

Minutes of the National Oversight and Audit Commission (NOAC) meeting
Tuesday 16th February 2016

Venue: PRTB Offices, O'Connell Bridge House, D'Olier Street, Dublin 2

Attended by:

Members Pat McLoughlin
 John Buckley
 Tara Buckley
 Connie Hanniffy
 Paul Lemass
 Pdraig McNally
 Martina Moloney
 Micheál Nolan
 Colleen Savage
 Henry Upton

Secretariat Maurice Coughlan
 Sheila McMahon
 Declan Grehan

Apologies Kevin Baneham

Minutes of meeting of 12/01/2016 and matters arising

The minutes of the meeting of the 12 January 2016 were agreed subject to an amendment to the paragraph dealing with the Public Spending Code.

Review of NOAC Sub-Group Membership and Work-plan

The Chairman advised the meeting that the circulated documents contained his suggested chairs for each of the NOAC sub-groups based on their areas of expertise and sharing the workload, and draft Terms of Reference (ToR) for each sub-group specifying the expected outcomes for the year. Having been agreed by the members, the chairs of each of the sub-groups were requested by the Chairman to review their respective ToR and discuss with him any suggested amendments. They were also asked to consider if any aspect of their work-plan is likely to require external consultancy as some funding for this purpose was available from NOAC's allocation.

Local Government Audit Service (LGAS) Value for Money (VFM) Unit Report No. 29 on the oversight role of LAs in the provision of housing by Approved Housing Bodies (AHBs)

An item in NOAC's 2016 work-plan relates to the review of any reports produced by the LGAS VFM Unit with a view to establishing if NOAC should follow up on the implementation of recommendations contained in the reports. In relation to the recent report on the local authority oversight role in the provision of housing by AHBs, it was agreed that the report

authors, Yvonne McCorry and Patrick Guiney of the VFM Unit, and the Principal of the relevant Departmental section dealing with the voluntary housing sector, would be invited to the next NOAC meeting on 22 March 2016 to discuss the report in more detail with a view to obtaining a fuller understanding of the issues and to explore if NOAC could be of assistance in achieving implementation of the recommendations. The Chairman also proposes to have an early meeting with the new Director of the LGAS when appointed and will include this report in the discussion.

Performance Indicators update and follow up of 2014 data

The secretariat reported that, in advance of the meeting of the sub-group on 28 January 2016, requests had issued to relevant divisions of the Department of the Environment, Community and Local Government (D/ECLG) seeking submissions/clarification regarding the Planning, Water and Community indicators and to the National Co-ordinating Committee for Waste Management Planning re the Waste indicators and responses to these were expected shortly. The LGMA had also made a submission on the indicators generally and were consulting with the Department of Transport, Tourism and Sport in respect of the Roads indicators.

Paul Lemass advised the members that the 2014 Performance Indicators report had been the subject of a presentation and discussion at the Management Advisory Committee (MAC) of the D/ECLG on 15 February and would be raised by MAC at its meeting on 18 February with the County and City Management Association CCMA. MAC expressed its appreciation of the report, committed to providing the requested responses within a week in which the exclusion of indicators in areas that are the subject of overview elsewhere will be recommended, will engage with the CCMA in relation to the process and will work towards setting targets in respect of some of the indicators. The view was that any systemic issues coming to light from the indicators would require a Departmental response but issues relating to individual authorities would be pursued by NOAC with the authorities concerned.

Martina Moloney provided an update on the outcome of the sub-group meeting on 28 January. She advised that the group has started to review the 2014 indicator data, as per the circulated spreadsheet, with a view to identifying any outliers in respect of which explanations should be sought from Chief Executives, but that another meeting will be required. It was agreed that letters to all Chief Executives should ask them to confirm that the 2014 Performance Indicator report has been referred to their Audit Committee and elected members and that, as recommended by NOAC in the report, targets relating to the indicators have been set.

A discussion took place regarding a balanced scorecard type approach which is in use in some local authorities. The sub-group could move on to look at what is being done at a local level and the letter to Chief Executives should also request information on any scorecards in use. The group is also to look at obtaining external infographics support with a view to making the display of the performance indicator data more visually appealing to the general public.

Public Spending Code (PSC) Quality Assurance (QA) Report 2014 and 2015 report request

The secretariat advised the meeting that the 2014 PSC composite QA report has issued to the Department of Public Expenditure and Reform (D/PER) and that it will be published on the NOAC website shortly. The draft letter to Chief Executives in respect of the 2015 report identifies a number of issues that arose on which clarification had been sought from the CCMA Heads of Finance Group. If the response, expected in the next few days, necessitates amendments to the draft it will be re-circulated. Following some discussion on the nature of NOAC's role in relation to the PSC, it was agreed that the letter should recommend that Chief Executives review the 2014 report on the website as a best practice learning exercise and request that they review any issues highlighted in their own QA reports for appropriate follow-up.

The content of the 2014 composite QA report for D/PER is as stipulated in Part A04 of the PSC with the addition of a summary of overall compliance with the specified steps, so any matters arising from the information contained in the 31 individual local authority reports that NOAC might want to follow up on would have to be done separately. The Chairman suggested that this could be looked at by the Public Spending Code Sub-Group.

PMO reports update and Internal Audit project follow up

The secretariat advised the meeting that revised drafts of the two reports were on the agenda for consideration by the Public Service Reform Oversight Group at its meeting the following day and they would be formally submitted to NOAC after that. Draft introductory text that had been circulated was discussed and some amendments requested. When the final version of the full report is available, it will be circulated to the members. The Chairman suggested that a PMO sub-group be established to continue the oversight work of efficiency reform implementation and to progress the Internal Audit project follow-up suggested at the November meeting. The members of the group will be Kevin Baneham, Martina Moloney, Micháel Nolan and Pat McLoughlin with Kevin Baneham as chair and a meeting of the group is to be set up.

Housing Studies – update

Paul Lemass provided an update on the recent NOAC Housing sub-group meeting. He outlined that there are some issues with the quality of the data returned by local authorities for the maintenance and management study and that the Housing Agency are following up on this. A letter is issuing to the Chief Executives enclosing compiled data and requesting (1) that each confirms the accuracy of his/her authority's data and its consistency with data supplied under Appendix 2 of the Annual Financial Statements, and (2) that any outstanding Housing Agency queries are responded to within a fortnight. The Agency has indicated it will draft the initial report and that relevant findings from the Behaviour & Attitudes tenant survey will be included throughout the report as appropriate.

Local Enterprise Offices (LEOs) update

The sub-group, which met on 26 January 2016, recommended that the performance indicator on jobs created be retained for the 2015 report with the data sourced directly from the Department of Jobs, Enterprise & Innovation (D/JEI). The group has decided to invite the heads of six LEOs for a discussion on their day to day activities with a view to better informing the sub-group's decision making with regard to developing further performance indicators for the LEOs and also recommending a direction for a more in-depth review of LEO activity. Subsequent to meeting the Heads of LEOs the group intends to hold meetings to clarify the user experience with the Irish Small and Medium Enterprises Association (ISME), Small Firms Association (SFA) and Chambers Ireland. Customer satisfaction with LEO performance, the mentoring role, promoting entrepreneurship, and the Enterprise Ireland role in specifying the allocation of LEO budgets were potential areas under consideration for review.

Annual Report 2015

The secretariat circulated a first draft of the NOAC 2015 Annual Report. It was agreed that members will consider the draft and respond to the secretariat with a view to having a final draft for sign-off at the next NOAC meeting on 22 March 2016. The question of a house-style for such reports was raised and the Chairman undertook to provide some material he has on that topic. He also indicated that he planned to discuss with the new chair of the CCMA the possibility of NOAC hosting with the CCMA a joint event to showcase best practice within local authorities.

Any Other Business

The meeting discussed the work-shop on NOAC's financial performance function that will be facilitated by Aidan Horan on 10 March 2016 in the IPA premises at Lansdowne Road. The objective is to clarify the financial oversight role that NOAC has in regard to the local government sector. The Chairman sought suggestions from members on any particular topics they feel should be covered. Items mentioned included how NOAC's role fits in with those of the LGAS, Internal Audit and Audit Committees within local authorities and local accountability, an examination of governance principles to see what elements are needed to be looked into by NOAC and the role in relation to financial oversight of the regional assemblies.

The Chairman mentioned that he would be speaking at the end of the month at an IPA conference for chairs/members of Audit Committees.

Date of Next Meeting

The next NOAC meeting is on Tuesday 22 March 2016 in the Offices of the PRTB at 10.00 a.m. A meeting of the Performance Indicators sub-group was arranged for Wednesday 24 February 2016 at 2.30 p.m.