

LOUTH COUNTY COUNCIL

Audit Committee:

Minutes of the Meeting of Louth County Council Audit Committee held via Zoom on Thursday, 30th September, 2021, at 9 a.m.

Present: Mr. Richard Bowden
Mr. Billy Doyle
Cllr. C. Keelan

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

Apologies: Ms. Irene McCausland
Cllr. Paula Butterly

1. Minutes

The minutes of the meeting held on 24th June, 2021 were proposed by B. Doyle seconded by Cllr. C. Keelan and approved by the committee.

The Chair thanked those present for attending.

2. Matters Arising

Richard Bowden, Chair raised four items under Matters Arising:

- Training opportunities
Joe McGuinness DOS advised he had checked with IPA and there is upcoming Audit and Risk Committee training for 2 hrs on 7th Dec online which will be circulated to members.
- Council Budgetary synopsis in Induction Pack
The chair expressed the view and the Committee agreed that the budgetary synopsis provided by Bernie Woods HOF for the new induction pack whilst enlightening did not deal with the actual financing of the Council in the manner envisaged. The Chair confirmed he would correspond with Bernie on the matter.
It was noted that discretionary Council spending was quite small.

- Internal Audit Review
 - a. The Public Spending Code and implementation of 8 recommendations:
 Joe advised he had raised this matter with management. Management did not agree but should the Committee have any concerns they should report to CE through normal reporting process.
 The Chair advised he will address this again when all members are present.

 - b. Internal auditors
 The Chair stated he was very concerned with the apparent lack of progress of the Internal Auditors on concluding and presenting their reports. Billy Doyle agreed and that issue of timeliness of audit reports came up previously. Joe McGuinness advised he knows work is being done, and awaits two reports.

 Joe explained the process of appointing the IA's which are procured by the Executive under a mini competition, drawn from a Public Framework. Generally, the successful candidate will receive a three-year contract with a possible extension of one further year.

 The Chair stated he would send an email to inform the Internal Auditor of the Committee's concerns for Joe McGuinness to forward on.

- 2020 audited accounts
 To fulfil the requirement of the Committee to meet annually with the Local Government Auditor, the Chair requested that Paddy McCabe be invited to attend the November meeting or failing that the meeting in December.

3. Risk Register - Housing, Community and Quality of Life - agenda item 3

Paddy Donnelly Director of Services gave a brief high-level overview of his Directorate:

- Housing:
 This comprises the provision of social housing, maintenance of the stock of housing and functioning as a lead to combat homelessness in the North East region
- Quality of Life:
 This comprises the Library Service, Archive, Heritage, Museum and Sports & Recreation
- Community:
 This comprises Social Inclusion and Community Activation Programme (SICAP); Local Community Development Committees (LCDC) which deals with Town & Village funding, Community Activation Funds, Grants, the Public Participation Network (PPN) – recruitment and identifying of members of JPC and SPCs

Paddy Donnelly then gave an overview on the risk register on the main risk areas and noted:-

- The Library service's efforts during COVID in developing an outreach service
- Sport activities usually generates an income. This was difficult during lockdown arising from the Covid pandemic. Services were provided to allow filming of "Operation Transformation." A return to full service provision including the re-opening of swimming pools is to occur subsequent to Oct 22nd. The management of the swimming pools is operated by a third party and the Council was in competitive dialogue to secure new Service Level agreement. Covid, prevented this being concluded and dialogue is on hold and will resume in 2022.
- The stock of housing consists of 4020 units. The Area Engineer in each of the 3 Municipal District areas manages the housing stock. Louth had 120 Void Units which were returned to the Council following vacancy and often in need of extensive repair. The annual budget for housing stock maintenance €1.4m or €342 per unit. The Council also obtained funding under the Void scheme for 103 units. This provides €17,000 per unit to return the housing unit to turn key status. In 2021, a further 12 units were approved. Vacant properties attract Anti-Social Behaviour (ASB) so the Void scheme has positive effect in reducing ASB generally by restoring a void unit to a rentable condition more quickly.
- Covid restrictions on construction works hindered purchase of turn key properties. A 3 year target provision of 662 units was set by Dept. However only 495 units will be achieved. The target for 2023 is 175 units and it is envisaged this target will be exceeded. In choosing units to acquire, consideration must be given to location, unit type, unit size versus applicant need & any accessibility issues/requirements and price.
- The Housing Section has seen an increase in presentation for homeless services since the national moratorium on evictions has been lifted.
- Private rented inspections show that much rental accommodation is not up to standard. This poses a significant challenge for the HAP Scheme (Housing Assistance Payment).
- The Halting Sites referenced HA12 on the risk register, has been moved down from red to orange.

Paddy Donnelly advised that the risk register was put together based on a template provided by the IPB. This was then populated following discussions by the team from the existing registers as the risks identified were similar and assessed by reference to the matrix based on the agreed criteria. The register is reviewed by the team by way of a scheduled quarterly review process.

Cllr. C. Keelan questioned the reason for the limited success achieved on the turn key developments and was advised that while targets are not going to be met this year it is envisaged the target will be delivered by 2023.

Paddy Donnelly advised the committee that the turnkey unit cost which the Dept offered as compared to the sale price is often problematic, and the delivery time is tight to meet targets. Developers often withdraw from schemes as building prices are rising due to the limited availability of materials, particularly windows.

There are currently circa 260 presentations monthly to the homeless team. Presentations are made online and/or by phone. The team where possible, encourage those presenting to go back to home and family. Engagement by team staff in this area is key to maintaining control.

More recently ASB has reduced in Drogheda, where it was responsible for delaying delivery of Voids in the past. The Maintenance team is evenly spread between Dundalk and Drogheda. In general, the maintenance function is reactive.

Billy Doyle queried risks attached to the operation of the swimming pools and the contract for their management. The committee were advised there were two contracts in place which had rolled over from Drogheda Borough District and Dundalk Town Council on amalgamation. When the Pool was closed for Covid, the Housing Section did engage with the contractor to allow travellers to use showers. Contracts are being reviewed however there are not many entities engaged in providing such services and the Executive is satisfied with service being provided by the incumbent. Pools are provided to the public at a financial cost.

When questioned about the incidence of planned or preventative maintenance, Paddy Donnelly stated that there is a new housing delivery office in LGMA which it is hoped will assist with asset surveys and provide a preventative maintenance programme.

Members were advised that there were 4,000 houses on HAP, with a significant majority hoping for a social house and upwards of a 100 new applications for support being recorded each week.

The Council is identifying suitable lands to prepare for the recently announced 'Housing for All' strategy should funding become available to build social housing. It is too early to assess what impact this strategy may have.

Richard Bowden thanked Paddy Donnelly and noted the significant disconnect between the housing need and the capacity to fulfil that need.

4. Protected Disclosures – Annual Report 2020

- Joe McGuinness advised members he is obliged by law to inform them of the annual report on Protected Disclosures and that there was a Nil report in 2020.
- The committee were advised that the Council had recorded one retrospective protective disclosure from 2016.
- Less than half a dozen disclosures were lodged across the public sector this year.
- Fraud/Malpractice is generally what is reported. The PD provides a safety mechanism for the council and staff and another tool in the “Governance” armoury. A valid PD must be put in writing to the designated person, Joe McGuinness and state that it is a protected disclosure.
- The Chair questioned how the PD facility was advised to staff and was informed that it is available on the website and Senior Staff have been briefed. A review of the staff handbook is underway and this could be added to the handbook.
- Billy Doyle suggested that a protected disclosure framework is important but it has the potential for misuse. Joe McGuinness advised of a possible correlation with grievance issues.

5. Approval of Members Induction Pack

- This is a working document - further review of which will take place no sooner than receipt of an acceptable document giving an overview of the Council’s financing.

6. Updated Audit Tracker

- Joe McGuinness advised the Committee of the status of the document. There are 149 recommendations/commitments from all the combined previous audits, 20 are red which are not done, 29 are orange which are being worked on and 100 are green and have been dealt with.
There were 2 marked blue as Management did not accept recommendations.
- He cited a concern about GDPR and compliance with GDPR, and advised the overall record management requires to be improved and this accounts for many of the recommendations in Red. A Management Committee has been established to oversee recording and status of recommendations.
- Procurement was also a concern and the management are updating policies that have an Orange level risk. The revised policy document is currently with the Management Team.

The committee thanked Joe for his extensive work in putting the tracker together with the traffic light system which will enable identification of those recommendations falling short

of implementation. The Chair requested an overview be presented again at the December meeting.

7. AOB

A query was raised about future meeting format? The Chair requested that the Committee revert back to face to face for the next meeting. Meetings could alternate between Zoom or face to face with 2 or 3 face to face meetings annually.

The Chair advised he would contact Paula and Irene to see if they are in agreement with that.

The date of the next meeting was confirmed as the 11th November at 9 a.m. in Council Chamber.

That concluded the business of the meeting.

Confirmed at Meeting held on: _____

Chairman: _____

Meetings Administrator: _____