

LOUTH COUNTY COUNCIL

Audit Committee

Minutes of the meeting of Louth County Council Audit Committee held in Setanta Room, County Hall, Dundalk on Monday 23rd November, 2015 at 2.15 p.m.

In Attendance: Dr. Philip Byrne (Chairman)
Mr. Billy Doyle
Mr. Richard Bowden
Councillor Kevin Callan
Councillor Conor Keelan
Mr. P. Donnelly, D.O.S/Secretary Audit Committee
Ms. B. Woods, Head of Finance

Apologies: none

Also in Attendance: Ms. Pauline Poots, Capita
Mr. Maurice O'Neill, Local Government Auditor

1. Minutes

The minutes of the meeting held on 29th September, 2015 were confirmed on the proposal of Mr. Billy Doyle and seconded by Mr. Richard Bowden.

2. Matters Arising from the Minutes

The Chairman, Dr. Philip Byrne, identified a number of issues arising from the minutes.

In regard to the Risk Register, the Committee Secretary, P. Donnelly, advised the members that the Risk Register and the Corporate Risk Statement was currently being considered by the Management Team and he expected that there would be some progress on this that would be presented at a meeting early in the New Year.

The matter of CPD training was raised by Mr. Richard Bowden. There was a short discussion in regard to this matter and the Chairman indicated that he was happy to look at a separate meeting that could be considered as a training meeting, where he would deal with matters regarding Local Government Reform, the matter of the Risk Register, its role and an explanation of its content might also be covered at this session. The members agreed to this and the matter will be confirmed at a meeting in the New Year.

3. Conflicts of Interest

The Chairman offered the members an opportunity to raise at this point any matters where they felt there would be a conflict of interest in regard to items listed on the agenda. There were none recorded.

4. Local Government Auditor

The Chairman welcomed Mr. Maurice O'Neill, Local Government Auditor and thanked him for his attendance.

The Local Government Auditor presented the draft Audit of the 2014 Accounts which had been circulated to the members. Mr. O'Neill pointed out that he was happy to report that his audit in this year did not carry a qualification as had been the case in the previous year, and he was very satisfied with the bad debt provision that had been made in the accounts. He also expressed satisfaction with the improvement in debt collection with an increase of 5%, in the current climate this was exceptionally good.

Mr. O'Neill referred to the Bearing Report in response to a query from the Chair and the actions that would now be taken by Louth County Council in addressing their payment and recovery of debt.

Mr. O'Neill pointed out that the challenges that had indeed faced the council were the joining together of three significant authorities of Dundalk Town Council, Drogheda Borough Council and Louth County Council, and the write off has had a material effect. However he was satisfied that the action of the Chief Executive and the Head of Finance had been very prudent in managing this process.

In regard to rents and annuity, he felt that the collection rate at 82% was good, but it should be closer to 90% and there is opportunity for this to improve in the future. Improved procedures are now in place and he did expect to see an improvement in this in the coming years.

There was a discussion in regard to the transfers to Irish Water and a explanation in regard to development levies collected in the past that are now proposed to be transferred to Irish Water. There was a discussion in regard to the transfer of assets, and to what extent assets had currently been transferred to Irish Water.

Overall, Mr. O'Neill said he was quite content with the performance of Council as presented in his report and he was happy to submit same. Mr. O'Neill addressed a number of queries from the members in regard to the detail in the report.

The Chairman thanked Mr. O'Neill for his attendance.

5. Internal Audit Reports

Ms. Pauline Poots of Capita joined the meeting and presented to the members the Review of the County Checker Role. Ms. Poots clarified for the members the detail of the report and addressed their questions in relation to same. It was clarified for the members that the County Checker Role is in addition to any checks and balances and separation of duties that are already in place across the organisation. The County Checker would be dealing particularly in areas where cash handling was the order of business. Members welcomed the report and looked forward to hearing of the position being filled by the Chief Executive in the coming months.

Ms Poots outlined to the members the progress that had been made in relation to the Audit Plan for 2015. She agreed that she would revert to the members in the New Year with details of the plan for 2016, together with a review of the actions set out under all the audits that had taken place by internal audit in the last number of years. The Chairman welcomed this and looked forward to welcoming Ms. Poots back to a meeting in the New Year.

6. Local Government Audit Committee Charter

The Secretary to the Audit Committee presented to the members a copy of the Audit Committee Charter which had been agreed in November 2014. It was pointed out to the members that it was a requirement under the Audit Committee Regulations, 2014 and Section 59 of the Local Government Reform Act that the committee review annually their Charter, which would then be tabled for Council approval in due course.

The Chairman, Mr. Philip Byrne, went through the Charter and engaged the members in relation to its detail and highlighted in regard to the functions of the committee the need for the committee to review and look at their work programme alongside the objectives set out in the Charter. This was also highlighted against the issue of confidentiality and reporting of issues raised at the Audit Committee with the media.

There followed a lengthy discussion in regard to the Charter and agreement that the Councils interim Protected Disclosures Policy be circulated to members of the committee.

The Charter was proposed by Mr. Billy Doyle and seconded by Mr. Richard Bowden.

7. Debt Collection Process Update

The meeting was joined by the Head of Finance, Ms. Bernie Woods, who set out details of the improvements and processes in relation to Debt Collection.

The Chairman in clarifying a number of matters with the Head of Finance identified high ticket items as being Development Levies, Rates, Water Charges and Rents, with others taking up the smaller percentage of monies owing to Council. This was agreed by the Head of Finance who said they had

engaged wholly with the Bearing Report Project and the national initiative that had been undertaken in respect of Louth and Donegal. Staff had received additional training in the area of debt collection, and she was satisfied that the team of 20 that she has now in place on debt collection were improving in their procedures and practices which was paying dividend, and there was a marked increase in revenue being collected.

The Chairman thanked the Head of Finance and looked forward to her attendance at a meeting in the New Year.

8. Section 60 Audit Committee Report

There was a short discussion in regard to the committee's requirement to prepare a report in accordance with Section 60 of the Local Government Reform Act, 2014. The members were advised by the Secretary to the board that the committee had up until March to report to Council in this matter. On that basis it was agreed that a draft of the report would be brought back to a future meeting by the Chairman, and the members would agree this at their January meeting at the latest.

9. Housing Procedures Update

The Housing Procedures Update that had been brought to the committee a number of months ago was discussed briefly. Unfortunately the Director of Services for Housing was unavailable to attend today's meeting. The Chairman was keen that this matter be retained on the agenda for future meetings.

10. Any Other Business

Members discussed issues in regard to the draft Work Plan for 2016 and the Chairman agreed to review the Work Programme for 2015 and revert to this matter at the next meeting. At the next meeting the committee would review the work done to date and from that draw a draft programme for 2016 as to what the committee might prioritise in the New Year.

It was noted that the co-ordination of the Internal Audit function would now be dealt with by Mrs. Emer O'Gorman, Director of Services responsible for Corporate, Environment and European Office.

The Chairman also noted that the Secretary to the Committee would, with effect from 1st December, transfer to Ms. Mary Murtagh and he thanked the outgoing Secretary for his role in supporting the committee.

Cllr. Callan raised the matter of his requirement to discuss a matter that had been raised at the Audit Committee. The Chairman pointed out that if the information had in the first instance come to the attention of the Councillor outside of the Audit Committee that it was his entitlement as an elected member to discuss that matter. However, if the origin of the business originated at the Audit Committee, it would be inappropriate for this to be discussed. Cllr. Callan raised in particular the outstanding amounts in relation

to fire bills and pointed out that it had come to his attention via the budget document for Budget 2016. The Chairman confirmed that as the matter was in the public domain in that format that he seen no issues in regard to the councillor raising it, but that no reference should be made to any discussion regarding the matter at the Audit Committee.

11. Date of Next Meeting

It was agreed that the next meeting of the committee would be on Monday 14th December, 2015.

That concluded the business of the meeting.

Confirmed at Meeting held on: _____

Chairman: _____

Meetings Administrator _____