

Minutes of the National Oversight & Audit Commission (NOAC) meeting  
Tuesday 12<sup>th</sup> January 2016

Venue: Main Conference Room, Custom House, Dublin 1

Attended by:

Chairman      Pat McLoughlin  
Members      Kevin Baneham  
                  John Buckley  
                  Tara Buckley  
                  Connie Hanniffy  
                  Paul Lemass  
                  Padraig McNally  
                  Colleen Savage  
                  Henry Upton

Secretariat    Maurice Coughlan  
                  Sheila McMahon  
                  Declan Grehan

Apologies    Martina Moloney  
                  Micheál Nolan

Minutes of meeting of 24/11/2015 and matters arising

The minutes of the meeting of the 24/11/2015 were agreed without amendment. On matters arising, the secretariat advised the members of a discussion the previous week with the PMO who indicated that the revised reports on the LGER recommendations and shared services projects were being progressed for clearance by the Public Service Reform Oversight Group which will meet in late January. The revised reports should therefore be available for NOAC's next meeting in February. As these will be published as NOAC reports, draft introductory text will be circulated for the next meeting also.

Review of NOAC Sub-Group Membership and Activities/Workplan 2016

The meeting discussed the structure and procedures of the NOAC sub-groups. It was agreed that a Chair should be appointed to each sub-group but decision making power should remain with the full NOAC, with sub-groups reporting back on their activities and progress and for any decisions. A discussion took place concerning the various work items (13) either underway at present or in prospect for 2016, which of the existing sub-groups should remain active, whether new ones were required and spreading the workload among the members. Paul Lemass was appointed Chair of the NOAC Housing sub-group and Colleen Savage was added to the LEO sub-group. It was agreed that definitive proposals for the groups would be

put before the next meeting by the Chairman and NOAC's workplan for the year would be further considered then also. With regard to the latter, it was suggested that the proportion of local authority expenditure and functional areas of importance to users, as indicated by the customer survey results, should be part of what informs decisions as to what should be included in the workplan.

#### Housing Studies – update

The secretariat advised the members of a meeting just before Christmas with David Silke of the Housing Agency and Ciara Deevy, the researcher compiling the data. Subsequent to this, the Agency had forwarded the report structure with the data items filled in and the data identified for inclusion as appendices, as well as a note regarding outstanding/inconsistent data that has to be clarified with some local authorities. These documents were circulated to the Housing sub-group for any comments and it was agreed that the sub-group should meet with the Agency as the next step. On the matter of incomplete information being provided by some local authorities, it was agreed that this will have to be highlighted in reports rather than be allowed to hold up the process indefinitely. There is a lot of work involved for the sub-group in putting together the information obtained from the questionnaires and tenant survey and developing recommendations. The results from the tenant survey, along with any recommendations, should be integrated into the relevant sections of the report dealing with the maintenance and management aspects. Possibly a full day meeting of the sub-group will be required and maybe also assistance from the focus group.

#### Revenue Collection Performance – responses

The members were circulated with a work-in-progress summary of the information supplied by the 11 local authorities in response to the two NOAC letters concerning their rates collection performance. Paul Lemass gave a brief update on progress regarding the CCMA Debt Management Group (DMG) and advised that local authorities are on target to reach the agreed improved collection targets set by the DMG for 2015. The DMG's work should be referenced in NOAC's report, which should be reworked to provide all the responses discursively, on an authority by authority basis, instead of the existing spreadsheet summary format and to include rates collection median data. As per the Financial Performance sub-group recommendation, this report will also include compliance with the deadline for submitting Annual Financial Statements and the local authority responses regarding significant revenue deficits. The target for publication is end March and the sub-group is to meet to consider how best to present it.

#### Public Spending Code Quality Assurance Report – update

The secretariat advised the meeting that the compilation of a consolidated report containing a summary of the 31 QA reports submitted by local authorities was almost complete. Generally, the required 5 steps in the QA process were completed by all local authorities, but

Mayo and Sligo County Councils had not provided confirmation of completing the Step 4 in-depth review of selected projects from their inventory. While Mayo County Council indicated that they will work with the Internal Audit Unit with a view to completing the checks, no explanation was provided by Sligo County Council. The Chairman requested that the secretariat ask the Sligo Chief Executive to clarify the position. While some text will be included to outline NOAC's role, the final report, which has involved a lot of work by all the contributors, will be as per the structure within Part A04 of the Code as specified by the Department of Public Expenditure and Reform (D/PER).

#### NOAC Website

The Chairman asked the secretariat to consult with the Department's IT Unit as to the feasibility of adding a Members Only area to the NOAC website on which draft documents could be put up for the members to view but not the wider public. Colleen Savage requested that a biography of each member should be included on the website – this can be done if the members all provide suitable material for inclusion.

#### Local Government Audit Service (LGAS)

The Chairman had discussed with the previous Director of Audit occasional attendance by an LGAS representative at NOAC meetings because consistency in what the local government auditors examine and comment on would help NOAC in its financial oversight role. NOAC also needs to have greater involvement in determining the work of the LGAS VfM Unit. It was agreed that NOAC should meet the new Director of Audit very soon after their appointment, given the NOAC dimension to the role. The Chairman requested that the question of whether co-operation with NOAC is part of the job description for Chief Executive posts or a statutory obligation be examined.

#### Local Enterprise Offices (LEOs) – Issues and Matters relevant to NOAC's remit

Following a discussion as to what areas, if any, should be examined by the LEO sub-group, it was agreed that the group should, as a priority, examine the most appropriate indicator for inclusion in future Performance Indicators reports. The focus of a wider examination should be in the context of NOAC's function to monitor implementation of government policy and suggestions included: conducting an in-depth examination of 8 or 9 LEOs looking at everything they do and how well they are working by using a pre-determined questionnaire; outlining such a study and commissioning an agency like the ERSI to carry it out; bringing a selection of Heads of LEOs to a NOAC meeting for a discussion of the issues; focussing on the general enterprise area and promotion of entrepreneurship and the adequacy and use of funding from various sources for enterprise activities. The LEO sub-group is to convene to look at the performance indicator issue first before moving on to the wider aspects.

### Press coverage of NOAC's published reports

Members discussed the coverage of the 3 reports published by NOAC on 16<sup>th</sup> December 2015. There was concern at the fact that the (quite substantial) coverage occurred mainly in the week after Christmas and with the style of the press release, which highlighted key findings in the reports but did not put them into a wider context for the purpose of assuring the public regarding the responsibilities being discharged by NOAC in relation to overseeing local authorities generally. The use of social media and radio and targeting of media outlets with particular interests were also mentioned. The secretariat advised that the agreed objective of publishing the reports before the end of the year when the work was completed impacted on the time available within which to prepare the press release. The point was also made that, as NOAC is a statutory body, any press release cannot contain material that is not in the associated report or otherwise overstate report content. It was agreed that the secretariat should look at getting someone with appropriate expertise (either Departmental or external) to advise the members as to what might be considered for inclusion in a communications plan for NOAC. It was also agreed that NOAC's annual report should contain a summary of the three reports published in 2015.

In the context of the Performance Indicators report and the performance variations that it highlighted, the members discussed NOAC's remit and whether it should do more than objectively report its findings by adding commentary on what constitutes good and bad performance. The point was made that NOAC may not have the dedicated expertise to draw definitive conclusions from the variations in figures and must be satisfied that its comparisons are appropriate. NOAC can suggest to the relevant Oireachtas Committee that it should examine a particular area and can ask the Chief Executives to explain the reasons behind a variation in their authority's performance. As a first step to using the indicators to effect change, it was agreed that the Performance Indicator sub-group should identify a number of indicators that showed extremes of performance for follow-up by way of a letter from NOAC to the Chief Executive requesting an explanation of the significant deviation from the median figure.

### Dates of Next Meetings

The following dates were agreed for upcoming meetings commencing at 10.00 a.m. on Tuesdays: 16<sup>th</sup> February 2016, 22<sup>nd</sup> March 2016 and 26<sup>th</sup> April 2016.