

**AUDIT COMMITTEE MEETING HELD  
WEDNESDAY 20 SEPTEMBER 2023**

**Table of Recommendations**

| <b>No</b>   | <b>Item</b>  | <b>Summary of key Recommendations</b> |
|-------------|--|---------------------------------------|
| <b>1.</b>   | Apologies  | <b>Councillor Chivers</b>             |
| <b>2.</b>   | Declarations of Interest   | <b>Independent Member</b>             |
| <b>3.</b>   | Minutes of Audit Committee Meeting held Wednesday 14 June 2023                     | <b>Confirmed as a correct record</b>  |
| <b>4.</b>   | Northern Ireland Audit Office  |                                       |
| <b>4.1</b>  | Draft Report to those Charged with Governance 2022/23)                             | <b>Noted</b>                          |
| <b>5.</b>   | CCGBC Final Annual Accounts 2022/23  | <b>Noted</b>                          |
| <b>6.</b>   | Internal Audit   |                                       |
| <b>6.1</b>  | Audit Committee Terms of Reference   | <b>Noted</b>                          |
| <b>6.2</b>  | Internal Audit Charter   | <b>Noted</b>                          |
| <b>6.3</b>  | Annual Internal Audit Plan   | <b>Noted</b>                          |
| <b>6.4</b>  | Audit Committee Training   | <b>Noted</b>                          |
| <b>7.</b>   | Appointment of Independent Member  | <b>Noted</b>                          |
| <b>8.</b>   | Direct Award Contracts   | <b>Noted</b>                          |
| <b>9.</b>   | Prior Year Recommendations – Progress Report as at September 2023                  | <b>Noted</b>                          |
| <b>10.</b>  | Matters for reporting to Partnership Panel   | <b>Nil</b>                            |
| <b>11.</b>  | Correspondence   |                                       |
| <b>11.1</b> | NIAO – Innovation and Risk Management, A Good practice Guide for the Public Sector | <b>Noted</b>                          |
| <b>11.2</b> | Innovation and Risk Management: Self Assessment Checklist                          | <b>Noted</b>                          |

| <b>No</b>   | <b>Item</b>  | <b>Summary of key Recommendations</b> |
|-------------|--|---------------------------------------|
| <b>11.2</b> | Innovation and Risk Management: Self Assessment Checklist                      | <b>Noted</b>                          |
| <b>11.3</b> | NIAO/NILGA Audit Committee Training  | <b>Noted</b>                          |
|             |  |                                       |
|             | <b>'In Committee' (Items 12-16 inclusive)</b>                                  |                                       |
| <b>12.</b>  | Absence Report (Quarter 1)   | <b>Noted</b>                          |
|             |  |                                       |
| <b>13.</b>  | Follow up report – Internal Audit – Safeguarding                               | <b>Noted</b>                          |
|             |  |                                       |
| <b>14.</b>  | Corporate Risk Matrix  | <b>Noted</b>                          |
|             |  |                                       |
| <b>15.</b>  | Legal Cases Activity   | <b>Noted</b>                          |
|             |  |                                       |
| <b>16.</b>  | Whistle Blowing /Fraud   | <b>Noted</b>                          |
|             |  |                                       |
| <b>17.</b>  | Any Other Relevant Business (notified in accordance with Standing Order 12(o)) | <b>Nil</b>                            |
|             |  |                                       |
| <b>18.</b>  | Date of Next Meeting – Wednesday 13 December 2023                              | <b>Noted</b>                          |

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF  
THE AUDIT COMMITTEE  
HELD IN THE COUNCIL CHAMBER AND VIA VIDEO CONFERENCE ON  
WEDNESDAY 20 SEPTEMBER 2023 AT 7.00 PM**

**In the Chair:** Councillor C McQuillan (C)

**Members Present:** Alderman A Callan (R), J McAuley (R), Councillors N Archibald (R), S Callaghan (R), L Kane (C), A Kyle (C), K McGurk (R), O McMullan (C), Schenning (C), A Mairs (C), M Storey (R), I Wallace (R), J Wisener (C)

L Mitchell, Independent Member (C)

**Officers Present:** M Quinn, Director of Corporate Services (C)  
A McPeake, Director Environmental Services (R)  
D Wright, Chief Finance Officer (Items 5 & 8) (R)  
P Donaghy, Democratic & Central Services Manager (R)  
A Ruddy, Audit, Risk & Governance Manager (C)  
J Keen, Committee & Member Services Officer (C)

**In Attendance:** P O'Sullivan, Audit Manager, Northern Ireland Audit Office (R)

C Thompson, ICT Officer (C)

C Ballentine, ICT Officer (C)

**Key:** (C) = Attended in The Chamber  
(R) = Remotely in attendance

The Director of Corporate Services undertook a roll call.

**1. APOLOGIES**

Apologies were recorded for Councillor Chivers.

**2. DECLARATIONS OF INTEREST**

Declarations of Interest were declared by the Independent Member in Item 7 – Appointment of Independent Member. Independent Member did not leave the Chamber during consideration of the Item.

**3. MINUTES OF AUDIT COMMITTEE MEETING HELD WEDNESDAY 14 JUNE 2023**

Copy, previously circulated.

**AGREED** – to recommend that the Minutes of the Audit Committee meeting held Wednesday 14 June 2023 were confirmed as a correct record.

#### **4. NORTHERN IRELAND AUDIT OFFICE**

##### **4.1 Draft Report To Those Charged With Governance 2022/23)**

Copy, previously circulated presented by Audit Manager, Northern Ireland Audit Office, and taken as read.

Audit Manager drew Elected Members attention to the following:

- In the key messages section, NIAO are proposing an unqualified audit opinion without modification. The proposed Audit Certificate is set out in Appendix 2. NIAO received a good quality set of accounts for audit; whilst there are some adjustments, set out in section 5, they are not considered significant. There are no unadjusted misstatements included in the accounts. The audit is near completion; it is expected to be certified by the Chief Local Government Auditor ahead of the 30 September deadline.
- Some significant risks were identified in the audit strategy as set out on page 5. There are no matters to bring to Members attention in relation to significant risks 1 and 2. Significant risks 3 and 4 are to do with procurement and the management of land and buildings; these arose out of priority 1 findings in the Report to Those Charged with Governance last year; these have been included again in section 4 this year. A priority 1 point on the management of land and buildings which has not been concluded yet on procurement, it is probable, subject to discussions with management there will be a point on procurement as well. The Audit findings are set out on page 8.
- The other points raised are priority 2 points on income controls, limited assurance, internal audit reports and improper arrangements. The NIAO will get more responses; will assess those and include those in the final report to those charged with governance to be issued after the audit is completed.
- The letter of representation, included in Appendix A was brought to Members attention; this is a standard document.

NIAO Audit Manager invited questions.

Independent Member advised the most important thing was the unqualified Audit opinion. She stated there was one priority 1 recommendation, in relation to leases; the Independent Member stated she hoped this will be resolved by the Management team within the next year. The Independent Member noted that a priority 2 finding relating to the Head of Internal Audit opinion was Limited in terms of providing assurance. At the time the Committee did not note this as an issue of concern in terms giving limited assurance; what is being seen in relation to feedback from the external auditors is that this has filtered through to the external audit report as well; this would be something from a management point of view that Committee would want to see, particularly in terms of previous year end recommendations being implemented. The Independent Member stated she had looked at the letter of representation and felt it was in order with the Audit certification.

Committee NOTED the report.

## 5. CCGBC FINAL ANNUAL ACCOUNTS 2022/23

Copy, previously circulated presented by the Chief Finance Officer.

### **Purpose of Report**

The purpose of this report is to present the draft annual accounts for Causeway Coast and Glens Borough Council for the financial year ended 31 March 2023 for consideration. Final accounts will be presented for approval at the special Council meeting on 25 September.

### **Background**

Councils and other public bodies are required to prepare and submit to the Department for Communities (DfC) by 30 June each year their annual accounts for the previous financial period. I am pleased to report that Council complied with this requirement.

### **Detail**

Attached as an appendix is a copy of the Annual Statement of Accounts for Causeway Coast and Glens Borough Council.

The main figure members will be interested in can be found in being the Movement in Reserves statement which details an in-year movement in the General Fund Summary of a increase of £86k giving a carrying total of £4,591k. Under regulation we are recommended to carry a minimum fund balance in the range of 5% to 7.5% of our Net Operating Expenditure (£59,420k) which translates into a recommended balance between £2,971k and £4,457k. Causeway Coast and Glens Borough Council is in compliance with these limits. In the same period other useable reserves have increased by £1,338k to £18,823k enhancing Council's healthy reserve position.

A more detailed report will be presented to full Council for the approval of the accounts, this report allows audit committee a first look at the annual accounts in conjunction with Northern Ireland Audit Office reports to demonstrate that the proper accounting procedures and guidance has been followed in their preparation.

The Independent Member commended the Chief Finance Officer and the entire Finance team in terms of producing the Annual Accounts for this year and achieving a very good audit outcome. The Independent Member noted the Audit Manager, Northern Ireland Audit Office stated the quality of the draft accounts was of excellent quality. The Independent Member stated that in the narrative it mentions the change in the discount rate for landfill provision of about £3M gave a gain to the Council, and asked the Chief Finance Officer to advise if this will be replicated in years to come? The Independent Member also noted there was a surplus of £2.3M and queried what impact the £3M had; did it push Council into a surplus position as opposed to a deficit position?

The Chief Finance Officer thanked the Independent Member for the comments made and stated these will be passed to the Finance team. The Chief Finance Officer advised when Council make provision for landfill closure costs and are

committed to looking after the site for 50/60 years after closure, Council have to set aside money to deal with those aftercare costs. As Council are looking so far in advance, it is permitted to apply discount cash flow; the Chief Finance Officer further explained discount cash flow. The interest rates used in the calculations have moved significantly this year; the net effect of that was Council did not have to set aside as much money for provisions in accounts, this is a one - off occurrence because of the change in interest rates. Council would get a future benefit if the interest rates increase even more and the discount rates becoming higher, meaning Council would have another gain, which is unlikely to happen. The Chief Finance Officer stated it was more likely the discount rates over time would either settle back to more reasonable levels or stay at the current level, which could happen in the short term. He advised that either way, Council would have to put money into those provision plans as the discount rates unwind. In this years' accounts Council has shown the £2.9M as in the financial recovery reserve, it is set aside for future years so that when the discount rates unwind Council do not have to take out of the general fund.

The Chief Finance Officer advised that, in terms of the overall surplus, Council did run a surplus for the year of approximately £1.2M on operating services. The Council set a budget which was in deficit, there was an applied balance of £1.8M and Council managed to overturn £1.2M of that; Council were £600k in deficit for the year, but with the landfill position that is not immediately obvious in the accounts. Council have reduced the deficit in cash terms on operating services of approximately £1.2M. The £2.9M has not affected that because it was kept in the financial recovery reserve fund; it will be transferred into the general fund as required. The Chief Finance Officer noted that in terms of the overall position for the year, Council are £580k in deficit at the end of the year; that is after the rates support grant is taken into account; which is £933k behind budget on the money received.

The Independent Member advised the Chief Finance Officer has taken a cautious approach by using a windfall to provide a cushion for going forward. She stated it was pleasing to see the amount of money being spent on capital in 2022/23, £8.5M up from £4M, a good investment of capital monies.

Committee NOTED the report.

## **6. INTERNAL AUDIT**

### **6.1 Audit Committee Terms of Reference**

Copy, previously circulated presented by the Audit, Risk and Governance Manager as read.

#### **Purpose of Report**

The purpose of this report is to present the revised Terms of Reference (TOR) for the Audit Committee, For Information, attached at Appendix 1 (circulated).

## **Background**

In line with good practice, the Terms of Reference for the Audit Committee should be reviewed on a regular basis, to ensure they remain effective, reflect best practice and align with CIPFA guidance. An updated version of the 2018 CIPFA publication on 'Audit Committees: Practical Guidance for Local Authorities and Police' and CIPFA position statement was issued in October 2022, setting out guidance on the function and operation of audit committees and represents best practice. The updated guidance includes suggested terms of reference for audit committees in local authorities. The terms of reference of the Audit Committee are important because they set out the role of the Panel in the context of the Councils governance structures. We have reviewed and updated the terms of reference for the Audit Committee in line with the updated guidance, tailored, where appropriate for Causeway Coast and Glens Borough Council.

## **Key Issues**

We have reviewed and updated the terms of reference for the Audit Committee in line with the updated guidance, tailored, where appropriate for Causeway Coast and Glens Borough Council. The main changes are shown as track changes to the terms of reference and are attached at appendix 1 (circulated).

## **Recommendation**

It is recommended that the Audit Committee notes the current Terms of Reference for the Audit Committee.

No questions were put to the Audit, Risk and Governance Manager.

Committee NOTED the report.

## **6.2 Internal Audit Charter**

Copy, previously circulated presented by the Audit, Risk and Governance Manager as read.

### **Purpose of Report**

To seek approval from the Audit Committee in relation to the updated Internal Audit Charter for Council in line with Public Sector Internal Audit Standards (PSIAS).

### **Background**

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The relevant internal audit standard setters within the UK public sector have adopted the Public Sector Internal Audit Standards (PSIAS). The standards dictate that the chief audit executive (Audit Risk and Governance Manager)

must periodically review the Internal Audit Charter and present it to senior management and the board (Audit Committee) for approval.

The revised Internal Audit Charter is attached (Appendix I) for Members consideration. The Internal Audit Charter is a formal document that defines the internal audit activity's purpose, authority and responsibility. The Internal Audit Charter establishes the internal audit activity's position within the organisation, including:

- the nature of the chief audit executives functional reporting relationship with the board
- authorise access to records
- personnel and physical properties relevant to the performance of engagements, and
- defines the scope of internal audit activities.

Final approval of the Internal Audit charter resides with the board, in the case of Causeway, Coast and Glens Borough Council the Audit Committee.

### **Recommendation**

**It is recommended** that the Audit Committee approve the revised Internal Audit Charter to bring Council in line with the Public Sector Internal Audit Standards (PSIAS) (2017) and other best practice.

Audit, Risk and Governance Manager advised the Internal Audit Charter has been updated to provide more detail on the Internal Auditor's role and brought Committee Members attention to new sections - Section 11 Relationships and Section 12 consultancy that the internal auditor can provide without the independence being impaired and the proficiency and due care that the work is undertaken.

Independent Member raised section 9 on the resourcing within the Charter document and it has been brought to the Committee before about resourcing within Internal Audit and a number of concerns have been highlighted. Independent Member requested an update of resourcing in Internal Audit.

Audit, Risk and Governance Manager advised there had been an issue raised in the review under the recommendations contained within the Extraordinary Audit, this was in the Review of Governance arrangements across Council and that did take in the role of Internal Audit. She stated contained within that report was a recommendation to review the resources within Internal Audit and how best the service could be delivered in Council. Audit, Risk and Governance Manager will be feeding into the next rate setting process where there will be a bid for additional resources. Audit, Risk and Governance Manager stated this is linked into the next report where it lays out the resources available and how these resources will be allocated. In the previous term for this Council, approximately 16 Audit assignments were being completed, the Audit, Risk and Governance Manager attends the Internal Auditors practitioners' group on a quarterly basis and the general feeling at that group is that 12 – 14 internal audits should be completed in one year; the Annual Internal Audit Plan has been reduced accordingly. The Audit, Risk and Governance Manager has



discussed with the Director of Corporate Services about getting a Risk Officer; this will be linked into the rates setting process. Council have gone out to the market and Recruitment Agency to fill the Risk Officer post, but this was unsuccessful. Council will be going out to the market again.

The Independent Member wished to raise section 9 on resourcing, difficulties in terms of resourcing internal audit had been brought to Committee before and a number of concerns had been highlighted; this linked to the next item the Internal Audit Annual Plan. The Independent Member requested an update in relation to resourcing of Internal Audit.

Audit, Risk and Governance Manager advised there has been an issue raised in the review under the recommendations contained within the Extraordinary Audit; it was in review of the governance arrangements across Council and that did take in the role of Internal Audit; contained within that report is a recommendation to review the resources in relation to Internal Audit and how best the service can be delivered for the Council. Audit, Risk and Governance Manager will be feeding into the next rate setting process where a bid will be made for additional resources and confirmed this report is linked into the Annual Internal Audit Plan where the resources available are laid out and the plans of how to allocate the resources. In the previous term for this Council approximately 16 audit assignments were completed per year. Audit, Risk and Governance Manager advised she attends the Internal Auditors Practitioners group on a quarterly basis; the general feeling at that group is 12-14 audit assignments is enough so the Annual Internal Audit Plan has been reduced accordingly so overall, in any one financial year we will be doing 12 assignments.

Councillor Storey asked about the allocation of resources. In the Annual Internal Audit Plan there is a list of audit areas; Councillor Storey queried if there was a hierarchy in the list, as there are some areas which are greater risk, did this give scope to prioritise the way in which an Audit is carried out and the resource that was required.

Audit, Risk and Governance Manager advised that within each 4-year term of Council, Internal Audit will audit most service areas of Council. When considering the annual plan each year, a number of factors are considered and audits ranked on how the work will be completed, for example Finance will not be considered between March and September due to the workload in preparing for the annual accounts and external audit. Also considered are areas of high risk and resources available. Audit, Risk and Governance Manager advised that business continuity and emergency planning are a priority; if Council have an incident, either externally or internally, systems need to be in place to deal with it. Concessionary trading is also a high priority due to having a report received through the Complaints office. The Audit, Risk and Governance Manager advised Internal Audits are ranked in order of significance and risk, for example, the governance code was due to be scheduled in December; this has been deferred to later in this financial year because of the Extraordinary Audit to see what developments come from that Audit. The other two audits listed on the Annual Internal Audit Plan year on year is the Policing and Safety

Community Partnerships (PCSP) and the Labour Market Partnership. The Department for Communities sets the timetable for the Labour Market Partnership audit which has to be completed in May next year and there is no scope to change or defer the timing of that audit. PCSP is generally at the year end when work has been finalized.

Audit, Risk and Governance Manager advised that Internal Audit consider risk and high priority areas first and foremost; the key areas are considered early in the year. The Audit, Risk and Governance Manager noted the follow up Safeguarding audit; this has been completed because it is a highly sensitive and important area for this Council; it was timely to see if the recommendations from the audit 6 months ago have been implemented quickly. The next item on the Annual Internal Audit Plan ties in with the priority 2 point about the Northern Ireland Audit Office. The Audit, Risk and Governance Manager advised Internal Audit trying are to complete prior year end recommendations especially in those areas where Council may have had a Limited assurance in the past. There is also scope in this year's plan if committee feel there is an area they would want to have an internal audit completed. ICT is a possibility because cyber attacks remain one of the top Corporate Risks for this organisation. There was a Limited assurance rating on ICT, a review has been completed; it would be timely to go back in this year to ensure Council are not at risk of a cyber attack. Operationally Internal Audit need to work with Officers, historically there are very little reports in September due to Annual Leave being taken during the summer months.

Committee NOTED the report.

### **6.3 Annual Internal Audit Plan**

Copy, previously circulated presented by the Audit, Risk and Governance Manager as read.

#### **Introduction**

The purpose of this report is to set out the programme for the provision of Internal Audit services to Causeway Coast and Glens Borough Council for 2023/24 and is based on our audit needs assessment as detailed in the Internal Audit Strategy 2023-2027.

#### **Background**

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps organisations accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, control and governance processes.

The internal audit for 2023-24 will be delivered as a shared service comprised of an in-house auditor and a team from an out-sourced provider (CavanaghKelly).

## **Summary**

We intend to carry out 110 days detailed assurance work. In our opinion, this should be sufficient to cover an adequate range of risks and systems to enable us to provide an overall assurance statement on the Council's system of risk management and internal control to inform the annual Governance Statement. This is dependent on the input from officers on a timely basis and satisfactory management responses being received.

The internal audit approach is risk based. We recognise that the risks to Council may change during the current financial year, and we will endeavor to take any significant changes in the Council's risk profile into account in our internal audit work.

## **Internal Audit Plan 2023/24**

The following table sets out our proposed Audit Plan for the year 2023-24. A possible outline scope is included, but this may be amended to reflect key risks identified at audit planning stage. We will develop a timetable for each audit area to be covered following approval of this plan and discussion with senior management.

Table circulated detailing indicative Timescales for audits within Causeway Coast and Glens Borough Council.

## **Backlog audits carried forward.**

Table circulated detailing timescales of backlog audits carried forward.

Appendix A (circulated) shows how the resources available to internal audit are divided into the various audit areas for the year.

## **Recommendation**

It is recommended that the Audit Committee note the audit coverage to deliver the annual Internal Audit plan for 2023-24.

Councillor McMullan queried how many points in the Annual Internal Audit Plan will be attended to.

The Director of Corporate Services advised this will be addressed at Agenda Item 9 – Prior Year End Recommendations – Progress Report as at September 2023.

Committee NOTED the report.

## **6.4 Audit Committee Training**

Copy, previously circulated presented by the Audit, Risk and Governance Manager as read.

## **Purpose of Report**

Audit Committees practical guidance for Local Authorities and Police states the Audit Committee needs to work with auditors and key officers to ensure that

there is a shared understanding of objectives, expectations and outcomes from the audit. It is likely that the committee members will need support and training to improve their knowledge and understanding in this area unless they have had prior experience.

### **Background**

All elected members who do not hold previous board training was invited to hybrid Audit Committee training. There were 11 Members in total at the training, 5 members attended in person and 6 members attended online. Two additional members have arranged to receive the training.

Fraud Awareness training will be rolled out on the 15<sup>th</sup> September to new Elected Members who have previously not received this training.

### **Recommendation**

**It is recommended** that the Council note the roll out of Audit Committee training and Fraud Awareness training to new Audit Committee Members.

The Audit, Risk and Governance Manager advised that a further 4 Committee Members attended training prior to this Audit Committee commencing. The Audit, Risk and Governance Manager advised that NILGA will be providing Audit Committee Training which is free and encouraged Elected Members to attend the training provided by NILGA.

Committee NOTED the report.

- \* **Having declared an interest, Independent Member did not leave the Chamber during consideration of the following item.**

## **7. APPOINTMENT OF INDEPENDENT MEMBER**

Copy, previously circulated presented by the Audit, Risk and Governance Manager.

### **Purpose of Report**

Council agreed the appointment of a new Independent Member to the Audit Committee at the June meeting. The advertisement appeared in the Belfast Telegraph on 7<sup>th</sup> July 2023, with a closing date of 27<sup>th</sup> July 2023 at 4.00 pm.

### **Background**

Nine applicants were registered on Council's electronic recruitment system. Three applications were returned. Three applications were shortlisted and interviewed.

The successful applicant being Lesley Mitchell. Lesley has accepted the re-appointment to her position and commenced on the 9<sup>th</sup> September, 2023. We also have a reserve candidate who will remain on the reserve list for one year up to 28<sup>th</sup> August 2024.

Lesley Mitchell is a fully qualified accountant with over 30 years post qualification experience. She worked in the health service for 32 years of which 18 years was in the role of Finance Director in the Foyle Health and Social Services Trust and latterly the Western Health and Social Care Trust. Lesley retired from the health service in 2019 and is currently working as an Audit Committee member for the NI Commissioner for Children and Young People.

### **Recommendation**

**It is recommended** that the Audit Committee recommends to Council to note the re-appointment of Lesley Mitchell.

Committee NOTED the report.

## **8. DIRECT AWARD CONTRACTS**

Copy, previously circulated presented by the Chief Finance Officer.

### **Background**

Causeway Coast and Glens Borough Council approved an updated Procurement Policy in March 2021.

### **Detail**

The revised policy had addressed a number of recommendations that had been made in reference to the old policy. One such recommendation was the inclusion of guidance around single tender actions or Direct Award Contracts (DAC). The policy gives guidance and sets out a procedure to follow in such circumstances.

### **DAC Process**

In all cases where council staff are considering the use of the award of a contract without competition, they must seek guidance from the procurement officer before proceeding as such an approach will be easily challenged in the courts unless rigorously supported by appropriate documentation and completed in accordance with the legislative requirements.

### **Authorisation required**

When a member of council staff has spoken with the procurement officer - and discussed all the alternative options available - and wishes to proceed with the award of a contract without competition the staff member should seek approval of their approach from the Senior Management Team before seeking Council approval to award.

A detailed report should be completed by the member of staff requesting the contract award explaining their rationale and the consideration given to all alternative options in conjunction with discussions between the staff member and the procurement officer. The template provided in Annexe 6 – Direct Award Contract Form (circulated) should be fully completed by the member of staff requesting the contract award.

Once completed, this document will require authorisation from the Senior Management Team before proceeding to the relevant committee for consideration. Upon agreement from the Council the staff member should contract the procurement officer to assist with the contract award to the chosen supplier.

### **DAC Approvals**

The purpose of this short report is to inform members of those DAC's which have been approved since 1 January 2021 and these are listed below (circulated), it should be noted that one of these, to Vestre Limited, required Council approval at the point of award which was granted.

The Chief Finance Officer advised there had been one additional Direct Award Contract since the last report in Infrastructure for the dredging of 2 of the harbours which was approved in June 2023.

Committee NOTED the report.

## **9. PRIOR YEAR RECOMMENDATIONS – PROGRESS REPORT AS AT SEPTEMBER 2023**

Copy, previously circulated presented by the Director of Corporate Services.

### **Purpose of Report**

The purpose of this report is to provide Members with an update in terms of progress made/being made in relation to recommendations made in Previous Internal Audits.

### **Background**

All Internal Audit Recommendations are summarised on the attached schedule (Appendix 1) (circulated).

Recommendations which have now been fully implemented are coloured green, those where the issues are currently being addressed are coloured amber.

Following every Audit committee meeting, the schedule is updated to include the most recent recommendations from Internal Audit Reports presented at that committee.

This schedule is circulated to SMT monthly, with an update requested, and considered at SMT on a quarterly basis, prior to Audit Committee.

The position as at September 2023, is provided in Appendix 2 (circulated).

SMT will continue to progress, monitor and review the issues being addressed to ensure these are addressed in a timely manner.

### **Recommendation(s)**

**It is recommended** that the Audit Committee recommends to Council to note the Prior Year Recommendations Progress Report.

The Director of Corporate Services advised that Appendix 1 had been added to this report twice and would arrange for the report to be updated to include Appendix 2.

The Independent Member noted that it was encouraging to see the older internal audit recommendations which were now going back 6 or 7 years being progressed, she stated it was imperative to get those cleared this year, at year end it will have some impact on the internal audit. In the past Committee have heard that there is progress being made and it is essential management clear those recommendations this year.

Councillor McMullan stated it was important to have the older audit recommendations completed and provided congratulations on bringing them forward and queried if the Committee would get a report at every meeting.

The Director of Corporate Services confirmed that a report would be brought to every Audit meeting.

Committee NOTED the report.

## **10. MATTERS FOR REPORTING TO PARTNERSHIP PANEL**

There were no Matters to Report to the Partnership Panel

## **11. CORRESPONDENCE**

### **11.1 NIAO – Innovation and Risk Management, A Good practice Guide for the Public Sector**

Copy, previously circulated presented by the Director of Corporate Services.

Committee NOTED the report.

### **11.2 Innovation and Risk Management: Self Assessment Checklist**

Copy, previously circulated presented by the Director of Corporate Services.

The Director of Corporate Services advised Committee Members that this item of correspondence should be read in conjunction with NIAO – Innovation and Risk Management, A Good practice Guide for the Public Sector.

Committee NOTED the report.

### 11.3 NIAO/NILGA Audit Committee Training

Copy, previously circulated presented by the Director of Corporate Services.

The Director of Corporate Services advised the date of the training was Friday 6 October 2023 online and encouraged Members to participate in the training.

Alderman Callan queried if the document from the Audit Office in relation to innovation and risk management would be looked at by the Senior Management Team; what Council could take out of it as an organisation and if there was anything being rolled out by Northern Ireland Audit Office.

The Director of Corporate Services confirmed that an update would be brought to the December Audit Committee meeting. Solace in conjunction with the Audit Office and PwC are rolling out an engagement session with driving this forward in terms of ideas on how to take the document from the theory in practical examples and the first series of those meetings is in mid October.

Committee NOTED the report.

#### **MOTION TO PROCEED 'IN COMMITTEE'**

Proposed by Councillor McMullan  
Seconded by Councillor Schenning and

**AGREED** – to recommend that Council move '*In Committee*'.

\* **The time being 7:48pm.**

The Chair reminded Committee of its obligations during the '*In Committee*' session.

### 12. ABSENCE REPORT (QUARTER 1)

Copy, previously circulated presented by the Director of Corporate Services.

#### **Purpose of Report**

The purpose of this report is to provide Members with Quarter 1 (1 April 2023 to 30 June 2023) information regarding Absenteeism throughout the Council.

#### **Recommendation:**

**It is recommended** that Council notes the report presented.

Committee NOTED the report.

### 13. FOLLOW UP REPORT – INTERNAL AUDIT – SAFEGUARDING

Copy, previously circulated presented by the Audit, Risk and Governance Manager.



### **Purpose of Report**

The purpose of this report is to set out the follow – up and report on the progress in addressing the recommendations made as a result of the internal audit report of Safeguarding arrangements within Council which received a limited level assurance rating and was reported to Audit Committee on 31 January 2023.

### **Recommendation**

**It is recommended** that Audit Committee note the progress made in the area of Safeguarding.

The Audit, Risk and Governance Manager advised that the Safeguarding audit had been completed and that overall the assurance rating was a Limited assurance due to the sensitive nature of the area. A follow up audit was completed to ensure recommendations were being progressed in a timely fashion. In the original report there were 6 internal audit recommendations: 2 recommendations have been implemented these in relation to updating policies and procedures; Safeguarding training across council is being rolled out, 2 more recommendations will be implemented by the end of the month; leaving 2 recommendations outstanding, hoped to be implemented by year end. The Audit, Risk and Governance Manager informed Committee of ongoing work being completed by the Health Service in relation to Safeguarding including an audit into what was being completed by Council in relation to Safeguarding, to be completed by the Safeguarding Board.

Independent Member noted the work being completed by Internal Audit, stating it was pleasing to see the recommendations being implemented as Safeguarding being an important area. Independent Member noted that if the Safeguarding Board were going to be completing an audit it was reassuring that Council will likely be in a very good position in terms of that audit.

Councillor Schenning queried if adult safeguarding has been considered as well as safeguarding children.

The Audit, Risk and Governance Manager informed Members that the two go hand in hand, adults at risk and children have both been encompassed.

Councillor Kane noted the good work that had been completed so far. Councillor Kane queried the safeguarding matrix and the reporting to the Audit Committee; there could be a lot of data coming forward which could be used to inform policy and queried how that data would be shared. Councillor Kane noted the data and information received could inform future policies and highlighted the areas of Council where Safeguarding could be raised. Councillor Kane stated it was the responsibility of everyone involved in the work of Council to be involved in safeguarding not just the designated officers.

The Audit, Risk and Governance Manager advised the expectation was the data received would be high level and that Elected Members would be aware of the high level information, rather than the finer detail. The Audit, Risk and Governance Manager provided further detail of the overall process of

safeguarding within the Council. The Audit, Risk and Governance Manager advised that she was asking for training to be rolled out to Elected Members as well as frontline staff.

Councillor McMullan highlighted the need for staff to be trained in Safeguarding. Councillor McMullan further stated the Disability Champion should be involved in Safeguarding as this is their role; noting that education was important.

Committee NOTED the report.

#### **14. CORPORATE RISK MATRIX**

Copy, previously circulated presented by the Director of Corporate Services.

The Director of Corporate Services advised the Risk Matrix follows the Risk Management Strategy, risk likelihood and impact and referred Elected Members to the document and appendices.

There were no questions.

Committee NOTED the report.

#### **15. LEGAL CASES ACTIVITY**

Copy, previously circulated presented by the Director of Corporate Services.

The table circulated provides information on number of cases open and closed across the service areas during the period 8<sup>th</sup> June 2023 to 8<sup>th</sup> September 2023.

First Registration and Car Parks were not circulated within the confidential report.

##### **Recommendation**

It is recommended that Audit Committee note the Legal Cases Activity Report.

The Director of Corporate Services clarified 'GIS' meant Geographical Information Systems.

Committee NOTED the report.

#### **16. WHISTLE BLOWING /FRAUD**

Audit, Risk and Governance Manager provided a verbal update.

Audit, Risk and Governance Manager advised that Fraud Awareness training had been rolled out; that it is a requirement for Elected Members to receive regular fraud awareness training. Audit, Risk and Governance Manager encouraged new Elected Members who have not received Fraud Awareness

training to contact her to make arrangements. Council have good compliance for attendance at Fraud Awareness training.

Audit, Risk and Governance Manager provided an update on Ongoing correspondence with NIAO and SOLACE regarding soil analysis; the Head of Planning is taking a lead on this. Audit, Risk and Governance Manager advised that there are no other incidents of fraud or whistleblowing to report.

There were no questions put.

Committee NOTED the report.

**17. ANY OTHER RELEVANT BUSINESS (NOTIFIED IN ACCORDANCE WITH STANDING ORDER 12(O))**

There were no Items of Any Other Relevant Business.

**18. DATE OF NEXT MEETING – WEDNESDAY 13 DECEMBER 2023 AT 7PM**

Circulated.

**MOTION TO PROCEED ‘IN PUBLIC’**

Proposed Councillor McMullan  
Seconded Councillor Kane and

**AGREED** – that Audit Committee move ‘*In Public*’.

There being no further business the Chair thanked those in attendance and the meeting concluded at 8.13pm.

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Chair