



STATUTORY INSTRUMENTS.

S.I. No. 226 of 2014



LOCAL GOVERNMENT (FINANCIAL AND AUDIT PROCEDURES)
REGULATIONS 2014

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ARRANGEMENT OF REGULATIONS

PART 1
GENERAL INTERPRETATION

PART 2
BUDGET

PART 3
AUDIT

PART 4
COLLECTION OF RATES BY RATING AUTHORITIES

PART 5
RATES ON VACANT PREMISES

SCHEDULE OF PRESCRIBED FORMS

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LOCAL GOVERNMENT (FINANCIAL AND AUDIT PROCEDURES)
REGULATIONS 2014

I, PHIL HOGAN, Minister for the Environment, Community and Local Government, in exercise of the powers conferred on me by section 71 (4) (inserted by section 31 of the Local Government Reform Act 2014 (No. 1 of 2014)) of the Local Government (Dublin) Act 1930 (No. 27 of 1930), section 20 (4) (inserted by section 31 of the Local Government Reform Act 2014 (No. 1 of 2014)) of the Cork City Management Act 1941 (No. of 5 of 1941), sections 4, 6, and 14 (4) (inserted by section 31 of the Local Government Reform Act 2014 (No. 1 of 2014)) of the Local Government Act 1946 (No. 24 of 1946) and sections 3, 4, 111 (as amended by section 58 of the Local Government Reform Act 2014 (No. 1 of 2014)) and 118 of the Local Government Act 2001 (No. 37 of 2001) (as adapted by the Environment, Heritage and Local Government (Alteration of Name of Department and Title of Minister) Order 2011 (S.I. No.193/2011), hereby make the following regulations:—

PART 1

GENERAL INTERPRETATION

Citation

1. These Regulations may be cited as the Local Government (Financial and Audit Procedures) Regulations 2014.

Commencement

2. These Regulations shall come into operation on the 1 June 2014.

Interpretation

3. (1) In these Regulations—

“direction” means a direction in writing for the purposes of these Regulations;

“general municipal allocation” — means discretionary funding which is made available to municipal district members for allocation in the draft budgetary plan;

“valuation” means a valuation within the meaning of the Valuation Act 2001 of a property entered on a valuation list;

“valuation list” has the meaning assigned by section 21 of the Valuation Act 2001;

“value of relevant property” has the meaning assigned to it by the Valuation Act 2001.

*Notice of the making of this Statutory Instrument was published in
“Iris Oifigiúil” of 30th May, 2014.*

References to accounting code of practice

4. These Regulations and the accounting code of practice issued under section 107 of the Local Government Act 2001 shall be read together and construed as one.

Prescribed forms

5. The forms set forth in the schedule of prescribed forms to these Regulations shall be the prescribed forms for the respective purposes for which they are expressed to be applicable.

PART 2

BUDGET

Draft budgetary plan

6. (1) A draft budgetary plan shall be prepared for each municipal district.
- (2) The draft budgetary plan shall set out the General Municipal Allocation and its proposed application for the forthcoming local financial year.
- (3) The draft budgetary plan shall be considered by the municipal district members at a meeting—
- (a) which is held during a period directed by the Minister,
 - (b) of which not less than 7 days notice has been given to every municipal district member, and
 - (c) which concludes no later than 21 days prior to the local authority budget meeting.
- (4) A copy of the draft budgetary plan shall be sent to municipal district members not less than 7 days before the day on which the meeting under paragraph (3) is to be held.

The format and service of the demand of a joint body or regional assembly of its estimate of expenses on a relevant local authority

7. (1) As soon as practicable after the adoption by a joint body or regional assembly of the budget for a local financial year, a joint body or regional assembly shall cause to be transmitted to each relevant local authority in whose area such body exercises its function a demand in the format specified in Form 1 for payment of expenses, if any.
- (2) The expenses of a joint body or regional assembly under this paragraph shall be apportioned between each relevant local authority on such basis as may be agreed by such local authorities or, failing agreement, in proportion to the value of relevant property of each local authority.

(3) Subject to paragraph (4), as soon as possible before the adoption by a joint body or regional assembly of its budget for a local financial year, each relevant local authority shall inform such joint body or regional assembly of the basis of the apportionment to be applied to its expenses and—

(a) where the apportionment is to be proportionate to the total value of relevant property of each relevant local authority, the demand under paragraph (1) shall be in the format of Form 1(a) — Table 1.

(b) where the apportionment is to be applied on a basis other than that in sub-paragraph (a), the demand under paragraph (1) shall be in the format of Form 1(b) — Table 1.

(4) The basis of an apportionment made under subparagraphs 3(a) or 3(b) shall remain in force pending a subsequent apportionment made under paragraph (2).

(5) If a demand under this Article is not transmitted to a relevant local authority before the adoption by such local authority of a budget for a local financial year, the local authority shall include in such budget such provision for the demand as the local authority estimates will be sufficient.

The period for payment of monies by an employee of a local authority to the local authority

8. An employee of a local authority who is authorised to receive money on behalf of such local authority shall lodge the full amount of the monies received by him or her to the relevant bank account of such local authority as soon as possible after he or she has received such monies or on a date as may be specified by such local authority.

Internal audit

9. A local authority, joint body or regional assembly shall maintain an adequate and effective system of internal audit of its accounting records and control systems.

Receipts

10. A local authority shall issue a receipt for payments made to it when requested to do so.

Acceptance of Gifts

11. A local authority shall apply the provisions of the accounting code of practice in respect of any gifts received by that authority under section 228 of the Local Government Act 2001.

Form of Accounts

12. The form of the accounts to be kept by a local authority or joint body shall be in accordance with the accounting code of practice.

PART 3

AUDIT

Interpretation

13. In this Part—

“local government organisation” means—

- (a) a local authority,
- (b) a regional assembly, and
- (c) any other body audited by a local government auditor in accordance with section 115 of the Local Government Act 2001.

Notice of yearly audit

14. (1) Notice of the time and place appointed for the holding of the yearly audit of the accounts of a local government organisation shall be given in Form 2 by the auditor to the Chief Executive, Director or Manager as appropriate.

(2) On receipt of the notice referred to in paragraph (1) the Chief Executive, Director or Manager shall take the following steps—

- (a) cause a notice in Form 3 to be exhibited in the principal offices of the local government organisation during the seven days next preceding the day appointed for such audit,
- (b) cause a notice in Form 3 to be published at least seven days before the day appointed for the audit in a newspaper circulating in the administrative area of the local government organisation, and
- (c) give due notice of such time and place to every member of the local government organisation and to its bankers.

(3) Without prejudice to paragraph (1), the auditor may undertake preparatory work associated with the yearly audit, which may include examining systems, procedures, practices and transactions before the time appointed on the notice, subject to notifying the Chief Executive, Director or Manager of his or her intention to do so at least 7 days before the day on which the preparatory work commences.

Inspection of annual financial statement before audit

15. (1) The local government organisation shall, seven clear days before the day appointed for the commencement of the yearly audit of its accounts, make available for inspection during office hours by any member of the public the annual financial statement, records and other documents relating to the accounts to be audited.

(2) It shall be the duty of the local government organisation to afford every reasonable facility and assistance to the person who has made a request under this paragraph.

Corrections in accounts

16. In the case of any error in any of the accounts of a local government organisation, whether occurring in the accounts for the period under audit or in a previous period, the auditor may—

- (a) make, or cause to be made, the necessary correction and may then deal with the accounts so corrected, or
- (b) direct that the correction be made in the accounts of a subsequent year.

Objections at audit

17. (1) An objection to the inclusion of any item in, or the omission of any item from, the accounts of a local government organisation undergoing audit may be made to the auditor by or on behalf of any person, and such objection shall be made in writing, setting out the relevant particulars and grounds on which it is being made, within 10 days of the commencement of audit and the auditor shall consider such written objection.

(2) Having considered the objection under paragraph (1), the auditor may, if he or she considers it appropriate, refer the matter or matters subject to the objection to the Chief Executive where,

- (a) in the opinion of the auditor it is not material to the audit to be conducted, or
- (b) the matter or matters raised in the objection are not concerned with the accounts of the local government organisation subject to the audit.

(3) Where the auditor has referred an objection to the Chief Executive under paragraph (2) it shall be the duty of the Chief Executive to—

- (a) review the matter that is the subject of the objection, and
- (b) respond to the person who made the objection setting out his or her findings within 14 days of receipt of the objection from the auditor or, where the review is not completed within 14 days, provide an update on progress and an indication of the date by which the review will be completed.

(4) Where in accordance with paragraph (2) the auditor has considered the objection to be of material relevance to the audit, the auditor shall—

- (a) refer to the matter or matters in his or her audit report in accordance with section 120(1)(c) of the Local Government Act 2001, and

- (b) provide a copy of the report to the person who made the objection within 14 days of the report being submitted to the local government organisation under section 121(1) of the Local Government Act 2001.

Completion of yearly audit

18. (1) The yearly audit of the accounts of a local government organisation shall be deemed to be completed and closed when the auditor, having audited the several accounts, shall have appended his or her signature with the date thereof to the audit opinion contained in the relevant annual financial statement.

(2) At the close of the yearly audit of the accounts of a local government organisation, the local government organisation shall provide so many copies of the audited annual financial statement to the auditor as he or she may require.

Completion of extraordinary audit

19. An extraordinary audit held in pursuance of section 123 of the Local Government Act 2001 shall be deemed to be completed and closed when the auditor has signed the relevant audit report.

Publication of audited financial statement and auditor's report

20. (1) When a local government auditor has, in accordance with section 120 of the Local Government Act 2001, sent to a local government organisation a copy of the audited financial statement of the local government organisation for a financial year and a copy of the auditor's report or auditor's special report, the local government organisation shall comply with the following procedures—

- (a) it shall furnish a copy of the said audited financial statement and report to every member of the local government organisation,
- (b) it shall furnish a copy of the said audited financial statement and report to any other person who requests it, and
- (c) it shall publish the said audited financial statement and report on its website, where such exists.

(2) If the Minister shall so direct, the local government organisation shall cause the auditor's report or auditor's special report to be published in a manner other than that specified in these Regulations.

(3) The provisions of this paragraph shall apply with the necessary modifications when a local government organisation has received from the auditor a copy of the auditor's report on an extraordinary audit.

PART 4

COLLECTION OF RATES BY RATING AUTHORITIES

Preparation of the rate book

21. (1) As soon as may be after the annual rate on valuation has been determined by the rating authority, the rating authority shall prepare the rate book in accordance with this paragraph.

(2) The rate book shall include all relevant properties which are liable for rates. Particulars in respect of each relevant property to be included in the rate book shall be as follows—

- (a) Rate account number,
- (b) Name of occupier or owner,
- (c) Address of occupier or owner,
- (d) Description(s) of relevant property,
- (e) Rateable valuations of relevant property,
- (f) Remissions, if any,
- (g) Total assessable rateable valuation,
- (h) Total for collection,
- (i) Base Year Adjustment, where applicable, and
- (j) Any other information considered necessary by the rating authority.

(3) In the rate book the annual rate on valuation determined by the rating authority shall be assessed upon the persons liable in respect of the relevant properties and otherwise in accordance with the provisions of the relevant statutes.

(4) In the amount of an assessment of rates on a relevant property, fractions of a cent less than half a cent shall be discarded and fractions of a cent equal to or greater than half a cent shall be rounded up to a cent.

(5) A rating authority may make any changes or amendments to the rate book as it considers appropriate.

Notice of deposit of the rate book

22. Fourteen days at least before the making of a rate, the rating authority shall publish the statutory notice of the deposit of the rate book for the inspection of ratepayers in at least one newspaper circulating in the area for which the rate is to be made and on the website of the local authority, where such exists. The notice shall at a minimum specify the following—

- (a) Name of the rating authority,
- (b) Address of the rating authority,
- (c) Address where the rate book can be inspected,
- (d) Times for the inspection of the rate book,
- (e) Annual rate on valuation,

- (f) Base Year Adjustment where applicable, and
- (g) Any other information considered necessary by the rating authority.

Making of the rate

23. After every statutory requirement in relation to notices or to the deposit of the rate book for inspection has been complied with, the rate shall be made by Chief Executive's order

Notice of the rate having been made

24. As soon as may be after the making of a rate, the rating authority shall publish the statutory notice of the rate having been made in at least one newspaper circulating in the area for which the rate is made and on its website, where such exists. The notice at a minimum shall specify the following—

- (a) name of the rating authority,
- (b) address of the rating authority, and
- (c) the annual rate on valuation.

Rates bill

25. (1) A rating authority shall, as soon as may be after the making of the rate under Regulation 24, issue to each ratepayer a bill demanding the payment of rates due.

(2) A rates bill shall at a minimum include the following particulars—

- (a) Rate account number,
- (b) Name of rating authority,
- (c) Address of rating authority,
- (d) Name of the owner/occupier,
- (e) Address of the property,
- (f) Rateable valuation of the relevant property,
- (g) Remissions, if any,
- (h) Total assessable rateable valuation of the relevant property,
- (i) Annual rate on valuation(s),
- (j) Total amount of rates due,
- (k) Base Year Adjustment, where applicable, and
- (l) Any other information considered necessary by the rating authority.

Schedule of uncollected rates

26. (1) A rating authority shall, not later than 30 days after the close of a local financial year, prepare a schedule of uncollected rates at the close of that year and indicate thereon the reasons for non-collection of the rates.

(2) After the schedule referred to in paragraph (1) has been prepared, the Chief Executive shall submit a report thereon to the members of the local authority at the next practicable meeting of the Council.

(3) A rating authority may publish in one or more newspapers circulating in the administrative area of the authority and on their website, a list of uncollected rates and ratepayers related thereto at the close of the local financial year.

Reference to a rateable valuation multiplier

27. Any reference to a rateable valuation multiplier in any document shall hereinafter be read as a reference to an annual rate on valuation.

Addressing of rates bills

28. Any bill required to be transmitted under Regulation 26 may be addressed to an owner or an occupier of relevant property and the purpose of the bill shall not be invalidated by any error or defect in the statement of the name of the owner or occupier of such property.

PART 5

RATES ON VACANT PREMISES

Rates on vacant premises

29. (1) The decision of the local authority to specify a local electoral area or local electoral areas and to determine the proportion of the refund that shall apply in each case as provided by section 71 (as amended by section 31 of Local Government Reform Act 2014) of the Local Government (Dublin) Act 1930, section 20 (as amended by section 31 of Local Government Reform Act 2014) of Cork City Management Act 1941 and section 14 (as amended by section 31 of Local Government Reform Act 2014) of Local Government Act 1946 shall—

- (a) be taken by the local authority at the budget meeting concerning the local financial year to which the rate of refund shall apply, and
- (b) apply for the whole of that local financial year.

Revocations

30. The Local Government (Financial Procedures and Audit) Regulations 2002 (S.I. 508/2002) are revoked.

SCHEDULE
OF
PRESCRIBED FORMS

FORM 1

DEMAND OF A JOINT BODY OR REGIONAL ASSEMBLY

Following the adoption on **(1)** of its budget for the Year **(2)** , **(3)** being a joint body or a regional assembly hereby demands, in accordance with article 7 (1), the sum of **(4)** €..... from **(5)** in respect of the expenses of the joint body or regional assembly for the Year **(2)** The amount demanded has been included in the budget adopted by the joint body or regional assembly and has been calculated on the basis set out in Table 1 attached.

Dated this day of 20....

Signed
 Manager/Director

Countersigned
 Secretary

-
- (1) Insert the date on which the budget was adopted.
 - (2) Insert the year for which the budget was prepared.
 - (3) Insert the name of the joint body or regional assembly.
 - (4) Insert the amount to be demanded to meet the expenses of the joint body or regional assembly.
 - (5) Insert the names of the contributing local authorities.

FORM 1 (a) —Table 1

CALCULATION OF THE AMOUNT DEMANDED BY A JOINT BODY

Table 1

Expenditure Adopted in budget.	Income Adopted in budget.	Net. Expenditure/ (Income)	Name of Contributing Local Authorities.	Value of relevant property (VRP) of each local authority in Col. (d).	Value of relevant property of each local authority as a % of total VRP in Col. (e).	Amount demanded of each local authority calculated on a basis of the % outlined in Col. (f) of Net Expenditure of Col (c).
Col. (a)	Col. (b)	>Col. (c)	Col. (d)	Col. (e)	Col. (f)	Col. (g)
€	€	€		€	€	€
			1.			
			2.			
			3.			
				Total		

FORM 1 (b) —Table 1

CALCULATION OF THE AMOUNT DEMANDED BY A JOINT BODY

Table 1

Expenditure Adopted in budget.	Income Adopted in budget.	Net. Expenditure/ (Income)	Name of Contributing Local Authorities.	Basis of apportionment.	Amount demanded of each local authority.
Col. (a)	Col. (b)	Col. (c)	Col. (d)	Col. (e)	Col. (f)
€	€	€			€
			1.		
			2.		
			3.		
				Total	

EXPLANATORY NOTE FOR COMPLETION OF FORM 1 (A)-TABLE 1

Column (a) is the expenditure adopted for the forthcoming financial year.

Column (b) is the income adopted for the forthcoming financial year.

Column (c) is the net expenditure / (income) adopted for the forthcoming financial year.

Column (d) sets out the names of the contributing local authorities.

Column (e) sets out the value of relevant property for the respective contributing local authorities.

Column (f) sets out the percentage of the value of relevant property to be contributed by the respective contributing local authorities.

Column (g) sets out the amounts to be demanded from the respective contributing local authorities.

EXPLANATORY NOTE FOR COMPLETION OF FORM 1 (B)-TABLE 1

Column (a) is the expenditure adopted for the forthcoming financial year.

Column (b) is the income adopted for the forthcoming financial year.

Column (c) is the net expenditure / (income) adopted for the forthcoming financial year.

Column (d) sets out the names of the contributing local authorities.

Column (e) sets out the agreed basis of apportionment by the respective contributing local authorities.

Column (f) sets out the amounts to be demanded from the respective contributing local authorities.

FORM 2

NOTICE BY AUDITOR OF COMMENCEMENT OF AUDIT

To the Chief Executive / Director / Manager of

(Name of local government organisation)

.....

.....day of 20

In pursuance of the Local Government (Financial and Audit Procedures) Regulations 2014, I hereby give you notice that I shall commence the audit of on the day of 20..... and I hereby require you to make available on that date all the accounting books and records duly made up and balanced to the 31st day of December, 20

I shall require to be satisfied at the commencement of the audit that the provisions of regulation 14 of the said Local Government (Financial and Audit Procedures) Regulations 2014, have been complied with.

You will please acknowledge the receipt of this notice.

.....

Local Government Auditor,
Local Government Audit Service Address (1)

.....
(1) Auditor shall include the address to which the receipt shall be forwarded.

FORM 3

NOTICE PUBLISHING COMMENCEMENT OF AUDIT

(Name of local government organisation)

.....

Notice is hereby given that the audit of the accounts of the above-named local government organisation for the financial year ended on the 31st day of December, 20 will be commenced by Local Government Auditor, on the day of 20..... In accordance with article 17 of the Local Government (Financial and Audit Procedures) Regulations 2014, objections to any matter or matters contained in the said several accounts will be considered by the Local Government Auditor during the audit.

Written notice of any proposed objection, setting out the relevant particulars and grounds on which it is to be made, should be sent to the above Local Government Auditor at within ten days of the commencement of the audit. The annual financial statement will be available during office hours for the inspection of all persons for a period of seven days before the commencement of the audit.

Dated this day of 20

.....
Chief Executive/Director/Manager



GIVEN under my Official Seal,
28 May 2014.

PHIL HOGAN,
Minister for the Environment, Community and Local
Government.

BAILE ÁTHA CLIATH
ARNA FHOILSIÚ AG OIFIG AN tSOLÁTHAIR
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