

## **Louth County Council Audit Committee**

Minutes of the meeting of the Louth County Council Audit Committee held in the Setanta Room, Co. Hall, Dundalk on Thursday 28<sup>th</sup> November, at 09.30a.m.

Present: Mr. Gerry Leydon (Chair)  
Mr. Gerard Murphy  
Ms. Irene McCausland (remote)  
Cllr. Ejiro O-Hare Stratton (remote)

Apologies Cllr. Sean Kelly

In attendance: Joe McGuinness, Temporary Chief Executive  
Bernie Woods, Director of Finance  
Bryan Coughlan, Meetings Administrator  
Paddy McCabe, Local Government Auditor  
Vincent Teo, Crowleys DFK

### **1. Minutes of meeting held on 25<sup>th</sup> April 2024 – for noting**

Noted

### **2. Minutes of meeting held on 7<sup>th</sup> November 2024**

Proposed: Ms. Irene McCausland  
Seconded: Mr. Gerard Murphy

### **3. Conflicts of Interest**

None

### **4. Matters Arising**

The Committee noted that the meeting would take place under the existing Standing Orders but that new Standing Orders would be reviewed and adopted at the next meeting.

### **5. 2023 Audited Financial Statements**

Mr. Joe McGuinness introduced the item and advised the Committee that this was a statutory responsibility of the Audit Committee and must be considered. Ms. Bernie Woods provided an overview of the AFS and highlighted that a small surplus was recorded in 2023.

The process regarding transfers to reserves was discussed and Ms. Woods explained that this often happened where funding is provided in a year for a project that is happening during the following year.

In response to a query regarding the state of the Council's Balance Sheet, Ms. Woods

advised that the balance sheet was healthy and that the ratios were strong. A discussion was also had regarding the Council's overdraft facility which has been approved by the Council but has not been needed.

Mr. Paddy McCabe joined the meeting to discuss the Auditors Report for 2023 and was asked by the Audit Committee to discuss the areas that he felt were most pressing.

The first matter discussed was Housing Capital Balances and the outstanding debit balance of €6.6 million from estates that were previously in the ownership of the Town/Borough councils but transferred to Louth County Council. Bernie Woods advised the meeting that these take significant time to resolve and the Council tries to resolve one or two a year. Mr. McCabe highlighted that this is a problem nationally but also cautioned of the importance that current developments do not fall into the same category.

The Chair suggested that if it was a national problem it would have to be funded at some point. Joe McGuinness stated that it was a slow process and that some were funded by the Department of Housing, Local Government and Heritage, but that the Council has had to fund some balances itself through Internal Capital Receipts and transfers from revenue.

The second area identified by Mr. McCabe was the reconciliation of fixed assets on the financial management system and the property register. Mr. McCabe advised that the absence of a common reference number makes it difficult to cross-reference between the two.

The final area discussed at the meeting was ensuring that the Council's housing stock is being maintained. It was noted that funding for units managed by Approved Housing Bodies (AHB) is on the Council's balance sheet but that the asset is managed by the AHBs.

In addition to the above areas, a number of issues were raised by the Committee, including the debt arising from the Fleadh in Drogheda, ensuring that the relevant staff have made their declarations as required by Part 15 of the Local Government Act (2001) and following up on rent arrears.

In response to a query from the Chairman regarding the provision made for bad debts, Mr. McCabe advised that he is satisfied the amount made available to cover this is sufficient.

## **6. Internal Audit Reports**

Vincent Teo, Crowleys DFK, joined the meeting and presented the Internal Audit Reports addressing three areas.

The first was Business Continuity which highlighted the following deficiencies:

- No single responsible person for business continuity
- The number of business continuity planning exercises is not sufficient

The Committee were advised that Covid-19 had provided a good test of the Council's critical systems and also that there was a separate working group for wider business continuity management. In terms of resources, Bernie Woods clarified that the Council uses external expert bodies and also that Irish Public Bodies has provided very worthwhile advise. In response to a question from the Chairman regarding the pace of progress, Ms. Woods stated that she would like it to be faster.

The Committee also considered an Internal Audit report regarding the Property Interest Register. The report found, of note, that:

- M.App data recording is incomplete
- Housing properties are not being categorized properly
- Storage of hard copy files and records is not centralized.

These findings were accepted by Management but Joe McGuinness stressed that correcting this will be a considerable exercise and would not be possible within existing resources. Irene McCausland stressed that, given it has been raised by Internal Audit and the Local Government Auditor's report, it should be prioritized. There was a further conversation regarding M.App and succession planning.

The potential for reputational damage and public dispute was highlighted by Gerard Murphy. In closing the matter, Mr. Teo stressed that this is a common issue across local authorities.

The final Internal Audit report considered at the meeting examined Pay and Display which provided limited assurances. The main issues highlighted were reconciliation of takings and also the maintenance of the machines.

The amount of revenue being generated through paid parking was noted as substantial and while Bernie Woods stated that the checks and balances are being done, she did concede that the procedural documents do not reflect that.

The Chairman stated that if there were no reports for the next meeting of the Audit Committee, it would examine the Audit Tracker. It was also noted that 3 reports for one meeting was considerable and that one per meeting would be preferable going forward.

## 7. NOAC Sectoral Reports

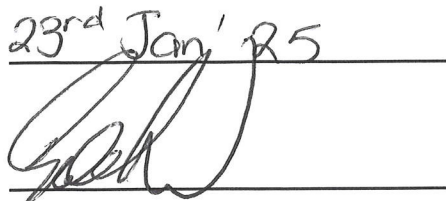
These were deferred to the next meeting.

## 8. Any Other Business

- The Internal Audit Plan will be presented by the Management Team to the next meeting of the Audit Committee who can suggest areas to be considered.
- Training will be provided to the Committee by the Institute of Public Information. Bryan Coughlan will source same.
- Next meeting of the Audit Committee will be 23<sup>rd</sup> January 2024.

Confirmed at meeting held on: 23<sup>rd</sup> Jan' 25

Chairman:



Meeting Administrator:

