Audit Committee that audit recommendations have been considered and implemented as appropriate.
11. Recommendations are recorded in Internal Audit Recommendations Tracker and are followed-up with relevant sections.
12. Final Audit report is reviewed and where appropriate redaction undertaken to allow the report to be published in the public domain and/or be available upon request under Freedom of Information.