

Dublin City Council

Audit Committee

**Minutes of Meeting held on 14th September, 2017 at 8.00 a.m.
in the Richard O'Carroll Room, City Hall**

Attendance:

Members

Mr. Brendan Foster, Dublin Chamber of Commerce, Chairperson (BF) (Chair)
Mr. Johnny McElhinney, Docklands Business Forum (JMCE)
Mr. Nathy Walsh, Institute of Public Administration (NW)
Councillor Nial Ring (Cllr. Ring)
Councillor Noeleen Reilly (Cllr. Reilly)

Officials:

Ms. Kathy Quinn, Head of Finance (KQ)
Mr. Richard Murphy, Principal Local Government Auditor (RM)
Ms. Martina Mc Loughlin, Staff Officer, Internal Audit

Apologies:

Mr. Owen Keegan, Chief Executive (OK)
Mr. Hugh Fitzpatrick, Head of Internal Audit (HF)
Ms. Louise Ryan, Trinity College Dublin (LR)
Councillor Naoise O Muiri (Cllr. O Muiri)

1. Minutes of Audit Committee Meeting held on 1st June, 2017.

The minutes were agreed.

2. Standing Item on the agenda – Any Conflict of Interest of A.C. Members

No conflict of interest declared.

3. Consideration of the Audited Annual Financial Statement for the year ended 31st December 2016 and the Local Government Auditor's Report on the Annual Financial Statement (AFS).

Mr. Foster welcomed and thanked the Principal Local Government Auditor, Richard Murphy, for attending. He confirmed with the Members that they had read and considered Mr. Murphy's report and the full AFS. He invited Mr. Murphy to give an overview of the report.

RM gave a brief summary of the different sections of his report.

There was a discussion between the Members and RM & KQ in relation to the "Transfer from/(to) Reserves" in the AFS. RM & KQ explained the reasons why it is

necessary to transfer monies from Revenue to Reserves and how this system operates.

BF asked the Councillors present, if sufficient information is provided to them at budget time to enable them to approve the budget. They confirmed that comprehensive information is provided.

BF queried what the spending was in relation to Homeless. RM confirmed the figures for 2016 and KQ informed the Members that it has increased for 2017 and will again for 2018.

NW asked about Risk Management. RM replied that this is under review and needs to be constantly refreshed.

Finally, Mr. Murphy stated that preparatory work for the 2017 audit will commence next January.

Action 1: KQ to provide note re transfers

- 4. Preparation of the report of the Audit Committee to the City Council following its consideration of the Audited AFS and Local Government Auditor's report (in compliance with Section 60 of the Local Government Reform Act 2014).**

The Audit Committee are required under legislation to consider the audited AFS and the Local Government Auditor's report and to produce a report on their findings. They are required to submit this report to the next practicable meeting of City Council. It was agreed that a report would be drafted by HF, agreed with BF, and submitted to the City Council meeting of either 2nd October or 6th November next.

Action 2: AC report to be submitted to the City Council meeting, to be held on either 2nd October or 6th November next.

- 5. Update on Report No. 3/2017 from the Director, Dublin Region Homeless Executive on the use of LVP cards in the Homeless Services Section**

EG updated the Members on the progress of the recommendations in relation to the Low Value Purchase Cards.

A Procedures Manual is now in place and there is ongoing staff training, especially for new staff. The number of cards has been reduced from five to four and the expenditure limit from €2.3M to €2.2M. Staff members have been assigned individual cards, with the additional staff who are authorised to use the cards named specifically. A designated email has been set up. A structure is now in place for continuous monitoring.

Reconciliation for the period July – December, 2015 was finalised at 80%, with 86% reconciliation for 2016. There is 100% reconciliation to date for 2017 and this will continue.

A new IT system, Sharepoint, is due to come on stream shortly. EG acknowledged that it would be preferable to use invoices for payments in relation to the use of hotels, but this is not always possible. Work is ongoing with the Procurement Section, in relation to formal tender arrangement with hotels.

The AC agreed that they are satisfied with the process now in place in relation to the use of the LVP cards, given that there is 100% reconciliation taking place.

6. Presentation by John O'Hara, Acting Dublin City Planning Officer, titled "Planning Dublin City"

John O'Hara, Acting Dublin City Planning Officer gave a presentation on the above, outlining the changing demographics and the future needs of the city.

7. Letter from NOAC to the Chairpersons of Audit Committees re: the Audit Committees role in relation to financial matters (copy attached).

BF outlined the background to this letter, which was sent to the Chair of every Audit Committee. He informed the Members that he and KQ had a meeting with NOAC, which proved to be a very productive meeting. BF further stated that he considers that the requirements as stated in the letter go beyond the remit of the AC, i.e. there is a distinction between the role of the Executive & of the AC.

A letter of response has been prepared and the Committee agreed that this letter be forwarded to NOAC.

Action 3: Response to be forwarded to NOAC.

8. Internal Audit Report No. R05/2017: Review the Efficiency and Value for Money of the System to Manage and Repair Voids.

I.A. awaiting formal Housing Management response. Committee agreed to defer this report to the December meeting.

9. A.O.B.

Next meeting 7th December, 2017.

The meeting concluded at 9.35 a.m.


Brendan Foster, Chairperson

Date: 7.12.2017

Appendix A

Actions agreed at this Audit Committee Meeting

Action 1: KQ to provide note re transfers (KQ)

Action 2: AC report to be submitted to the City Council meeting, to be held on either 2nd October or 6th November next (HF)

Action 3: Response to be forwarded to NOAC (HF)

Appendix B

Actions agreed at previous Audit Committee meetings, to be carried forward to the December, 2017 meeting of the A.C.

8th December, 2016

Action 1: Mary Pyne to report back in due course on the Review of Risk Management in DCC