



LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LGMA ANNUAL REPORT 2016

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INTRODUCTION TO LOCAL GOVERNMENT MANAGEMENT AGENCY

The Local Government Management Agency (www.lgma.ie) is a State agency established in 2012 following the merger of the Local Government Management Services Board (LGMSB), the Local Government Computer Services Board (LGCSB) and the integration of An Comhairle Leabharlanna (ACL) functions.

The LGMA is primarily funded by Local Authorities, and operates in the local government sector, reporting on performance as required to our parent department, the Department of Housing, Planning, Community and Local Government.



The Agency aims to meet the needs of Local Authorities and the Department of Housing, Planning and Local Government (DHPCLG) in delivering on the public sector reform agenda in the local government sector (particularly in terms of sectoral approaches to service delivery), researching emerging and identified issues, assisting Local Authorities in the implementation and measurement of change, and supporting in general, enhanced performance by the local government sector.

A handwritten signature in black ink, appearing to read 'D. Singleton', written over a horizontal line.

Donal Singleton

Acting Chief Executive

CHAIRMAN'S REPORT

I am pleased, on behalf of the Local Government Management Agency, to present this Annual Report for 2016, another year of reform in the Local Government Sector and the LGMA.

Over recent years the local government sector has undergone possibly the most significant reform since the establishment of City and County Councils in 1898. In 2014, the number of local authorities reduced from 114 to 31 and Municipal Districts were established, giving more autonomy at municipal level.

In parallel, the role of the sector expanded in economic and community development with the establishment of Local Community and Development Committees and Local Enterprise Offices; the transformation of water services and delivery of the Government's Housing and Homelessness Action Plan - Rebuilding Ireland - also placed increased demands on the sector.

While these reforms are implemented, the sector seeks more efficient ways of delivering services and back office functions. The establishment of a range of shared services, improved systems and the implementation of business process improvements have effected innovative solutions, cost savings and greater efficiencies. The local government sector implemented these reforms and efficiency measures at a time of contracted budgets and reduced staff numbers demonstrating the agility of the sector in delivering effective public services in Ireland.

The LGMA played a central role supporting local authorities to achieve significant advancement in areas of reform, placing a strong emphasis on performance and efficient service delivery; building on collaboration with stakeholders; co-ordinating the sharing of knowledge and strengthening capacity of individuals to effectively work together in pursuit of common goals.

In particular, the Programme Management division facilitated the delivery of shared services and common systems driving the reform programme and supporting the sector to realise efficiencies; The Employee Engagement division supported local authorities in delivering reform at local level providing Industrial Relations representation, Human Resources guidance and sharing best practice policies and procedures; The Office for Local Authority Management (OLAM) provided the sector with thorough research, evidence and data that helped inform decision makers; The Information Technology division supported the provision of secure and robust technical infrastructural platforms to facilitate ICT business operations and the Water Service Transition Office (WSTO) provided support to local authorities in the transition of water services to Irish Water, representing the interests of local authorities and working with the Department of Housing, Planning, Community and Local Government (DHPC&LG), Irish Water and other stakeholders.



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The local government sector must continue to identify suitable methods of delivering public services locally as the needs and expectations of the public evolve. The LGMA will continue to foster a 'can do' culture that will support the sector to achieve its potential.

I would like to record my appreciation to the former Chief Executive Mr. Joseph Nugent for his leadership of the LGMA during a period of evolving change and to the Agency staff who provide valuable support to the sector. I look forward to working collaboratively with the in-coming Chief Executive in implementing organisational reform to embed the LGMA as the strategic partner of choice for the sector.

I would also like to express my appreciation to my colleagues on the Board and to the many officials who work tirelessly on the various committees, programme boards and other sub-groups. Furthermore, I want to thank Minister Simon Coveney and his officials in the Department of Housing, Planning, Community and Local Government, for their assistance provided throughout the year.



Peter Carey

Chairman

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AT A GLANCE

WATER



WSTO continued to work with local authorities, DHPCLG and Irish Water during the year on addressing transitional issues and the 18 identified legacy issues. Progress was made in seeking to mitigate risk for the sector and identifying solutions to serve the interests of water service users.

HOUSING



Housing Assistance Payment: 28 Authorities and the Dublin Regional Homeless Executive used the system. At the end of 2016, there were 18,230 HAP tenancies setup in the system.

ROADS



82,000 km of regional and local roads were surveyed for a visual condition rating, using the MapRoad Mobile App. The MapRoad PMS recorded statistics on Restoration Improvement, Restoration Maintenance, Community Involvement and Discretionary Works. In 2016, over 10,000 licence applications were made through MapRoad Roadworks Licensing.

LIBRARIES



From January 2016, membership of the library services of all LA's became free to all users. 20 pilot sites for My Open Library across 18 LA's were equipped and developed by end 2016. E-Resources were significantly enhanced during 2016.

BCMS



100% of transactions with Building Control Authorities on-line. (Commencement Notices and Certificates of Completion). 53,993 users registered.

PROCUREMENT



National Product Codes implemented during 2016, leading to improvements in process of gathering and collating procurement data. LGCPs launched the Procurement Extranet Site.

DEBT MANAGEMENT

PSROG approved a business case for stronger enforcement powers for LA's in March 2016. The business case was endorsed by the DPER led Debt Management Project Board whose report was published in December 2016. The sector achieved an ambitious collection rate of 84% for 2016.

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HPS & Shared Payroll

20 LA's migrated to Core Version 19. 6 LA's live on MyPay Superannuation Service. 26 LA's implemented on Shared Service Payroll.

ICT



A new Local Area Network was created and all staff and applications were moved to the new domain. Staff were moved to a cloud based email service in Office 365.

LG Returns



LG Returns system developed in partnership with DHPC&LG to support local authorities in the entry and processing of national data returns. It provides for data validation and exchange between government sectors, local authorities and government agencies.

Climate Change



In November 2016, the Climate Change Sub Committee of the CCMA Environment, Climate Change and Emergency Planning Committee developed a PID for a regional Climate Change Offices Model. This was approved by PSROG and a Project Board was formed to progress work on a Business Case.

NPPR



From the time of introduction of the charge, €549,943,630 has been collected of which €35,741,055 was collected in 2016.

Local Government National Service Catalogue

PSROG approved a Project Initiation Document enabling Project Team to proceed with completing business case to establish a Local Government National Service Catalogue.

IR Representation



Sectoral representation continued through provision of advice to CEO's DoS's and HR Officers on Employment Law, Industrial Relations and Human Resource matters. This included representing LA's on over 100 cases with multiple hearing dates, 20 local collective claims, national claims and attending IWCG and FSNOIG meetings.

LGMA VISION AND MISSION

The Board previously approved a new Vision and Mission for the Agency during 2015 and identified a core set of organisational Values on which the LGMA should operate. Strategic objectives and a new organisational structure to support the delivery of priority services demanded by the sector was also approved. Furthering the reform programme for the LGMA, a Corporate Plan for the period 2016-2019 was adopted by the Board in May 2016.

In accordance with this Corporate Plan, the LGMA aims to meet the needs of Local Authorities and the Department of Housing, Planning, Community and Local Government (DHPCLG) in delivering on the public sector reform agenda in the local government sector (particularly in terms of sectoral approaches to service delivery), researching emerging and identified issues, assisting Local Authorities in the implementation and measurement of change, and supporting, in general, enhanced performance by the local government sector.

The statutory remit of the Agency extends to include:

- The delivery of advisory services to Local Authorities to assist and co-ordinate the business of these Local Authorities;
- The delivery of such services as may be required by Local Authorities in the Industrial Relations (IR) and Human Resource Management (HR) domain;
- The delivery of such services as may be required by Local Authorities for the purpose of coordinating and securing compatibility in, the use of Information and Communications Technologies (ICT);
- The provision of advice, assistance and services to Library Authorities in relation to the public library service;
- The provision of such other management services as may be required by Local Authorities;
- The provision of such services for meetings of Local Authority Chief Executives and such other support services required by the County and City Management Association (CCMA);
- The provision of such services as required as Registrar of Public Lending Remuneration;
- The provision of such advice, information and assistance required by the Minister of Housing, Planning, Community and Local Government.

In delivering on the LGMA Mission, the Agency's aim for the local government sector is to procure, facilitate, and coordinate a range of support services which are most appropriately and efficiently delivered at national level. The primary objective of the LGMA is to be a shared repository of best practice, providing research and specialist expertise for the Local Government sector. In this regard, the strategic objectives of the Agency are:

Strategic Objectives

1. Researching and promoting best practice policies and systems of value to the Local Government sector.
2. Providing advice, assistance and support to Local Authorities on sectoral approaches to Local Authority business activity.
3. Developing and co-ordinating the sectoral response to Local Government reform.
4. Representing the Local Authority sector on national issues when required.
5. Providing policy analysis, research and administrative support services as required by the County & City Management Association (CCMA).
6. Promoting and communicating the collective achievements of the Local Government sector.
7. Supporting the development of leadership and organisational capability in the sector.
8. Promoting good governance and the highest level of Internal and Corporate services to support business requirements.

OPERATING ENVIRONMENT

The demand for continued reform and reports of performance achievement across the public service prevailed throughout 2016 and the role of the Agency expanded to include responsibility for delivery of the Local Government Efficiency Review agenda. The change in strategic direction of the LGMA introduced in 2015, (away from areas of operational and development ICT activity), resulted in an emphasis being placed on Data Gathering, Research, Organisation and Employee Performance Improvement, Leadership Development, Procurement, Programme Management, Delivery of Shared Services, Strategic ICT and co-ordinated approaches to priority functions for the sector. An internal restructuring of functional activities facilitated the Agency, operating as the strategic interface on behalf of the sector, to maintain a holistic view with all stakeholders, while co-ordinating the sector's engagement on the reform agenda. This was undertaken with bodies including the Department of Housing, Planning, Community and Local Government, Department of Public Expenditure and Reform, Department of Transport and other government departments, the Office for Government Procurement and central agencies.

Key areas of progress under our defined Strategic Objectives include:

Research and Promoting Best Practice and Innovation

During 2016, there was significant activity under the Employee Engagement remit with an estimated 158 LGMA events held to support the development and implementation of strategic policy across Human Resources, Industrial Relations, Learning and Development, Health and Safety and Child Safeguarding. An estimated 1,918 sectoral representatives attended and engaged in these events. Policy development and engagement was undertaken across the following areas:

Sectoral Recruitment and Selection

- A sectoral Recruitment and Selection Policy was issued;
- The revised Competency Based Interview Board Guidelines was completed;
- Phase 1 and 2 of the joint IPA/LGMA workshops on recruitment and selection were provided to 215 sectoral HR employees;
- Job specification and competency profile template was agreed.

Protected Disclosures

- The LGMA co-ordinated the delivery of training workshops to relevant local authority senior managers to support the implementation of the Protected Disclosures Act, 2014 and the associated sectoral policies and procedures.

Sectoral Equality, Diversity

- A template equality statement was published;
- Awareness raising on Public Sector Duty Irish Human Rights and Equality Act, 2014 and agreement to work with the Irish Human Rights and Equality Commission (IHREC) on piloting the implementation of the Public Sector Duty;

□ Grievance and Disciplinary Policy Review

- A revised Grievance Policy and Procedure and Disciplinary Policy and Procedure was issued to the Sector in February 2016.

□ Sectoral Child Safeguarding

- Sectoral Guidance was developed on National Vetting Bureau Act, 2012 to 2016;
- Publication of sample communications and FAQs for employees on the National Vetting Bureau Act, 2012 to 2016 and Electronic Vetting;
- Advice and assistance on the assessment of retrospective vetting application requirements.

The local government sector relies on evidence based data to progress policy and reform initiatives. As part of the reform of local government, the LGMA, on behalf of the CCMA adopted a systematic approach to gathering, collating, assessing and presenting data.

❑ **LG Returns**

LGReturns was developed in partnership between the DHPCLG and LGMA to support the entry and processing of national data returns. LGReturns facilitates data validation and exchange between government sectors, local authorities and government agencies. It is used for a range of departmental returns including performance management and housing statistics. The system underpins the Data Gathering project of the County & City Management Association (CCMA), DHPCLG and LGMA and provides for more efficient data capture, analysis and stronger data governance.

❑ **Performance Indicators**

The LGMA worked with the National Oversight and Audit Commission (NOAC) to collate and present the 2016 Performance Indicators for Local Government. 31 indicators provide an insight in relation to the delivery of a range of functions by local authorities. In the interest of transparency and accountability, a more succinct infographic of the results was circulated to each local authority.

❑ **Research**

A Programme Management approach was developed for research in Q3, 2016. Since the adoption of the new approach, a total of 10 topics were researched covering areas including Flooding, Coastal Erosion, Brexit, Suicide Prevention and Housing.

The sharp rise in threats to cyberspace has increased the need to proactively reduce vulnerabilities and ensure that disruptions are kept infrequent, of minimal duration, manageable and cause the least damage possible.

❑ **Cyber Security**

- The LGMA raised awareness of cyber threats and the need for enhanced security practice during the year and held a security conference that addressed topics including: Cyber Security Best Practice, Policies and Procedures, Layered Approach to Security, Incident Response and the Local Government Cyber Statistics for 2016.
- A Cyber Security Sub-Committee of the ICT Committee developed a Template Security Policy and related Procedures during the year that will be communicated to the sector in 2017.

Providing Advice, Assistance and Support

❑ **Sectoral PMDS and Competency Framework**

The Employee Engagement division continued to support the implementation of the local authority competency framework during 2016 and engaged in ongoing discussions both nationally and individually with local authorities on its implementation.

❑ **Sectoral Disability**

The Disability Act, 2005 provides the statutory basis for making public buildings, services and information accessible to people with disabilities. A training course, covering the role and responsibilities of Local Authority Access Officers, was arranged by the LGMA and supported and funded by the Department of Housing, Planning, Community and Local Government. 25 Local Authority personnel attended the training.

❑ **Sectoral Health and Safety Conference – ‘Healthy Workplaces for all People of All Ages’**

A Conference promoting resilience, mental well-being and a culture of health and safety was jointly hosted by the LGMA & Irish Public Bodies Mutual Insurance in October. The Conference was attended by over 100 participants from local authorities, Education Training Boards and Irish Water.



L-R Maggie O'Brien, LGMA; Speakers - Frank Curran, Sheila O'Malley, Brent Pope; Alan Shortt (Chairperson); Jenny Lally, LGMA

WATER SERVICES TRANSITION OFFICE (WSTO)

The Water Services Transition Office (WSTO) was set up in 2013 by the CCMA to support the Water Services Reform Programme. WSTO was integrated into the LGMA in 2015 and provides support to local authorities in the transition of water services to Irish Water. It takes an active part in managing the change process and represents the interests of local authorities and staff. The office represents the sector in a co-ordinated manner working with the Department of Housing, Planning, Community and Local Government (DHPCLG), Irish Water and other stakeholders.

❑ Transitional /Legacy Issues

WSTO continued to work with local authorities, DHPCLG and Irish Water addressing transitional issues and 18 identified legacy issues. Progress was made in seeking to mitigate risk for the sector and identifying solutions that best serve the interests of water services users.

❑ Management of the Service Level Agreement (SLA) and Annual Service Plans (ASP)

WSTO acted as the central point of contact and co-ordination for Irish Water to ensure a consistent and coherent approach on behalf of Local Authorities. WSTO facilitated meetings on Regional SLA Management, meetings with senior staff in water services and participated in the National SLA Management Governance group with Irish Water.

- ❑ The Irish Water business plan '**Transforming Water Services in Ireland to 2021**' contains specific targets on headcount reductions and cost savings, which greatly influenced the Annual Service Plan (ASP) process. WSTO played a key role in co-ordinating the sector's response to the very demanding targets contained in the plan.

List of Project Delivery Teams

Water Industry Operating Framework	Standard Operational Plans	Standard Operational Procedures	National Laboratory Strategy
Leakage Reduction and Water Conservation	Waste Water Source Control and Licencing	Planned Maintenance	Capital Delivery Project
New Connections	Customer Charter and Code of Practice	Non-domestic billing and call handling migration	Branding
Telemetry / SCADA	Enterprise Content Management	Environmental Information Reporting Framework	IW Procurement Category Management
Regulatory Framework	Industry Performance & Risk Management Frameworks	Integrated Management System	Energy Efficiency
Sludge Management System	Treatment Optimisation and Asset Standards	Customer Process Optimisation	Contract Optimisation
Health and Safety	Asset Transfer		

❑ ***Review of the Service Level Agreement***

As provided for in the SLA signed by all local authorities in 2013, a 2-year review of the operation of the Agreement commenced in 2015. A review group undertook substantial consultation with local authorities, negotiated with Irish Water and made significant progress in the review process. The review period was extended in November 2015 and again in June 2016 and is scheduled for completion in June 2017.

❑ ***Transformation of the Water Industry***

The implementation of the 3-Year Transformation Plan agreed in 2014 between the CCMA and Irish Water, continued during 2016. It placed significant focus on the introduction of new technology, new organisational structures and new ways of working. WSTO and Local Authority representatives actively worked with Irish Water under agreed governance structures for the Transformation Plan i.e. the Joint Leadership Team (JLT), the Transformation Programme Team (TPT) and various Project Delivery Teams (PDT). WSTO continued to consult and provide support to the network of Change Managers designated in the water services section of each local authority.

❑ ***Irish Water Consultative Group (IWCG)***

The LGMA continued to be responsible for leading the management side in consultation with the unions during 2016. The Irish Water Consultative Group (IWCG), where DHPCLG and Irish Water are also represented on the management side, addressed issues relating to the implementation of change and new technology in local authority water services sections, as well as addressing concerns on employment levels in water services, both at national and local level.

WIOF – Hub - Engagement



❑ **ePlanning**

An e-Planning Project Board was established in 2016 to progress the delivery of e-Planning functionality to increase efficiency and provide enhanced customer service. In parallel, An Bord Pleanála (ABP) commenced a significant project to move from a paper based system to a digital system, with full online functionality. The ePlanning Project Board and ABP are working collaboratively to ensure harmony regarding functionality and timeframes. The projects are scheduled to be completed in 2017.

❑ **MapRoad Pavement Management System (PMS)**

Further development and improvements to the roads information system was undertaken in 2016 including alterations and improvements to 3 Android Applications. 2016 saw the second year of statistics on local and regional road network ratings and improvements being collated by the National Oversight Audit Committee (NOAC).

- By the end of 2016, the MapRoad Mobile App. had recorded condition ratings of 82,000 km of the regional and local roads network.
- The MapRoad Pavement Management System recorded statistics on four schemes: Restoration Improvement; Restoration Maintenance; Community Involvement; Discretionary Works.

❑ **Roadworks Licensing**

27 Local Authorities operated their Road Licensing through MapRoad Roadworks Licensing (MRL) during 2016. 238 applicant organisations had registered on the system by year end and users included the major telecommunications operators - Gas Networks Ireland. Key benefits of the system include:

- Over 10,000 licence applications were made using the system in 2016;
- Turnaround time of applications is within 30 days for the majority of licences;
- There is greater visibility into licensing processing stages.

❑ **Libraries**

The Libraries Development unit works with the Department of Housing, Planning, Community and Local Government and with local authorities to implement the public library strategy 2013-2017 '**Opportunities for All**'. During 2016, the following strategy provisions were progressed:

➤ Free Access to Core Services

With effect from January 2016, membership of the library services of all local authorities became free to all users.

➤ My Open Library

In June 2016, the 'My Open Library' pilot service was extended when a further 20 pilot sites across 18 local authorities were developed. Funding was provided by

the DHPC&LG and all 20 pilot sites were fully equipped and developed by the end of 2016.



Launch of My Open Library Service, 21st June 2016 in Tullamore Library with Cllr Liam Quinn, Offaly County Council; Mr. Frank Heslin, Director of Services, Offaly County Council; Ms. Mary Stuart, Offaly County Librarian; Minister of State, Damien English, T.D.; Cllr Eddie Fitzpatrick, Chair, Offaly County Council; Ms. Anna Marie Delaney, Chief Executive, Offaly County Council

➤ *Single Library Management System (LMS)*

The LMS will provide a single access for library users to over 15 million items in the library services across the country. The migration of the catalogues of the 30 local authorities' library services is taking place on a phased basis. By the end of 2016, two phases of migration were complete, with 17 local authorities live on the system. The final phase of migration will take place in the first quarter of 2017. This provides a significantly enhanced service for users and forms a platform for the provision of a single library membership card, universal membership and a national digital library.

➤ *Online Resources*

With effect from January 2016, the quantities of e-resources available for public library users was significantly enhanced across the country with the implementation of a National Framework for a suite of online resources comprising e-books, e-audio books, e-magazines/journals, online languages, e-learning courses and online newspapers. Users now have access to over 400 e-learning courses, 295 e-magazine and journal titles, over 60 foreign language courses, plus English courses, hundreds of newspapers and magazines from all over the world and a wide collection of e-books and e-audio books. All the services are available to library members within the library and via remote access.

➤ Right to Read National Campaign

Right to Read is a national initiative which will be delivered in all local authorities via a nationally coordinated framework for literacy support and development. The framework is being developed under a National Steering Group, chaired by the DHPC&LG and with representation from the LGMA and key stakeholder Departments and national agencies. In 2016, 23 local authorities took part in a pilot study co-ordinated by the LGMA, to establish best practice and models for literacy support services with the potential for national roll out.



Launch of the **2016 National Children's Summer Reading Programme, Summer Stars**, with Ms. Anna Marie Delaney, Chief Executive, Offaly County Council; Ms. Mary Stuart, Offaly County Librarian; Minister of State, Minister Damien English, T.D.; Cllr Eddie Fitzpatrick, Chair, Offaly County Council

➤ Business and Employment

A National Steering Group chaired by the DHPC&LG with representation from the LGMA, key stakeholder Departments and national agencies, is overseeing the development of library services to support business, enterprise and employment in the local community. In 2016, a 6-month pilot of 10 local authorities, co-ordinated by the LGMA, established:

- a role for public libraries in the support of these sectors;
- a set of standard services of value to them;
- key local partners to co-operate with, in the delivery of the services.

A second pilot of 15 local authorities has commenced to develop templates and protocols for co-operation with a view to establishing a national offer.

❑ **Protect Our Water**

Since the requirement to register domestic wastewater treatment systems was introduced under the Water Services (Amendment) Act 2012, the LGMA has provided a bureau service to Local Authorities. A total of 3,313 registrations were processed during the year.

❑ **Procurement**

In April 2015, the Public Sector Reform Oversight Group agreed a Procurement Reform Programme with four core objectives:

- To support the delivery of public services through efficient procurement processes;
- To enhance efficiencies that can be delivered through procurement;
- To manage risks associated with procurement and
- To facilitate the local government sector in participating meaningfully in the reform of procurement which is being driven by the Office of Government Procurement (OGP).

Actions undertaken to support the delivery of the programme include:

- Governance and Procedures
Guidelines were issued to each local authority on the preparation of Corporate Procurement Plans. It is anticipated that all local authorities will have a Corporate Procurement Plan in place by quarter 2, 2017.
- Systems
The process of gathering and collating procurement data was significantly improved in 2016 by the implementation of a set of National Product Codes. These codes enable spend comparison across the sector and simplify the data extract process.
- Skills
A considerable programme of procurement skills development was undertaken in 2016. Four Procurement Officers Forums were held during the year providing education, training and networking opportunities for the Procurement Officers, enhancing the professionalism of the function in the sector. In addition, bursaries were provided for Procurement Officers to undertake accredited education.
- Compliance Support
The LGMA, through the Local Government Strategic Procurement Centre (LGSPC) launched the Procurement Extranet site in 2015 providing essential information on procurement law, policies and frameworks that

are in place for local authorities. The site now accommodates over 580 users across the local government sector and attracted over 59,000 page views. A dedicated Compliance Support and Policy Officer assists local authorities reduce the risks of non-compliance both with the legal requirements of procurement and compliance with the model agreed by Government.

❑ ***Financial Management System (FMS)***

Since 2000, 27 Local Authorities have achieved significant benefits from implementing the Agresso Financial Management System (FMS). The Agresso MS4 solution is being implemented in the 27 sites over the period September 2014 to Quarter 4, 2017 with 14 sites already live and a further 13 are in progress.

❑ ***Exit Strategy***

The Agency's exit from operational ICT was progressed during the year by putting in place support services for operational elements of IT service delivery. The process of decommissioning the national forest infrastructure also commenced, in addition to moving to a cloud based email service in Office365. The programme of work to terminate hosting of websites was progressed with 102 websites removed from the LGMA infrastructure by year end. Further work continues to assist the remaining customers to secure alternative hosting arrangements.

❑ ***ICT Shared Services***

LGMA continued to offer Shared Services for the Core Payroll Infrastructure, Housing Assistance Payments (HAP), with DHPCLG supported systems for all Local Authorities, such as Building Control, CheckTheRegister and eReturns managed by vendors. LGMA systems will be assessed with appropriate metrics, or a critical mass of authorities, as suitable, to be a shared service for future outsourcing and management.

❑ ***NPPR Bureau***

The LGMA provides a bureau service to Local Authorities, providing assistance to those seeking to pay the charge levied on Non-Principal Private Residence (NPPR) property owners. Since the introduction of the charge, €549,943,630 has been collected of which €35,741,055 was collected in 2016.

Promoting Local Government Reform

PROGRAMME MANAGEMENT

Since its establishment in January 2012, the Programme Management Office (PMO) has played an important role in driving the local government reform programme and supporting the sector in its efforts to work more efficiently. The PMO was firmly embedded in the Programme Management Division of the LGMA in 2016. The governance of the shared service and reform initiatives is provided by the Public Sector Reform Oversight Group who drive, monitor and maintain oversight of the projects. To date, over 44 projects have been undertaken using the project management methodology.

New reform initiatives approved for progression to business case during 2016 included:

- Local Government National Service Catalogue
- Regional Climate Change Offices
- Local Authority Delivery of Rural Water

A substantive business case was developed for the Water Framework Directive Project Part B and the National Building Control Project went through the evaluation, peer review and approval of the Public Sector Reform Oversight Group.

❑ *Irish Local Government National Service Catalogue*

The Action Programme for Effective Local Government, "*Putting People First*" places strong emphasis on improved customer service experience. Local Authorities provide a diverse range of services (in excess of 500), to citizens and the need for standardisation and enhanced transparency relating to a repository of services and the underpinning structures and conditions prevailing, was identified. A Project Board, under LGMA governance structures explored the introduction of the Irish Local Government National Service Catalogue (ILGNSC). In October 2016 the Public Sector Reform Oversight Group (PSROG) approved the Project Initiation Document (PID) enabling the Project Team (established in Limerick City and County Council) to proceed with completing the Business Case in 2017.

❑ ***Regional Climate Change Offices***

In November 2016 the Climate Change Sub Committee of the CCMA Environment, Climate Change and Emergency Planning Committee developed a Project Initiation Document (PID) for a Regional Climate Change Offices Model and this was agreed at the Public Sector Reform Oversight Group (PSROG) meeting in December, 2016. A Project Board and Team were formed, with representation from the Department of Communication, Climate Change and Environment (DCCAE), the Environmental Protection Agency (EPA) and local authorities, to progress work on a Business Case.

The Business Case being advanced, proposes that there is a clear synergy to be achieved by the development and resourcing of a model, that will co-ordinate the development of climate change plans at a regional level, as part of an overarching national approach to climate change. Additionally, it proposes that the sector will have a greater ability to achieve the targets set out in the various agreements and legislation, if planned for, in a coordinated and cohesive way at a regional level.



❑ ***Local Authority Delivery of Rural Water.***

Following the transfer of functions relating to Public Water Supplies to Irish Water, Local Authorities continue to retain water services functions in relation to:

- Group Water Schemes
- Group Sewerage Schemes
- Small Private Supplies
- Individual Wells

The PID for Local Authority Service Delivery for Rural Water was approved by the PSROG in December 2016. This project aims to identify a model which will achieve efficiencies and improved service delivery of rural water, in full compliance with the

regulations and the Local Authorities' statutory role as Supervisory Authorities, while also being cognisant of the transformation of the public water services.

The Project will build on and enhance the partnership approach between the Local Authorities, the National Federation of Group Water Schemes (NFGWS) and the Group Water Schemes (GWS), to deliver a consistent and standardised level of service across the country, that is sustainable and instils public confidence.



Bantry Bay Sewerage Scheme

❑ ***Housing Assistance Payment (HAP)***

The LGMA has representation on the HAP Oversight, the HAP Project Board and representation on the ICT Sub-Committee and Communication Group. The LGMA assisted Limerick City and Council (tasked with doing the centralised transaction processing on behalf of the authorities), with their ICT requirements in the delivery of the service to all the authorities using HAP.

In 2016, there were 28 authorities and the Dublin Regional Homeless Executive using the system. At the end of 2016, there were 18,230 HAP tenancies setup in the system. The remaining authorities will continue to be set up in 2017.

❑ ***National Building Control Management***

The National Building Control Management Project is a collaborative Shared Services project developed between the DHPCLG, the LGMA, 31 Local Authority stakeholders, and industry collaborators, to enable the electronic administration and oversight of Building Control matters. The project is a four pillar project which includes training, compliance support and inspections, supported by an IT enabler - the Building Control Management System (BCMS).

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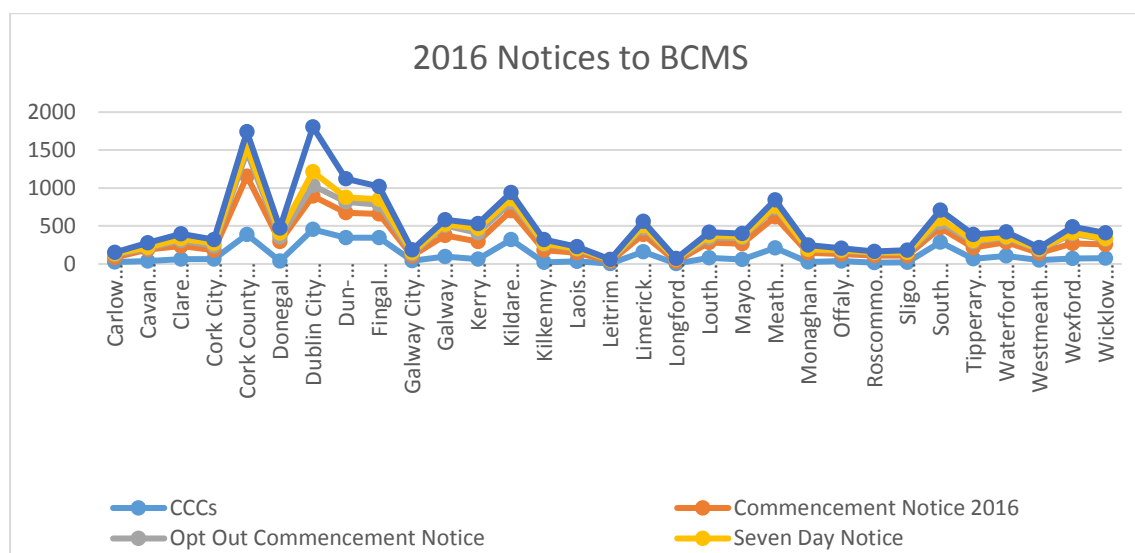
In 2016 the Business plan for this project was reviewed with a recommendation for the project to be delivered in 2017 by a Lead Local Authority. Bidding for the Lead Local Building Control Authority will take place in 2017 in addition to system enhancements relating to Fire Safety, Disability Access and Inspection modules.

Key Statistics - 2016

- 100% of transactions with Building Control Authorities (BCA) are now online;
- 53,993 users registered with the system;
- 1,763 queries were closed in 2016;
- Training was delivered to 15 Building Control Authorities;
- BCMS Alerts were issued by email to all 53,000 users regarding DHPCLG circulars;
- Presentations on the project were delivered at 3 national seminars.

National Building Control Board 2016 Statistics

2016 Statistics 1st January-31st December				Total CNs	Total CCC Certificates of Compliance
Commencement Notice	Opt Out Commencement Notice	Seven Day Notice	Short Commencement Notice		
6328	2467	897	2577	12269	3505



❑ ***Debt Management***

The PSROG approved a business case for stronger enforcement powers for local authorities in March 2016. The business case proposes legislation to assign similar enforcement powers to local authorities as those available to the Revenue Commissioners to include: the power to send unpaid rates bills for collection by the Revenue Sheriff; Attachment Orders; the introduction of a requirement for a Rates Compliance Certificate for statutory licences; public sector contracts and state grants; and the incorporation of commercial rates into the Tax Clearance Certificate system operated by the Revenue Commissioners.

The Business Case was endorsed by the Department of Public Expenditure and Reform-led Debt Management Project Board whose report was published in December 2016. The DHPC&LG, in consultation with representatives from the local authority sector, worked on the development of the legislative proposals to address the modernisation and consolidation of the existing rates legislation, which is spread over approximately 20 different pieces of legislation. This work is supported by the CCMA Finance Committee and representatives from the Heads of Finance.

In 2016, the IPA, in partnership with the National Debt Management Steering group developed and completed three training courses in Debt Management. A Seminar on Debt Management Practices was also provided to local authority practitioners. Following the significant work in 2015 on reducing arrears, the sector was set and achieved, an ambitious collection rate of 84% for 2016.

❑ ***Human Resources, Payroll and Superannuation (HPSS) Programme***

The Human Resources, Payroll and Superannuation (HPSS) programme enables Local Authorities and other Public Sector organisations to efficiently, accurately and securely provide HR, Payroll and ancillary services within the Public Sector.

The National Rollout Plan approved by the Programme Board in 2014 continued during the year with a focus on: MyPay Implementations, CORE Version 19 pilot test and the On-boarding Local Authorities. The National Rollout Plan was devised as a means of co-ordinating various programmes of work underway in the sector.



The HPSS Programme Board

➤ Shared Payroll

The LGMA worked collaboratively with the Shared Service Centre in Laois County Council providing project management to the Shared Payroll implementations. By the end of 2016, implementations in 26 local authority sites were completed. Work continues between the LGMA, MyPay and CORE to improve the operation of the Payroll data exchange between Local Authorities and MyPay.

➤ CORE System Upgrade

The upgrade to CORE Version 19 pilot project continued in 2016 with 21 Local Authorities migrated by year end. The remaining 5 Local Authorities will be completed by Q1 2017.

➤ Integration of Remaining Sites

There was continued engagement during 2016, with local authorities who have yet to be integrated to the system:

- Cork City Council went live on CORE Version 19 and part of the MyPay shared service by year end.
- Fingal and Dun Laoghaire Rathdown County Councils will be live by Q2, 2017 on V19 and live on MyPay Shared Service by Q3, 2017.
- LGMA are working with Cork County Council, Wexford County Council and Dublin City Council to initiate the move to the National Programme and a standard version of CORE in 2017.

➤ Superannuation Data Readiness

The LGMA supported local authorities achieve a level of readiness with their Superannuation data for migration to the Shared Service Centre as part of the overall Shared Superannuation Project. At year end 6 Local Authorities were live on the MyPay Superannuation service with the remainder planned to go live in 2017 and early 2018.

➤ FMS Interface

The interface between the CORE System and the Financial Management System underpins the link between two major local authority business support systems. During 2016, this interface was amended to facilitate the streamlining of Pay Groups by MyPay to increase efficiencies. A further edition of this interface was developed to match the new data layouts of the upgraded Agresso FMS and Milestone 4.

➤ Safety Management System (SMS)

The Safety Management System (SMS) project plan followed the implementation of Core Version 19. The system will be rolled out nationally in Q1 2017 and will be overseen in the first instance by the Joint Union Management Steering Committee on Health & Safety and by LASOG, the Local Authority Safety Officers Group.

➤ National Standards Committee (NSC)

The NSC operates on behalf of the Programme Board on matters of standardisation and continued its work in adjudicating on software change requests from participating organisations. The NSC continued its review of the configuration of the new PMDS and delivery of the software to address PMDS and the Competency Aggregate Scoring is anticipated for early 2017. The Committee also played a leading role in defining the national standard for handling sick leave and social welfare payments.

Providing Sectoral Representation

During 2016 the Employee Engagement Division continued to support Local Authorities through the provision of advice to Chief Executives, Directors of Service and HR Officers on Employment Law, Industrial Relations and Human Resource matters, including advice on aspects of complex employment issues and representation in third party hearings.

In addition, the Division continued to advise local authorities on conflict management processes, facilitating collaboration to resolve disputes and promoting the resolution of workplace disputes at the earliest level possible. This included detailed advice and support on grievance, disciplinary, bullying and harassment complaints.

2016 saw the first full year of operation of the Workplace Relations Commission (WRC) under the Workplace Relations Act 2015. The new arrangement provides for a single gateway for all employment disputes in Ireland.

□ *Industrial Relations Representation*

Over the course of the year, the Employee Engagement Division represented Local Authorities on over 100 cases, some of which had multiple hearing dates under the Adjudication Service of the WRC. In addition, the LGMA provided representation for approximately 20 local collective claims under the auspices of the Conciliation Service of the WRC. National claims raised through the Local Authority National Council and the Lansdowne Road Agreement Oversight Group were also a significant feature during the year, some of which were referred to conciliation or for review to the National Oversight Group. The preceding figures exclude cases that were averted due to the advice and support provided by the Division.

□ *Irish Water Consultative Group (IWCG)*

The IWCG continued to meet throughout 2016 addressing key matters relating to the implementation of the Service Level Agreement between individual local authorities and Irish Water. Primarily, the main issue of discussion related to the implementation of the WRC agreement of January 2016 which related to overall numbers and the regularisation of temporary and acting posts in the sector.

□ *Fire Services National Oversight and Implementation Group (FSNOIG)*

The FSNOIG provides a forum for joint management and employee engagement on a number of key policy and procedural matters relevant to both retained and full time firefighter services. Under the FSNOIG a number of Joint Working Committees have been established to assist in development of policies in the following areas: Equipment Testing and Servicing; Guidance for the Management of Road Risk and the Driving of Fire Service Vehicles (ESDS); Pre-Determined Attendance; Area Risk Categorisation and External Validation; Review of the Current National Incident Command System; Consideration of the possibility and development of a proposal for

fire services collaboration with the National Ambulance Service in responding to appropriate Clinical Status 1 '999' Emergency Calls and Standard Operational Guidance (SOGs).

❑ ***Public Service Management Group***

The Employee Engagement division together with the DHPC&LG continued to represent the sector on this Group in 2016, which is under the chairmanship of the Department of Public Expenditure and Reform. The Group is primarily focused on Public Sector pay and policy agreements but also considers other cross sectoral HR and IR issues.

Supporting the County & City Management Association (CCMA)

In 2016, the County and City Management Association (CCMA) reconfigured its committees to reflect the changing demands on the sector. The committees of the CCMA are:

- Executive
- Housing and Building
- Land Use and Transportation
- Economic, Enterprise, Community and Culture
- Environment, Climate Change and Emergency Planning
- Water
- Corporate

During the year the CCMA made 55 submissions on topics such as Environmental Management, Enterprise Development, Local Government Finance, Planning Policy, Transport and Housing.

SUBMISSIONS TO OIREACTHAS COMMITTEES



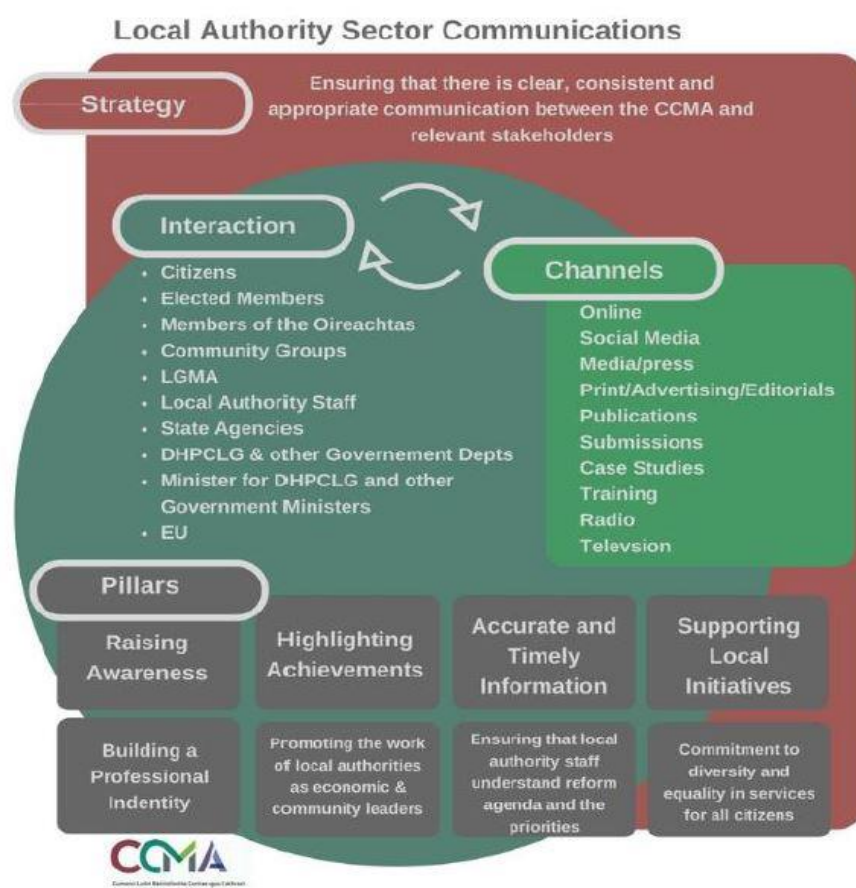
- ❑ The CCMA presented to the Joint Oireachtas Committee on Housing and Homelessness on the delivery of social housing.
- ❑ Subsequent presentations were made to the Joint Oireachtas Committee on Housing, Planning, Community and Local Government on the delivery of the '*Rebuilding Ireland: The Action Plan for Housing and Homelessness*'.
- ❑ The CCMA also presented to the Joint Oireachtas Committee on Housing, Planning, Community and Local Government in relation to the Local Community and Development Committees and the Local Economic and Community Plans.

Promoting Sectoral Achievements

COMMUNICATIONS

The LGMA contributed to working groups to communicate progress in relation to the Local Enterprise Offices (LEOs), Housing Assistance Payment (HAP) and the Local Community and Development Committees (LCDCs).

A Communications Working Group, mainstreamed as a sub-committee of the CCMA, initiated the preparation of a Communications Plan for the sector, which was adopted nationally. The graphic below sets out the principles and objectives of the Communications Plan.



The LGMA coordinated national press responses on behalf of the CCMA on topics including Housing, Local Government Reform, Libraries, Economic and Enterprise Development, Building Control and Local Community and Development Committees. The LGMA coordinated the second twitter campaign day **#OurCouncilDay**. This reached 2.3 million accounts with 26.5 million impressions.

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

The LGMA supported the National Coordination Group on Flooding which involved extensive two way communications to ensure that the actions of local government to address the flooding crisis were reported nationally and the national response was reported locally.



County and City Management Association 2016

Supporting the Development of Leadership & Organisational Capability

Sectoral Learning and Development

□ *Harvard Business Programme*

The LGMA supported four participants to attend the Harvard Programme for Senior Executives in State & Local Government that is delivered in the JFK School of Government in Harvard University during 2016. Feedback from the course participants was overwhelmingly positive and endorses the continued support for this unique and challenging programme.

□ *Change Management Training for Local Authority Staff*

A series of Change Management training programmes for senior local authority staff who are involved in delivering reform projects either locally or across the sector was delivered by the IPA using the case study from the merger of the two Tipperary County Councils. A total of 5 workshops were delivered to 48 senior local authority officials.

□ *Graduate Development Programme*

In partnership with the IPA, the LGMA oversaw the successful delivery of the second year of the Graduate Development Programme which included all employed graduates (approximately 100) being offered and enrolled in an accredited training course with the professional body most appropriate to the skills area they were recruited in.

□ *Communications Training*

Training was provided for the sector on digital media and spokesperson skills. A conference was hosted for local authority communications personnel on the theme of the Digital Society.

□ *Annual Human Resources Conference – ‘HR Building a Resilient Workforce for a New Environment’*

The 18th Annual Local Authority Human Resource Conference held in October provided delegates with up to date information on topics including Learning & Development; Industrial Relations; Leadership Masterclass; Building the Workforce of the Future and Talent Management and Motivation.



L-R Ms. Maggie O'Brien, LGMA; Mr. Keith McCarthy, Mazars; Mr. Frank Kelly, (Chairperson); Ms. Jane Brophy, LGMA; Mr. Loughlin Quinn, Department of Jobs, Enterprise & Innovation

Promoting Good Governance

Corporate Governance

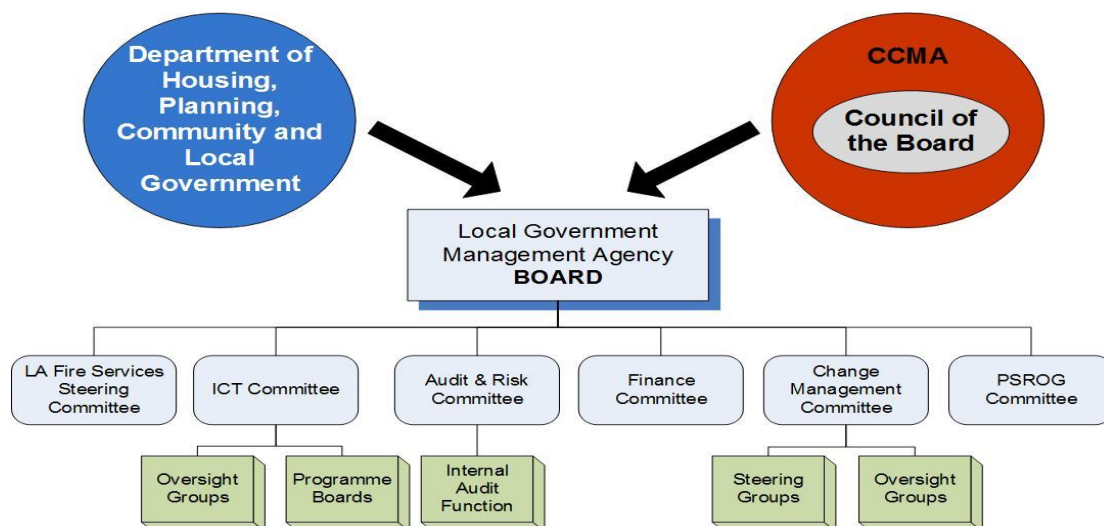
The LGMA is committed to maintaining the highest standards of corporate governance in compliance with the Code of Practice for the Governance of State Bodies. An audit on the adequacy and effectiveness of Corporate Governance arrangements as set out under the 2009 Code of Practice, was undertaken by Internal Auditors, RSM, during 2015. The audit finding at that time was *'there was a robust system of governance, risk management and control which should ensure that objectives are fully achieved'*.

The revised Code of Practice for the Governance of State Bodies 2016 came into effect on 1st September 2016. The updated Code is split into a suite of documents comprising of the main Code and more detailed documents setting out the Code requirements under the following headings:

- Code of Practice for the Governance of State Bodies
- Business and Financial Reporting Requirements
- Audit and Risk Committee Guidance
- Remuneration and Superannuation
- Board Self-Assessment Evaluation Questionnaire

A Compliance Analysis review against the new Code identified a work programme that will be implemented during 2017, under the guidance of the LGMA Audit and Risk Committee.

LGMA GOVERNANCE STRUCTURE



Updated 31st March 2017

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

Membership of the Board

The membership of the Board is comprised of 11 members (8 Local Authority Chief Executives nominated by the Council of the Board and 3 Ministerial nominees). Chief Executives nominated to the Board of the LGMA simultaneously sit on the Executive of the CCMA. Ministerial appointments are generally for a period of three years.

Board meetings are held bi-monthly. There are no annual fees paid to Board members. No expenses were paid to Board members in relation to attendance at Board meetings for 2016.

ATTENDANCE AT BOARD MEETINGS 2016

Member	Occupation	Notes	Attended	Eligible to attend
Mr P. Carey	Chief Executive, Kildare County Council	CHAIRMAN from 11/15	6	6
Mr P. Gallagher	Chief Executive, Westmeath County Council	Appointed 10/15	4	5
Mr. C. Clancy	Principal Officer, DHPC&LG	Nominated to Board 2/15	6	6
Mr O. Keegan	Chief Executive, Dublin City Council	Nominated to Board 10/14	3	6
Mr P. Lemass	Assistant Secretary, DHPC&LG	Nominated to Board 08/14	5	6
Mr T. Lucey	Chief Executive, Cork County Council	Appointed Cork CE 05/14	4	6
Mr S. Neely	Chief Executive, Donegal County Council	CCMA Executive 10/14	5	5
Mr D. O'Connor	Ministerial Nominee	Nominated to Board 11/13	5	6
Ms P. Poole	Chief Executive, Dun Laoghaire Rathdown County Council	CCMA Executive 10/14	3	5
Mr M. Walsh	Chief Executive, Waterford Local Authorities	CCMA Executive 10/14	4	5
Mr J. MacGrath	Chief Executive, Tipperary County Council	CCMA Executive 10/14	5	6
Ms. J. Maguire	Chief Executive, Meath County Council	CCMA Executive 10/16	1	1
Mr. T. Enright	Chief Executive, Wexford County Council	CCMA Executive 10/16	1	1
Mr. C. Murray	Chief Executive, Limerick Local Authorities	CCMA Executive 10/16	0	1
Mr. B. McGrath	Chief Executive, Galway City Council	CCMA Executive 10/16	0	1

Audit & Risk Committee

The Audit and Risk Committee provides independent governance assurance to the Board.
The members of the Committee in 2016 were:

Ms. P. Poole (Chairperson)	Chief Executive	Dun Laoghaire Rathdown County Council
Mr. J. Mulholland	Chief Executive	Laois County Council
Ms. C. Henahan	West Cork Divisional Manager	Cork County Council
Ms. A. O'Neill	Head of Finance and ICT	Wexford County Council
Mr. A. Connolly	Non-Public Official	

The Audit and Risk Committee report to the Board, liaise closely with the Internal Auditors and are responsible for planning and reviewing the annual Internal Audit programme. The Local Government Auditor presented to the Committee in May 2016 and expanded on the accounts and findings of the Local Government Audit of the financial period January to December 2015. The Committee met on three occasions during 2016.

Risk Management

The LGMA is committed to the management of risk as an integral part of its operations by implementing strategies to minimise threats to the achievement of organisational goals and objectives. Risk Management is considered an essential element of day to day management and is a standing item on Board, Audit and Risk Committee and Senior Management Team agendas. The LGMA continues to develop Risk Management processes, including the upkeep of the LGMA Risk Register. Risks are reviewed on an on-going basis and mitigating actions are taken, where feasible and as required. The Audit and Risk Committee review risk management and advise of key risks prevailing at the end of each quarter to the Board.

Ethics in Public Office & Standards in Public Office Acts

All LGMA senior personnel, Board members and any designated post holders in the organisation are required to submit annual statements in compliance with these Acts.

Salary – Chief Executive (CE)

The salary applied to the CE is equivalent to the Assistant Secretary – Civil Service and amounts to €143,535 per annum. No bonus payments apply to the post.

Corporate Procurement

All LGMA procurement activity is guided by the Public Procurement Guidelines and Policies published by the Department of Finance. The LGMA avails of procurement frameworks established under the National Procurement Service for services including Stationery,

Electricity and Gas. Internal procurement procedures adhere to recommended best practice including segregation of duties, regular management reporting and a system for the authorisation of expenditure. Under the LGMA Procurement Procedures, sanction is required from the Board for all expenditure above an agreed threshold.

LGMA Annual Energy Report 2016

LGMA offices occupy 34,002 square feet of office space in Dublin 8 across 2 buildings. The annual reporting of energy data by public bodies is required under SI 426 of 2014 (and previously under SI 542 of 2009). The LGMA commenced reporting its energy usage from 2009 (the Baseline) using the M&R on-line System (developed by SEAI and the Department of Communications Energy & Natural Resources). To date the Agency has made a 35.5% savings since the baseline (2009) as published in the SEAI Report 2016. This indicates that the LGMA exceeded the baseline efficiency rate and is on track to achieve the 2020 target.

The LGMA overall energy usage for 2016 reduced by 7.2% over 2015 figures.

The next reporting cycle is April 2017.

Appendix 1

PUBLIC LENDING REMUNERATION ANNUAL REPORT 2016



Public Lending
Remuneration Scheme



Eighth Annual Report
for the year ending 31st
December 2016



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1. Introduction

1.1 Legislative Basis

Public Lending Right is the exclusive right of an author to loan her/his book, and it was introduced into Irish law by the *Copyright and Related Rights (Amendment) Act 2007*. The Act brought Irish legislation into compliance with European law.¹ The Act specifies that the lending right applies unless a remuneration scheme is in place, and provided for the establishment of a remuneration scheme by the Minister of the Environment, Heritage and Local Government.

1.2 Statutory Instrument

The regulations establishing the scheme, the Copyright and Related Rights (Public Lending Remuneration Scheme) Regulations 2008 were issued on 31st December 2008.² (S.I. No. 597 of 2008). Under the Public Lending Remuneration (PLR) scheme, payment is made to authors, illustrators etc whose books are borrowed from public libraries. The Copyright and Related Rights (Public Lending Remuneration Scheme (Amendment) Regulations 2013, S.I. No. 221 of 2013 were signed on 20th June 2013.³

1.3 Management of the PLR Scheme

Under the regulations the Chief Executive Officer of the Local Government Management Agency was designated as Registrar of Public Lending Remuneration. Libraries Development manages the PLR scheme which is funded by the Department of the Environment, Community and Local Government.

The PLR Office working in cooperation with the British Library, Public Lending Right UK have developed systems to provide enhanced services resulting in more streamlined and efficient registration and related PLR services for authors.

2. The PLR Process

Under PLR, a payment will be made to registered authors, citizens of or resident in the European Economic Area (EEA), in respect of books registered with the PLR and loaned by public library authorities.

Authors are required to register with the PLR Office, providing details of the books for which they wish to claim remuneration.

¹ Directive 2006/115/EC, OJ L 376, 27.12.2006, p. 28–35.

² S.I. No. 597 of 2008.

³ S.I. No 221 of 2013.

Public library authorities provide the PLR Office with details of their loans, including the number of times each book in their collections is issued during the year.

At the end of the PLR period, the loans data from each authority is matched to the author/title data and a list of authors whose books have been loaned, and the number of issues of each, is produced. The amount that each qualifying author is to receive is calculated and payments made.

3. Collection of Loans Data

A PLR loans module is installed on the library management systems of the public library authorities and the data giving details of the number of times each book in their collections is issued during a specified period are transmitted to the PLR Office automatically.

4. Author and Title Registrations

18,830 authors from 43 countries were registered for the PLR system at the end of PLR year 2016, and details of 375,530 titles were entered on the register.

5. PLR Payments 2016

The Department of Environment, Community and Local Government provided €200,000 for payments to the authors whose works were loaned to the Irish public.

Payments are made annually and are based on loans from the preceding calendar year. Authors were eligible for payment if their PLR earnings reached a minimum of €2, while there was a maximum payment of €1,000 for the most-borrowed authors. The Rate-per-loan (RPL) was calculated at 4.09 cent. The 2016 PLR payment calculation was based on a total of 5,119,414 eligible loans.

A total of 5,711 authors from 22 countries qualified for a payment in 2016, with 14 authors receiving the maximum payment.

6. British Library, Public Lending Right UK

The Responsibility for UK PLR was transferred to the British Library in October 2013. The British and Irish PLR staff discussed future joint approaches for PLR to maximise use of resources and provide enhanced services for authors.

The PLR Office appreciates the considerable assistance provided by the PLR team in supporting the PLR system.

7. Communications and Publicity

The PLR Office maintains the www.plr.ie website. The collection of loans data from all library authorities allows for an analysis of public library loans on a national basis. During 2016 the PLR Office issued provided information on public library borrowings to the media on request.

8. Finance

The Public Lending Remuneration Scheme is funded directly by the Minister for Housing, Planning, Community and Local Government and the costs are not levied on the local authorities.

Details of the final accounts for the period January 1st to December 31st, 2016 will be set out in the Financial Statement published by the Local Government Management Agency for 2016.

9. Acknowledgements

The Local Government Management Agency would like to thank the Minister for Housing, Planning, Community and Local Government, the Minister of State, and their officials for their ongoing support; public library authorities for their co-operation in the ongoing operation of the PLR scheme, the PLR team at the British Library for advice, support, and technical assistance.



PLR Registrar

21/3/17

Date

10.1 Summary of Payments

Summary of Payments	2016
Number of authors registered for PLR in 2016	18,830
Number of authors qualifying for a payment	5,711
Total Spend (Department funding and carry over from 2015)	€200,696
Number of authors receiving the maximum payment	14
Rate-per-loan (RPL)	4.09 Cent
Total number of eligible loans	5,119,414

10.2 Summary of Payment Methods

Method of Payment	Number of Authors 2016	Total amount 2016
Direct e-payment into Euro/Non Sterling Accounts	491	€25,095.50
Direct e-payment into UK Sterling Accounts	5155	€174,744.26
On Hold Payments	65	€856.24
Total	5711	€200,696.00

10.3 Payment of Country of Residence

Country	Amount €	Country	Amount €
UK	175,307.83	Belgium	72.22
Ireland	22,690.35	Croatia	53.71
France	792.55	Denmark	39.56
Italy	369.3	Japan	14.34
Germany	280.35	Australia	12.72
New Zealand	276.45	Norway	11.62
Switzerland	218.66	Bulgaria	6.36
Netherlands	209.23	Romania	6.29
Spain	137.29	Portugal	3.54
Canada	104.54	Austria	2.02
Sweden	85.6	South Africa	1.47
TOTAL €200,696			

10.4 Spread of Payment Amounts

From Amount €	To Amount €	Number of Payments 2016	Amount € in 2016
0.01	5	1738	5686.11
5.01	10	1188	8439.49
10.01	50	1873	42685.83
50.01	100	476	34240.02
100.01	300	342	56833.31
300.01	500	50	18873.80
500.01	1000	44	33,937.40
TOTAL		5,711	€200, 696

Appendix 2
FINANCIAL ACCOUNTS 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

Financial Statements

For year to 31st December 2016

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LOCAL GOVERNMENT MANAGEMENT AGENCY

REPORT OF THE LOCAL GOVERNMENT AUDITOR TO THE BOARD OF THE LOCAL GOVERNMENT MANAGEMENT AGENCY

Introduction

I have audited the financial statements of the Local Government Management Agency for the year ended 31 December 2016. The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows and the notes to and forming part of the Accounts.

Respective Responsibilities of the Board and of the Local Government Auditor

The Board of the Agency is responsible for the preparation of the financial statements in accordance with the Local Government Management Agency (Establishment) Order 2012 and for ensuring the regularity of transactions. The accounting responsibilities of the Members of the Board are set out in the Statement of Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant, legal and regularity requirements and in accordance with the Code of Audit Practice.

I report my opinion as to whether the financial statements give a true and fair view, in accordance with generally accepted accounting practice. I also report whether in my opinion, proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of accounts.

I also report on whether or not I have obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Board's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

I conducted my audit in accordance with the Code of Audit Practice. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations, which I considered necessary to provide sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion on the Financial Statements

In my opinion, the financial statements give a true and fair view of the state of the Board's affairs at 31 December 2016 and of its income and expenditure for the year ended on that date.

I have obtained all the information and explanations, which I considered necessary for the purpose of the audit. In my opinion, proper books of account have been kept by the Board. The financial statements are in agreement with the books of account.

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

I report by exception if:

- I have not received all the information and explanations I require for my audit, or
- The Statement on Internal Financial control does not reflect the Agency's compliance with the Code of Practice for the governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

Signed:



Date: 4 April 2017

Anne (N) Brennan

Local Government Auditor

Statement on System of Internal Controls

For the year ended 31 December 2016

1. On behalf of the Board of the Local Government Management Agency, I acknowledge our responsibility for the system of internal controls in the agency and for putting in place processes and procedures for the purpose of ensuring that the system is effective.

The system can provide only reasonable, but not absolute, assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period.

2. Key Control Procedures

The Board has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers which include a framework of regular management information, administrative procedures including segregation of duties, a system of delegation and accountability and formal project management disciplines.
- A budgeting system with an annual budget that is reviewed and agreed by the Board.
- Regular reviews by the Board of periodic and annual financial reports, which indicate financial performance against forecasts.
- Adopting the principles of corporate governance contained in the Code of Practice for the Governance of State Bodies, including:
 - Affirmation of compliance with procurement rules and guidelines as set out by the Office of Government Procurement.
 - Affirmation of compliance with disposal of assets and access to assets by third parties, as set out in the Code.
 - Affirmation of implementation of Government policy on the remuneration of the CEO.
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation.
- Developing a culture of accountability across all levels of the organisation.
- Establishing processes to identify and evaluate business risks by:
 - Identifying the nature, extent and financial implication of risks facing the organisation.
 - Assessing the likelihood of identified risks occurring.
 - Carrying out regular reviews of strategic plans, with evaluation of risks in bringing these plans to fruition.
 - Review, update and reporting of key business risks by management to the Board.

3. The LGMA has an outsourced Internal Audit function, which operates in accordance with the Code of Practice on the Governing of State Bodies.

The Internal Auditors report to the Audit and Risk Committee of the Board and carry out an annual plan of work that is agreed with the Audit and Risk Committee. The Audit and Risk Committee meets on a regular basis but not less than four times a year to review reports prepared by the Internal Auditors. Where weaknesses are identified, the Audit and Risk Committee review the management

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

response and approve an action plan to implement recommendations. The Audit and Risk Committee reports regularly to the Board in relation to the matters it has considered.

4. Confirmations

I confirm that, for the year ended 31 December 2016, the Audit and Risk Committee, on behalf of the Board, conducted a review of the effectiveness of the internal control system. There were no weaknesses identified that have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements.

I confirm that the LGMA is in compliance with procurement rules and guidelines as set out by the Office of Government Procurement.

On behalf of the Board:

A handwritten signature in blue ink, appearing to read 'Raney', is written over a horizontal line.

Chairperson of the LGMA

Date 4 April 2017

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

Local Government Management Agency

Statement of the Board Responsibilities

For year ended 31 December 2016

The Local Government Management Agency (LGMA) was established by the Local Government Management Agency (Establishment) Order 2012 (SI No. 290 of 2012).

It is a statutory body charged with providing a range of services to the Local Government sector.

The Local Government Management Agency (Establishment) Order 2012, Section 18 requires the Board to keep all proper accounts of all income and expenditure of the Agency, and of the sources of such income and the subject matter of such expenditure, and of the property, credits and liabilities of the Agency. In preparing these financial statements the LGMA is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LGMA will continue in operation;
- Disclose and explain any material departures from applicable accounting standards.

The Board is responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the LGMA and which enable it to ensure that the financial statement complies with Section 18 of the Local Government Agency (Establishment) Order 2012. The Board is also responsible for the safeguarding of its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson



Acting CEO



Date

4th April 2017

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

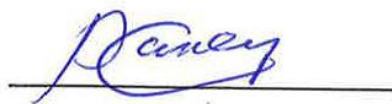
LOCAL GOVERNMENT MANAGEMENT AGENCY

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDING 31 DECEMBER 2016

INCOME	Notes	Agency Services	Bureau Services	Shared Services	2016	2015	Agency Services	Bureau Services	Shared Services
Local authority contributions		10,013,372			10,013,372	10,075,255	10,075,255		
Project income	3.1	8,593,921	84,556		8,678,477	9,085,987	8,930,531	155,456	
Funded programmes	3.2			3,864,775	3,864,775	4,899,767			4,899,767
Other income	3.3	645,930			645,930	628,868	628,868		
Bureau services - collections	3.4		36,707,470		36,707,470	35,436,388		35,436,388	
Retained superannuation		312,349			312,349	361,693	361,693		
Sinking fund contributions		228,910			228,910	228,906	228,906		
Total Income		19,794,481	36,792,027	3,864,775	60,451,283	60,716,863	20,225,253	35,591,844	4,899,767
					<8,412>	87,663			
EXPENDITURE									
Staff costs	4	7,404,795			7,404,795	7,729,250	7,729,250		
Operating costs and overheads	5	11,870,488	371,125	1,328,798	13,570,412	12,711,648	10,435,242	571,685	1,704,721
Disbursements	6	591,366	36,421,002	2,531,910	39,544,278	39,010,502	792,673	35,020,159	3,197,670
Depreciation	7	410,789			410,789	649,127	649,127		
Total Expenditure		20,277,437	36,792,128	3,860,709	60,930,274	60,100,527	19,606,291	35,591,844	4,902,392
(Deficit)/Surplus before interest		<482,956>	<101>	4,066	<478,991>	616,336	618,961	0	<2,625>
Interest receivable and similar income		8,412			8,412	81,138	81,138		
Interest payable and similar charges									
Net interest receivable		8,412			8,412	81,138	81,138		
(Deficit)/Surplus for the year		<474,544>	<101>	4,066	<470,579>	697,474	700,099	0	<2,625>
Sinking funds invested		<228,910>			<228,910>	<228,906>	<228,906>		
(Deficit)/Surplus retained for the year		<703,454>	<101>	4,066	<699,489>	468,568	471,193	0	<2,625>

0



Chairperson



Acting CEO

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT 31 DECEMBER 2016

	Notes	2016 €	2015 €
Fixed Assets			
Tangible Assets	7	<u>6,670,381</u>	<u>6,985,228</u>
Current Assets			
Cash & Bank	8	19,953,746	19,077,375
Debtors & Prepayments	9	2,248,847	1,560,896
Investment Account	12	<u>3,974,173</u>	<u>4,002,578</u>
		<u>26,176,766</u>	<u>24,640,848</u>
Creditors: Amounts falling due within one year	10	<u>8,751,552</u>	<u>7,595,410</u>
Net Current Assets		17,425,214	17,045,438
Total Assets less current liabilities		<u>24,095,595</u>	<u>24,030,666</u>
Creditors: Amounts falling due after more than one year	11	1,223,258	430,439
Net Assets		<u>22,872,337</u>	<u>23,600,227</u>
Financed by			
Reserves			
Retained Reserve	12	16,006,423	14,537,032
Special Reserve	12	3,974,176	4,002,578
Revaluation Reserve	12	2,891,738	5,060,617
		<u>22,872,337</u>	<u>23,600,227</u>



Chairperson



Acting CEO

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

STATEMENT OF CASH FLOWS

FOR YEAR ENDING 31 DECEMBER 2016

	2016 €	2015 €
Net Cash Inflow (Outflow) from Operating Activities (Deficit)/Surplus retained for the year	(699,489)	468,568
Net interest receivable	(8,412)	(81,120)
Depreciation	410,789	649,127
(Increase) Decrease in Debtors	(687,951)	(217,179)
Increase (Decrease) in Creditors	1,094,955	(9,550,150)
Net cash from operating activities	<u>109,892</u>	<u>(8,730,753)</u>
Cash flows from investing activities		
Purchase of Tangible Assets	(95,941)	(73,520)
Bank Interest received	8,412	81,120
Net cash used in investing activities	<u>(87,529)</u>	<u>7,600</u>
Cash flow from financing activities		
Proceeds from bank loan	900,000	500,000
Repayment of bank loan	(45,994)	0
Increase/(Decrease) in Sinking fund investment	(28,401)	(164,278)
Net cash flow from financing activities	<u>825,605</u>	<u>335,722</u>
Net increase/(decrease) in cash	847,967	(8,387,432)
Cash and cash equivalents at the beginning of the year	<u>23,079,952</u>	<u>31,467,384</u>
Cash and cash equivalents at the end of the year	<u>23,927,920</u>	<u>23,079,952</u>
Cash and cash equivalents consist of:		
Cash at Bank & in hand	19,953,746	19,077,375
Short Term Investments	3,974,173	4,002,578
	<u>23,927,920</u>	<u>23,079,952</u>



Chairperson



Acting CEO

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

1 General Information

The Local Government Management Agency (LGMA) was established by the Local Government Management Agency (Establishment) Order 2012 (SI No. 290 of 2012).

The LGMA is a state agency of the Department of Housing, Planning, Community and Local Government established to provide a range of services to the Local Government Sector. The Agency was created through the merger of the Local Government Computer Services Board, Local Government Management Services Board and An Comhairle Leabharlanna.

The addresses of the LGMA offices are:

Local Government House
35-39 Ushers Quay
Dublin 8

Phoenix House
27 Conyngham Road
Dublin 8

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and have been prepared on an accruals basis, except as noted at 2.3 below, and in accordance with Generally Accepted Accounting Practice.

The financial statements have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

These are the first set of financial statements prepared in accordance with FRS 102. The date of transition to FRS 102 is 1 January 2015. The prior year financial statements have been re-stated to reflect changes on adoption of FRS 102 in the current year. The adjustment is set out at note 13.

The preparation of financial statements requires management to exercise its judgement in the process of applying accounting policies. There are no areas of the financial statements that require management judgement or estimates that are critical to the reported values.

2.2 Foreign Currency

The functional and presentation currency is the Euro (€).

Foreign currency transactions are translated into Euro at spot exchange rates at the dates of the transactions. Exchange gains and losses resulting from the settlement of these transactions at a different rate are taken to the income and expenditure account.

2.3 Revenue sources and recognition

The primary source of income for the LGMA is provided by way of contributions from local authorities. The basis of the contributions is by way of agreed allocation of the LGMA annual budget.

The LGMA also receives income from local authorities and other state bodies for undertaking specific projects on behalf of the local government sector.

In the Statement of Comprehensive Income both of the above categories are combined under Agency Services.

Under the relevant legislation introducing the charge or registration fee, the LGMA was the agency charged with the collection and management of the following:

- Non principal private residence charge (NPPR)
- Household Charge
- Protect our Water registration fee

Collections from the public made under the above headings are recorded in the financial statements on a cash received basis. These collections are shown in the Statement of Comprehensive Income as Bureau Services.

The LGMA receives central funds in respect of costs incurred for certain shared services projects.

Income in respect of these projects is shown in the Statement of Comprehensive Income as Shared Services.

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

2.4 Property, plant & equipment and depreciation

Property, plant & equipment is stated at historical cost less accumulated depreciation, with the exception of Local Government House (LGH), 35-39 Ushers Quay, Dublin 8, which is shown at valuation. LGH was valued on completion of construction in 2007 and this revaluation is used as the deemed cost. The difference between depreciation on the deemed cost and the original cost is transferred from revaluation reserve to retained reserve.

Depreciation is charged so as to write off the cost or valuation of the assets to residual value using the straight line method over their estimated lives on the following bases:

• Freehold Premises	2%
• Fixtures & Fittings	10%
• Computer and Ancillary Equipment	33.33%
• Furniture and Office Equipment	10%
• Training Equipment	20%

2.5 Superannuation

The LGMA is a member of the Local Government Superannuation Scheme (LGSS).

Payments in respect of pensions are charged to the Income & Expenditure Account in the period in which payments are made. The cost of salaries in the accounts include deductions in respect of superannuation (including Widows and Orphans) benefits. Such deductions are credited as receipts to the Income & Expenditure Statement. Lump sums on retirement are funded from the Agency's Special Reserve, established for that purpose.

Financial Reporting Standard 17 has not been applied to these accounts. The requirements of current accounting standards relating to pensions and their application to local authority accounting is currently under consideration.

2.6 Shared services projects in Local Government

A number of shared service project initiatives were introduced during 2013, together with the creation of a Programme Management Office (PMO), to coordinate and direct the projects. Shared services were identified in the Local Government Efficiency Review as being capable of delivering efficiencies and cost savings. The projects related to shared services for payroll (MyPay) and superannuation, procurement and treasury management.

In addition to providing IT and other services to some or all of these initiatives, the LGMA has oversight of the PMO where funding is provided centrally through the Department of Housing, Planning, Community and Local Government (DHPCLG).

In 2014 the LGMA received sanction for a €7m loan facility with a 10 year term, to facilitate the roll out of the MyPay facility to all local authorities. The value of the loan drawdown is paid across to the MyPay shared services centre and is recognised as a debt from them to the LGMA. Additionally, the LGMA has opened a bank account through which the MyPay shared services payroll office receives and pays out payroll funds and has obtained an overdraft facility on the account of €1.5m. This account was closed in February 2017 as the MyPay shared service centre opened its own bank account.

2.7 Reserves

The LGMA Reserves are classified as follows:

- | | |
|-----------------------|---|
| • Retained Reserves | - the accumulated surpluses arising from normal operating activities of the LGMA, and prior to the creation of the LGMA, the accumulated operating reserves of the Local Government Computer Services Board and the Local Government Management Services Board. |
| • Special Reserve | - reserve created to make the payment of retirement lump sum amounts. This reserve is represented by the Investment Account, shown under Current Assets on the Balance Sheet. |
| • Revaluation Reserve | - reserve created on the valuation of the LGMA Head Office at 35-39 Ushers Quay Dublin 8. |

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

		2016 €	2015 €
3 Total Income			
Income is further analysed as follows:			
3.1) Project Income			
The main projects (in excess of €100,000) funded during the year:			
Library Development Unit		2,079,012	1,015,588
Roads Projects		2,065,402	2,228,069
HR, Payroll & Superannuation		1,617,780	1,900,742
Financial Management System (FMS)		1,205,625	2,105,654
Government Data Centre		489,351	791,900
Building Control Management System		389,681	99,259
Housing		351,739	280,777
eReturns		225,406	37,877
Partnership project			201,150
Other projects		169,924	269,515
Total for Agency Services		<u>8,593,921</u>	<u>8,930,531</u>
Funding of Household Charge Collection costs	Note 3.4.c	<u>84,556</u>	<u>155,456</u>
Total Project Income		<u>8,678,477</u>	<u>9,085,987</u>
3.2) Funded Programmes			
Shared services and reform programmes have been funded by:			
Department of Housing, Planning, Community & Local Government		3,864,775	4,845,535
Other sources of funds			54,231
		<u>3,864,775</u>	<u>4,899,766</u>
3.3) Other Income			
Other income received in the year:			
Funding of LGMA staff seconded to other projects		620,490	591,352
Social Welfare refunds received		25,410	36,042
Other		30	1,473
		<u>645,930</u>	<u>628,868</u>
3.4) Bureau Services - Income collected			
Non Principal Private Residence Charge (NPPR)	See 3.4.a	36,541,941	35,261,848
Protect our Water registration fee	See 3.4.b	166,455	181,065
Household Charge refunds	See 3.4.c	<926>	<6,525>
		<u>36,707,470</u>	<u>35,436,388</u>

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

3.4.a) Non Principal Private Residence Charge (NPPR)

The Local Government (Charges) Act 2009 imposed an annual charge in respect of certain residential properties. The annual charge of €200 applied between 2009 and 2013. Property owners were obliged to register any property falling within the charge and to pay the charge together with any penalty applicable for late payment. The LGMA is the designated board identified to collect the annual charge on behalf of local authorities. Though the last charge year was 2013, the LGMA continued to collect arrears due under the legislation.

	2016	2015
	€	€
Gross collections	36,541,941	35,261,848
Development and operating costs	<175,620>	<243,817>
Net collections	<u>36,366,322</u>	<u>35,018,031</u>
Disbursements to local authorities	<u>36,366,322</u>	<u>35,018,031</u>

3.4.b) Protect our Water registration fee:

The Water Services (Amendment) Act 2012 amended the Water Services Act 2007 in introducing a registration process for domestic waste water treatment systems. The registration process commenced on 26 June 2012. For an initial three month period the registration charge was €5 rising to €50 thereafter. Owners who register are issued with a Certificate of Registration. The registration is valid for a period of five years.

The LGMA was appointed as the agency to administer the registration process, known as Protect our Water.

	2016	2015
	€	€
Gross collections	166,455	181,065
Development and operating costs	<111,775>	<178,937>
Net collections	<u>54,680</u>	<u>2,128</u>
Disbursements to local authorities	-	-
Available to be disbursed	<u>54,680</u>	<u>2,128</u>

3.4.c) Household Charge

The Household Charge was a charge of €100 on each residential property in the State, introduced by the Local Government (Household Charge) Act 2011. The charge applied only for 2012 and was abolished on the introduction of the Local Property Tax in 2013.

The LGMA was the relevant board designated to collect and administer the Household Charge on behalf of local authorities. The Revenue Commissioners are responsible for the administration of the Local Property Tax (LPT) and for any arrears in respect of the Household Charge. The LGMA continue to maintain the IT infrastructure and manage customer queries on the charge. The net cost of this service is met by the DHPCLG.

	2016	2015
	€	€
Refunds during the year	<926>	<6,525>
Development and operating costs	<83,730>	<148,931>
Net cost to LGMA	<u><84,656></u>	<u><155,456></u>
Claimed/Claimable from DHPCLG	<u>84,556</u>	<u>155,456</u>

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

	2016	2015
	€	€
4 Staff Costs		
a) Staff Costs are made up of the following:		
Wages and salaries	5,415,298	5,898,635
Social security costs	377,067	402,160
Holiday Pay accrual - change in the year	72	14,107
Pension costs (seconded staff only)	11,209	
Cost of staff employed	5,803,646	6,314,902
Payments to pensioners	1,601,149	1,414,348
Total staff costs	7,404,795	7,729,250

The whole time equivalent number of employees for 2016 was 89

The number of employees whose total benefits were in excess of €60,000 are as follows:

	2016	2015
€60,000-€70,000	18	23
€70,001-€80,000	11	10
€80,001-€90,000	6	8
€90,001-€100,000	3	3
€100,001-€110,000	1	1
€110,001-€120,000	1	-
€120,001-€130,000	1	1
€130,001-€140,000	-	1

b) CEO Salary and benefits

The salary and benefits that were in place for the CEO in 2016 were as follows:

	€	€
Salary for a full year	146,927	146,927
Salary paid in year (incl. acting allowance)	107,684	137,973
Pension Contributions (in excess of standard scheme)	Nil	
Bonus or performance related pay	Nil	
Termination payment	Nil	

The CEO was a member of the Local Government Superannuation Scheme. The CEO resigned with effect from 1st August 2016. An existing Assistant CEO has acted as CEO in the interim period. A new CEO has been recruited and will commence with the LGMA on 3rd April 2017.

c) Key Management Compensation

The salary cost of key management in 2016 was €723,603 (2015 €771,693)

The LGMA is a member of the Local Government Superannuation Scheme (LGSS) and all LGMA staff are members of this scheme. There are no other post employment benefits in place.

Board members do not receive any fees or other remuneration from LGMA for their work.

		2016	2015
		€	€
5 Operating costs and overheads			
Analysed as follows:			
Travel and subsistence	5.1	188,336	195,289
Training		384,567	269,306
Operating	5.2	11,546,838	10,969,205
Establishment	5.3	666,530	666,421
Administration	5.4	784,141	611,426
		13,570,412	12,711,648

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

	2016	2015
	€	€
5.1 Travel and Subsistence consists of:		
Domestic costs - Agency Services	164,379	178,496
Domestic costs - Bureau Services	2,681	1,513
Domestic costs - Shared Services	15,739	4,186
Total Domestic Costs	182,799	184,195
International costs - Agency Services	5,537	11,093
Total International costs	5,537	11,093
Total Travel and Subsistence costs	188,336	195,289

5.2 Operating costs

These are costs relating to the delivery of projects for the benefit of the Local Authority sector. The majority are for the development, implementation and maintenance of IT solutions for the sector for the following projects:

	2016	2015
	€	€
Financial Management System*	2,439,658	2,569,997
Roads Projects	2,041,897	2,203,240
HR, Payroll & Superannuation	1,603,824	1,875,478
LGMA network, systems and hosted services	1,352,290	1,186,153
Library Development Unit	1,307,237	336,718
MyPay shared services	1,227,356	1,610,428
Building Control Management System	386,931	93,606
Housing	376,363	301,796
Bureau Services	307,333	474,277
eReturns	260,977	32,177
Other projects and programme management	242,972	285,335
	11,546,838	10,969,205

*The Board of the LGMA have agreed to fund from its own reserves a sum of €3.183m for the implementation of Financial Management Systems across Local Authorities. Of this amount €1.33m was incurred in 2016.

5.3 Establishment costs

These relate to the running costs of the LGMA premises at Local Government House, 35-39 Ushers Quay, Dublin 2 and Phoenix House, 27 Conyngham Road, Dublin 8.

	2016	2015
	€	€
Rent and rates	187,560	179,517
Light and heat	147,150	172,849
Maintenance, repairs and security	331,820	314,055
	666,530	666,421

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

5.4 Administration costs

These consist of office costs, insurance, staff recruitment, professional fees etc. They include:

	2016	2015
	€	€
Personnel costs including recruitment	205,539	96,153
Telephones, postage and stationery	251,428	220,878
Bank Charges and Merchant Fees	29,050	54,615
Audit Fees including internal audit	18,254	26,287
Professional fees including legal fees	176,829	106,792
Insurances	47,775	47,433
Miscellaneous	55,267	59,269
	<u>784,141</u>	<u>611,426</u>

5.5 - Professional fees and other costs

Included within Operating costs and overheads are the following:

Cost of annual audit	14,500	14,500
Prompt payment interest and charges	799	1,071
Legal fees greater than €10,000 for the following activities:		
Advice on sectoral issues and contracts	37,587	18,072
Employment contracts and HR related matters	8,941	14,399
Property management*	63,585	10,000

*This relates to an issue with the management company for Local Government House. The LGMA remain confident of its position and intend to secure legal costs in the matter.

There have been no amounts of settlement or compensation costs paid by LGMA in relation to any legal issues.

Consultancy and professional fees greater than €10,000 for the following activities:

Advice on Local Authority sector issues**	273,310	198,246
Phoenix House Redevelopment	71,241	16,605
Public relations	29,520	30,135

** This includes advice on Insurance, Information Technology, water infrastructure, Land Aggregation Scheme

Staff events and social activities are managed and paid for by staff themselves with a small residual cost covered from time to time by the LGMA. The total net cost of such events in 2016 was €1,865 (2015 €1,113).

6 Disbursements of collections and funded programmes

During 2013, the LGMA became the body responsible for administering the collection of costs and making funding claims to central government, currently the Department of Housing, Planning, Community and Local Government (DHPCLG), on behalf of those local authorities that are the lead authorities for shared services. Approved costs incurred by local authorities for provision of shared services are recouped from the LGMA who in turn receive funding from the DHPCLG.

In addition LGMA is the designated agency to collect NPPR, Household Charges and Protect our Water fees as described in note 3, with net proceeds being disbursed to Local Authorities.

The main collections and grant funding for disbursement are:

	2016	2015
	€	€
Library Services*	591,366	792,673
NPPR net proceeds disbursed	36,366,322	35,018,031
Protect our Water net proceeds	54,680	2,128
Shared services funds	2,531,910	3,197,670
	<u>39,544,278</u>	<u>39,010,502</u>

*Library services includes the sum of €200,000 paid to authors, illustrators etc whose books are borrowed from public libraries, under the Public Lending Remuneration Scheme'

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

7 Tangible Assets

Schedule of property, plant and equipment

	Premises	Fixtures & Fittings	Computer Equipment	Office Equip & Furniture	Training Equipment	Total
COST	€	€	€	€	€	€
Accumulated Cost as at 01/01/2016	9,186,625	1,809,326	2,159,449	597,453	20,902	13,773,755
Disposals						
Additions			95,941			95,941
Accumulated Cost as at 31/12/2016	9,186,625	1,809,326	2,255,390	597,453	20,902	13,869,697
DEPRECIATION						
Accumulated Depreciation as at 01/01/2016	2,435,689	1,711,123	2,046,291	574,521	20,902	6,788,527
Disposals						
Charge for Year	183,733	97,914	120,631	8,511		410,789
Accumulated Depreciation as at 31/12/2016	2,619,422	1,809,038	2,166,923	583,032	20,902	7,199,316
Net Book Value as at 31/12/2016	6,567,203	289	88,468	14,422		6,670,381
31/12/2015	6,750,936	98,203	113,157	22,933		6,985,228

The cost for Premises includes a valuation of Local Government House of €6m made in 2007. No further valuations of either premises owned by LGMA have been reflected in the accounts.

8 Cash at bank and on hand

	2016	2015
	€	€
LGMA operational accounts	16,183,778	15,796,072
NPPR bank accounts	3,112,688	2,566,067
Household Charge	4,134	113,949
Protect our Water	653,146	601,287
	<u>19,953,746</u>	<u>19,077,375</u>

9 Debtors & Prepayments

	€	€
Debtors	279,071	470,632
Loan receivable for shared services	1,365,007	508,348
Prepayments & accrued income	604,769	581,916
	<u>2,248,847</u>	<u>1,560,896</u>

LOCAL GOVERNMENT MANAGEMENT AGENCY ANNUAL REPORT 2016

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

10 Creditors and Accruals		2016	2015
		€	€
Trade creditors		317,216	108,350
Funding loan due within one year	Note 11	141,749	73,936
Taxation and social security		147,891	179,144
Other creditors, accruals and prepaid income		8,144,696	7,233,980
		<u>8,751,552</u>	<u>7,595,410</u>

11 Creditors: amounts falling due after more than one year

Funding loan	1,223,258	430,439
	<u>1,223,258</u>	<u>430,439</u>

In 2014 the LGMA received sanction, on behalf of the MyPay shared service centre, for a €7m loan facility to support the roll out of a shared services initiative, the MyPay shared service, to all local authorities. A loan facility was agreed with the Housing Finance Agency in 2014 at an interest rate of 1.75%, a 10 year term and with half-yearly repayment periods. Drawdowns to date of €1,400,000 have been made. Funds drawn down are transferred to the MyPay shared services centre who reflect the liability to the LGMA in their accounts. Loan repayments and interest costs are funded by the MyPay shared services centre as they arise.

12 Analysis of Reserves

	Revaluation	Special	Retained	Total
	€	€	€	€
Opening balance at 1st January 2015	5,132,911	4,166,856	13,996,170	23,295,937
Local Authority contributions in period		228,906		228,906
Interest earned		23,852		23,852
Lump sum pensions paid in the year		<417,036>		<417,036>
Surplus for the year			468,568	468,568
Depreciation on revalued premises	<72,294>		72,294	
Balance at 31st December 2015	<u>5,060,617</u>	<u>4,002,578</u>	<u>14,537,032</u>	<u>23,600,227</u>
Local Authority contributions in period		228,910		228,910
Interest earned		3,463		3,463
Lump sum pensions paid in the year		<260,774>		<260,774>
(Deficit) for the year			<699,489>	<699,489>
Depreciation on revalued premises	<72,294>		72,294	
Revalued assets fully depreciated	<2,096,585>		2,096,585	
Balance at 31st December 2016	<u>2,891,738</u>	<u>3,974,176</u>	<u>16,006,423</u>	<u>22,872,337</u>

The Revaluation Reserve was created in respect of Local Government House, 35-39 Ushers Quay, Dublin 8. In 2007 this new building replaced the premises on the Ushers Quay site that was owned and occupied by the Local Government Management Services Board. The reserve has been re-stated in 2016 to reflect the value relating to the building only with the value of other asset valuations taken to general reserves

The Special Reserve was created to make the payment of retirement lump sum amounts. This reserve is represented by the Investment Account, shown under Current Assets on the Balance Sheet.

The Retained Reserve represents the accumulated surpluses of the Agency and of the former Local Government Computer Services Board and Local Government Management Services Board.

LOCAL GOVERNMENT MANAGEMENT AGENCY

NOTES TO THE ACCOUNTS

FOR YEAR ENDING 31 DECEMBER 2016

13 FRS 102 - adjustment to reserves upon adoption.

Upon adoption of FRS102 the values of staff costs was revised to include full provision for short term benefits, namely the cost of holiday pay to be accrued at each year-end. The impact on reported surplus and reserves is as follows:

	2015	
	€	
Surplus for the financial year - as previously reported		482,675
Change in value of holiday pay accrual in 2015		(14,107)
Surplus for the financial year per FRS102		<u>468,568</u>
	01/01/2015	31/12/2015
Retained reserves - as previously reported	14,066,343	14,621,312
Holiday pay accrual	(70,173)	(84,280)
Retained reserves per FRS 102	<u>13,996,170</u>	<u>14,537,032</u>

14 Contingent Liabilities

All potential liabilities of the LGMA have been reflected in the accounts. The Board are not aware of any material contingent liabilities at the reporting date.

15 Commitments - capital

The LGMA are considering a full redevelopment of its property at Phoenix House, in line with its strategic plan. No contracts or commitments have been entered into at the reporting date. There were no other capital commitments at the year-end.

16 Events after the Reporting date

There were no events after the reporting date that would require adjustment to or disclosure in the Financial Statements.

17 Approval of Financial Statements

The Financial Statements were approved by the Board on X April 2017.

GLOSSARY

ACL	AN COMHAIRLE LEABHARLANNA
APB	AN BORD PLEANÁLA
APP	A SELF CONTAINED PROGRAMME OR PIECE OF SOFTWARE
ASP	ANNUAL SERVICE PLAN
BCA	BUILDING CONTROL AUTHORITY
BCMS	BUILDING CONTROL MANAGEMENT SYSTEM
CCC	CERTIFICATE OF COMPLIANCE
CCMA	COUNTY AND CITY MANAGERS ASSOCIATION
CE	CHIEF EXECUTIVE
CEO	CHIEF EXECUTIVE OFFICER
CN	COMMENCEMENT NOTICE
DCCAE	DEPARTMENT OF COMMUNICATIONS, CLIMATE CHANGE AND ENVIRONMENT
DHPCLG	DEPARTMENT OF HOUSING, PLANNING, COMMUNITY & LOCAL GOVERNMENT
EPA	ENVIRONMENTAL PROTECTION AGENCY
ESDS	EMERGENCY SERVICES DRIVING STANDARD
FAQ'S	FREQUENTLY ASKED QUESTIONS
FMS	FINANCIAL MANAGEMENT SYSTEM
FSNOIG	FIRE SAFETY NATIONAL OVERSIGHT IMPLEMENTATION GROUP
GWS	GROUP WATER SCHEMES
HAP	HOUSING ASSISTANCE PAYMENTS
HPSS	HUMAN RESOURCES, PAYROLL, SUPERANNUATION AND SHARED SERVICES
HR	HUMAN RESOURCES
ICT	INFORMATION AND COMMUNICATIONS TECHNOLOGY
IHREC	IRISH HUMAN RIGHTS AND EQUALITY COMMISSION
ILGNSC	IRISH LOCAL GOVERNMENT NATIONAL SERVICE CATALOGUE
IPA	INSTITUTE OF PUBLIC ADMINISTRATION
IT	INFORMATION TECHNOLOGY
IR	INDUSTRIAL RELATIONS
IW	IRISH WATER

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IWCG	IRISH WATER CONSULTATIVE GROUP
JLT	JOINT LEADERSHIP TEAM
LASOG	LOCAL AUTHORITY SAFETY OFFICERS GROUP
LCDC	LOCAL COMMUNITY AND DEVELOPMENT COMMITTEES
LEO'S	LOCAL ENTERPRISE OFFICES
LG	LOCAL GOVERNMENT
LGCSB	LOCAL GOVERNMENT COMPUTER SERVICES BOARD
LGMA	LOCAL GOVERNMENT MANAGEMENT AGENCY
LGMSB	LOCAL GOVERNMENT MANAGEMENT SERVICES BOARD
LGSPC	LOCAL GOVERNMENT STRATEGIC PROCUREMENT CENTRE
LMS	LIBRARY MANAGEMENT SYSTEM
M&R	MONITORING AND REPORTING
MRL	MAPROAD ROADWORKS LICENSING
NFGWS	NATIONAL FEDERATION OF GROUP WATER SCHEMES
NOAC	NATIONAL OVERSIGHT AND AUDIT COMMISSION
NPPR	NON PRINCIPAL PRIVATE RESIDENCE
NSC	NATIONAL STANDARDS COMMITTEE
OGP	OFFICE OF GOVERNMENT PROCUREMENT
PDT	PROJECT DELIVERY TEAM
PID	PROJECT INITIATION DOCUMENT
PLR	PUBLIC LENDING REMUNERATION
PMDS	PERFORMANCE MANAGEMENT DEVELOPMENT SYSTEM
PMO	PROGRAMME MANAGEMENT OFFICE
PMS	PAVEMENT MANAGEMENT SYSTEM
PSROG	PUBLIC SECTOR REFORM OVERSIGHT GROUP
SCADA	SUPERVISORY CONTROL AND DATA ACQUISITION
SEAI	SUSTAINABLE ENERGY AUTHORITY OF IRELAND
S.I.	STATUTORY INSTRUMENT
SLA	SERVICE LEVEL AGREEMENT
SMS	SAFETY MANAGEMENT SYSTEM
SOG	STANDARD OPERATIONAL GUIDANCE

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TPT	TRANSFORMATION PROGRAMME TEAM
WIOF	WATER INDUSTRY OPERATING FRAMEWORK
WRC	WORKPLACE RELATIONS COMMISSION
WSTO	WATER SERVICES TRANSITION OFFICE