

Dublin City Council Audit Committee

Minutes of Meeting held on 11th March 2021 at 9.00 a.m. via MS Teams

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)
Councillor Dáithí De Róiste (Cllr. DDR)

Officials:

Mr. Owen Keegan, Chief Executive (CE)
Ms. Kathy Quinn, Head of Finance (KQ)
Mr. Paddy Brennan, Head of Internal Audit (PB)
Ms. Theresa Lannon, Administrative Officer (TL)
Ms. Martina McLoughlin, Senior Staff Officer, Internal Audit
Ms. Ailish McCarthy, Staff Officer, Internal Audit

On behalf of the Committee the Chairperson welcomed Paddy Brennan as Head of Internal Audit and also thanked Theresa Lannon for all her work as Acting Head of Internal Audit in recent months.

1. Minutes of Audit Committee meeting held on 3rd December 2020 and update on Actions arising

- a. The minutes were agreed.
- b. Update on Actions:

Appendix A:

Action 1:

Update on Housing Rent Arrears to be presented to the Members at the June 2021 meeting.

Action 2:

A survey for the AC to review its performance and effectiveness was issued and completed by AC members.

Action 3:

The Annual Report of the Audit Committee was noted by the City Council at meeting on 1st February 2021.

Action 4:

Audit Committees Charter and Work Programme was noted and adopted by the City Council at meeting on 11th January 2021.

Action 5:

Report on the Review of Procurement Breach is listed as item no 3. on the Agenda.

Action 6:

Report, received from the CE, was forwarded to the Members on 4th January, 2021

Action 7:

A report on the cost of collection of housing rent arrears relative to the debt value and collection performance was received from KQ and emailed to members on 7th January 2021.

Action 8:

A report on the percentage of DFB overtime in relation to the total payroll costs was received from KQ and emailed to members on 7th January 2021.

Action 9:

The final year-end figures in relation to Government Debtors will be included on agenda at 3rd June 2021 meeting.

Action 10:

AC report on the AFS was noted by the City Council at meeting on 11th January 2021.

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

A possible conflict of interest was raised in relation to Item 3 on the Agenda and the person concerned advised the Chair that they would leave the meeting for this item.

3. Report Update - External Report of Procurement Breach Under Review: Development of 'Term Maintenance Mobile Application'

The external review Report, including recommendations, was presented to the Members who commended the clarity of the content. A report from the Chief Executive and the Head of Finance, outlining an update on the recommendations made and their implementation, was also submitted to the Members. The Committee discussed the report and its findings, and a number of queries were raised with the CE and KQ.

The CE confirmed that where recommendations can reasonably be implemented, this will happen. He further confirmed that a focus will be maintained to ensure completion of recommendations from an internal audit perspective

KQ advised that modifications are being made to the Oracle system in relation to Procurement to ensure that any suppliers added to the system must have been awarded contracts under Procurement frameworks, and that mandatory workshops are being organised for Senior Management and will be in progress by the year end.

The Members requested that a status report on the timelines and output delivered for the nine recommendations be presented to them by the end of 2021 or early 2022 at the latest.

The CE excused himself from the meeting at this point.

Action 1: A status report on the timelines and output delivered for the nine recommendations to be presented to the Members by early 2022 at the latest.

4. Audit Reports

LR commented on the high percentage levels of recommendations achieved for 2016, 2017 and 2018.

4(a) R05/20 Review of Recommendations 2016- 2018 inclusive and follow-up of outstanding recommendations made in previous years – TL gave an overview of the report confirming a 95%

compliance rate for period 2016- 2018. The review followed up on twenty eight (28) outstanding recommendations of which sixteen (16) related to a complex audit under the Housing and Community Services Dept. across a number of Area offices. IA will continue to follow up on the remainder of the recommendations.

4(b) R02/21, Review of Recommendation Implementation for Internal Audit Reports 2019 and update on outstanding recommendations made in previous years

The Committee was advised that in 2019 the lower compliance rate of 66% was mostly due to Covid19. The figure of outstanding legacy recommendations reduced from twenty eight (28) down to twenty (20).

TL advised that from January 2021, IA introduced a new Recommendations Management System which will track recommendations as they are due for implementation and quarterly reports will be presented to the AC. TL advised of the New Audit Report Template introduced to complement this system which will focus on objectives to assist management in the implementation of recommendations, which is a key priority for Internal Audit.

Action 2: The first new quarterly reporting on recommendations will come to AC meeting in June 2021

4 (c) Report R04/ 2020, In-Depth Check of the Appraisal, Planning & Incurring Expenditure Stages of the Phase 2 Volumetric Rapid Build Housing (Bundle 1) Project

LR provided a brief overview of the report conclusions, noting the status of report is that it needs overall improvement.

TL advised there were four (4) recommendations for improvement. Three (3) were accepted by management. The recommendation relating to the Housing Community Services projects being brought under the DCC Corporate Project Governance Board and Capital Projects support office was rejected.

Following a query from the Members in relation to the recommendation concerning steering committees being set up for projects over €500,000, TL noted that the Steering Committee has been set up but the Terms of Reference are still outstanding and advised IA are seeking clarification from the Housing and Community Services Dept. on this matter.

5. NOAC Reports:

5 (a) Report No: 26 NOAC Performance Indicators Report 2019

Report noted.

5 (b) Report No: 27 Public Spending Code - Local Authority Quality Assurance Report 2019

LR noted report on page 289 where DCC met all requirements. PB advised there are five steps listed and DCC met all requirements and it is published in report and on DCC website.

The AC queried no figure listed for revenue expenditure on page 6. KQ confirmed that only new current expenditure or extensions to existing programmes qualify for inclusion under this category of the Public Spending Code of which there was no qualifying expenditure.

Report noted.

6. Training/familiarisation sessions required by AC Members

LR welcomed suggestions from members re training / familiarisation sessions.

KQ referred to a number of very interesting presentations recently given on Climate Action, Energy Management and District Heating which the AC may find useful.

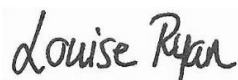
NR referred to a webinar on Dublin Economic Monitor covering the four Local Authorities which would be of benefit to the AC.

JMcE asked about getting a better understanding on Building Plans, Density Proposals and Build Costs

Action 3: A schedule of presentations to be arranged for the next three AC meetings covering Dublin Economic Monitor, Development Plans, Density and Costs and Climate Action.

7. A.O.B.

The meeting concluded at 9.40am.



Louise Ryan, Chairperson

Date: _ 03/06/2021 _____

Appendix A

Action 1: A status report on the timelines and output delivered for the nine recommendations to be presented to the Members by early 2022 at the latest.

Action 2: The first new quarterly report on recommendation to AC meeting in June 2021.

Action 3: A schedule of presentations to be arranged for the next three AC meetings covering Dublin Economic Monitor, Development Plans, Density and Costs and Climate Action.

Appendix B

Actions agreed at the Audit Committee meeting of 3rd December, 2020

Action 1: The Members requested an update on Housing Rent Arrears for the June 2021 meeting.

Action 9: The final year-end figures in relation to Government Debtors be submitted to the Members at the March 2021 meeting.