

**Dublin City Council**

**Audit Committee**

**Minutes of Meeting held on 30<sup>th</sup> January, 2020 at 8.00 a.m.  
in the Richard O'Carroll Room, City Hall**

**Attendance:**

**Members**

Ms. Louise Ryan, Trinity College Dublin, Chairperson (LR) (Chair)  
Mr. Johnny McElhinney, Docklands Business Forum (JMCE)  
Mr. Nathy Walsh, Institute of Public Administration (NW)  
Professor Diarmuid Hegarty, Dublin Chamber (DH)  
Councillor Nial Ring (Cllr. NR)  
Councillor Naoise O Muiri (Cllr. NOM)

**Officials:**

Mr. Owen Keegan, Chief Executive (OK)  
Ms. Kathy Quinn, Head of Finance (KQ)  
Mr. Hugh Fitzpatrick, Head of Internal Audit (HF)  
Ms. Martina Mc Loughlin, Senior Staff Officer, Internal Audit

**External Attendee in attendance in relation to Item 6 of these minutes:**

Ms. Seona Grant, Deloitte (SG)

**Apologies:**

Councillor Mary Fitzpatrick (Cllr. MF)

**1. Minutes of Audit Committee meeting held on 7<sup>th</sup> November, 2019.**

HF updated the Members on the progress of the action items, as follows:

- A letter was sent to the Department of Housing, Planning and Local Government (DHP&LG) outlining the Committees concern in relation to the level of Government Debtors.  
  
KQ confirmed that a meeting had taken place between the DHP&LG and DCC officials and the Department have committed to work with DCC to reduce the level of Government Debtors.
- HF confirmed that updates under actions 2 & 3 will be brought to a future meeting of the Committee, i.e. a report from Housing Management on a plan to tackle rent arrears and a progress report on reconciling the Fixed Asset Register to the Housing Register.
- The AC report on the Audited AFS and the Local Government Auditor's report on the AFS for 2018 and the report on the AC's Charter and Work Programme for 2020 were submitted to the December 2019 City Council meeting and were noted and adopted respectively.

LR requested that outstanding actions be kept on the agenda.

The minutes were agreed.

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

No conflict of interest was declared.

## **3. Draft report of the Audit Committee on its activities during 2019**

LR highlighted the issue of the non-implementation of recommendations, specifically in relation to the Joinery Workshop, which has to be brought back to the AC.

The AC agreed the Report and HF will submit it to the March City Council meeting.

**Action 1: That an update on the implementation of the outstanding recommendations in relation to the Joinery Workshop, be brought back to the AC**

**Action 2: HF to submit the annual report of the Audit Committee to City Council, at their meeting to be held on 2<sup>nd</sup> March, 2020**

## **4. Draft Internal Audit Charter**

HF informed the AC that it is a requirement that the Internal Audit Charter is reviewed periodically and approved by the AC. This was last done in 2015.

He outlined some slight changes to the wording of the previous Charter (no changes of any great significance). The Members agreed the Charter, which was subsequently signed off by the Chair of the AC and the Chief Executive.

## **5. Draft Audit Plan for 2020**

HF updated the Members on the draft Plan.

Four audits are underway within the IA Unit, with four to be co-sourced from the Plan, possibly including the PSC reports. IA are currently preparing to go to tender for the co-sourced reports and this will probably include four more for 2021.

HF said an audit had been dropped from the Plan, i.e. Recoupment of Sick Leave payments to A1 class PRSI employees, from the Dept. of Employment and Social Protection, which had been agreed with the AC at the training session on 27<sup>th</sup> November last. One additional audit had been included, i.e. Public Procurement Compliance within a section of a diverse Department, e.g. Libraries.

A query was raised in relation to staffing resources in the IA Unit. HF explained there is a Grade V panel in operation at the moment and it is hoped that, at a minimum, two people will be assigned to the IA Unit from this panel to fill at least two of three vacant posts.

## **6. Audit Reports:**

(A) Review of Major Emergency Management report, prepared by Deloitte

Ms. Seona Grant, Audit Manager, presented the report to the Committee.

The Committee noted its “satisfactory” rating and that all recommendations made in the audit will be implemented by Senior Management of Dublin Fire Brigade/City Engineer.

Ms. Grant expressed her appreciation for the assistance given to Deloitte by Dublin Fire Brigade, the City Engineer and the Deputy Chief Executive, in preparing the report.

(B) Public Lighting Upgrade Project, In-Depth Check Report under the Public Spending Code (PSC)

KQ in presenting the report, outlined the significant reduction of 50% of energy consumption in respect of “Public Lighting” which accounts for 25% of DCC’s energy consumption and that it will significantly contribute to DCC realising or even exceeding its targets in relation to “Climate Change” actions. The “strong” rating given in the audit indicates that the project is being well managed. KQ explained that the project will also provide a communications infrastructure that will support “SMART City” applications in the future.

The Committee expressed its surprise that a “Steering Committee” had not been established for such a significant capital project. Given the 5-year project timeframe, the establishment of a Steering Committee could enhance governance. HF explained that that was not an absolute requirement under the Public Spending Code and DCC’s Project Guidelines provide for the reporting directly by the Project Manager to the appropriate Assistant Chief Executive, in the absence of a “Steering Committee”. The Committee asked that its recommendation to establish a Steering Committee be conveyed to Senior Management for consideration in respect of all projects of a major expenditure nature and of long duration.

DH asked what % of PL in Dublin City is LED?

KQ explained that the conversion to LED is ongoing and will come back to DH with a figure.

**Action 3: Response to the Members in relation to the percentage of public lighting in Dublin City that is LED**

**Action 4: The Audit Committees recommendation that a Steering Committee be established in respect of all projects of a major expenditure nature and of long duration, be conveyed to Senior Management for consideration**

(C) Review of Attendance and Overtime procedures operated from the Public Lighting and Electrical Services Depot, Marrowbone Lane.

HF informed the Members that this was a follow-up report to a Protected Disclosure While the rating was “weak”, the improvements needed are of a minor nature and the Senior Engineer in charge has undertaken to comply with the recommendations.

**7. NOAC report:**

Report No. 23 – Public Spending Code Local Authority Quality Assurance Report 2018  
The Committee noted the Report

LR referred to the comments on page 5 of the Report to the effect that (a) Dublin City Council had not published on its website, details of procurements in excess of €10M as at the 7<sup>th</sup> November, 2019 and (b) had omitted to answer questions 3.6 to 3.9 on Checklist 3.

HF informed the Committee that DCC's procurement details were published on its website before the deadline of the 31<sup>st</sup> May, 2019. A link to where precisely, such details are located was not included on the Quality Assurance Return to NOAC, but that he will advise the Corporate Project Support Office (CPSO) to do so in respect of future returns.

In relation to (b), the response to the questions should have been given as n/a (not applicable). The Committee considered that, in future, some form of engagement with NOAC should take place in order to ensure that any such errors or misrepresentation in relation to DCCs return would be removed, before publication of the report.

**Action 5: KQ & HF to consider appropriate measure in consultation with the CPSO (who are responsible for gathering the various elements of the Quality Assurance Return and submitting the Return to NOAC.**

#### **8. Further training/familiarisation sessions required by AC Members**

LR asked the Members to let her know if there was any training they felt would be beneficial.

NR suggested a talk on climate change and the Committee agreed, particularly how it impacts on the work of DCC.

HF to arrange a talk on this subject for the next meeting.

**Action 6: HF to arrange a talk on climate change, to be given to the AC at the next meeting.**

#### **9. Dates of future meetings:**

The following dates were agreed for future meetings in 2020:

30th April; 17<sup>th</sup> September; 3<sup>rd</sup> December

#### **10. A.O.B**

The meeting concluded at 9.00am.

*Louise Ryan*

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**Louise Ryan, Chairperson**

**13<sup>th</sup> July, 2020**

## **Appendix A**

- Action 1:** That an update on the implementation of the outstanding recommendations in relation to the Joinery Workshop, be brought back to the AC
- Action 2:** HF to submit the annual report of the Audit Committee to City Council, at their meeting to be held on 2<sup>nd</sup> March, 2020
- Action 3:** Response to the Members in relation to the percentage of public lighting in Dublin City that is LED
- Action 4:** The Audit Committees recommendation that a Steering Committee be established in respect of all projects of a major expenditure nature and of long duration, be conveyed to Senior Management for consideration
- Action 5:** KQ & HF to consider appropriate measure in consultation with the CPSO (who are responsible for gathering the various elements of the Quality Assurance Return and submitting the Return to NOAC.
- Action 6:** HF to arrange a talk on climate change, to be given to the AC at the next meeting.

## **Appendix B**

### **Actions agreed at the Audit Committee meeting of 7<sup>th</sup> November, 2019**

- Action 2:** The Committee requested a report from Housing Management be brought to a future meeting of the A.C. outlining a focussed/targeted plan to tackle the level of rent arrears.
- Action 3:** The Committee to be kept informed of progress made by the working group over the coming months in relation to reconciling the Fixed Asset Register to the Housing Register.