

Minutes of the National Oversight and Audit Commission (NOAC) meeting  
Tuesday 31<sup>st</sup> May 2016

Venue: Local Government House, 35-39 Usher's Quay, Dublin 8

Attended by:

Chairman	Pat McLoughlin
Members	Kevin Baneham
	John Buckley
	Tara Buckley
	Connie Hanniffy
	Paul Lemass
	Padraig McNally
	Martina Moloney
	Micheál Nolan
	Colleen Savage
	Henry Upton
Secretariat	Maurice Coughlan
	Sheila McMahan
	Declan Grehan

Minutes of meeting of 26/04/2016 and matters arising

The minutes of the meeting of 26 April 2016 were agreed without amendment. In relation to the VFM Unit report on the oversight role of LAs in the provision of housing by Approved Housing Bodies, the secretariat reported that the new Head of Regulation, Pat Fitzpatrick, would be available to attend the next NOAC meeting on 28 June. The secretariat was asked to include final consideration of the VFM report on the agenda for the subsequent meeting.

Update on the Chairman's Meeting with Pat Gallagher of the LGMA

The Chairman reported on his meeting on Monday 30 May 2016 with Pat Gallagher, current chair of the Local Government Management Association (LGMA), the focus of which was the development and sharing of good performance by local authorities. The LGMA is happy to work with NOAC on an integrated basis in developing a best practice showcase seminar. Pat Gallagher will talk to Joe McGrath, Tipperary Chief Executive, about how best to progress the initiative through the Committee that he chairs and will then contact the Chairman to set up a meeting. Due to its topicality, the housing area is to be included and there is also value in disseminating good practice regarding the LEOs.

LEOs - Update

Constance Hanniffy, the chair of the LEOs sub-group, updated the members in more detail on the meetings with Chambers, the Irish Business & Employers' Confederation (IBEC), the Irish Small & Medium Enterprises Association (ISME) and the Small Firms Association that took place the day before the last NOAC meeting.

Some of the issues that were highlighted during these meetings were the varying level of quality of service across LEOs, lack of suitably qualified staff, LEO staff being diverted to wider local authority functions and the unrealistic expectation of LEOs being a one stop shop for enterprise supports.

In NOAC's discussion of these issues, it was suggested that attracting the right calibre of staff to fulfil the role on the salaries offered would always be difficult. Some members expressed surprise that staffing was an issue as most heads of LEOs were previously heads of the County Enterprise Boards (CEB) and 120 CEB staff transferred to LEOs when they were established and there are now 180 staff employed.

A meeting of the sub-group that had been arranged for 26 May 2016 had been called off due to the absence of two of the members and it was planned to meet after today's meeting had concluded instead. Given that the consultation has now concluded, the meeting will be for the purpose of deciding what additional LEO indicator to recommend to the Performance Indicators Sub-Group and what, if any, aspect of the LEOs should be the subject of a more in-depth review. The view was expressed that it was important that any indicators measure the performance of the LEO rather than of the assisted businesses. Enterprise Ireland had advised in their letter to NOAC that they are developing a Customer Relations Management System and perhaps an in-depth review should await that and the revision of the Service Level Agreement.

#### Performance Indicators - Update

Martina Moloney, chair of the Performance Indicators Sub-Group, circulated a summary of the follow up exercise with Chief Executives regarding the 2014 Performance Indicators Report, the purpose of which was to ensure that the indicators are embedded in management structures and also as a learning exercise in relation to specific outturns. The majority of local authorities had indicated that the NOAC recommendations were either in place or in progress and some examples of good practice may be appropriate for sharing in the showcase event with the CCMA. The sub-group will consider how best to include follow up to the recommendations in the 2014 report within the validation and verification exercise in respect of the 2015 data. In this regard, the secretariat reported that the LGMA had not advised of any delays with the new eReturns system going live on 31 May for inputting of the 2015 data before the end of June.

#### Housing Studies - Update

The secretariat advised that Roslyn Molloy of the Housing Agency had focussed initially on the Private Rented Sector Regulations report and had met with the secretariat on 12 May and provided the Agency's final draft the following week. The inclusion of additional material was nearly complete and the draft would be ready for circulation to the sub-group members in the next day or so and a meeting of the sub-group to finalise the report would then be arranged.

Rosyln Molloy is now working on finalising the Maintenance and Management Report but she is diverted to other Housing Agency work from time to time so there may be quite a time lapse between the two reports being finalised.

#### Local Government Audit Service (LGAS) Activity Report

The meeting was informed that the new Director of the LGAS is due to begin work in mid-July but that it would probably be several weeks before a meeting between her and the NOAC PMO Sub-Group can usefully take place. John Buckley highlighted the existence in most organisations of a Statement of Internal Financial Control (SIFC) that does not appear to be part of the governance structure within local authorities. A practice that requires the Chief Executive to annually sign off that the various elements of Internal Audit, Audit Committees, LGAS Audit reports, risk management and control were in place and reviewed during the year could help to provide assurance on the quality of financial performance. This might be appropriate to raise with the General Accounts Working Group, which determines the structure of the Annual Financial Statements.

#### Consideration of Next Thematic Study

The secretariat asked the members to consider what should be the subject of the next thematic study arising from the suggestion at an earlier meeting that the previously agreed areas of local authority housing assessments and allocations and delivery of housing supply might represent an over concentration on the housing function. The discussion centred around whether functions should be examined on the basis of how much they cost, their potential impact or in relation to customer awareness. One suggestion was that NOAC hold a specific meeting to review the total list of local authority functions with a view to identifying what area should be looked at next. The Chairman asked members if there were issues that they had identified as warranting review at the time of their appointment to NOAC. In this context a number of areas were mentioned by the members and the Chairman indicated he would talk to the secretariat about drafting a document regarding the suggestions made. He asked the Housing Sub-Group to consider and advise regarding the feasibility of moving on to the study on the delivery of housing supply. This would be in the context of the immediate NOAC priorities being to advance towards conclusion the two housing studies currently underway and initiating new, substantive thematic work as soon as possible in light of this.

#### Any Other Business

The secretariat circulated press cuttings in relation to the four reports published on the website in May.

Tara Buckley raised the use of telephone conferencing in the case of sub-group meetings, which is fine if the member so opts and advises the secretariat.

The Chairman will be abroad at the time of the next NOAC meeting so a chair will have to be appointed on the day. He will talk to the secretariat about future meeting dates and these will be circulated to the members.

Next Meeting

The next meeting of NOAC has been scheduled for Tuesday 28 June in the offices of the RTB.