



Rialtas na hÉireann
Government of Ireland

Audit Committee Charter

2023

Prepared by the Department of the Environment, Climate and
Communications. 2023

This document sets out the Charter of the Audit Committee of the Department of Environment, Climate and Communications (DECC) as agreed between the Accounting Officer (Secretary General) and the Audit Committee.

1 Purpose of Committee

The Audit Committee is part of the control environment tasked with providing independent and objective advice to the Accounting Officer regarding the suitability and robustness of the organisation's internal control systems. It considers the adequacy of the risk and control framework within DECC while having regard to the objectives and priorities as set out in the Department's Statement of Strategy.

The Committee is not responsible for any executive functions and is not vested with any executive powers.

2 Authority

The Audit Committee is appointed to provide independent and objective advice to the Accounting Officer and is responsible to the Accounting Officer for its performance in this regard. The Chairperson has right of access to the Accounting Officer and to personnel of the Department.

3 Membership

The Audit Committee membership is at the discretion of the Accounting Officer. The Committee will consist of a Chairperson who should be external and not less than four ordinary members of whom at least two should be external. They will be appointed to the Committee taking account of their experience in fields of expertise relevant to the function to enable the Audit Committee to carry out its work in a proactive and informed manner. The Secretary General shall endeavour to ensure that membership of the Committee reflects the Department's commitment to gender balance, equality, diversity and inclusion, in accordance with relevant Government policies and guidelines. Appointments to the Committee will normally, unless otherwise decided by the Accounting Officer, be for a period of three years with the option to extend for up to three years. A member may resign by letter addressed to the Accounting Officer. The role requirements will be clearly communicated to potential members at the outset including time commitments and an indication of frequency of meetings.

On rare occasions when a meeting can't be rescheduled an Acting Chairperson shall be appointed by the members present when the Chairperson is not present.

Where a conflict of interest arises in the course of the work of the Audit Committee, the member will bring this to the attention of the Chairperson. At the beginning of each Audit Committee meeting, members shall disclose any financial, material or other interest which might conflict with any agenda item, and where necessary, absent themselves from the discussion on that item and not take part in any decision on it. A note to this effect will be included in the minutes of the meeting.

4 Meetings

To facilitate regular engagement with the organisation, the Audit Committee will meet at least quarterly, with the authority to convene additional meetings as circumstances require.

- All Committee members are expected to attend each meeting.
- The Audit Committee should invite members of management, internal auditors or others to attend meetings and provide information, as necessary.
- The Audit Committee (or at least the Chairperson) should meet with the Accounting Officer annually.
- The Audit Committee should meet with the Chair of the Risk Committee annually.
- A quorum of 4 will be required for each meeting.
- Remote access is permitted at the discretion of the Chairperson. In addition certain matters can be agreed by email and/or teleconferencing where there may not otherwise be a quorum in attendance.
- If a vote is required on any issue a simple majority of all members present, including the Chairperson, will carry the motion with the Chairperson having a casting vote in the event of a tie.
- Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing material.
- Draft minutes of the meetings will be sent to the Chair for approval within 10 days of the meeting and circulated to the Audit Committee members for adoption at the following meeting. Following their adoption these minutes will be promptly circulated to the Accounting Officer and members of the Management Board.
- Appropriate records of the work of the Audit Committee will be maintained.

5 Functions

The Audit Committee will carry out the following functions:

5.1 Internal Control

- Advise on the organisation's internal control systems as appropriate, including information technology security and control.
- Obtain and review internal audit reports, findings and recommendations together with management responses.
- Oversee management's implementation of audit recommendations from internal audit, external audit and other sources.

5.2 Governance and Risk Management

- Advise on the systems of control underlying the risk management framework and processes.
- Receive feedback from the Head of Internal Audit and the organisation's management on the effectiveness of the risk management process.
- Take such feedback into account for input into the priorities of the Internal Audit Unit work programme.
- Advise on the organisation's internal governance systems.

5.3 Internal Audit

- Review assessments of the internal audit function, including compliance with the Internal Audit Standards.
- Provide oversight of and review the performance of the Internal Audit Unit, and as necessary discuss with management the Internal Audit Unit's charter, audit plans, activities, staffing and organisational status.
- Receive progress reports on the audit plan assignments.
- Raise any concerns with the Accounting Officer regarding the independence of the Internal Audit unit.
- At least annually, meet separately with the Head of Internal Audit to discuss any matters that the Audit Committee or Internal Audit Unit believes should be discussed privately.

5.4 External Audit

- Meet with the nominee of the Comptroller and Auditor General (C&AG) at least annually.
- Review the Internal Audit working relationship and liaison with the nominee of the C&AG to ensure co-operation, avoidance of duplication and potential gaps in audit coverage.
- Review the results of the external audit including the external audit management letter and the organisational response.

5.5 Financial Management

- Advise on the systems of control underlying the financial management processes including considering audit and other reports relating to the procedures and practices associated with financial management and budgeting.

5.6 Reporting Functions

- Regularly report to the Accounting Officer about Audit Committee activities, issues, and related recommendations by:
 - circulating to the Accounting Officer and the Management Board the agreed minutes of Audit Committee meetings as a matter of normal practice,
 - submitting an annual report to the Accounting Officer on the activities of the Audit Committee and
 - availing of the Chairperson's right of access to the Accounting Officer.
- Provide an open avenue of communication between Internal Audit, the Office of the C&AG and the Accounting Officer.

5.7 Other Functions

- Perform other activities related to the charter as requested by the Accounting Officer.
- Confirm annually that all functions outlined in the written charter have been carried out.
- Evaluate the Audit Committee's performance annually and include a summary of the results in the Committee's Annual Report.

5.8 Annual Report

- An annual report reviewing the Audit Committee's operations will be prepared for the Accounting Officer. This report will include an assessment of the work of the Internal Audit Unit (IAU), the supports provided to the Audit Committee and the Audit Committee performance report per 5.7 above.
- The Annual report will also include confirmation that a review of this written charter has been completed.
- The Audit Committee will follow up on any recommendations from the Accounting Officer arising from this report, or in the course of other interactions.

5.9 Protected Disclosures

- The role of the Audit Committee (as agreed with the Accounting Officer) is to oversee that the Department has appropriate procedures in place. In the event that the Audit Committee receives a protected disclosure, the Audit Committee will refer the protected disclosure made to it in line with DECC policy on protected disclosures.

6 Responsibilities of the Audit Committee

The Audit Committee will have regard to the strategic focus of the organisation when carrying out its responsibilities which are;

- to oversee the performance of the IAU within the Department,
- to review and assess the draft annual internal audit plan having regard to the Department's statement of strategy and risk appetite,
- to oversee implementation of the internal audit plan,
- to protect the independence of the internal audit function within the Department and to advise on the effectiveness and adequacy of the expertise and resources available to the Internal Audit Unit,
- to review internal audit report findings and recommendations and to oversee the action taken by management to resolve issues identified,
- to approve and review annually a charter for the Internal Audit Unit which clearly defines its mission, authority, roles, responsibilities and other reporting relationships and advise on any changes deemed desirable,
- to request special reports from the Internal Audit Unit as considered appropriate,

- to advise and make recommendations to the Accounting Officer and the Management Board on any matters pertaining to the internal audit function within the Department that the Committee considers necessary or appropriate including its overall effectiveness, organisation, resources, training, use of technology etc.,
- to communicate with the Accounting Officer and Management Board in relation to any significant shortfalls in the business control and/or risk management environments that come to the attention of and are of concern to the Audit Committee,
- to consider the findings and comments of the C&AG as published in their annual report on the Appropriation Account and other C&AG reports,
- to consider and, where appropriate, advise on the procedures and policies used in the preparation of the annual Appropriation Account and
- to consider any report from the European Court of Auditors or the European Commission in relation to co-financed expenditures within this Department.


7 Independence, Objectivity and Confidentiality

- The Audit Committee shall exercise an advisory role in relation to its duties and functions within the Department.
- The Committee may, following agreement with the Department, obtain outside legal or other independent professional advice and secure the attendance at Committee meetings of outsiders with relevant experience and expertise, if it considers this necessary.
- The Audit Committee shall be independent and objective in the performance of its duties and shall not be subject to the direction of any person in the performance of those duties.
- The members of the Audit Committee agree not to disclose to third parties any confidential information, especially that with commercial potential, either during or subsequent to the period of appointment.
- The members of the Audit Committee shall be fully briefed and kept up to date on any significant matters relating to their role and duties. The Audit Committee will be kept informed of developments, with access to necessary resources and all relevant information.

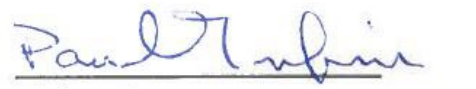
- The Audit Committee shall have the right of direct communication with the Accounting Officer.

8 Amendment of Charter

The Audit Committee will review the Written Charter at least annually to ensure it remains current and relevant. The Charter will also be reviewed when there is a change in the individuals fulfilling the roles of Accounting Officer, Head of Internal Audit or the Chair of the Audit Committee. The updated Charter will be approved and signed by the Accounting Officer and the Chair of the Audit Committee.



Mark Griffin
Secretary General
9/03/2023



Paul Turpin
Chairperson of the Audit Committee
9/03/2023