

Minutes of the National Oversight & Audit Commission (NOAC) meeting
Tuesday 3rd of February 2015

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

Attended by:

Chairman Pat McLoughlin
Members John Buckley
 Tara Buckley
 Garrett Fennell
 Connie Hanniffy
 Paul Lemass
 Martina Moloney
 Henry Upton

Secretariat Sheila McMahon
 Declan Grehan

Apologies Kevin Baneham
 Pdraig McNally
 Micheál Nolan
 Colleen Savage

Minutes of meeting of 16/12/2014

The minutes of the meeting of 16th October 2014 were agreed without amendment.

Performance Indicators Sub-Group – guidance for 2014

The members considered the draft guidance document that had also been provided to the Local Government Management Agency (LGMA) and also some queries submitted by the LGMA, some issues identified by Martina Moloney and the inclusion of an indicator on EU funding in 2015. In response to these, it was agreed that the indicator on groups associated with the Public Participation Network would not be applied until 2015 and the indicator dealing with nominations to the LCDC will not be broken down into categories of SICAP groupings. It was decided that both parts of the indicator dealing with access to a 3 bin service will be on a household basis and that the 5-year Finance indicators would be based on the audited AFS for the years 2010 to 2013 and the unaudited AFS for 2014 with a note to that effect.

The discussion on the inclusion of an indicator relating to EU funding centred around the difficulty collecting the data as securing funding can go on over a long time which can fail to materialise at the last minute and whether there were alternative ways to access the information. However, it was agreed that it would be important to get a sense of the extent of local authority engagement with available EU funding schemes and that the 2015

indicators should include a list of such projects in which LAs are involved and the related EU funding source.

The meeting also discussed the reference in the draft guidance to the likelihood that the process will continue to include an element of external/independent review in the context of the 2014 report. The secretariat mentioned that although the existing Independent Assessment Panel had indicated that they considered their role to be concluded, an appropriate option to ensure continuity in the first year might be to utilise the same external review process. While payment would be from NOAC's allocation, the cost would not be significant. It was decided to ask the existing panel to outline terms of reference and a proposed price if willing to undertake the review role again in respect of 2014 performance.

Report of the Customer Survey Sub-Group

The members discussed the report and the suggested approach to furthering the study of local authority customer awareness/satisfaction by focussing on one or two customer groups at a time on a phased basis. The following groupings were suggested:

- Small and Micro Enterprises
- Community Groups
- Business & Rate Payers
- Construction & Development Sector
- Social & Voluntary Housing
- General Users

It was agreed that as far as possible customer surveys should be included as one aspect of the thematic examination of areas of local authority activity that NOAC has already decided on. Accordingly, social and voluntary housing customers should be the subject of the first detailed customer survey. An engagement and awareness survey of micro enterprises along the lines of the omnibus survey content, but targeted at the enterprise sector, should also now be advanced. This will require the sub-group looking at how to focus on and capture the businesses that are relevant to the Local Enterprise Offices and what should be asked in the survey. Input from the LEOs to ensure that the questions make sense will be useful and Paul Lemass will raise this aspect with the LEO Steering Group of which he is a member.

A progress update from the sub-group together with the outcome of the exercise currently being carried out by the LGMA on NOAC's behalf to establish what customer surveys are already taking place or are planned by local authorities are to be put on the agenda for the next meeting.

NOAC Role in Implementation of the Public Spending Code (PSC)

A discussion took place regarding a letter received by the Chairman from John McCarthy, Secretary General of D/ECLG, seeking NOAC's views in relation to activities it will be undertaking of relevance in the context of accountability in relation to large scale capital

projects supported by Exchequer funding and delivered through the local government system, particularly in terms of its future role in the implementation of the Public Spending Code. On the basis of the briefing note provided to the meeting by the Department's Evaluation Unit, it would appear that the specific role for NOAC under the Code would be to review the 31 reports submitted by the Chief Executives of the local authorities under the Quality Assurance process part of the Code and to provide a report to the Department of its conclusions from that review.

In relation to accountability for large capital projects, the views expressed were that NOAC is an oversight body whose function is not to check box ticking or replicate functions that are already the responsibility of other bodies and nor is it equipped to perform such a role. Accordingly, accountability in relation to large capital projects could arise as one aspect of a thematic review. It was agreed to establish a Public Spending Code sub-group to consider NOAC's function under the Code, to look at terms of NOAC's engagement regarding large capital projects and at the roles and perspectives of the different agencies involved in accountability for capital expenditure.

Corporate Plans

It was noted that none of the four Corporate Plans received to date appeared to be compliant with the Departmental Guidelines that issued. The Chairman requested that the secretariat develop a green/amber/red adequacy checklist to be applied to each Corporate Plan as they are submitted. When a substantial number of Plans have been received, NOAC will establish another sub-group to review them.

Audit Reports Received from the Local Government Audit Service (LGAS)

The Chairman advised that he has a meeting scheduled with Noel O'Connell, Director of the LGAS, later in February and is happy to accept suggestions for items to be included on the agenda. John Buckley recommended that the following items be raised:

- whether the earlier Annual Financial Statements (AFS) to be received tended to require post-audit adjustments
- whether the LGAS do any interim work to bring forward what aspects of the audit they can in advance of receiving the AFS
- whether the reports should incorporate a standard section dealing with the time limit for submitting the AFS and an explanation for any delay in meeting that.

Specific Work Plan Actions

The members discussed the issue of non-compliance by some local authorities with the statutory deadline for submitting the AFS and how to implement this action in the work plan. The fact that the LAs that were latest in submitting their 2013 AFSs were those who were merged in 2014 was considered relevant, so it was decided to review the position after the deadline for the 2014 AFS to see if the same LAs were late again. The approach might

then be to ask the LGAS what action should be taken to remedy the matter, given that it had been raised as an issue by the LGAS in its discussion with the Commission.

It was agreed that the Chairman should write to the local authority Chief Executives, introducing NOAC and outlining its plans for fulfilling its role as an oversight body for the local government sector.

In relation to the examination of the major revenue collection accounts item, the suggested starting point was the overall activity report produced annually by the LGAS and the 2015 report based on the 2013 data should be available shortly. The Chairman undertook to enquire of the Director of Audit what revenue collection account data is available to the LGAS, particularly in relation to the age profile of the debtors and variations in decisions to write off debt. NOAC should assess performance across each of the 4 revenue groupings to establish what works in terms of efficient collection by examining the three stages of identification, collection and enforcement. It was decided that the initial requirement would be to establish what information is available to both the LGAS and the Debt Management Group of the Programme Management Office (PMO).

In the discussion of the request for a progress report on the efficiency reforms that should issue to the PMO, it was decided that the requested update on the implementation of reforms should be dealt with separately from the information being sought on the business cases relating to the shared services recommendations. It was agreed that a letter based on the points provided by John Buckley should be circulated by email for approval by the members and then issued.

NOAC Draft Annual Report

As this was circulated in publisher format, downloading was not possible for a number of members. Hard copies were circulated and it was agreed that members would submit their observations and changes to the secretariat two weeks in advance of the next meeting. In the meantime the secretariat was asked to check the conventional treatment of expenditure items in such reports.

Date of Next Meeting

The date of the next meeting was set for 9.00 a.m. on Tuesday the 3rd of March. The following two meetings will be at 9.00 a.m. on Friday 17th April and Tuesday 26th May 2015.