

Kilkenny County Council

Internal Audit Report: KTCM Community Development Programme

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Report Distribution

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Introduction

Founded in 1998, The Kilkenny Traveller Community Movement (KTCM) is a Community Development organisation that works with Travellers and is dedicated to providing a better future for Travellers in Kilkenny. KTCM work to enhance meaningful participation for Travellers in the social, cultural, educational and political arenas of community life in Kilkenny City and County.

On 4th March 2021, Joe O'Brien, TD, Minister of State for Community Development and Charities launched a pilot Community Development Programme (CDP). The aim of the CDP is to trial community development initiatives that address poverty, social exclusion and inequality and to promote human rights. Ten organisations were selected nationally for funding under the Programme. KTCM was successful in their application supported by Kilkenny County Council, the Local Community Development Committee (LCDC) and Kilkenny Leader Partnership (KLP).

The funding amount approved for the annual Programme is €125k from the Department of Rural and Community Development (DRCD) with additional funding of €25k from Kilkenny County Council. The KTCM Board of Management has overall responsibility for the KTCM and all of its Programmes. The Board is responsible for coordinating, planning, evaluation, communication, employment, finance, legal responsibilities, staffing and training. The Board is accountable to the KTCM membership as well as the Programme funders.

The DRCD provides funding for the CDP to the LCDC through the Local Authority. The CDP Project Team, chaired by the DRCD and includes members from Pobal and Community Work Ireland (CWI), oversees the CDP Programme and is responsible for approving Annual Plans, Budgets, Mid-Year and End of Year Progress Reports. In October 2023 the DRCD issued the “Community Development

Programme Framework and Guidance 2023”. A Letter of Undertaking (LOU) from the DRCD was agreed and signed by Kilkenny LCDC, KTCM and the Principal Officer in DRCD. Kilkenny County Council/LCDC is responsible for financial oversight and administrative checks of the CDP, reviewing the Annual Plan, Annual Budget, Mid-Year and End of Year Progress Reports. A Funding Agreement and a Service-Level Agreement between stakeholders is in place.

Objectives

The objective of the Audit is to provide reasonable assurance that the KTCM Community Development Pilot Programme for 2024 has been delivered in accordance with the DRCD Framework and Guidance 2023.

Approach

Internal Audit met with the Staff of KTCM, Board Members and the Administrative Staff of Kilkenny County Council/LCDC to gain an overview of the Programme. The CDP guidelines from the Department were examined. A financial review of the CDP for 2024 was undertaken and all relevant documents and reports were assessed.

Scope & Limitations of scope

Scope of the audit was limited to a review of the CDP and Kilkenny County Council’s financial and administrative oversight for 2024.

Audit Risk

- Lack of a robust Financial Oversight
- Non-compliance with Procurement guidelines
- Insufficient verification of Programme Income and Expenditure
- Non-compliance with Programme and Funding Guidelines
- Out of date Governance Document and Procedures

Co-operation of Management and staff

Internal Audit received full co-operation from staff of KTCM and the Community Section of Kilkenny County Council throughout the course of this review and would like to thank them for their assistance.

Internal Audit Opinion

Internal Audit's findings and recommendations are detailed below. Based on this review the audit opinion for the KTCM Community Development Programme is reasonable assurance. There is a sufficient framework of key controls for objectives to be met. Risks are managed but could be stronger. Controls are generally applied but some lapses in the application of controls have been observed. Financial oversight needs to be strengthened.

This report was distributed to Kilkenny County Council/LCDC and KTCM and includes their Management Response.

The report was reviewed by Kilkenny County Council Management Team on 21st October 2025.

The report was circulated to the Audit Committee on 1st December 2025.

Brigid Webster, Internal Auditor

Findings and Recommendations

Findings	Implications	Recommendations	Management Action Plan & Timeframe
<p>1. Financial Oversight and Administration</p> <p>In the End of Year Report submitted by KTCM in January 2024 to the CDP Project Team, it was returned that the programme had an overspend of €7.81. This Report was signed by a [REDACTED].</p> <p>The CDP Project Team in the Department subsequently submitted the Report for Administrative checks to Kilkenny County Council in February 2025.</p> <p>Kilkenny County Council reviewed the Report and the financial back up and found an underspend in the reported figure in the amount of €17,238.22.</p>	<p>Non-compliance with DRCD Programme Guidelines.</p> <p>Inaccurate financial reporting on End of Year Report submitted to DRCD.</p>	<p>Internal Audit recommends that financial oversight of the CDP should be strengthened.</p> <p>It is recommended that KTCM and the Administrator of the Kilkenny County Council/LCDC establish clear written guidelines for financial reconciliations.</p> <p>Internal Audit recommend that the KTCM Board approve all End of Year Reports including Financial Reports in advance of them being submitted to DRCD.</p> <p>It is noted that Kilkenny County Council/LCDC met with the KTCM on 9th September 2025 and has withheld the Kilkenny County Council/LCDC funding for</p>	<p>KTCM BOM have established a financial sub-committee with immediate effect. This will provide financial oversight and support with the finances of KTCM.</p> <p>Guidelines for Financial Reconciliation will be in place by end Q4 2025.</p> <p>KTCM will submit all reports including financial reports to the KTCM board prior to submitting the reports to DRCD from October 2025.</p> <p>Spending plan/forecasts currently being worked on. Document will be</p>

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Following extensive communications by Kilkenny County Council with KTCM, they revised their figures and the underspend of €17,238.22 was agreed. The End of Year Report was re-submitted to the CDP Project Team by Kilkenny County Council/LCDC in May 2025.		2025 in the amount of €25k. Kilkenny County Council /LCDC has requested that the KTCM provide a detailed breakdown of how they will spend the €25k for 2025 in advance of the funding being released.	completed by Friday October 5 th 2025.
2. Reporting Under the current reporting structure and as per the CDP Guidelines KTCM submits its budget, Mid-Year and End of Year reports directly to the CDP Project Team. The Team review and liaise with the KTCM regarding queries. Once approved the Reports are sent to the Kilkenny County Council/LCDC for an administrative and financial check. This sequence limits the Kilkenny County Council/LCDC's ability to	Errors and incorrect data contained in End of Year Reports sent to DRCD, leading to compliance issues. Kilkenny County Council/LCDC has limited opportunity to ensure accuracy of financials in the report prior to submission. This structure is leading to inefficient use of time and resources.	Internal Audit recommends that the reporting process is revised. Internal Audit recommends that KTCM submit the Reports to the Kilkenny County Council/LCDC for administrative and financial review prior to sending them to the CDP Project Team in the DRCD.	KCC will send recommendation to DRCD for consideration. KTCM happy to submit the end of year reports to Kilkenny County Council/LCDC for administrative and financial review prior to sending them to the CDP Project Team in the DRCD. (November 2025)

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review and confirm accuracy before submission.			
3. Procurement At the time of Audit there was no evidence of procurement/quotations undertaken for the supply of goods and services to KTCM. Some examples include the following; <ul style="list-style-type: none"> - €3000 for training services - €2000 for painting services 	Non-compliance with the Funding Agreement between Kilkenny LCDC/Kilkenny County Council and CDP Project, KTCM are required to adhere to public procurement requirements as per the Procurement Legislation.	Internal Audit recommends that KTCM follow the public procurement guidelines as outlined in legislation. Goods and services must be procured in a fair and transparent manner. All relevant procurement/quotations should be available on file for Audit purposes.	Noted. Procurement guidelines/procedures will be followed going forward.
4. Flat Rate Charges In the 2024 End of Year Report a flat rate charge was applied for administration in the amount of €3000. This invoice from KLP to KTCM had no apportionment or detail provided.	As per CDP Guidelines, flat rate charges for administration/management costs are ineligible expenses in the programme.	Internal Audit recommends that flat-rate charges are not returned to the DRCD as per the guidelines of the programme. All expenses must be detailed and have supporting documentation and apportionment.	KTCM are currently keeping detailed records of all spending with supporting documentation.

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<p>5. Mobile Phone Policy</p> <p>Upon review of the mobile phone accounts it was noted that [REDACTED]. The amount of €272.80 was highlighted by KTCM and repaid [REDACTED].</p>	<p>Terms and conditions of mobile phone personal use is not clear in the Digital Media Policy in use by KTCM.</p>	<p>Internal Audit recommends that the Digital Media Policy is updated to incorporate terms and conditions surrounding the use of work mobile phones for personal use. This policy needs to be approved by the Board and circulated to appropriate staff.</p>	<p>Noted. KTCM will update Digital Media Policy and will be presented to the Board to be approved in November and forward to KCC.</p>
<p>6. KTCM Board Meeting</p> <p>The [REDACTED] only attended one of three KTCM board meetings held in 2024.</p>	<p>Limited attendance reduces the Council's ability to exercise its oversight of the CDP programme and contribute to strategic decisions.</p>	<p>The Council should ensure that their representative on the Board attends all scheduled meetings to contribute at Board level to the running of the CDP Programme.</p>	<p>KCC have nominated a second representative to join the board to ensure availability of at least one KCC representative at each meeting. The second KCC representative will be invited by the BOM after the November BOM meeting.</p>
<p>7. KTCM Governance Document</p> <p>It was noted at the time of Audit that the KTCM</p>	<p>As a result, the KTCM Governance Document may</p>	<p>Internal Audit recommends that the KTCM Governance</p>	<p>Agreed. KTCM has allocated funds to employ a</p>

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Governance document had not been updated for sometime and is out of date.	no longer fully reflect current processes or compliance requirements.	Document be reviewed and updated to accurately reflect the current programme and operations.	person to update the Governance Document and Procedures Manual. Once the person is sourced, we envisage that the documents will be completed by end Q 1, 2026.
<p>8. KTCM Bank Accounts and Credit Card</p> <p>Upon review of the CDP Program income and expenditure, it was noted that two bank accounts are being used to administer the programme. This resulted in a mix of transactions across both accounts. This approach made it difficult to obtain a clear consolidated view of income and expenditure.</p> <p>In addition, a credit card associated with the KTCM Child Care scheme has been used to process expenditure for the CDP Program.</p>	The use of two bank accounts creates confusion and makes it difficult to track income and expenditure accurately.	<p>Internal Audit recommends that KTCM use the bank account that was set up for the CDP in the administration of the CDP program. This would streamline the programme and improve clarity in the financial reconciliation.</p> <p>We recommend that if a Credit Card is deemed necessary that the KTCM obtain their own Credit Card for the CDP programme.</p>	<p>Going forward, KTCM will use one account for CDP/KCC monies and the other account ('Childcare' account, to be renamed 'Project spending') for all other monies. KTCM will apply for a credit card for the CDP/KCC account and will dispense with the 'childcare' credit card. KTCM will make these changes by end of November 2025.</p>

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<p>9. Kilkenny County Council/LCDC Financial Checks</p> <p>Kilkenny County Council/LCDC Staff are responsible for the financial and administrative checks of the CDP Programme. It is noted that no bank reconciliation took place as part of this process in 2024.</p>	<p>Without regular bank reconciliation taking place, there is an increased risk of bookkeeping errors and unrecorded transactions.</p> <p>Financial controls are weakened and irregularities may not be identified in a timely manner.</p>	<p>Internal Audit recommends that Kilkenny County Council/LCDC implement a bank reconciliation as part of its checking process.</p>	<p>Monthly Bank reconciliations have been in place within KTCM and will continue to be completed on a monthly basis.</p> <p>KCC will undertake its own bank reconciliation going forward.</p>
<p>10. Procedure Manual</p> <p>Currently there is no Procedure Manual in place for the operation of the CDP between Kilkenny County Council/LCDC & KTCM.</p>	<p>In the absence of a Procedure Manual the KTCM & Kilkenny County Council/LCDC is not ensuring consistency and efficiency in the operation of the CDP.</p>	<p>Internal Audit recommends that a Procedure Manual is created and implemented by KTCM & Kilkenny County Council/LCDC clearly defining roles and responsibilities of the Programme.</p> <p>This Procedure Manual should be approved by the Kilkenny</p>	<p>Procedure Manual to be put in place by end of Q1, 2026.</p>

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		County Council/LCDC and the Board of the KTCM.	