

**COMHAIRLE CONTAE ÁTHA CLIATH THEAS  
SOUTH DUBLIN COUNTY COUNCIL**



**MEETING OF SOUTH DUBLIN COUNTY COUNCIL**

**Monday, 8<sup>th</sup> of December 2025**

**Headed Item No.10**

**Audit Committee report to Council on its consideration of the audited Annual Financial Statement 2024 and auditor's report.**

**REPORT:**

**1. Introduction**

At the Audit Committee meeting on the 21<sup>st</sup> of November 2025, the Principal Local Government Auditor attended to review and discuss his audit report concerning the Council's Annual Financial Statement for 2024. South Dublin County Council's Head of Finance was also present to provide additional information as needed. Questions raised by committee members were addressed by the Auditor and/or the Head of Finance, and the committee was satisfied with the responses provided.

The issues highlighted by the Auditor were reviewed and discussed by the committee, along with the Chief Executive's responses included in the audit report. In line with Section 60 of the Local Government Act 2014, I outline below the Committee's report on the key issues examined and our overall conclusions.

**2. Financial Standing**

The committee acknowledged the Council ending the year in a balanced position with the cumulative revenue surplus remaining at €12.4m. The committee also observed financial changes throughout the year including a €46.6 million increase in government debtors and noted the reason given for the increase.

### **3. Income Collection**

The Local Government Auditor summarised the collection yields from Commercial Rates, Rents and Housing Loans in 2024 and the committee noted these figures.

In reviewing the commercial rates performance, the committee noted that the collection yield remained steady at 92%, accompanied by a €1m reduction in arrears to €13.7m. It was further noted that customers in arrears totalled €16.6m, while customers in credit amounted to €2.9m. The committee welcomed the improvement across all arrears categories. The committee further noted the Council's commitment to maintaining a prudent and robust bad debt provision.

The committee noted the improvement in the collection yield to 80%, alongside a €184k reduction in tenant arrears to €12.8m, excluding overpaid accounts. It was observed that the number of tenants owing over €10k increased to 265, with a further €7.9m owed by 2,174 tenants in the €1k–€10k category. The committee also noted the rise in RAS and long-term lease arrears to €1.9m, representing a 25% increase. The completion of an exercise to clear inactive zero-balance accounts was welcomed, though year-end adjustments remain outstanding. A bad debt provision of €6.2m was considered appropriate.

The committee noted the reduction in housing loan arrears by €437k, reflected in an improvement in the collection yield to 92% for 2024. While overall performance was positive, the committee acknowledged the continuing concern regarding accounts with arrears exceeding €10k, which require ongoing engagement and close monitoring to ensure progress in recovery. It was further noted that the Council maintains a bad debt provision of €1.3m to mitigate potential principal and interest losses, and this level of provision is considered appropriate. The committee also considered the Chief Executive's response outlining the collaborative approach taken to address significant arrears.

The committee noted the Debt Management Unit staffing levels and observed that while the Council has a process it does not currently have a documented bad debt provision policy. The committee welcomed the Chief Executive's response outlining plans to formally document the process.

### **4. Control of Council Land**

The committee noted the progress made in completing a comprehensive property interest register encompassing all Council land holdings. It was acknowledged that further work is required to ensure all assets are properly registered in the Council's name and fully reconciled with Land Registry records. The committee considered the Chief Executive's response outlining the planned verification process to ensure full and accurate registration of all relevant properties.

## **5. Capital Account**

The committee noted the presentation of the 2025–2027 Capital Programme, comprising 198 projects with an estimated cost of €1,747m. It was further noted that funding will derive primarily from central grants, supplemented by revenue contributions and development levies. The committee noted the capital account surplus at year end of €504m and the associated credit balances.

The committee welcomed the overview of activity in relation to capital projects during 2024 and noted the Chief Executive's responses in relation to actions to be undertaken to improve governance practices.

## **6. Voluntary Housing and Approved Housing Bodies**

The committee noted that the occupancy register for properties managed under Approved Housing Body schemes remains incomplete, with tenant information not yet fully recorded. It was acknowledged that the absence of a comprehensive register limits the Council's ability to provide assurance that tenancies have been allocated in line with scheme guidelines. The committee welcomed that a dedicated staff resource has been assigned to maintain the register and that current records are up to date, with historical data being transferred to the integrated housing system.

## **7. Development Contributions**

The Local Government Auditor summarised the Development Contribution Waiver Scheme which commenced in 2023. This was noted by the committee as was the Chief Executive's response confirming that the Planning Department is preparing to monitor the Temporary Waiver Scheme, including reconciliation of Part V units with the Council's housing department and the Department of Housing, Local Government and Heritage, ahead of the scheme's completion in December 2026.

## **8. District Heating**

The committee noted the overview of the District Heating project provided by the Local Government Auditor. The project, with a final account of €9.9m, was funded through Climate Action and EU Interreg grants, an interest-free ESCo loan, and Council resources. The Chief Executive highlighted the project's 1,265-ton CO<sub>2</sub> savings in 2024 and outlined plans to expand the network, incorporate thermal storage, and explore Phase 2 funding with the Department of Climate, Energy and the Environment. The committee welcomed this development.

## **9. Corporate Affairs & Governance**

The committee noted the inclusion of the Statement on Internal Financial Control (SIFC) and Governance Statement in the publication of South Dublin County Council's 2024 Annual Report, in accordance with Circular LG08-2025. The SIFC, signed by the Chief Executive, summarises the Council's financial standing and internal controls, while the Governance Statement, signed by the Mayor and Chief Executive, confirms compliance with the Local Government Code of Governance.

The committee noted the output of Internal Audit in 2024 and the measures to address an increase along with compliance reporting on EU co-funded projects for audits scheduled in 2026.

The committee noted that it only met three times in 2024 due to extenuating circumstances. The outgoing committee did assess that it had fulfilled its other statutory obligations during its term. The current Audit Committee is on track to complete five meetings in 2025.

The committee noted that the Council’s dedicated Procurement Unit, comprising seven staff including the Procurement Officer, is supported by the Procurement Steering Group, which met four times in 2024. The Chief Executive highlighted the integration of the Procurement section into the Finance Department and the development of a comprehensive sustainable procurement policy to align with best practice and regulatory requirements.

The committee noted the companies in which the Council holds an interest, all audited by private firms. It was further noted that the Council is responsible for ensuring proper governance and propriety, with Directors appointed to safeguard the public interest and ensure compliance with statutory and ethical obligations.

**10. Conclusion**

After reviewing the report from the Local Government Auditor and engaging in discussions with him, the Audit Committee is satisfied with the progress achieved in recent years regarding governance enhancements, process and system improvements, and acknowledges the active advancements being made in addressing ongoing issues.

The Audit Committee will continue to monitor progress on outstanding issues as part of their work programme by receiving and considering updates from Management.

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