

Minutes of the National Oversight and Audit Commission (NOAC) meeting  
Tuesday 6<sup>th</sup> December 2016

Venue: Main Conference Room, Custom House, Dublin 1

Attended by:

Chairman	Pat McLoughlin
Members	John Buckley Tara Buckley Connie Hanniffy David Holohan Paul Lemass Michael McGreal Martina Moloney Sharon O'Connor Colleen Savage Henry Upton
Secretariat	Maurice Coughlan Sheila McMahon Mark Crosbie

The Chairman welcomed the three new NOAC members – David Holohan, Michael McGreal and Sharon O'Connor – to their first NOAC meeting and also Mark Crosbie, who has joined Sheila McMahon as the full-time secretariat. The Chairman indicated that he would assign members to the sub-group vacancies before the next meeting in January.

Minutes of meeting of 25/10/2016 and matters arising

The minutes of the meeting of 25<sup>th</sup> October 2016 were agreed subject to one amendment. On matters arising, Mark Crosbie outlined the progress in relation to the desk top review of the general customer information available on the local authority websites, which is the first step of the next customer survey project. When this is completed, the secretariat will provide a draft questionnaire for consideration by the sub-group.

Work Plan 2017

The meeting discussed the circulated work programme document outlining the 2016 outputs and outstanding items, the 2017 work items that have already been agreed or are an annual requirement and seeking direction as to the next areas for thematic reviews and the proposed approach for increased collaboration with the LGAS.

The Chairman informed the members that he had met again with Níamh Larkin, Director of Audit on 2<sup>nd</sup> December. She had indicated that it is intended that there will be a period in the year from September when all the auditors, and not just the small number of VFM Unit staff, will be working on value for money reports. She will be presenting her proposed work plan for

2017 to the Management Board on 12<sup>th</sup> December for approval and will be attending the next NOAC meeting on 17<sup>th</sup> January to discuss how the two bodies will work together in 2017. Accordingly, NOAC will need to forward its Work Plan for 2017 as it stands to Níamh Larkin before the next meeting. The members raised the lack of clarity at present as to how the new working arrangements will operate and how NOAC can add value to the fact based reports that the VFM Unit plan to produce. Relevant to this will be whether these reports are purely factual or whether they will draw conclusions and make recommendations, which needs to be clarified.

As NOAC fully recognises the statutory independence of the LGAS audit function, the audit part of NOAC's remit will be addressed via its pending report on the statutory Audit Committee reporting requirement, its planned examination of the internal audit function within local authorities, its reviewing of the reports by the LGAS Auditors on the Annual Financial Statements and its collaboration with the LGAS VFM Unit.

The various topics previously proposed for thematic review were considered. The members concluded that it would be inappropriate to over concentrate NOAC's resources on a single aspect of local authority functions and so the two housing studies should not be followed immediately by further thematic reviews in the housing area. The existing performance indicators on Roads and Fire Services were considered to adequately deal with these local authority functions for the present and that the customer satisfaction aspect should be catered for by the project that recently commenced.

There was considerable discussion of the form that any review of local authority IT should take and aspects mentioned included: the risks to systems from cyber attacks, the difficulty of attracting quality IT staff, the need for greater use of shared services, the question of whether the systems meet the data needs of local authority management and the variations in the cost of IT services across authorities on the basis of the performance indicator data. It was suggested that, subsequent to Níamh Larkin's attendance at the next meeting of NOAC, a sub-group might be set up to scope an appropriate study in this area and that it might be useful to invite some local authority Heads of Information Services and relevant personnel from the IT side of the LGMA to a future NOAC meeting.

The other functional area that members agreed might warrant an in-depth examination is the community area, particularly as it is proving difficult to develop a relevant performance indicator for the function. Aspects that were mentioned included: arts, local events, sports and sporting facilities, tidy towns involvement, Local Community Development Committees, the Local Economic and Community Plans and activities occurring within local authorities that may not be reflected in the new community structures.

As Assistant Secretary of the Department's Community Division, Paul Lemass was asked to provide a paper outlining his thoughts to facilitate the scoping of a possible thematic study in this area also.

Other topics suggested for review were the operation of the Municipal Districts, the performance of functions by the regional assemblies and the chair of the LEO sub-group, Connie Hanniffy, reminded the members of the planned review of the operation of the LEO service level agreement (SLA) once the Department of Jobs, Enterprise and Innovation (D/JEI) has completed its evaluation of the existing agreement.

The Municipal District reforms were considered to be insufficiently bedded in as yet and are the subject of on-going political debate. In addition, this subject has been included in a survey of 500 local authority members that is likely to be published before the end of the year and is also likely to be picked up within the recently commenced customer survey project. The Chairman stated that when he attended a conference of the Southern Regional Assembly he had pointed out that the assemblies were likely to be on NOAC's radar in 2017 and said that he and the secretariat would scope a proposal at a later stage as to what should be examined by NOAC in this regard. The examination of the operation of the LEO SLA is relevant to NOAC's section 126C.(1)(d) function and the secretariat is to check if the D/JEI evaluation of the agreement is yet completed.

In relation to the monitoring of the implementation of the Corporate Plans, it was suggested that the starting point should be the local authority Corporate Plan Annual Progress Reports and their Annual Reports, although as the former are likely to be quite voluminous, it may be necessary to seek from Chief Executives a short report of what has been achieved, what hasn't been implemented and the reasons why not.

The Chairman asked the chairs of the sub-groups to bear in mind that some funding was available for the use of consultants. In relation to the best practice showcase event, he is to meet again with the Chair of the LGMA Corporate Committee in the New Year. Maurice Coughlan referred to the possible relevance in this regard of the Chambers Ireland Excellence in Local Government Awards scheme and he undertook to circulate information on the submitted initiatives for 2016.

#### Housing Studies - Update

The secretariat advised that following the publication of the Rented Inspections report, the Chairman had been interviewed on Newstalk and the report, along with the 2015 Performance Indicators report, had been discussed by the Management Board of the Department. The latest draft of the Management and Maintenance study had been circulated to the members. This report was nearly complete and the sub-group were arranging now to meet to draft the conclusions and recommendations and decide the final presentation of the tenant survey data component. Paul Lemass, chair of the Housing Sub-Group, advised that the Rented Inspections report was timely and had fed into the development of the rented standards pillar of the Rebuilding Ireland policy, which would be finalised shortly. It had been well received by the Department and was considered to be high quality with high impact.

### Performance Indicators - Update

Martina Moloney, chair of the Performance Indicators Sub-Group, referred to the fact that the 2015 Performance Indicators Report had been published in November but had not been picked up by the media unlike the previous year's report, which could be related to the earlier publication date. She referred to the issues with, and suggestions regarding, the indicators that had been raised and to the need for NOAC to make its decisions on the indicators to be reported on in respect of 2016 activity at its January meeting. She advised that the sub-group is meeting with the EPA on the 14<sup>th</sup> December to look at what can be gleaned from their RMCEI approach to environmental indicators and requested that the members provide any comments/views regarding the 2016 indicators before Christmas.

### Any Other Business

The secretariat referred to a suggestion received from the Meath Audit Committee for a Finance indicator comparing local authority per capita income with per capita expenditure which has been referred to the Performance Indicator Sub-Group, but this may be appropriate for subsequent consideration by NOAC as a standalone issue, if not deemed suitable for use as an indicator.

### Next Meetings

The next meetings of NOAC are scheduled for Tuesday 17<sup>th</sup> January, Tuesday 28<sup>th</sup> February and Tuesday 11<sup>th</sup> April 2017, all at 10.00 a.m. and all in the offices of the RTB.