

## **Report of Limerick City and County Council Audit and Risk Committee on the Local Government Auditor's Statutory Report for the Year 2024**

**To: The Mayor, Príomh Chomhairleoir and Each Member of Limerick City & County Council**

A Chomhairleoir, a Chara,

The Local Government Audit Service has produced a Statutory Audit Report for the year ended 31<sup>st</sup> December 2024 in respect of Limerick City and County Council. In accordance with Section 60 of the Local Government Reform Act 2014, the Audit Committee must review this report, assess any action taken by the Director General in response to the report, and bring its findings to the Council.

At a meeting held on 26<sup>th</sup> November 2025, the Audit and Risk Committee met the Local Government Auditor and reviewed the Statutory Audit Report for the year ended 31<sup>st</sup> December 2024.

The Committee welcomed the Auditor's opinion on the AFS which was unmodified and the assurance from the Auditor that the financial statement was free from material misstatement.

The Audit & Risk Committee (ARC) noted the 2024 Statutory Audit Report for Limerick City and County Council for the year ended 31<sup>st</sup> December 2024 and welcomed the assurances, observations and insights it contains and its identification of matters which should be addressed. The Committee also noted the commitment by LCCC management to respond to the recommendations. The ARC will adapt its draft work programme for next year to include issues raised in the Report and throughout 2026 will monitor progress on the issues raised by the Local Government Auditor.

The ARC makes the following observations:

- The Committee is pleased to note that the Council recorded a surplus of €27k after making net transfers to reserves of €7.6m. The ARC also noted that Members' approval for the expenditure in excess of the annual budget (as required by Section 104 of the Local Government Act 2001), was obtained at the Council meeting of 26 May 2025.
- The Committee welcomes the fact that in 2024, both the rates arrears and the rates bad debt provision decreased by €0.8m to €3.1m (the provision was deemed adequate in a review).
- The ARC commends the decrease in rates arrears of €1.2m and the increase in Housing Loan collection by 1% to 88%. The Committee supports the LGA's assessment that such improvements were aided by strengthening of resources (staffing and ICT).
- The Committee notes the issues raised by the LGA regarding:
  - the review process for capital expenditure
  - housing capital projects with debit balances
  - growing concern about long term rent arrears
  - Development Contribution income: while the amount collected increased, the amount owed by some development contribution debtors also increased
  - the need to expedite the draw down of funding, particularly for capital projects
  - ensuring fulfilment of loan agreement terms
  - the pressure on resources due to current and future pension payments
  - the necessity to monitor small as well as large income streams
  - the importance of proactive risk management

- With regard to the Limerick's 54 AHBs, the Committee notes the LGA's highlighting of continued progress in implementing the recommendations set out in *the Local Government Audit Service Value for Money Report No. 29*. The ARC (bearing in mind the high number of AHBs in Limerick) also notes the Report's reference to the Council's responsibility to ensure that adequate oversight, monitoring and reporting arrangements are in place to ensure compliance with the relevant regulatory frameworks.
- The ARC endorses the LGA's recommendations with regard to procurement and notes the DG's commitment to ensure implementation of the recommendations about continuing to support the Procurement Unit and facilitate the provision of advice on procurement best practice, to other LCCC divisions, as appropriate.
- The Committee values the general and specific observations on Local Authority Companies and endorses the recommendation that the Council should ensure strong oversight, monitoring and formal reporting arrangements are in place for all Local Authority companies. We welcome the DG's commitment to review and strengthen the governance processes for Associated Companies.
- The ARC welcomed the LGA's outlining of the funding arrangements for the Mayor's Programme and the references to the 2024 Circular which sets out the governance arrangements and expenditure criteria that apply under the Mayoral Fund Framework.

Any queries raised by the Audit Committee were addressed by the Local Government Auditor, Director General, Head of Finance and Internal Audit. The ARC had a confidential meeting with the LGA team which was wide-ranging and instructive.

The LGA Report provides insights on other issues ranging from Payroll & Pensions to Event Management and Governance & Propriety. The observations and recommendations of the LGA and the interaction between the LGA and LCCC contribute to promoting good financial management within the Council. Like the LGA audit team, the Audit Committee appreciates the courtesy and co-operation we receive from Council employees at all levels.

On behalf of the Audit and Risk Committee I recommend this report to the Council for noting.

Is mise, le meas,



**Dr Bríd Quinn**

**Chairperson of the Audit & Risk Committee**

**26<sup>th</sup> November 2025**