

## **LOUTH COUNTY COUNCIL**

### **Audit Committee:**

Minutes of the Meeting of Louth County Council Audit Committee held in the Setanta Room, County Hall, Dundalk on Thursday, 6<sup>th</sup> October, 2022, which commenced at 9.15 a.m.

**Present:** Mr. Richard Bowden  
Mr. Billy Doyle  
Ms. Irene McCausland  
Cllr. Conor Keelan

**In attendance:** Mr. Joe McGuinness, Director of Services  
Ms. Gráinne Tuomey, Meetings Administrator

**Apologies:** Cllr. Paula Butterly

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### **1. Meeting without officials**

The Chairperson Richard Bowden opened the meeting and mentioned he had been invited by NOAC to attend a meeting of Audit Committee Chairs and CEs in Portlaoise recently. Some Audit Committees, he observed, met without officials present. He proposed that the Committee adopt a similar procedure before the commencement of each Audit Committee meeting, with effect from today. The proposal was adopted and Joe McGuinness and Gráinne Tuomey vacated the room.

Approximately 25 minutes later Joe and Grainne returned and the meeting commenced.

### **2. Minutes**

On the proposal of Conor Keelan and seconded by Billy Doyle the minutes of the meeting of 30<sup>th</sup> June 2022 were approved.

### **3. Matters arising**

The chair in considering how best the Committee may discharge its responsibilities regarding the evaluation of Value for Money and the necessity of considering NOAC

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reports, noted that the 4 points recorded in the minutes of the June 30<sup>th</sup> meeting adequately summarized the position and his proposed memo would simply state the same things.

The following requests were made

- A Proposal by the Chair, that a request be made for the Head of Finance to present the Annual Accounts at the meeting following approval of the accounts by the Executive at the end of March of each year was approved.
- It was noted that the Audited Annual Accounts for 2021 were not yet available. It was the view of the Committee that this was very late in the year and the External Auditor Paddy McCabe was requested to attend the November meeting. If the audit report and his detailed report were available these should be circulated to members in advance of the November meeting.
- The Chief Executive Joan Martin was requested to attend either the November or December meeting.
- Joe McGuinness was requested to invite NOAC to attend a future Audit Committee Meeting and to source relevant training in 2023.

A discussion took place around SI 244 and Article 9(b) and (c) and the interpretation of the responsibilities of the Audit Committee regarding the Review of the Annual Financial Statement and the Review of the Annual Audit Report. Concern was expressed that these matters were being considered so late in the year.

The Chair, Richard Bowden advised Joe McGuinness that he was keen that all proposals adopted and observations made at Audit Committee meetings be brought back to the Senior Management Team. Joe McGuinness assured the Committee that such was the established modus operandi.

A revised basis has been requested from the Head of Finance for calculating the relative % of types of expenditure channeled through LVPC by specifically excluding large expenditures such as capital expenditure, payroll and insurances costs.

Following questions, Joe McGuinness confirmed he awaits response from IPB Insurance on personal indemnity for Audit Committee Members and will forward the response once received.

The Committee expressed concern at the delay in receiving the IA report on his review of the implementation of recommendations of previous internal audits and requested that the IA attend the November meeting.

The Annual Audit Plan and the input of the Committee into drafting the plan was discussed.

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The Chair stated that SI 244 2014 imposed a requirement that the Audit Committee include as part of its annual work programme, the “approval of the Internal Audit Plan”. Accordingly, the Chair proposed and the Committee approved that consultation between the Executive, the Internal Auditor and the Audit Committee was appropriate in formulating the Annual Plan.

A request was made for the Public Spending Code Internal Audit function to commence in January each year.

Joe McGuinness Director of Services advised the Committee of the restructuring of Directorates following the implementation of a new Work Force Plan on the 1<sup>st</sup> September. He advised that he would email the details to Committee members separately.

#### **4. Conflicts of Interest**

None declared.

#### **5. Annual Financial Statement**

The Chair noted the significant increase in the overall surplus of €1.3m available for transfer to General Reserves, however further discussion on the accounts was deferred until the Head of Finance Bernie Woods was in attendance.

#### **6. NOAC Report - Guide for Audit Committees on the impact of COVID on the controlled environment of Local Authorities**

Joe McGuinness having reviewed the report, gave an in-depth report on how COVID impacted the workings and service provision of Louth County Council. The Committee were advised of the financial impact, the essential services identification, the necessary additional investment in IT, the set-up of a Covid Management Committee and Regional Covid group meetings with other state bodies, the running of the Community Call 24/7 helpline and coordination of voluntary and external agencies, the constant presence in the building during lockdowns, and the early call back to work for all staff in February 2022.

Items highlighted included the €1.6m rates waiver granted to Louth businesses and recouped from the Dept., the speed up of return of VOIDS units to habitable homeless accommodation, the loss of €1.3m revenue mainly through pay parking and sports centre

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closure and the necessary Covid expenditure to keep staff safe and have sufficient IT equipment to allow continuation of services.

Other items mentioned included 3 separate Business Grants administered through the Local Enterprise Office to support local enterprise and measures to support social distancing such as outdoor dining parklet provision and the provision of hybrid meetings. Ongoing challenges include the recruitment and retention of staff and a 2 year delay on the valuation of new business properties which delays commissioning of rates as a source of income for the local authority.

The Committee welcomed the report as presented, complimented Louth County Council on their flexibility and adaptability and recognized the proactive leadership position taken by the Council during the pandemic.

The Committee requested that in future, a presentation by the relevant Director of Services on a new NOAC report be made at the Audit Committee meeting following the release of the NOAC report, subject to there being a reasonable time period, e.g. 2/3 months between the release date and the date of the meeting.

## **7. Update on the Strategic Risk Register**

Joe McGuinness provided an update on the Strategic Risk Register focusing on red or high risk items and changes made in recent times

The Committee were informed of procedures and measures implemented to reduce risk. These include, -in the event of a power cut a generator powered by diesel with a UPS which would kick in and allow for continuity of services, - a request made to the Dept. to sanction support for a Cyber Security Officer and ongoing meetings of the Crisis Management Team to monitor and assist with the Ukrainian Refugee accommodation efforts.

Increasing demand on homeless services was noted, and pressures on staff retention and recruitment highlighted as requiring constant overview.

The Committee requested explanation of why the Council's loan burden did not appear on the Strategic Risk Register.

The Chair noted it was his opinion that the training needs of the Committee for 20220 would be adequately met if members reviewed the 4 presentations made at the meeting for Chairs and CEO's that he had attended.

The Committee thanked the Director for his presentation and requested that each Director of Service while making a presentation provide a similar overview on high risk areas within

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the risk register that falls under their brief, as well as Value For Money initiatives considered and /or implemented by them.

**8. AOB**

The next meeting was agreed to be held in person on the 10<sup>th</sup> November 2022.

The meeting concluded.

Confirmed at Meeting held on: 10 Nov 2022

Chairman: Richard Bawley

Meetings Administrator: Chris J. Jones