



To: Cathaoirleach and Each Member of Kilkenny County Council

Re: Kilkenny County Council's Audit Committee Annual Report 2024

Date: 6th March 2025

A Chara,

The Audit Committee in Kilkenny County Council fulfils an important role in the governance framework of the Council. It assists the Council to monitor the internal control environment, risk management, financial reporting and internal and external audit functions. The Committee does not undertake Management responsibilities and is not a substitute for Management controls and accountabilities.

Under the Local Government (Audit Committee) Regulations 2014, the Audit Committee is required to prepare a report within three months of the expiration of each calendar year of operation detailing "its considerations and findings for the year just expired in relation to all matters within its authority, duties and functions".

The Audit Committee Annual Report for 2024 was approved by the Audit Committee at their meeting on 3rd March 2025.

I recommend approval of the Audit Committee Annual Report for 2024 in line with the details set out in this memo and the attached Audit Committee Annual Report to the Elected Members.

Mary Mullholland
Director of Services

Kilkenny County Council

Audit Committee

Annual Report 2024

Chair's Statement

I am very pleased to introduce the Annual Report of Kilkenny County Council's Audit Committee on behalf of the Membership of the Audit Committee and to present it to the Chief Executive, the Cathaoirleach and Members of Kilkenny County Council.

This is the sixth Annual Report of the Audit Committee 2019 – 2024 to the Council. I am honoured to serve as Chair of the Committee and I compliment my fellow Committee Members on their hard work, vigilance and professional input into the work of the committee.

Membership

The composition of the Committee is as follows:

Dr. Sean Brady, Chair of the Committee. Dr Brady is a Director of the Ornuia and formerly Managing Director of Minch Malt and Irish Sugar.

Mr. Joe Allen. Mr. Allen is a former Principal Officer of the Department of Environment, Community, and Local Government

Dr. Maura Joyce. Dr. Joyce trained as an auditor with Coopers and Lybrand. Maura worked for Avonmore for many years in senior positions (now Tirlán).

Cllr. Andrew McGuinness. Municipal District – Kilkenny City.

Cllr. Fidelis Doherty. Municipal District – Piltown.

At the Annual meeting of Kilkenny County Council held on Friday 21st June, Cllr. Pat Fitzpatrick, Municipal District of Castlecomer & Cllr. Tomás Breathnach, Municipal District of Piltown were appointed as the Council's representatives to the Audit Committee for the term 2024-2029.

Kilkenny County Council at their meeting on 15th July 2024 approved the appointment of Dr. Sean Brady, Dr. Maura Joyce & Mr Joe Allen as the external members of the Audit Committee for the term 2024-2029.

Role of Committee

Audit Committees play a crucial role in the governance framework of Local Authorities. They have an independent role in advising the Council on financial reporting processes, internal control, risk management and audit matters.

Statutory Functions

The statutory functions of Audit Committees are:

- To review financial and budgetary reporting practices and procedures within the Local Authority.
- To foster the development of best practice in the performance by the Local Authority of its internal audit function.

- To review any audited statement, auditor's report or auditor's special report in relation to the Local Authority and assess any actions taken within that Authority by its Chief Executive in response to such a statement or report and to report to that Authority on its findings.
- To assess and promote efficiency and value for money with respect to the Local Authority's performance of its function.
- To review systems that are operated by the Local Authority for the management of risk.

Internal Audit Plan

Each year a new plan of work for Internal Audit is designed and prepared based on risk evaluation and in consultation with Management of the Council, Local Government Auditor and the Audit Committee.

The list of Internal Audit Assignments carried out in 2024 is as follows:

- NOAC Public Spending Code – In Depth Checks of Capital and Revenue Projects
 - Kilkenny County Council Active Travel
 - Kilkenny County Council Operation of Economic, Tourism Development & Promotional Programme in Kilkenny County Council
- Internal Audit Report Motor Tax End of Year Stocktake.
- Internal Audit Review of Cash Handling.
- Procurement of Cyber Security Audit Services.
- Internal Audit Report of Vacant Rated Commercial Property Strike Off's for 2023.
- Internal Audit Report on Kilkenny County Council Employees – Joiners, Movers & Leavers.
- Internal Audit Report on Approved Housing Bodies.
- Internal Audit Report - Random Cashier Check in Motor Tax, Traffic/Receipts Office.
- Follow up Audit on Woodstock Cash Handling.
- Review of SICAP Programme 2023.
- Internal check on procedure for the change of Supplier Bank Account numbers.

The progress on the implementation of Internal Audit Recommendations is monitored by Internal Audit and a quarterly report is prepared for review by the Audit Committee. This body of work was an integral part of the Audit Plan for 2024 and a total of 84 Audit Recommendations were closed out across the Directorates.

Meetings of the Audit Committee

The Committee met on three occasions during 2024. There was no meeting in June due to the Local Elections. The first meeting of the new Audit Committee took place on 9th September 2024. The three meetings were in person meetings with the option of remote access. The attendance record for each member was as follows:

Member	6th March	June - Local Elections no meeting	9th September	2 nd December
Dr. Sean Brady (Chair)	✓		✓	✓
Ms. Maura Joyce	✓		✓	✓
Mr. Joe Allen	✓		✓	✓
Cllr. Fidelis Doherty	✓			
Cllr. Andrew McGuinness	✓			
Cllr. Pat Fitzpatrick			✓	✓
Cllr. Tomás Breathnach			✓	✓

Presentations from Management

The following presentations were made to the Audit Committee during 2024.

Date of Meeting	Service Area	Presented by
11 th March	Corporate, HR, Roads & Transportation, Water Services, Health Safety & Communications	Tim Butler - Director of Services
11 th March	Abbey Quarter, Development Director	Tony Lauhoff
11 th March	Finance, Information Technology & Procurement, Facilities Management & Special Project's	Martin Prendiville - Head of Finance
9 th September	Corporate, HR, Roads & Transportation, Water Services, Health Safety & Communications	Tim Butler - Director of Services
2 nd December	Finance, Information Technology & Procurement, Facilities Management & Special Project's	Martin Prendiville - Head of Finance
2 nd December	Corporate and Infrastructure (including Human Resources, Roads, Machinery Yard, Health and Safety)	Ms. Mary J. Mulholland – Director of Services

The Audit Committee also met with Mr. Lar Power, Chief Executive at its meeting of 11th March 2024. The Local Government Auditor met with the Committee on the 2nd December 2024 in accordance with Local Government (Audit Committee) Regulations 2014 Sections 9(c) and 11 (2)(a) and there were no findings required to be notified to the Plenary Council.

Internal Audit Development

The Internal Audit Department is a function of the Corporate Services Directorate. It is the responsibility of Internal Audit to give assurance to the Chief Executive on the existence, adequacy and effectiveness of the Council's internal controls and risk management systems. The Committee acknowledges the level of training and development provided by the Council to assist the Internal Auditor.

Financial and budgetary management reporting

The Council's total gross Revenue Expenditure for 2024 is estimated at €122m. At present the Annual Financial Statement is in draft format. Capital expenditure is estimated at €96 million.

As reported previously, the Council operates standard local government financial management systems, Agresso and accrual accounting practices.

The Council must operate within its Annual Budget and achieve income targets while at the same time provide a good standard of public and community services. To this end, it is noted that the Council implements continuous financial control and audit systems to monitor the performance of the organisation. The operation of the monthly management account reporting, through accountable Line Managers is central to the good financial control in place. It is also noted by the Committee that individual service areas carry out a review of expenditure and income on a monthly basis.

Risk Register

The Council first prepared a Risk Register in 2006 and since then Management has regularly updated the document. The Risk Register is an internal document prepared to identify the main risk areas facing the Council and to put measures in place to mitigate against the risks. Risks can be financial, physical, political, legal, or reputational. Following an Internal Audit Report on the Risk Register in 2023 the Corporate Affairs Directorate undertook a full review of the Risk Register Process. Risk Register training was provided to 16 Service Areas. A new template for quarterly review of the Register is now in place. The new Risk Register was rolled out in Q1 2024. High risk items are reviewed fortnightly by the Management Team.

Work Priority for 2024

Income Risk

The Committee met with the Head of Finance on two occasions in 2024 to gain an overview of the current income risks. The Committee will continue to monitor this area in the future.

Budgetary Controls

Controls of over budget expenditure are key to the efficient operation of the Council. The Committee will continue to require quarterly updating of the budgetary position of the Council and provide advice and commentary as necessary.

Internal Audit Plan

The information gathered through Internal Audit Reports provides the Committee with significant insight into the management and operations of the Council.

Conclusion by Chair

As the term of the Audit Committee expired in May 2024, I wish to confirm the Committee received all the support and information it requires to fulfil its remit. I wish to extend my gratitude to Cllr. Andrew McGuinness & Cllr. Fidelis Doherty for their work and commitment on the Audit Committee for the term 2019-2024. I congratulate and welcome Cllr. Pat Fitzpatrick & Cllr. Tomás Breathnach as the Council's representatives to the Audit Committee and look forward to working with them over the term of the Committee.

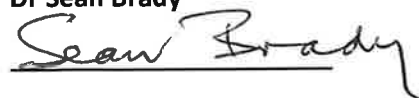
I am satisfied that the new Committee will continue to be able to fulfil its role in the overall governance arrangements of the Council into the future. We remain satisfied that Kilkenny County Council has proper governance procedures in place.

We received full cooperation from Lar Power, Chief Executive and his staff in relation to all aspects of our work. We particularly would like to thank Tim Butler, Director of Services, Mary J. Mulholland,

Director of Services, Anne Maria Walsh, Senior Executive Officer, Corporate, Brigid Webster, Internal Auditor and Ursula Whelan, Assistant Staff Officer for their support to the Committee.

I wish to reserve a special word of thanks to my Audit Committee colleagues for their contributions and for facilitating meetings held in 2024.

Dr Sean Brady

A handwritten signature in cursive script that reads "Sean Brady". The signature is written in black ink and is positioned below the printed name.

Chair of Kilkenny County Council Audit Committee

Date 3rd March '25