ANNUAL REPORT AND FINANCIAL ACCOUNTS

2013

I am pleased, on behalf of the Local Government Management Agency, to present this Annual Report for 2013 - a year of continued austerity in the public sector, with reform and greater efficiencies high on the agenda.

The requirement to achieve a further €1 billion pay savings led to an extension of the Public Service Agreement 2010 - 2014. Engagement in conciliation and mediation between Government, Trade Unions and representative bodies across every sector of the Public Service, led to the Haddington Road Agreement which came into effect on 1st July 2013. The Agreement set out measures on productivity, cost extraction and service reform that would achieve the targeted pay bill reduction, and at the same time, building on the measures set out in the *Public Service Agreement 2010–2014*.

LGMA staff provided advice, guidance and co-ordination to assist the implementation of the provisions of the new agreement in areas including: Pay reductions; Increment freezes; Standardisation of the working week and revised overtime payment arrangements. This has continued the process of delivering an increasingly integrated and more productive Public Service, with greater standardisation of employment conditions within and across sectors of the Public Service. From a national perspective, industrial peace was secured across the public service at a critical time in Ireland's path to economic recovery.

The future of local government reform, set out in the Government's Action Programme for Effective Local Government, **Putting People First**, defines a vision with key principles: to support the economy, enterprise and the local community; advance the objectives of operational efficiency and representational effectiveness; embed robust performance evaluation and strengthen good governance; enhance strong leadership and democratic accountability.

In this context the LGMA, in assisting and preparing local authorities for the reform and related changes, provided representational and technical support in areas including: mergers and unifications - reduction in the number of local and regional authorities; collaborative engagement with the establishment of Irish Water; establishment of a network of Local Enterprise Offices (LEO's); the transfer of County Enterprise Boards to Local Authorities, (due to be finalised in 2014) and the jobs initiative scheme.

The implementation of local government shared services continued apace in 2013 and was augmented by the establishment of the Local Government Payroll and Superannuation Shared Services Centre (LGPAS). Laois County Council was the successful bidding authority for the Shared Payroll Service and a national rollout plan has been prepared for implementation in 2014.

The strategy for libraries - *Opportunities for All: The Public Library as a catalyst for economic, social and cultural development* was launched by Minister Hogan, T.D. in December 2013. This five year strategy is a joint initiative of the Department of the Environment, Community and Local Government (DECLG), the County & City Managers Association (CCMA) and the LGMA. *Opportunities for All* will deliver a new public library service to meet the needs of citizens and communities in a changing economic, social and cultural environment in Ireland by 2017.

The government decision to replace the Household Charge with the introduction of the Local Property Tax (LPT), to be administered by the Revenue Commissioners, led to the decommissioning of the Household Charge bureau in mid 2013. In excess of 1.3 million properties registered for the charge and late payments in respect of under-paid charges continued to be received to year end.

In reflecting on the year, I would like to express my thanks to my colleagues on the Board for their continued guidance and support in challenging times. Particular thanks are due to my predecessor Mr. Hubert Kearns, Chairman of the LGMA until his retirement in September 2013 and to the other retiring members of the Board for their effective contribution as Board members.

The Agency is indebted to the officials who provide an indispensable contribution to the many committees, project boards and working groups operating within established LGMA governance structures. The enthusiasm of all concerned to contribute to the overall development of the sector reflects positively on our commitment to collaboration.

I would like to record appreciation for the support and encouragement received from the Minister for the Environment, Community and Local Government, Mr. Phil Hogan TD and to other officials in the Department for their engagement and cooperation during the period.

In conclusion, I would like to pay tribute to the CEO, Mr. Paul McSweeney, the management and staff of the LGMA who deserve particular credit for their continued dedication and dependability during a time of unprecedented change.

M. Malone

Chairman

Office for Local Authority Management (OLAM)

The Office for Local Authority Management (OLAM) researches and develops sectoral responses for the local government sector on a range of strategic issues. It also offers a co-ordinating role between central and local government and other third parties. It represents the local authority sector in a wide variety of policy areas that impact on local authorities. The work programme of OLAM is derived, to a great extent, from the direction given by the Executive and Committees of the County and City Managers' Association (CCMA).

2013 was an extremely busy year which saw OLAM organise and support over 230 different meetings. The CCMA Committees, each of which has four County/City Managers and eight Director of Service representatives are as follows:

- *Community, Social and Economic Development (CSED)*
- *Environment*
- *Finance*
- *Housing*
- *Land Use and Transportation (LUTS)*
- *Water*

The following are some of the key activities and highlights of 2013.

Preparation of submissions

A number of key reports and submissions were produced during the year by OLAM and the CCMA, reflecting the views and expertise of the local government sector on particular issues. A selection of these submissions includes:

❖ *Summary CCMA Submission to Local Government Efficiency Review Implementation Group 2013* – in its update report to the Minister, published in July 2013, the CCMA highlighted progress the sector made in achieving savings and efficiencies in line with its shared service agenda: www.environ.ie/en/LocalGovernment/LocalGovernmentEfficiencyReviewGroup/PublicationsDocuments/FileDownLoad,33712,en.pdf

❖ *Supporting Enterprise, Local Development and Economic Growth - Analysis of Local Authority Activities for 2012:* http://www.lgma.ie/en/news/ccma-report-local-authorities-support-economic-development. For the second year in a row, OLAM surveyed local authorities to assess the range of activities being undertaken in support of enterprise and economic growth. The research confirms the key enabling role played by local government in many tourism, heritage, culture and innovation activities that yield job dividends.

❖ *Connecting with Local Government;* which highlighted best practice in the area.

❖ *Submission to the Office of Public Works (OPW) on the Property Management Plan.*

❖ *Submission to the Joint Committee on Environment, Culture and the Gaeltacht on the issue of Local Government Reform, October 2013*

❖ *CCMA submission on the Draft National Partnership Agreement: contract between Ireland (Department of Public Expenditure and Reform) and the European Commission governing all European Social and Investment Funds (ESIF)*

❖ *Submission on Regional Operational Programmes – Borders Midland West and Southern and Eastern Regions 2014-2020.*

The Office also produced a review of local government developments throughout 2013, which is due for publication in the IPA Administration Journal in 2014.

Engagement

High level engagement took place throughout 2013 between the CCMA, its committees and various Departments, agencies and organisations such as:

- *The Department of Education*
- *The Department of Jobs, Enterprise and Innovation (DJEI)*
- *The Department of Environment, Community and Local Government (DECLG) management team*
- *The Department of Transport*
- *The Department of Transport management team*
- *The Department of Social Protection (DSP)*
- *The Joint Committee on Environment, Transport, Culture and Gaeltacht*

By way of example, extensive engagement and collaboration has taken place between the CCMA, DJEI, DSP and DECLG to implement labour activation schemes and the Housing Assistance Payment Scheme (HAPS) in local government.

Engagement also took place throughout the year between the CCMA and its committees with:

- ✓ Chambers Ireland
- ✓ Council of Local and Regional Authorities of the Council of Europe
- ✓ Dublin Chambers of Commerce
- ✓ EPA
- ✓ Fáilte Ireland
- ✓ FÁS
- ✓ Forfás
- ✓ Health & Safety Authority
- ✓ Housing and Sustainable Communities Agency
- ✓ Housing Finance Agency
- ✓ IBEC
- ✓ IPA
- ✓ Irish Banking Federation
- ✓ Irish Hotels Federation
- ✓ Irish Rail
- ✓ Irish Sports Council
- ✓ Irish Traveller Movement
- ✓ Irish Water

- ✓ NAMA
- ✓ National Procurement Office
- ✓ National Roads Authority (NRA)
- ✓ Office for Public Works
- ✓ Office for the Minister for Children and Youth Affairs
- ✓ Regional Assemblies
- ✓ Revenue Commissioners
- ✓ Road Safety Authority
- ✓ Rural Development Programme (LEADER)
- ✓ The Arts Council
- ✓ Valuations Office
- ✓ Value for Money Consultative Committee

Communications

During 2013, OLAM devised a communications strategy surrounding the use of video animation and infographics for the purpose of promoting the wide range of services that local authorities provide, in addition to recent savings and efficiencies. As part of an overall communications strategy, OLAM/CCMA has begun to focus on use of social media for the purpose of communicating sector-related information.

OLAM organised a Communications Seminar for local authority personnel responsible for communicating with the media. The purpose of the seminar was to facilitate and promote networking between local authority communications officers/spokespeople. The seminar focused on the use of Social Media across the authorities and highlighted the emerging importance of this as a means of communicating with citizens.

OLAM continued to liaise with the media on behalf of the CCMA throughout the year and issued several press releases during 2013.

Annual Service Indicators Report

The preparation and submission of the annual Service Indicator Report to the Minister for Environment, Community and Local Government was completed. A Working Group was also established to streamline Key Performance Indicators in the sector. The full suite of reports is available to download at:

http://www.lgma.ie/en/www.lgma.ie./serviceindicators/2004to2012

The LGMA continue to provide a National Shared Service Central Data Bureau for the Non Principal Private Residence (NPPR) Charge, the Household Charge (HC), and the Protect Our Water (POW) Charge. The Bureau provides a full contact centre to both local authorities and the general public by phone and email. In 2013 the HC and POW Bureau were relocated to our offices on Conynghan Road, alongside the existing NPPR Bureau.

Household Charge

The Household Charge was introduced by the Government for 2012, under the Household Charge Act 2011. It was chargeable for 2012 only and it has now been replaced by the Local Property Tax (LPT) which is administered by the Revenue Commissioners.

In 2013, the Bureau continued to receive late payments in respect of under-paid charges. It also provided advice and assistance to both the general public and local authority staff in relation to entitlements to Waivers, Exemptions, and other general matters. It continued to issue Certificates of Discharge to those who required same in order to sell properties.

In excess of 1.3 million properties have registered and the sum collected is over €137 million.

A full data file of all registered and paid households has been passed to Revenue who will collect any outstanding non-payments as part of the LPT.

NPPR Charge

The NPPR Charge was introduced under the Local Government (Charges) Act 2009. The Act provided for a €200 annual charge on non principal private residences, payable by the owners to the local authority in whose area the property concerned is located.

In 2013, the sum collected in respect of NPPR was in excess of €101 million. This sum is made up of the payment of the 2013 Charge plus penalties for the late payment of the Charges due in respect of 2013 plus earlier years dating back to 2009. Approximately 71% of the money received in 2013 was due in respect of that year while the balance was in respect of years 2009-2012. The average payment received in 2013 was €257.

While the bulk of payments are made online, the NPPR Bureau processed in excess of €32 million in 2013. These include a large number of first time registrations for the years 2009-2012. The average payment processed by the Bureau was €914.

2013 Collection	2009	2010	2011	2012	2013	Total
No of Properties Paid	6,868	7,968	10,054	18,974	349,180	393,044
Total Amount Received	€7,468,420	€7,351,520	€6,800,040	€7,985,380	€71,512,360	€101,117,720
Average Payment Received	€1087	€922	€676	€421	€205	€257

Protect Our Water – POW

The bureau service for POW continued throughout 2013. Nearly 450,000 registrations were received by the end of the year and €6 million in revenue was distributed to local authorities.

Human Resources Payroll, Superannuation and Shared Services (HPSS) Program

The new HPSS Program is the successor project to the original HPS CORE Project which was closed at the end of 2012. The HPSS Program prioritises the introduction of Shared Services in the Irish local authority sector. It also focuses on the expansion of the national project to those authorities that remained independent of the original HPS Project as well as to other public service organisations such as the EPA. The Program assumed responsibility for certain elements transferred from the HPS project as well as the financial reserve remaining at the end of the HPS project. The governance structures have been maintained as they proved ideal for the successful implementation of the HPS Project.

The initial business of the new Program Board was the adoption of new Charters to cover the expanded portfolio of projects; a new Communications Plan to include the expanded stakeholders of the Project Management Office; and the successful bidding authority for the Shared Payroll service. The new Program is structured across six broad areas which are:-

(1)   *Shared Services*
(2)   *HPS Closure Residual Tasks*
(3)   *Safety Management System*
(4)   *PMDS*
(5)   *Incorporation of the Independent Local Authorities*
(6)   *Strategic Initiatives.*

Shared Payroll Service

Laois County Council was the successful bidding authority for the Shared Payroll Service and was awarded the brief to establish the Local Government Payroll and Superannuation Shared Services Centre (LGPAS). The LGPAS has now been established in the offices of Laois County Council and an outline national rollout plan has been prepared for implementation in 2014. Laois and Offaly are the designated pilot sites for the implementation of the Shared Payroll Service. LGPAS and the LGMA HPSS Team are now working in partnership to implement the Shared Service.

HPS Closure

The HPS Project Board approved the transfer of a number of residual sub-projects to the HPSS Program. These include the development and national rollout of the Safety Management System, The national rollout of the new PMDS module and the production of a formal closedown report on the HPS Project itself. In addition, work on monitoring the benefits realised from the HPS continues under the LGMA HR/IR division.
The formal HPS Project Closure document has been completed and circulated to the members of the Program Board for comment before publication.

Safety Management System

CORE have delivered two modules of the Safety Management System (Inspections and Actions), with the remaining two modules (Incidents and Audit) due in Q2 of next year.
These modules have been designed by the members of LASOG working in conjunction with the National Standards Committee to ensure proper project governance. This endeavour is part funded by the IPBMI. Testing of these modules is underway and will be completed in Q2 2014.

Performance

CORE has also remodelled the PMDS module to provide a friendlier user interface which will ease the introduction of this system into the local authority HR arena. The new system uses the same technology as the SMS which relies on the latest ORACLE technology to function.

A temporary infrastructure using ORACLE 11g has been built by LGMA Networks Operations Centre (NOC), to facilitate the early testing of these two systems. A national rollout plan is under development and is being coordinated with the Shared Payroll rollout, the SMS rollout and the migration to CORE version 19.

Incorporation of Independent Local Authorities

During the year the LGMA team established a Wave group of local authorities dedicated to the independent organisations. This group includes the four Dublin authorities, the two Cork authorities and Wexford County Council. Several meetings were held in order to facilitate engagement with LGMA and the transition to the national standard CORE system. The CCMA have agreed that the HPSS Program and the CORE system is the route to the implementation of the Shared Payroll and Superannuation system. The Wave structure allows the representatives of the independent authorities to compare their approaches to the implementation of the national standard version of the CORE system and to work jointly with the LGMA and CORE to expedite progress towards the Shared Agenda.

The LGMA has also been working with the EPA to implement the national standard version of CORE. The pending amalgamation of the EPA and the RPII will bring two existing agencies under the auspices of the HPSS Program. The EPA is in the process of setting up their organisation structure on the CORE system and this will be live by end of February 2014.

Strategic Initiatives

The most urgent special project undertaken in 2013 is the work necessary to facilitate the merging of the designated local authorities and the abolition of the Town Councils under the government's Local Government Reform Agenda. The LGMA team have been coordinating the local authority and CORE teams in organising the merging of databases and systems of the authorities in Tipperary, Limerick and Waterford, to prepare for their eventual amalgamation in mid 2014. Similar planning work has been done to enable the authorities where Town Councils will be abolished, to make the necessary adjustments in their CORE systems.

A fundamental new initiative is the impending move to the latest generation of the CORE software and a parallel move to the latest version of the ORACLE RDBMS, 11g on new hardware. An architecture design process has been completed with CORE to specify a new infrastructure which will support the full local authority population. The procurement exercise to acquire the hardware element of the new infrastructure is in progress with a target date of Q2 2014. The DECLG is funding the enhanced RDBMS licence which makes the move to the new national standard on the new infrastructure, attractive for all local authorities.

The Single European Payments Area (SEPA) initiative requires local authorities to be compliant by 1st February 2014. CORE has developed SEPA compliant software which has been implemented in most local authorities by year end. LGMA organised and streamlined the implementation project which enabled significant financial savings for local authorities. The merging authorities will implement the SEPA software later in 2014.

Key Performance Indicators are a major achievement of the national CORE implementation. A dedicated KPI database has been created using ORACLE's Data Warehousing technology. Four KPIs have been developed under the guidance of the National Standards Committee and are in validation mode with the pilot local authorities. Additional KPIs will be developed in 2014.

The CORE Mobile pilot project was postponed after CORE informed the LGMA that the new Mobile software depended on the latest version of ORACLE RDBMS. The pilot authorities planned to use the Mobile software in a "live" test. This was deemed unworkable with the current set up and the Mobile project will be re-instated in 2014 when the new infrastructure is in place.

The coordination of the sub-projects within the overall HPSS Program has been a main function of the LGMA national team. The team is working with the LGPAS and the PMO to coordinate the migration to the latest version of the CORE system. This will make it attractive for the independent authorities to join the national project and improve the user experience for existing member authorities. The availability of the new SMS and PMDS systems on the new infrastructure are a further driver for participation in the national project.

Full participation in the HPSS Project will make it possible to implement the Shared Service agenda and achieve the government's local authority reform objectives.

Finance & Business Overview

The LGMA manages Financial Management Systems and Services to assist local authorities in managing their significant annual budgets and to aid local authorities provide an on-line environment for their customers and suppliers. The Financial Management system in use in thirty city and county councils and their associated town councils is the Agresso financial management system. The system provides services in relation to General Ledger, Accounts Payable, Accounts Receivable, Purchasing, Stores, Bank Reconciliation, Integrated Cash Receipting, Billing (Housing Rents, Housing Loans, Rates, Water and Service Charges) and Reporting tools.

From January 2013 to December 2013, the majority of work in this area was focused on assisting local authorities in preparing for the forthcoming merging and unification of 23 authorities in June 2014.

The county and city authorities in Waterford (3 authorities), Limerick (2 authorities) and Tipperary (9 authorities) are merging in June 2014.

The Merger project involves the merging of 2 Agresso databases in each of the authorities mentioned above and involves tasks such as selection and setup of a host database, restructuring of master data, streamlining of processes and procedures among others.

Throughout 2013, the merging authorities focused on making the data unique across the local structures e.g. Customers, Suppliers etc. Work on standardising policies & procedures across the authorities also took place. A pack of data cleansing reports was issued to assist sites with data preparation. These reports are run regularly to ensure that no further duplication of master data will occur inadvertently.

Regular meetings were held with the authorities individually and collectively to ensure all were working with the same standard approach.

Unifications

In June 2014, town/borough councils are to be unified and all county councils who currently have town/borough councils will then have only one version of Agresso. This affects 17 authorities.

The Unification project involves only one database as the clients on a particular database are part of one local authority; there is already congruence in a number of processes and procedures. However, restructuring of master data (JOBs, suppliers, customers, etc.), re-mapping of data and amendments to processes and procedures are necessary as part of the Unification project.

Throughout 2013, the unification authorities worked on making the data unique across the local structures e.g. Customers, Suppliers etc. Work on standardising policies & procedures across the authorities also took place. A pack of data cleansing reports was issued to assist sites with data preparation. These reports are run regularly to ensure that no further duplication of master data will occur inadvertently.

During 2013, seven regional workshops were held ensuring that all affected authorities were working with the same standard approach.

Annual Financial Statement (AFS)

AFS 2012 software was released in 2013.   The Audit adjustments software was made available to all sites in January 2013. There is on- going work on the AFS to reflect changes to the local government system.

Chart of Accounts

A Standard Chart of Accounts is maintained for Local Authorities. LGMA collate change requests which are then brought to the General Accounts Working Group for review/approval. When finalised they are released to all sites. There were multiple releases in 2013.

SEPA (Single Euro Payments Area)

From February 2014 all electronic files sent to the bank will have to contain the BIC and IBAN numbers instead of the Account No. and Sort Code which are currently used.

Agresso 54 was modified to allow this data to be retained. Following a pilot and validation of the enhancements, an instruction lead release was issued in October 2013.

Loans – Data Gathering Initiative

The DECLG initiated a data gathering exercise to provide details on the national loan book with a view to agreeing a figure for MPI. The timeframe for the first return to establish an initial figure is Quarter 1 2014.

The scope of the project was to deliver a solution to facilitate Local Authorities in extracting the relevant specified data from their respective FMS' in a standard format for collation and consolidation for submitting to the DECLG. A semi-automated process will be available for the first return with a fully automated solution to follow.

REVENUE

A number of meetings were held with the Revenue Commissioners in 2013 with regards to the Mergers & Unifications projects. The Finance Section of DECLG was in attendance due to the importance of early notification to the Advisory Group of any issues arising, particularly those requiring legislation. Local authorities wanted to be assured that they will not have Capital Gains Tax, Stamp Duty, VAT or any other tax liability on the merger/unification of authorities in 2014.

Issues the Merging and Unifications sites faced included:

• Payroll	• RCT and PSWT
• Capital Gains Tax	• TRS and Loans
• BIK and Cycle to Work Schemes Deductions	• Reports / Returns
• Future changes by Revenue – ePSWT, P30 Returns	• S891b
• VAT able Capital Projects	• Rent Supplements

- CEB's & LEO's

A question and answer document was produced outlining issues in each of the areas referred above and circulated to all of the affected authorities as a reference guide. This document will be maintained during 2014 and until the Merger/Unification projects are completed.

Housing Function

Version 1 continued to provide operational support to all sites. The demand on these services increased dramatically due to the compilation of the 2013 Housing Needs Assessment (HNA) in Q1 & Q2.

A number of non critical issues were highlighted during the last major upgrade of iHouse in 2012. Work commenced on providing fixes and enhancements via service pack releases as mentioned above. A comprehensive upgrade to iHouse was developed and released during Q3 & Q4. This addressed a substantial amount of outstanding issues and user requested enhancements.

Central Broker 'PPSN checker'

The rollout of the 'PPSN checker' facility was completed during 2013. All iHouse sites, except one, are providing automated nightly updates of their data to the Central Broker. There are currently approximately 800,000 clients on this database.

Web services are provided to this central database via iHouse, to interrogate this facility. Secure Access is provided to all sites and to date in excess of 9000 queries have been executed. This facility allows the user to establish if a Housing client has applied for, or has received or was associated with an application for Housing support from another Housing Authority. We are currently working with the Dublin Housing Authorities and have recently provided this facility to Dublin City Council.

Merging Local Authorities

Activities relating to the merging of the iHouse databases for the Tipperary, Limerick and Waterford authorities were undertaken during the year.

Town Council Dissolution

Work has commenced providing facilities to support the merging of various iHouse databases for those sites where Town Councils are to be dissolved. Scripts were developed and tested in a number of Authorities.

Housing Assistance Payment

We were active in the HAP deliberations and participated in the Business Process Design exercise undertaken by the Housing Agency.

The HR Division has continued to provide guidance, advice and support to local authorities to facilitate the ongoing development of human resource best practice in key areas such as, HR policy, change management, training and development, health and safety, child safeguarding, workplace partnership and equality and diversity. Libraries Development, LGMA is the national advisor and development service for public libraries in Ireland providing advice, assistance and services to library authorities in relation to the public service.

HR Strategy

The group acts as a steering committee and discussion forum through which HR Strategy related initiatives or proposals are channelled, prior to submission to the Change Management Committee and LGMA Board for endorsement. In addition, the group acts as a standing and oversight committee for HR Strategy projects and pilots, and as a central co-ordinating committee for HR Strategy initiatives

A revised Performance Management and Development System (PMDS) for the sector were agreed with the national trade unions in 2013. The revised model provides for a more integrated and focused approach to managing performance and developing staff, in accordance with national agreements. The HR Division has facilitated the development of the revised system, provided research and supporting documentation, hosted briefing seminars and workshops and worked with individual local authorities as required. The division has also supported the pilot for the competency framework for senior managers which was completed in 2013 and will be rolled out to the sector in 2014.

The division continues to support the sector's Attendance Management Working Group, objectives of which include facilitating the implementation of the revised public sector sick leave scheme, assisting HR departments in the use of absence KPIs and developing guidelines, benchmarks, costing methodologies and targets.

By the end of 2013, a major phase of the HPSS project was completed with the full implementation of the CoreHR system in project local authorities. Work was also progressed in 2013, on the design of two new modules for performance management and for health and safety. In addition, significant preparatory work was completed on the establishment of a Payroll and Superannuation Shared Service for the sector during the period under review.

Equality network meetings across the sector were supported at regional level, at a National Seminar on Equality. The LGMA continued to provide support to local authorities on the implementation of the Dignity at Work Policy and Procedures and provided advice and assistance on equality issues across HR Policy areas and informal guidance on the preliminary screening of workplace complaints.

The Annual Human Resources Conference was held in Galway City on 14th and 15th November, 2013 and the theme was *HR-Leading People through Organisational Change.*

The HR division of the LGMA continued to support the FOI Officers across the sector. Four national FOI Officers network meetings were hosted during 2013 in addition to providing direct advice and support via ICT. The LGMA was also involved midyear in the Public Sector Review Group established by the Dept of Public Expenditure & Reform The Review Group's aim was to provide feedback to DPER on the changes being proposed for the FOI Act, 2013 and the accompanying draft Code of Practice for Public Bodies implementing the FOI Act.

Child Safeguarding and Vulnerable Adults

The Child Safeguarding and Vulnerable Adults Sectoral Group devised a programme of work focusing on the relevant pieces of legislation in this area i.e. National Vetting Bureau Act, 2012; Criminal Justice (Withholding of Information) Act 2012 and pending Children First legislation. The Steering Group established three sub groups across service areas to implement their action plan in relation to legislation namely: T & C and Libraries Policy development.

The division supported the local government sector to make considerable progress in delivering Information on Children First National Guidance (2011) to employees during 2013 and issued guidance and information on the new vetting legislation (enacted at the end of 2012) to the sector.

A national survey on vetting in the sector was carried out and reported to the National E Vetting Pilot Group, on current practice.

Training and Development

The division continued to support the Training Officers and Training sections across the sector and hosted four national workshops in 2013 as well as providing direct advice and support via ICT.

The standing sectoral training Committee of the LGMA (LASNTG) continued to meet quarterly in 2013. The LASNTG acts as (i) a standing and oversight committee for all appropriate training projects and pilots of training initiatives; and (ii) the central co-ordinating committee for all appropriate sectoral training initiatives.

One of the key activities of the LGMA on behalf of the LASNTG in 2013 was the conduct of detailed discussions and negotiations on behalf of the sector with Quality and Qualifications Ireland (QQI) and SOLAS (formally FÁS). The changes introduced as a result of the dissolution of FÁS and the merger of FETAC and HETAC affected the ability of the network of five local authority Regional Training Centres to provide the same levels of accredited training as was the case prior to the changes being introduced.

Libraries Development

The strategy *Opportunities for All: the public library as a catalyst for economic, social and cultural development* was launched by Minister Hogan, T.D. in conjunction with a meeting of the CCMA in December. This five year strategy is, for the first time, a joint initiative of the Department of the Environment, Community and Local

Government (DECLG), the CCMA and the LGMA. *Opportunities for All* will deliver a new public library service to meet the needs of citizens and communities in a rapidly changing economic, social and cultural environment in Ireland by 2017.

The Minister for DECLG approved the establishment of a high level National Advisory Forum for Public Libraries to act as a formal consultative body in relation to national library policies and initiatives.

Libraries Development participates in EU funded projects in the areas of information, research and development, building networks and relationships with key players in the EC and Member States in order to keep Irish expertise in line with best practise in other EU Member States. The unit is a contracted partner in 3 EU research and development projects, Linked Heritage, ENUMERATE and Athena Plus. The Unit was contracted through the EC Linked Heritage project to host the international conference on digitisation, preservation and access to digital cultural heritage as part of Ireland's Presidency of the Council of the EU held in Dublin Castle in June.

The Europe Direct Information Centre network in Ireland is a European wide network of information points for EU citizens and is managed by Libraries Development. This service is delivered regionally through a network of public libraries. Libraries Development organised the Grand Final of the National Europe Direct Soapbox Competition which took place at Dublin Castle in November. Libraries Development manages *Askaboutireland.ie*, an online cultural and educational resource showcasing national datasets and the local studies collections from all library authorities.

ENFO, the national environmental information service for the public is managed by Libraries Development and the team continues to develop the online content and support a network of ENFOpoints, providing environmental information within local library branches across the country.

In 2013, forty-two literacy and numeracy week-long programmes were held in selected Delivering Equality of Opportunity in Schools (DEIS) and the majority of library authorities in which the DEIS camps were held, provided a half day library camp as part of the programme.

A pilot project was undertaken with the Department of Health, Ageing Well Network, South Dublin County Libraries and Kildare County Library and Arts Service to examine how public libraries in Ireland are serving the older population and to prepare policy recommendations to assist public libraries in providing and promoting relevant services to this section of the community.

Shared Services

The network team were heavily involved in shared services in 2013. The team was involved in working on the design and costing elements of the technical aspect of the business case for the Local Government Payroll and Superannuation Shared Services Project LGPAS.

The design for the new HPS environment was finalised and this led to the procurement of Oracle Enterprise licenses and a European Tender for the supply of Servers and associated products which has recently been awarded to Dell. For security purposes a new shared services forest was designed and built to host the shared services for the sector as they come on stream. This involved some enhancements to existing infrastructure which was done under the ICT Back Office business case.

Laois County Council were awarded the operation of the LGPAS which is housed in Portlaoise in County buildings and the LGPAS project team asked that the LGMA provide the enabling technologies as much as possible. This has led to the LGMA providing a hosted shared desktop solution to the LGPAS users which includes access to HPS for all the local authorities, a new hosted email solution, call centre technology delivered via the hosted shared desktop, Sugar CRM and normal office applications. A significant advantage for the Laois shared desktop was that hardware from the Household Charge could be reused and provided to Laois at no charge, in the form of iGels (thin clients), monitors, keyboards, mice and headsets. Work on these enabling technologies is still ongoing with a view to building a solution that facilitates all other shared services projects for the sector.

ePayments

The ePayments system is a web based payments processing solution, where online payments happen in real-time. Payments can be made using Debit or Credit cards. In addition to being web based, payments can also be made over the phone using IVR.

The system is centrally hosted by the LGMA, where standard forms are provided for a given service. The range of payment options are fines/waste charge/licenses etc. Since the introduction of the ePayments, system in 2003, over 1,496,612 transactions has been processed through the system accounting for over €125 million. The system is in use in all local authorities and in organisations within the sector. In 2013 there were 160,495 transactions and over €13 million processed through ePayments. Of this total amount, local authorities collected €5.3 million.

Franchise

There are two primary applications that are used for the Franchise function in local authorities, namely the Register of Electors (iReg) and Check the Register (eReg). The former enables the back office maintenance of

the Register of Electors in each of the 34 Electoral Authorities as well as the generation and publication of both the Draft and Live Registers. eReg is an online application that enables the public to check their own registration status.

Version 3.6.3 of iReg was rolled out to all local authorities in 2013. The Abortion Referendum was held in 2013 and support was provided to the local authorities by the franchise team. In addition, a decision to publish the polling cards centrally for the referendum was made by the Department of Environment, Community and Local Government. The LGMA obtained all of the iReg databases from the local authorities and prepared the data so that these polling cards could be printed.

The Boundary changes report was published in 2013 and a workshop and advice was provided to all local authorities on the implementation of the boundary changes.

Support was also provided to the merging authorities of North and South Tipperary, Limerick City and County and Waterford City and Council on the merging of their iReg applications.

In addition to the 2 primary applications, the application eCount, which is used by the returning officers on the day of the election, is also supported by the LGMA. The franchise team dealt with over 650 queries in 2013.

Geographical Information Systems

- gPlan

The gPlan application enables members of the public to view and query planning applications in a mapping environment. There are 26 separate implementations of gPlan.

- PlanIGIS

There are currently 16 implementations of the PlanIGIS application, which is used for the generation of the map register in local authorities.

- Spatial Intranet Application

The SIA is still the Corporate Browser of choice in most Local Authorities.

- GIS User Group.

The Agency has facilitated four GIS User Group Meetings in the period under review. These meeting normally take place quarterly and are always very well supported with almost all Local Authorities represented. They provide an opportunity for GIS officers to discuss issues, share experiences and view new GIS developments and software.

- IRLOGI

The LGMA is represented on the executive committee of IRLOGI (Irish Organisation for Geographic Information), the umbrella organisation for GIS in Ireland.

Planning Application

The suite of applications to support the planning function in local authorities are as follows:

- ➤ iPlan the planning application for the management of planning applications from receipt to determination in local authorities.
- ➤ Planning enforcements application for the management of the enforcement process.
- ➤ Preplan to manage the preplanning submission process.
- ➤ Quarry plan for the recording of quarries under the 2003 Planning Act
- ➤ ePlan for online enquiries of planning applications.

Support was provided to the merging authorities or Waterford City and County, Limerick City and County and North and South Tipperary in 2013. Support was provided on the enforcement and quarry applications but no development work is planned for these in the immediate future. The Planning team dealt with in excess of 250 queries in 2013.

Service Desk LGMA

The LGMA have in place a Service Desk for the management of all support queries from our customers both in local authorities and within the sector at large. The LGMA has over 91 non-local authority customers and all the local authorities. The 'Service Desk' complies with ITIL (Information Technology Infrastructure Library) standards.

The LGMA responded to over 10,500 support calls in 2013. LGMA teams providing support include Network Services team, the KMC team and Internal IT.

ICT Consultancy

ICT Consultancy is delivered to those local authorities who subscribe to the Enhanced Services group. In 2012/2013 a total of ten local authorities subscribed to the service and also the NRDO in Kildare. Services include Exchange 2003/2010 server migrations, Security Audits, Windows Desktop Services, WAN/LAN design and implementation, Wireless enterprise solutions, Library solutions, Water treatment plant solutions, network security & provision of 3rd level support. It also provides support of National Active Directory Forest and National Exchange Organisation which currently contains 25 domains each of which has one or more Exchange servers.

The following were noteworthy in 2012 / 2013:

- ✓ Two local authorities had security audits and associated remedial work based on the ISO 27001 Standards carried out on their networks.
- ✓ Two local authorities' WAN were upgraded to next generation networks (NGN).
- ✓ Bespoke training on their local authority network was delivered to two local authorities.
- ✓ ISP Redundancy was implemented in two local authorities.
- ✓ Two local authorities were upgraded to Microsoft Exchange 2010 from 2003.

Development & Maintenance of LGMA Infrastructure

Development & Maintenance of Infrastructure includes all aspects from physical infrastructure building and maintenance to the creation and trouble shooting of VPNs between the LGMA Data Centres and the customer sites.

The following were noteworthy in 2012 / 2013:

- ✓ The core 6509 switches in the Phoenix House data centre were replaced with newer 4510 switches.
- ✓ A Packet Shaper was implemented in the Revenue data centre. The purpose of the Packet Shaper is to control the flow of data in and out of the data centre to ensure that a single customer does not flood the bandwidth.
- ✓ The VMware environments in both data centres were upgraded to ensure the best use of resources in the virtual environment.
- ✓ The management networks in both data centres were migrated to a new switching structure.
- ✓ Upgrade of servers in Phoenix House and Revenue which act as a hub for inter-council email and Active Directory replication in the National Active Directory Forest and the National Exchange Organisation. Servers on old hardware were decommissioned.

Local Authority Mergers

- Tipperary merger

⟹ *New domain created*

Active Directory account migration completed

Exchange 2003 migration to a highly resilient Exchange 2010 implementation

- Waterford merger

⟹ *New domain created*

Active Directory account migration planned.

Exchange 2003 migration to a highly resilient Exchange 2010 implementation planned

Shared Services Centre:

Significant achievements during the period of review included:

- Creation of a one-domain Microsoft Active Directory Forest with two Domain Controllers in Phoenix House and two in Revenue;
- Creation of a highly resilient Exchange 2010 implementation with three Exchange servers in Phoenix House and three in Revenue.

Hosting

The LGMA primary hosting Service and associated infrastructure is located in Revenue Data Centre and secondary centre is in Phoenix House. The LGMA Hosting environment consists of redundant internet connections and redundant Government network connections. The internet connections utilise traffic shaping and bandwidth management in order to protect against traffic spikes and enforce fair usage. At perimeter and core levels, high throughput firewalls, in redundant pairs with intrusion protection systems, are used to examine all traffic received and transmitted through the data centre. The core and perimeter firewalls are sourced from different vendors.

Customer connectivity is provided by high capacity enterprise switches. These switches split the traffic into a front-end (internet facing) and back-end (database) DMZ structure connected by core firewalls. These DMZs are further protected by utilising a private VLAN structure. These VLAN solutions enable segregation of customers' data from web applications and isolation of customers' server from each other.

The LGMA offers both a high availability virtualization platform and high availability SAN in front-end and back-end DMZs. Both of these platforms have hardware redundancy built-in. This redundancy mitigates the risk of a hardware component causing an outage for a customer's server. For high profile high volume sites the LGMA can provide a load-balancing solution, that can either be achieved by using the LGMA's hardware load balancers or DNS multi-site solution.

By mid 2013 Hosting was providing services to 69 customers, comprising 22 Local Authorities and the remainder comprised Government Departments and Agencies. A total of 208 sites were hosted over half of which are for Local Authorities.

Ireland hosted the EU Presidency for the first 6 months of 2013 and we worked closely with Department of An Taoiseach to successfully host the high profile eu2013.ie website.

Shared Services

The Shared Services hosted in LGMA include NPPR, POW, eHegs, HPS Core, PPSN Checker, Extranet, MapRoad and Household Charge. During 2013 the operations team were heavily involved in working on the design and costing elements of the technical component of the business case for the Payroll and Superannuation Shared Services Project (PASUSS). The design for the new HPS environment was finalised and this led to the procurement of Oracle Enterprise licenses and a European Tender for the supply of Servers and associated products, which has recently been awarded to Dell. For security purposes, a new shared services forest was designed and built to host the shared services for the sector as they come on stream. This involved some enhancements to existing infrastructure which was done under the ICT Back Office business case.

Laois County Council was awarded the operation of the PASUSS which is housed in Portlaoise in County buildings and the LGMA are providing the enabling technologies as much as possible. This has led to the LGMA providing a hosted shared desktop solution to the PAUSS users which includes access to HPS for all the local authorities, a new hosted email solution, call centre technology delivered via the hosted shared desktop, Sugar CRM and normal office applications. Hardware from the Household Charge was reused and provided to Laois at no charge in the form of iGels (thin clients), monitors, keyboards, mice and headsets. Work on these

enabling technologies is still ongoing with a view to building a solution that facilitates all other shared services projects for the sector.

This redundancy mitigates the risk of a hardware component causing an outage for a customer's server. For high profile high volume, the LGMA can provide a load-balancing solution, which can either be achieved by using the LGMAs hardware load balancers or DNS multi-site solution.

SQL Services

Ongoing work during the year included database support of NPPR, POW, Agresso, ePlan, eReg, iReg, Check The Register, iDocs, gPlan, eHegs, iHouse and other 3rd party SQL applications.
The following are main highlights during the year:

- *Provision of the hosting of the EU Presidency database in our secure, highly available SQL cluster.*
- *Provision of the centralizing of the PMS\MapRoad system as a shared service.*
- *Ongoing implementations and migrations from Logicts to Revenue environment.*
- *Provision of consultancy and implementation assistance to local authorities in relation to virtualization, consolidation and update projects.*
- *Provision of consultancy and implementation assistance to local authorities in relation to local authority mergers.*
- *Many local authorities availed of the DBA team to provide consultancy on replication architecture and support to resolve issues.*
- *The DBA team provided considerable assistance to a number of LGMA applications including Agresso Upgrades, NPPR, POW, Check the Register, Generic Intranet, LVPC and iHouse (PPS Checker).*

Extranet

This service was used by a number of local authorities and central government agencies during the year as a public facing web site, or for collaboration purposes. The environment is built on a virtual platform cutting down on multiple servers used.

Electoral Register

The Electoral Register system was enhanced to incorporate the requirements requested by users. There was also a technical upgrade of the system to alleviate the issues users were having with newer versions of browsers and desktop software. Version 3.7 will be rolled out to all Local Authorities during 2014.

eReturns

There was an upgrade carried out to bring the technical architecture up to SQL 2008 and Windows 2008. The warehouse was also upgraded to SQL 2008.

The new three yearly cycle social housing assessment requirements were fulfilled including the data warehouse.

A system for traveller count was created with bespoke reporting and successfully employed by the DECLG.

Systems incorporated in eReturns i.e. RAS, Service Indicators, Landlord Returns are still being used by all Local Authorities, the DECLG and Revenue.

Travel & Expenses System

The travel and subsistence system was enhanced in 2013 to incorporate the requirements from the User group. Version 5.0 was rolled out to all Local Authorities by the year end.

The system was also modified to allow it to be used by the Mental Health Commission who will be going live in early 2014.

Local ICT Support for LGMA

Local ICT support for the LGMA is provided by the Internal IT team. This team supports both the Phoenix House and Local Government House buildings where all ICT services are centralised in Phoenix House. During the last year the ICT services in the LGMA have been updated to ensure an ongoing resilient service and to reduce the ICT support required.
Services provided by the Internal IT team are:

- Maintain servers, desktops and Laptops on the LGMA LAN including trouble shooting and support.
- Maintain LAN processes and procedures.
- Maintain LGMA LAN infrastructure including phone system, Household Charge, Protect our Water and NPPR call centres.
- Maintain and manage LAN services including authentication, wireless, anti-virus, email, mail archiving, encryption, content filtering etc

Industrial Relations Division

The Industrial Relations Division continues to take a lead role on behalf of the local authority sector, in negotiating national agreements and in negotiations and discussions with trade unions and staff representatives on all matters affecting local authorities. The Division also provides professional representation for local authorities at third party proceedings involving negotiation, mediation, arbitration and adjudication. In addition, the Division provides a comprehensive advisory service to all local authorities on employment and people management issues, which arise at local and national level.

Public Service Agreement 2010-2014 and Haddington Road Agreement

As was the case in previous years, the focus for the Division at national level during 2013 was on assisting in the implementation of initiatives arising out of the Public Service Agreement 2010-2014. The following national initiatives were included;

- Allowances review
- Standardisation of payment systems for Retained Fire-fighters - Phase 2
- Review of sick leave arrangements
- Shared services agenda

In addition, the Division was centrally involved in discussions which culminated in an extension to the Public Service Agreement (Haddington Road Agreement) which came into effect on 1st July 2013. The Division had a significant involvement in assisting local authorities in the implementation of the provisions of this new agreement, which included;

- Pay reductions for certain grades
- Working of free overtime
- Standardisation of the working week - Increased working hours

As a result of the new agreement the LAIC ceased to operate and was subsequently replaced by a sector specific Haddington Road Oversight Group.

The Division continued to play a central role at cross-sectoral level through its participation in the Public Service Monitoring Committee which is a cross-sectoral group, involving all public sector employers co-ordinating actions under the Public Service Agreements.

Representation

Representation by the Division on behalf of local authorities, at national and individual local authority level, at the Labour Relations Commission, Rights Commissioner Service, the Labour Court, The Equality Tribunal and the Employment Appeals Tribunal, continued throughout the reporting period. The Division represented local authorities at more than 200 cases in 2013. Consistent with previous years, the majority of cases were presented at first instance before the Labour Relations Commissioner or the Rights Commissioner Service. A move away from the traditional industrial relations cases to individual employment rights continues to be evident.

The Division represented Local Authorities on a number of cases that have come before the Labour Court under the provisions of the Public Service Agreement, 2010-2014, the outcome of these cases are binding on

the parties. As heretofore, at the request of individual local authorities, the Division participated and led negotiations at local level.

The Local Authority National Council is the primary industrial relations forum for the sector and continued to operate under the chairmanship of a senior official from the Labour Relations Commission.

Advisory Service

Staff of the Division continue to act as business partner to senior management in all local authorities in relation to individual local authority issues, employment legislation and national issues; in particular, the Public Service Agreement 2010-2014 and the Haddington Road Agreement.

General

During the reporting period, the Division dealt with and assisted Local Authorities on national issues relating to the transfer of County Enterprise Boards to Local Authorities, which is due to be finalised in 2014, the establishment of Irish Water, the job initiative scheme and the implementation of *Putting People First*.

Corporate Services Division

The Corporate Services section provides a comprehensive range of support services and structures to assist the Agency to effectively deliver on respective mandates and goals. These services include:

- ✓ Corporate governance
- ✓ Secretariat,
- ✓ Legal Matters
- ✓ Human Resources
- ✓ Pension Administration
- ✓ Facilities Management
- ✓ Health & Safety

Governance Arrangements

The legislation establishing the LGMA was amended during 2013 to provide for an additional ministerial appointment to the Board. The term of office for the Chairman of the Board was also extended under legislative amendment.

The Board of the LGMA is aware of the requirement to comply with the Code of Practice for the Governance of State Bodies 2009 and is committed to a culture of good governance with regular compliance reviews being undertaken.

Risk Management

Risk is a standing item on Board and Audit Committee agendas. The LGMA completed a comprehensive review of organisational risk in July 2013.

A risk management policy was reviewed and adopted by the Audit Committee of the LGMA, in compliance with the requirements of the Code of Practice for the Governance of State Bodies. Risk awareness training for key members of staff in each Division was carried out in October 2013 and an online risk management system which was developed by South Dublin County Council, will be implemented in-house.

As part of the Internal Audit Programme 2013 a review of organisational risk was carried out by Crowleys DFK (Internal Auditors) and findings were presented to the Audit Committee. The outcome of the review was consistent with the internal risk rating report.

Audit Committee

The Audit Committee are responsible for planning and reviewing the annual Internal Audit programme. As part of the audit programme, a review of Data Security and Risk Management was carried out with findings presented to the Audit Committee and recommended actions taken where practicable.
The Committee met the Local Government Auditor in November 2013 and reviewed the accounts and findings of the Local Government Audit.

Board Membership & Expenses

The membership of the Board is comprised of full time public service officials (8 County Managers and 3 Civil Servants). The majority of Board meetings are held in Local Government House (Dublin) requiring some members to travel from their respective office base. Committee meetings frequently coincide with the Board meeting schedule, to facilitate attendance at multiple meetings on a given day. Travel and Subsistence

expenses incurred are reimbursed at the rates applicable for the Civil Service. Expenses paid to Board members in relation to attendance at Board meetings amounted to €2,334.85 during the period.

In 2013, the following legislative amendment was made by the Minister:

"Article 6 of the Principal Order is amended as follows:
by substituting for paragraph 1 the following paragraph,
"(1) Not less than six and not more than eight members of the Local Government Management Agency shall be appointed by the Council and not less than one and not more than four members shall be appointed by the Minister.";
by inserting the following after subparagraph (3)(b),
" and
(c) one person, with relevant expertise in the services delivered by the Agency, as the Minister may appoint from time to time.";"

Member	Notes	No. Of Meetings Attended	Eligible to attend
Mr H Kearns Sligo County Manager	CHAIRMAN Retired October 2013	5	5
Mr M Malone Kildare County Manager	CHAIRMAN from Nov 13	5	6
Mr E Sheehy Wicklow County Manager		5	6
Mr P Carey Laois County Manager		6	6
Mr D McLoughlin South Dublin County Manager	Nominated in February 2013	5	5
Mr J Tierney Dublin City Manager	Resigned from Board April 2013	1	2
Mr M Riordan Cork County Manager		4	6
Mr M Walsh Waterford City Manager		2	6
Mr R O'Dwyer Senior Responsible Officer PMO	Nominated by Minister DECLG in July 2013 Resigned in Sept	0	1
Mr J. McCarthy Assistant Secretary DECLG	Nominated by Minister DECLG November 2013	1	1
Mr R. Mulhall Principal, DECLG	Nominated by Minister DECLG November 2013	1	1
Mr P McDonald Principal, DECLG	Resigned from Board Oct 2013	3	5
Mr B Quinlan Principal, DECLG	Resigned from Board Oct 2013	5	5
Mr D O'Connor Senior Responsible Officer PMO	Nominated by Minister DECLG November 2013	1	1
Mr D Enright Principal, DECLG	Resigned from Board Oct 2013	2	5

Salary – Chief Executive Officer

The salary applied to the CEO is equivalent to the Assistant Secretary maximum and amounts to €143,535pa. No bonuses payments apply to the post.

Corporate/ Human Resources

The Human Resources unit continued to support the organisation in ensuring the ongoing development of HR best practice to ensure a motivated and committed workforce. Training was undertaken by staff in the areas of ICT, Finance and soft skills. Five staff availed of the Agency's Educational Assistance Programme.

Proactive engagement with the Public Appointment Service in the area of redeployment assisted the Agency to meet with Employment Control Framework (ECF) limits imposed.

Phoenix House – Refurbishment Project

A refurbishment project was undertaken in Phoenix House during the year to upgrade the interior and external finish of the building.

Safety, Health & Welfare

The LGMA maintains a commitment to ensuring the safety, health and welfare of its staff through strict adherence to Health and Safety Standards/Codes of Practice and through the provision of appropriate training and safety awareness programmes. Staff undertook defibrillator, first aid and fire warden training during the year.

Public Lending Remuneration (PLR) Scheme

Public Lending Remuneration is a mechanism established by the Irish Government for authors to receive payment under the terms of PLR legislation in recognition of the loans of their works through the Irish public libraries.

Public Lending Right in Ireland was established by the Copyright and Related Rights (Amendment) Act 2007. The Act enables the Minister for the Environment, Heritage and Local Government to establish a Public Lending Remuneration scheme. The regulations establishing the scheme, S.I. No. 597 of 2008, were signed on 31st December 2008. The Copyright and Related Rights (Public Lending Remuneration Scheme (Amendment) Regulations 2013, S.I. No. 221 of 2013 were signed on 20th June 2013.

Management of the PLR Scheme

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

Author and Title Registrations

16,334 authors from 43 countries were registered for the PLR system at the end of PLR year 2013, and details of 319,404 titles were entered on the PLR register.

PLR Payments 2013

The Department of Environment, Community and Local Government provided €240,000 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 5.06 cent.

The 2013 PLR payment calculation was based on a total of 5,012,331 eligible loans. A total of 5,483 authors from 19 countries qualified for a payment in 2013, with 17 authors receiving the maximum payment.

Communications and Publicity

The PLR Office issued a national press release on public library borrowings to the media and library authorities.

PLR International Conference

An international Public Lending Right (PLR) conference, hosted for the first time in Ireland took place in Farmleigh House on September 26th and 27th. The 10th international PLR conference brought together international representatives from PLR offices, authors' organisations and other agencies from Western and Eastern Europe, Canada, USA, South Africa and Taiwan under the aegis of the International PLR Network.

This conference provided a unique opportunity for the PLR representatives to exchange information on recent issues, discuss common problems and promote the development of PLR in new countries.

The conference was opened by the Minister for State, Department of the Environment, Community and Local Government, Ms. Jan O'Sullivan, T.D. and was hosted by Libraries Development, Local Government Management Agency. The Registrar made a presentation on the Irish PLR Scheme.

LOCAL GOVERNMENT MANAGEMENT AGENCY

Audited Financial Statements

For year to 31st December 2013

Local Government Management Agency

Contents

LOCAL GOVERNMENT MANAGEMENT AGENCY

REPORT OF THE LOCAL GOVERNMENT AUDITORTO 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 2013. The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

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 local government 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 if I have not 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 principles and practice of local government audit. 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 2013 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.

Matters on which I report by exception

I report by exception if
- I have not received all the information and explanations I required 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.

The Board should adopt a strategic plan as per paragraphs 2.12 to 2.15 of the Code of Practice for the Governance of State Bodies.

Signed: *ABrennan*

Anne (N.) Brennan
Local Government Auditor
Date 21 May 2014

Local Government Management Agency

Statement on Internal Financial Control

For the year ended 31 December 2013

1. On behalf of the Board of the Local Government Management Agency, I acknowledge our responsibility for the system of internal financial control in the agency and for putting in place processes and procedures for the purpose of ensuring that the systems 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.
- Adopting the principles of corporate governance contained in the Code of Practice for the Governance of State Bodies, including:
    - Affirmation of compliance with procurement guidelines as set out in the Code.
    - 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.

The Board has established 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.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation and accountability. In particular it includes:

- 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.
- Formal project management disciplines.

Local Government Management Agency

Statement on Internal Financial Control
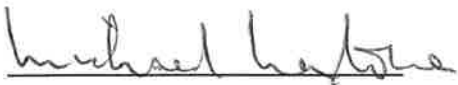
For the year ended 31 December 2013

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

The Internal Auditors operates under the Audit Committee of the Board. The Audit Committee meets on a regular basis but not less than four times a year, to review reports prepared by the Internal Auditors. The Audit Committee reports regularly to the Board in relation to the matters it has considered.

I confirm that, for the year ended 31 December 2013, the Audit Committee, on behalf of the Board, conducted a review of the effectiveness of the system of internal financial control.

On behalf of the Board:

Chairperson of the LGMA

Date   27 March 2014

Local Government Management Agency

Statement of the Board Responsibilities

For year ended 31 December 2013

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.

Legislation was put in place to transfer the functions of the Local Government Computer Services Board (Transfer of Function of the Local Government Computer Services Board Order 2012) and of the Local Government Management Services Board (Transfer of Function of the Local Government Management Services Board Order 2012), to the LGMA.

The Establishment and Amending Orders of the Local Government Computer Services Board and the Local Government Management Services Board were revoked by the Local Government (Miscellaneous Provisions) Act 2012 (No 17 of 2012).
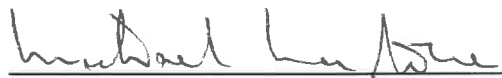
This legislation further provided for the dissolution of An Comhairle Leabharlanna (The Library Council) and for the transfer of its functions. From 1 November 2012, the functions of An Comhairle Leabharlanna transferred to the Library Development Unit of the LGMA.

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 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 its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson

CEO

Date   27 March 2014

Local Government Management Agency

Statement of Accounting Policies

Year to 31 December 2013

1. Basis of Accounting

The financial statements have been prepared under the historical cost convention and have been prepared on an accruals basis, except as noted below, and in accordance with Generally Accepted Accounting Practice. Financial Reporting Standards are adopted as they become applicable.

Collections made under the following headings are recorded on a cash basis:

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

2. Local authority contributions and Income Recognition

The primary income source of the Local Government Management Agency is from contributions made by local authorities. The basis of the contributions is by way of agreed allocation of the annual budget. Income is recognised on an accruals basis.

3. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the cost of fixed assets over their estimated useful lives.

The following rates of depreciation are applied on a straight line basis:

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

4. Salaries

The salary scales of the Agency are related to salary scales paid to local authority staff.

Local Government Management Agency

5. Superannuation

Superannuation deductions from payroll are credited to income, in accordance with practice in local authorities. Annual pension payments under the scheme are charged to Income and Expenditure Account as they occur. Lump sum payments on retirement are funded from the Agency's Special Reserve.

6. Special Reserve

The Special Reserve was established to provide for lump sum payments for retiring employees. Annual sinking fund contributions are credited to the Special Reserve. The Investment Account, shown under current assets, shows the amounts received, less disbursements, invested for this purpose.

7. Software Development

Expenditure on development of software systems is charged to the Income and Expenditure Account in the year in which it arises.

8. Stocks

All stocks, including consumables are written off in the year of purchase.

Local Government Management Agency

INCOME & EXPENDITURE ACCOUNT

FOR YEAR ENDING   31st December   2013

INCOME	Notes	2013	September to December 2012
		€	€
Local authority contributions		10,707,561	3,809,436
Retained Superannuation deductions		375,471	114,996
Sinking Fund contributions		241,501	76,492
Recoupment of costs-Household Charge		1,689,331	1,428,537
Other Income	1	6,844,623	1,816,977
NPPR receipts	2	103,579,646	10,088,375
Household Charge collections	3	23,428,934	13,108,501
Protect our Water Registration fee	4	7,664,413	1,295,319
Shared Services central funding	5	2,293,223	
LA National Partnership Advisory Group	9	15,489	
Total Income		156,840,193	31,738,633

EXPENDITURE	Notes	2013	September to December 2012
Remuneration and other pay costs		8,000,263	2,824,637
Travel and accommodation expenses		186,637	129,152
Training & Development		212,008	46,609
IT Operating costs	6	6,816,737	1,556,139
Establishment costs	7	720,134	529,611
Administration costs	8	476,333	146,900
Household Charge development & operating costs		1,689,330	1,428,537
Depreciation		635,967	242,960
Shared Services centrally funded costs	5	2,107,871	-
LA National Partnership Advisory Group	9	15,489	(22,726)
NPPR payments	2	103,579,646	10,088,375
Household Charge payments	3	23,428,935	13,108,501
Protect our Water payments	4	7,664,413	1,295,319
		155,533,763	31,374,015
Surplus for period		1,306,430	364,618
Transfer to Special Reserve-Sinking Fund	15	241,501	76,492
Retained surplus for period		1,064,929	288,126

_____ Chairperson

_____ CEO
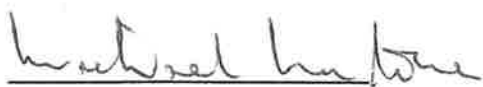
Local Government Management Agency

BALANCE SHEET

as at   31st   December   2013

	Notes	2013 €	2012 €
Fixed Assets	11	8,158,185	8,514,947
Current Assets:			
Cash & Bank	12	19,925,804	16,900,370
Debtors & Prepayments	13	1,013,860	2,306,902
Investment Account		3,933,875	2,507,108
		24,873,538	21,714,379
Curent Liabilities:			
Creditors & Accruals	14	11,668,171	11,357,469
Net Current Assets		13,205,367	10,356,911
Net Assets		21,363,553	18,871,857
Financed by:			
Reserves General Reserve	15	12,224,473	11,087,250
Special Reserve	16	3,933,875	2,507,108
Revaluation Reserve	17	5,205,205	5,277,499
		21,363,552	18,871,857

_____
Chairperson

_____
CEO

Local Government Management Agency
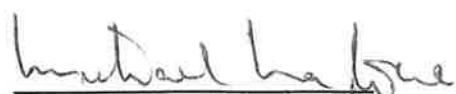
Cash Flow Statement

FOR YEAR ENDING   December   2013

	2013 €	2012 €
Net Cash Inflow (Outflow) from Operating Activities		
Surplus for Year on General Reserve	1,064,929	364,618
Interest earned	(65,939)	(28,987)
Depreciation	635,967	243,113
(Increase) Decrease in Debtors	1,293,042	624,724
Increase (Decrease) in Creditors	310,703	(4,674,983)
Net cash from operating activities	3,238,702	(3,471,513)
Cash flows from investing activities		
Payments to acquire Tangible Fixed Assets	(279,206)	(25,410)
	(279,206)	(25,410)
Casf flow from financing activities		
Bank Interes received	65,939	28,987
Increase in Sinking fund investment	1,426,766	
	1,492,705	28,987
Total Cash Inflow / (Outflow)	4,452,201	(3,467,936)

Increase (Decrease) in Cash and Cash Equivelents

	01/01/2013 €	31/12/2013 €	Change
Cash at Bank & in hand	16,900,370	19,925,804	3,025,434
Short Term Investments	2,507,108	3,933,875	1,426,767
	19,407,478	23,859,679	4,452,201

Chairperson

CEO

NOTES TO THE ACCOUNTS

FOR YEAR ENDING   **31st December**   **2013**

INCOME

		2013	2012
1	**Other Income**	€	€
	Government Data Centre	875,485	229,720
	HR, Payroll & Superannuation	1,722,622	74,771
	Roads Projects	1,196,865	472,993
	ePayments	440,282	165,071
	Housing	333,540	75,065
	Library Development Unit	598,055	93,001
	eHEG	123,620	410
	Web Technologies	100,022	15,500
	Financial Management System (FMS)	1,187,088	378,588
	Recharged Expenditure & other income	179,920	263,635
	Deposit Interest	65,939	28,987
	Training & Conferences	21,185	19,236
		6,844,623	1,816,977

		€	€
2	**Non Principal Private Residence Charge (NPPR)**		
	Gross collections	103,579,646	10,088,375
	Disbursements to local authorities	102,561,986	9,921,948
	Development and operating costs	1,017,660	166,427
	sub total	103,579,646	10,088,375
	Equipment purchased	-	-
		103,579,646	10,088,375

3	**Household Charge**		
	Gross collections during year	23,428,934	13,108,501
	Remitted/to be remitted to Local Local Government Fund	23,428,935	13,108,501
	Collections to be processed	<0>	
		23,428,934	13,108,501
	Development and operating costs	1,689,330	1,428,537
	Claimed/Claimable from DoECLG during year	1,689,331	1,428,537

NOTES TO THE ACCOUNTS

FOR YEAR ENDING   31st December   2013

INCOME

		2013 €	2012 €
4	**Protect our Water registration fee:**		
	Gross collections	7,664,413	1,295,319
	Disbursements to local authorities	6,000,000	-
	Development and operating costs	1,413,268	1,184,943
	sub total	7,413,268	1,184,943
	Balance on hand	251,145	110,376
		7,664,413	1,295,319

5   Shared Services central funding

During 2013, the LGMA became the body responsible for administering the collection of costs and making funding claims to the Department of the Environment , Community and Local Government on behalf of those local authorities that are the lead authorities for shared services. The Programme Management Office was the co-ordinating body.

			2013 €	2012 €
Central Funding received			2,293,223	
Costs incurred		Current	2,107,871	
		Capital	200,151	
	Total	Costs	2,308,022	
Non claimable costs			14,799	

EXPENDITURE

		€	€
6	**Operating Expenses**		
	Consultancy	82,311	80,609
	Software Development, Support & Licences	5,619,229	1,260,750
	Infrastructure costs	285,218	55,792
	Online Payment costs	437,479	158,988
	Central funding distribution	392,500	
		6,816,737	1,556,139

NOTES TO THE ACCOUNTS

FOR YEAR ENDING   **31st December**   **2013**

		2013 €	**2012** €
7	**Establishment costs**		
	Rent and rates	169,099	51,696
	Light and heat	179,152	61,306
	Maintenance, repairs and security	371,882	416,609
		720,134	529,611

		€	€
8	**Administration costs**		
	Personnel	22,398	6,136
	Telephones, postage and stationery	205,491	61,615
	Interest and charges	3,705	1,376
	Audit fees	23,333	10,000
	Professional fees	130,431	36,656
	Insurances	46,533	13,894
	Miscellaneous	44,441	17,223
		476,333	146,900

9   Local Authority National Partnership Advisory Group (LANPAG)

	€	€
Income:		
Grant income	15,489	-
Deposit Interest	-	-
	15,489	-

Expenditure		
Partnership Review		
Return to Learning and Training		
Local Authority Subvention		
Travel & Subsistence	1,316	1,775
National and Regional Projects	13,848	<25,940>
Bank Interest & Charges	276	60
General expenses	50	1,226
Depreciation of Office Equipment		154
	15,489	<22,726>
Surplus/(Deficit) for year		22,726

Reserves

Opening Balance	102,916	102,916
Surplus/(Deficit) for year		22,726
Closing Balance	102,916	125,641

NOTES TO THE ACCOUNTS

FOR YEAR ENDING   **31st December**   **2013**

10   Fixed Asset Schedule

	Premises	Fixtures & Fittings	Computer Equipment	Office Equip & Furniture	Training Equipment	Total
COST	€	€	€	€	€	€
Accumulated Cost as at 01/01/2013	9,186,625	1,809,326	1,614,291	597,453	20,902	13,228,598
Disposals						
Additions			279,206			279,206
Accumulated Cost as at 31/12/2013	9,186,625	1,809,326	1,893,497	597,453	20,902	13,507,803
DEPRECIATION						
Accumulated Depreciation as at 01/01/2013	1,884,492	1,196,534	1,076,997	536,876	18,751	4,713,651
Disposals						
Charge for Year	183,733	171,601	263,346	15,137	2,151	635,967
Accumulated Depreciation as at 31/12/2013	2,068,224	1,368,135	1,340,343	552,013	20,902	5,349,618
Net Book Value as at 31/12/2013	7,118,401	441,191	553,153	45,441		8,158,185
31/12/2012	7,302,133	612,792	537,294	60,577	2,151	8,514,947

11   Cash at bank and on hand

	2013 €	2012 €
LGMA bank accounts	10,867,313	9,216,424
NPPR bank accounts	5,157,147	2,481,573
Household Charge	2,711,426	3,580,351
Protect our Water	822,421	1,050,681
LANPAG	367,497	571,341
	19,925,804	16,900,370

NOTES TO THE ACCOUNTS

FOR YEAR ENDING   **31st December**   **2013**

		2013	2012
12	**Debtors & Prepayments**	€	€
	Debtors	459,261	538,882
	Prepayments & Accrued Income	554,599	1,964,463
		1,013,860	2,503,345

		2013	2012
13	**Creditors and Accruals**	€	€
	Creditors - Trade	23,891	1,119,912
	Accruals and Prepaid Income	11,644,280	10,237,557
		11,668,171	11,357,469

14   **General Reserve**

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

		2013	2012
15	**Special Reserve**	€	€
	Opening Balance	2,507,108	2,430,616
	Local authority contributions in period	241,501	76,492
	Interest earned	90,204	-
	Additional funds-from former LGMSB	1,099,937	-
	Lump sum pension payments	<4,876>	-
		3,933,874	2,507,108

16   **Revaluation Reserve**

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.