

**AUDIT COMMITTEE MEETING WEDNESDAY 19 SEPTEMBER 2018**

<b>No</b>	<b>Item</b>	<b>Summary of key Recommendations</b>
<b>2</b>	Declarations of Interest	<b><i>None</i></b>
<b>3</b>	Minutes of Audit Committee held 13 June 2018	<b><i>Confirmed</i></b>
<b>4</b>	Northern Ireland Audit Office	
	<b>4.1</b> CC&GBC Annual Accounts 2017-18	<b><i>Approve</i></b>
	<b>4.2</b> Draft Report to those Charged with Governance	
	<b>4.3</b> Annual Governance Statement 2017/18	<b><i>Info</i></b>
<b>5</b>	Causeway Coast and Glens Borough Council (CC&GBC) Progress Report	<b><i>Note</i></b>
	<b>5.1</b> Report to Those Charged with Governance 2016-2017 Progress Report as at September 2018	
<b>6</b>	Internal Audit Reports – Causeway Coast and Glens Borough Council In-house	<b><i>Approve</i></b>
	<b>6.1</b> Building Control	
	<b>6.2</b> Landfill and Compost Management	
	<b>6.3</b> Street Cleansing	
<b>7</b>	Internal Audit Reports – Moore Stephens	<b><i>Approve</i></b>
	<b>7.1</b> Joey Dunlop Leisure Centre	
	<b>7.2</b> Fuel Stamp Programme	
	<b>7.3</b> Ground Maintenance	
	<b>7.4</b> Safeguarding	
	<b>7.5</b> Quarterly Update	
<b>8</b>	Audit Committee Self-Assessment Checklist	<b><i>Note</i></b>
<b>9</b>	Information Risk Management Policy	<b><i>Approve</i></b>
<b>10</b>	Financial Reports	

<b>No</b>	<b>Item</b>	<b>Summary of key Recommendations</b>
	<b>10.1</b> Management Accounts – Year End 2018	<b>Note</b>
<b>11</b>	Council Strategy Workshop	<b>Being held 21 November 2018</b>
<b>12</b>	Matters for Reporting to Partnership Panel	<b>None</b>
<b>13</b>	Correspondence	<b>Note</b>
	<ul style="list-style-type: none"> <li>• NIAO Local Government Auditors Report 2018 (Year-end 2016/18)</li> <li>• CIPFA NI Annual Conference 2018</li> </ul>	
<b>14</b>	Corporate Risk Management	<b>Note</b>
<b>15</b>	Legal Cases Activity	<b>None</b>
<b>16</b>	Whistle Blowing/Fraud Update	<b>Verbal Update</b>
<b>17</b>	Any Other Relevant Business	<b>None</b>

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF  
THE AUDIT COMMITTEE  
HELD IN COUNCIL CHAMBER, CIVIC HEADQUARTERS ON  
WEDNESDAY 19 SEPTEMBER 2018 AT 7 PM**

**In the Chair:** Councillor P McShane

**Members Present:** Alderman Cole and McKeown.  
Councillors Baird, Beattie, Holmes, Loftus, McCaw,  
McShane C and Watton

**Independent Member Present:** G Ireland

**Officers Present:** M Quinn, Director of Corporate Services  
D Wright, Chief Finance Officer  
E McCaul, Member Services Officer

**In Attendance:** C McHugh, Senior Internal Auditor, Moore Stephens  
C Kane, Northern Ireland Audit Office  
D Campbell, Northern Ireland Audit Office

## **SUBSTITUTION**

Councillor Loftus substituted for Councillor Deighan for the transaction of business for the evening.

### **1. APOLOGIES**

Apologies were recorded for Councillors McLean, Hunter, McGlinchey and Deighan

### **2. DECLARATIONS OF INTEREST**

There was no Declarations of Interest recorded.

### **3. MINUTES OF AUDIT COMMITTEE MEETING 13 JUNE 2018**

The Chair advised that the minutes of Audit Committee Meeting held 13 June 2018 had been ratified at the Council Meeting held Tuesday 26 June 2018.

### **4. NORTHERN IRELAND AUDIT OFFICE (NIAO)**

#### 4.1 CCGBC Annual Accounts 2017-18

The Chief Finance Officer outlined that 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. He reported that Council complied with this requirement. In a change procedurally from previous years these accounts have not yet been approved by Council, this would have happened before 30 June prior to both submission to the Department and the audit of the accounts. Under current regulation the approval of the accounts now occurs after completion of the audit meaning Council are approving what will eventually be published.

A copy of the Annual Statement of Accounts for Causeway Coast and Glens Borough Council was circulated to Members..

It was pointed out that the main figure Members will be interested in could be found on page 27 this being the Movement in Reserves statement which details an in year movement in the General Fund Summary of a decrease of £1,234,660 giving a carrying total of £6,641,153. Under regulation we are recommended to carry a minimum fund balance in the range of 5% to 7.5% of our Net Operating Expenditure (£55,632,095) which translates into a recommended balance between £2,781,605 and £4,172,407. Causeway Coast and Glens Borough Council is comfortably in excess of this.

Whilst the negative result is unwelcome the sources of the deficit needs to be identified and recognized to put some perspective around this. The main contributions to the deficit are set out in the table below:

Movement In General Fund			(1,234,660)	(2,136,057)
The reasons for the current year variances are summarised as follows:				
			<b>2017/2018</b>	<b>2016/2017</b>
			<b>£</b>	<b>£</b>
Increase in Landfill Provisions	18a / 18b		(1,639,078)	(1,137,405)
Mitigation of Landfill Provision from Landfill Regulation Reserve & Provisions Discount Rate Reserve	26g / 26h		1,511,951	198,770
Rates Finalisation	9		1,056,494	(7,124)
Transfers to Usable Reserves excluding Sinking Fund	2		(231,143)	(670,950)
Staff Severance Payments	6a		(348,551)	(945,906)
(Adverse) / Favourable Services Income / Expenditure			(1,584,333)	426,558
<b>Current year variances from budget estimates</b>			<b>(1,234,660)</b>	<b>(2,136,057)</b>

The cost of services include charges relating to landfill provisions however the impact of these are reduced by movements in reserves reducing the net impact on the general fund balance to £165,133.

We have transferred £231,143 to other usable reserves and whilst this is a reduction in the general fund balance these funds are being set aside for future events such as elections, repairs and maintenance, etc.

Council has agreed that staff severance costs can be funded out of reserves the cost in this in the current year amounting to £348,551.

This leaves a balancing deficit on services of £527,839. Within this figure Council received during the year an additional £1,056,494 of rates income as detailed in the table above which has been used to offset much of the associated overspend on expenditure and in some cases under recoupment of income.

It was not all bad news as there was significant saving on capital financing during the year amounting to £194k.

In terms of income one area to highlight is car park Income which had at budget setting taken into account an increase in charges that subsequently was not fully implemented leading to the income in this service being short of its budget by £395k.

It should also be noted that there may be some narrative and presentational updates to be included in the accounts differing from the appendix, at the time of writing the report these had yet to be agreed with NIAO. These will be referred to verbally at the meeting.

NIAO will be in attendance at the committee meeting and will take members through their audit findings and opinion prior to approval of the accounts.

**It is recommended** that Causeway Coast and Glens Borough Council approve the annual statement of accounts as presented.

Proposed by Councillor Baird  
Seconded by Alderman Cole and

**AGREED** to recommend that Council approve the annual statement of accounts as presented.

#### **4.2 Draft Report to Those Charged with Governance 2017-18**

The Local Government Auditor presented the draft report to Those Charged with Governance which summarised the key matters arising from NIAO Audit of the 2017-18 financial statements.

She advised the Committee that the report had been issued a few days prior to the meeting and management responses would follow.

In terms of proposed Audit opinion, it was proposed that the Local Government Auditor would report on the 2017-18 financial statement with an unqualified audit opinion, without modification.

The Local Government Auditor referred to Audit Judgements, Audit Adjustments and Proper Arrangements

In terms of other matters of interest, the North Antrim Annual Business and Community Dinner was discussed.

The Council purchased a table at a cost of £1,500 for the North Antrim Annual Business and Community Dinner in September 2017 which was attended by invited guests from businesses and organisations within the Borough. The Northern Ireland Audit Office are aware that the Electoral Commission is currently investigation concerns in respect of this payment and the outcome of their review is imminent.

In deciding on opinion, NIAO confirmed that the £1,500 was paid directly to the Tullyglass Hotel and therefore has been correctly recorded in the accounts so that there are no concerns with the truth and fairness of the accounts in relation to the issue.

NIAO also considered if there were any issues that should be reported in relation to the Local Government Auditors additional statutory powers and duties. In considering whether to exercise any of her additional powers and duties, the Local Government Auditor takes into account a number of matters such as the significance of the subject matter, whether there is wider public interest in the issue raised and the costs of dealing with the matter bearing in mind that these are borne by taxpayer.

On that basis, and as the Electoral Commission is also investigating the matter, NIAO do not intend to take any further action at this stage, largely because of the likely costs that would be incurred if they were to do so compared to the relatively small amount of money involved. They have however made a recommendation as outlined in Section 4 of the report.

In terms of actions, the Audit Committee was invited to review the findings set out in the draft report, including the Draft Letter of Representation and Audit certificate at appendices one and two respectively; and consider whether the unadjusted misstatements, set out in the identified misstatements on page 20 should be corrected. The Audit Committee minutes should provide written

endorsement of management's response for any adjusting misstatements.

Audit Findings – A number of suggestions to improve the Narrative Report in line with relevant accounting guidance was made. The Narrative Report is considered to be consistent with NIAO understanding of the business and in line with other information provided in the financial statements.

The NIAO reported that they were content with accounting policies and financial reporting and that there was no legal issues or impropriety during the audit other than the payment of £1,500 in connection with the North Antrim Business and Community Dinner.

There were four priority 1 findings and seven priority 2.

Priority 1 findings included Management Accounts, Agency staff costs, Leases and Land & Property registration. The Head of Finance provided an update on period Management Accounts to be issued by end of month along with variance analysis and variances; and procedures for the budget setting progress. The Director of Corporate Services responded to queries in relation to Agency staff costs. A report on Leases and Rent reviews would be presented to the Land and Property Sub-Committee in November to deal with the recommendation on leases.

The priority 2 recommendations included Attendance at Business Events, Journals Authorisation and Audit Trail, Landfill Provision, Proper Arrangements, Expenditure, Property Plant & Equipment and Declarations of Interest.

Proper Arrangements – The Director of Corporate Services agreed to investigate ISO27001. Members paid tribute to the professionalism of Council's ICT staff and acknowledged the priority given to security of systems.

**AGREED** – that the Head of ICT would present updated overview to Members in the future.

The NIAO referred to Letter of Representation, Independent Auditors Report and Implementation of Prior Year Recommendations in concluding her presentation to Council. Members expressed concern and requested further information regarding the attendance at business events, including pre-approval process, how Council deal with potentially sensitive

invites, what is delegated to officers, requested a copy of correspondence/invite in advance of the Special Council Meeting; and details around how/when Council normally pay for such events.

Members were reminded that a Special Council Meeting was convened for Monday 24 September 2018 to discuss The Business and Engagement Dinner at Tullyglass held in September 2017.

The Head of Finance responded to queries in relation to landfill position and agreed that the figures would be updated. He also agreed to follow up on expenditure on a haulage contract.

Proposed by Councillor Baird  
Seconded by Alderman Cole and

**AGREED** – to recommend that Council approve the Report to Those Charged with Governance as presented.

Councillor McShane was unhappy that the findings around attendance at business events was priority 2. As a special meeting was being held on Monday 24 September 2018, she asked that a copy of the invitation be circulated, along with details of usual practice on how the payment had been processed.

#### **4.3 Annual Governance Statement 2017/18**

Causeway Coast and Glens Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiency and effectively. Causeway Coast and Glens Borough Council also has a duty under Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Causeway Coast and Glens Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Causeway Coast and Glens Borough Council has prepared an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good

Governance in Local Government. This statement explains how Causeway Coast and Glens Borough Council meets the requirements of Regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland 2015) in relation to the publication of a statement on internal control.

Council's governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables Causeway Coast and Glens Borough Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Causeway Coast and Glens Borough Council for the year ended 31 March 2018 and up to the date of approval of the financial statements.

The Audit Committee **NOTED** the Annual Governance Statement for 2017-18.

## **5. CAUSEWAY COAST AND GLENS BOROUGH COUNCIL (CCGBC) – Progress Reports**

### **5.1 Report to Those Charged with Governance 2016-2017 Progress Report as at September 2018**

The Committee received a progress report on the Audit of 2016-2017 Financial Statements from NIAO RTTCWG. The report listed 8 Audit recommendations, management response and position at September 2018 on issues being addressed.

The Audit Committee **NOTED** the progress report.

## 6. INTERNAL AUDIT REPORTS – CAUSEWAY COAST AND GLENS BOROUGH COUNCIL IN-HOUSE

### 6.1 Building Control

The Internal Auditor presented the Internal Audit Report which summarised the findings arising from a review of Building Control.

Based on audit testing, the Internal Auditor was able to provide satisfactory level of assurance. Overall there was a satisfactory system of governance and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.

The risks identified relating to the Building Control Department and agreed with management are as follows:

#### **Risk 1 – Policies and Procedures**

**Recommendation** – Council should consider rolling out the new property certificate scheme across all Council areas.

**Management Response** – Agreed. A full roll out of the Online Property Certificates system to take place firstly by information solicitors of the availability of this service and the advantages of using the system. It will provide a paperless process with the completed property certificate available by way of an email which informs the solicitor that the property certificate is complete and available to download.

A number of workshops in each of the Council offices will be organised to demonstrate the Online Property Certificate system and its advantages in using technology to speed up response times and to save on both paper and postage costs (Presently Council process in the region of 3,000 property certificates a year) A follow up will also take place with those solicitors that are using the system to get feedback on any issues or improvements they may have as well as contacting solicitors who are not presently using the system to encourage them to use it.

#### **Risk 2 - Building Applications**

**Recommendation** – Council should contact Tascomi to add a prompt reminder to ensure the scanned application is attached on the system.

**Management Response** - Agreed. A formal meeting will take place with Tascomi to discuss a solution to prompt the Business Support Officer to ensure the scanned application and possibly any additional attachments have been attached

### **Risk 3 – Building Applications Fees and Invoicing**

**Recommendation** – Council should contact Tascomi to ensure the system highlights / flags up these applications and Works started and not yet completed should be followed up as a matter of urgency.

Agreed. A formal meeting will take place with Tascomi to discuss a solution to highlight applications that have not commenced before the 3 year expiry date. A procedure will be established to ensure officers carry out a site visit and record the present situation with the application (Not Commenced or Commenced)  
If commenced the procedure will indicate how to progress claiming the inspection fee and subsequent follow up site visits

### **Risk 4 – Building Control work is carried out to the required standard**

Audit has no findings or recommendations.

### **Risk 5 – Building Control Work is planned appropriately**

**Recommendation** - The mapping of building control applications should be addressed immediately to allow the building control manager and senior officers to look at the distribution of workloads throughout the borough and evenly redistribute the workload out to the officers by redefining the areas that are presently being used.

**Management Response** - Agreed. The initial concept of mapping Building Regulations applications during the validation process will provide a management tool to ensure a fairer distribute of workloads to officers and has shown great potential in a pilot project.

Additional work and resources are required to develop this project into a fully operational management tool.

Identifying the appropriate fields within the existing Tascomi Te-Build system will ensure applications can be mapped in terms of location, type of application, purpose group and cost of works

therefore identifying where work is being carried out in the borough and how complex is this work.

Further discussions between the GIS Officer and Tascomi to refine the data will progress over the next few months as well as carrying out testing of the system

## **6.2 Landfill and Compost Management**

The Internal Auditor presented an Internal Audit Report on Landfill and Compost Management.

Based on Audit Testing, the Internal Auditor was able to provide a satisfactory level of Assurance. Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievements of system objectives.

There was no findings or recommendations.

## **6.3 Street Cleansing**

The Internal Auditor presented an Internal Audit Report on Street Cleaning.

Based on Audit Testing, the Internal Auditor was able to provide a satisfactory level of assurance. While there may be some residual risk identified, this should not significantly impact on the achievements of system objectives.

### **Risk 1 – Health and Safety:**

Audit has no findings or recommendations.

### **Risk 2 – Work Planning**

**Recommendation** – Management should consider route optimisation as soon as possible.

**Management Response** – Council have procured route optimisation software and will review cleansing routes after refuse collection runs have been optimised.

### **Risk 3 – Management of Staff**

Audit has no findings or recommendations.

### **Risk 4 – Equipment and Assets**

Audit had no findings or recommendations.

Proposed by Alderman Cole  
Seconded by Councillor Holmes and

**AGREED** – to recommend that Council approve the Internal Audit Report presented.

## 7. INTERNAL AUDIT REPORTS – MOORE STEPHENS

### 7.1 Joey Dunlop Leisure Centre – Cash Handling

The Internal Auditor from Moore Stephens presented the Internal Audit Report on Cash Handling at Joey Dunlop Leisure Centre.

Based on Audit Testing, Moore Stephens were able to provide a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

The findings, recommendations and Management Response were noted as follows:

#### **Risk 1 – Income at point of sale:**

##### **Issue 1 – Policies and Procedures**

**Recommendation** - The procedures for handling cash and relating to vending machine stock should be updated as soon as possible. For cash handling include a defined value of till discrepancies at which the BSM must investigate. Also include a process for dealing with cash received by post. The procedures should also stipulate that 2 people should be involved in the preparation/checking of all lodgements (see also issue 6). All new or temporary staff involved in handling cash should be provided with up to date procedures and should sign a declaration to say they had received them.

**Management Response** – It is clear that a review of all operational procedures in relation to the receipt of cash to the lodgement of cash needs updated. To that end procedures for handling cash and vending stock will be updated as soon as possible. All of the recommendations identified will be included.

##### **Issue 2 - Vending Machine Cash Collection and Recording:**

**Recommendation** - Evidence of compliance with the requirement for 2 persons being involved in collecting vending machine cash should also be recorded by both staff signing relevant supporting documentation. Consider redesigning the sheet recording vending machine cash to require both persons to only sign once.

**Management Response** - As an interim measure the vending record sheet will be redesigned to include the requirement for signage for both parties, a declaration will also be added.

## **Risk 2 – Control over Recording of Cash**

### **Issue 3 – Completion of Cash Sheets**

**Recommendation** – The BSO should sign the Daily Payment Summary to verify who has entered and checked the information recorded there.

**Management Response** – The Daily Payment Summary will be signed by the BSO on duty.

### **Issue 4 – Surprise Cash Counts**

**Recommendation** – Regular spot checks should be carried out on tills to ensure cash is correct and this should be recorded and the results retained for audit purposes.

**Management Response** – Management will include ‘surprise cash counts’ when implementing the updated cash handling procedures.

## **Risk 3 – Security of Cash**

### **Issue 5 – Monies held securely**

**Recommendation** – Management should review the need to keep more than 1 day’s takings at the Leisure Centre when compiling a lodgement; restrict access to the main safe and keep each day’s takings in separate bags in the main safe.

**Management Response** – Management will update both the lodgement procedure and the ‘change’ procedure to ensure the above recommendations are addressed.

### **Issue 6 – Lodgement Summary Sheets**

**Recommendation** - As noted in Issue 1, cash handling procedures should clearly specify that 2 people should be involved in the counting and preparation lodgement and they should sign and countersign all lodgement records.

**Management Response** – Management will be updating cash handling procedures to ensure that the above recommendation is addressed.

## **Risk 4 – Petty Cash**

There were no findings or recommendations to make against this area of risk.

## **Risk 5 – Vending Stock**

### **Issue 7 – Vending Machine Stock**

**Recommendation** – Management should review the continuing operation of the vending machines and consider if there are more cost-effective and less time consuming options on fully managing vending machines.

**Management Response** – Management will consider the value in continuing to operate the vending within the centre.

## **7.2 Fuel Stamp Programme**

The Internal Auditor from Moore Stephens presented the Internal Audit report on Fuel Stamp Programme.

Based on the audit testing, Moore Stephens were able to give an satisfactory level of assurance. Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.

### **Risk 1 – Contractual Compliance**

#### **Issue 1 – No signed contract place**

**Recommendation** – At the first convenient opportunity e.g. when the time comes to annually review the agreement/contract, a short contract should be put in place and signed by all relevant parties.

**Management Response** – A discussion will be had with the Head of Finance and the Procurement Officer to determine the wording of any required contract and where necessary this will be prepared and signed on behalf of Council and the service provider prior to the commencement of Year 2 of the contract.

### **Risk 2 – Contract Monitoring**

#### **Issue 2 – Monitoring Reports**

**Recommendation** – All future monitoring reports should be provided by Council by LCDI in line with a revised monitoring schedule to be defined by CCAGBC in addition LCDI should consider date stamping documents received from supplier to allow verification that supplier is paid within 5 days and record any requests for specific dates for delivery of Fuel Stamps on the

delivery spreadsheets to evidence reasons for delivery exceeding 1 day.

**Management Response** – Agreed.

**Issue 3 – Annual Review**

**Recommendation** – Management should plan a detailed annual review of the programme to ensure compliance with the terms of the tender and that the programme is continuing to be effectively managed.

**Management Response** – Schedule of meetings to be arranged to coincide with submission of monitoring returns together with an annual review passed on tender specification.

**Risk 3 – Under or Over Payment**

**Issue 4 – Payment to the Contracted Administrator**

**Recommendation** – Payment should be processed once it is verified that the most recent monitoring report has been received.

**Management Response** – Agreed.

**Risk 4 – Security of Cash and Stock**

**Issue 5 – Security of Cash and Stamps**

**Recommendation** – LCDI should confirm the coverage details for holding cash and Fuel Stamps in their safe with their insurer and avoid retaining cash or stamps in the locked safe which exceeds these insurance limits.

**Management Response** - Written request to be made to provider to confirm insurance cover for value of cash and stamps to be held in safe overnight.

Members requested further information regarding the Fuel Stamp Scheme.

It was agreed that Director of Environmental Services would prepare a report and present to Environmental Services Committee providing further details on the operation of the scheme.

**7.3 Ground Maintenance**

The Internal Auditor from Moore Stephens presented the Internal Audit Report on Ground Maintenance.

**Risk 1 – Compliance with Health and Safety**

### **Issue 1 – Compliance with Health and Safety**

**Recommendation** - Audit acknowledges that the Estates H&S officer is working to create a comprehensive training register by the end of 2018. A procedure for managing training should also be put in place to ensure appropriate clarity over responsibilities for identifying, planning and arranging training and co-ordination between the Estates H&S Officer, HR and Depot Supervisors.

**Management Response** – A procedure will be developed to clarify roles and responsibilities to ensure that training needs are identified, planned, performed and recorded. Training as an agenda will be added to H&S meetings.

### **Risk 2 – Grounds Maintenance**

#### **Issue 2 – Work Planning**

**Recommendation** - A work planning and prioritisation policy/procedures should be created and implemented which will support cohesive and interdependent working across all Depots.

**Management Response** – Due to the external constraints experiences, it is unrealistic to detail work on a daily basis, or even weekly basis and expect it to be undertaken as planned. However a high level summary of work undertaken by Grounds Maintenance staff will be developed giving guidance of work to be completed seasonally/monthly. This will list all the Grounds Maintenance functions, including all grass cutting sites.

#### **Issue 3 – Agency Workers**

**Recommendation** - Ground maintenance management should agree with HR a process to ensure that workers provided by the contracted agency have met the criteria set by CCAGBC.

**Management Response** – Human Resources have provided feedback to the agency on the issues raised by Ground Maintenance on an ongoing basis and more regular meetings between the employment agency and Council have been put in place in an attempt to avoid similar occurrences in the future.

### **Risk 3 – Asset and Equipment Responsibilities**

#### **Issue 4 – Asset & Equipment Policies and Procedures**

**Recommendation** – An asset and equipment management policy and procedure should be agreed and documented. This would set out the procedures and responsibilities for the purchase recording, tagging, storage, maintenance and disposal of assets.

**Management Response** – A Policy will be developed to cover the points raised.

#### **7.4 Safeguarding**

The Internal Auditor from Moore Stephens presented the report on Safeguarding.

##### **Risk 1 – Safeguarding Duties**

###### **Issue 1 – CCGBC do not have an active, up to date Safeguarding Policy**

**Recommendation** – The safeguarding policy which is currently under development should be prioritised, approved, finished and in action as soon as possible. Roles and responsibilities should be clear.

**Management Response** – Revised, updated and re-formulated draft Safeguarding Policy and Procedures for Children & Young People and Adults forwarded to NSPCC on 12 September 2018. Meeting scheduled between NSPCC and Council to review these documents and sign them off.

###### **Issue 2 – External groups/organisation under CCAGBC facilities**

**Recommendation** - Council should create a standardised procedure, booking form and terms of hirer highlighting that external clubs/organisations either need their own Safeguarding policy, or they need to remain compliant with the CCAG safeguarding policy. They should also include a safeguarding registration number.

**Management Response** – A Business Support Manager has just recently been appointed who is working on standardising all booking forms across Council's leisure facilities. All revised booking forms will detail the requirement for safeguarding compliance.

##### **Risk 2 – Inadequate Recruitment Processes**

There are no findings or recommendations against the risk area.

##### **Risk 3 – Staff Safeguarding Responsibilities**

###### **Issue 3 – Adequate up to date training is not provided**

**Recommendation** – Once the consolidated and updated safeguarding policy is finalised training should be urgently

arranged. Various levels of training should be developed and distributed accordingly. Once the training has been created, it should be reviewed regularly.

**Management Response** – Once both Safeguarding Policies and Procedures have been approved by Council, a training schedule for all appropriate staff will be drawn up and delivered in keeping with the requirement contained within the Safeguarding Policies and Procedures. All training will be documented and recorded.

#### **Risk 4 – Inadequate Safeguarding Reporting**

There was no findings or recommendations against the risk area.

Following the presentation of the Internal Audit Reports from 7.1 to 7.4, Officers responded to Members queries as follows:

- A report would be brought back to the Audit Committee on whether the Fuel Stamp Scheme was Borough Wide.
- The Joey Dunlop Centre were under new management and cash handling would be improved.

#### **7.5 Quarterly Update**

Ms McHugh from Moore Stephens presented the Internal Audit Report to inform the Audit Committee of work carried out during the period during the period June – August 2018.

The report set out progress against planned work; issues arising from work period reported; Audits planning for the next period and performance indicators on internal audit service provided by Moore Stephens.

Proposed by Councillor Loftus  
Seconded by Councillor McShane and

**AGREED** – to recommend to Council that the reports presented from 7.1 – 7.4 inclusive be approved.

### **8. AUDIT COMMITTEE SELF-ASSESSMENT CHECKLIST**

At the previous Audit Committee meeting held in June 2018, it was agreed that all Audit Committee Members would carry out an assessment of the Audit Committee by completing a Self-Assessment Checklist.

Completing the self-assessment checklist represents good practice and the standards to which the Council should aspire.

The questionnaire was circulated to Members for return by Wednesday 19 September 2018. Once completed and submitted the Internal Audit

will collate and summarise the results and present a summary report at a future meeting of the Audit Committee.

The Self-Assessment Checklist Report was **NOTED**.

## **9. INFORMATION RISK MANAGEMENT POLICY**

The Audit Committee received a report to update the Risk Management Strategy, following General Data Protection Regulations (GDPR)

The Information Risk Management Policy forms part of the Causeway Coast and Glens Borough Council internal control and risk management strategy within a corporate governance framework. It has been developed to provide clarity and direction on current and future information risk management activity across the Council to ensure a consistent approach is taken to such risks.

The Policy sets out the principles that the Council will use to identify, assess and management information risk in order to support the achievement of its planned objectives. It aligns with the corporate Council risk management strategy, framework and approach.

The Information Risk Management Policy and its supporting controls, processes and procedures applies to all information used, stored or disseminated within the Council, in all formats. This includes information processed by other organisations in their dealings with the Council.

**It is recommended** that the Causeway Coast and Glens Borough Council Audit Committee approve the Information Risk Management Policy as detailed in Appendix 1 of the report

Proposed by Councillor Holmes

Seconded by Councillor Loftus and

**AGREED** – that the Audit Committee recommend to Council approval of the Information Risk Management Policy as detailed in Appendix 1 of the report.

## **10. FINANCIAL REPORTS**

### **10.1 Management Accounts – Year End 2018**

The Head of Finance presented the Management Accounts to the Audit Committee which included financial report; and year-end management accounts.

Period 2 management accounts have been issued to Members, period 4 are currently being considered by management and will be provided to Members in the near future.

The Audit Committee **NOTED** the Management Accounts for year-end 2018.

## 11. COUNCIL STRATEGY WORKSHOP

The Audit Committee received a verbal update on previous Council Strategy Workshop.

It was noted that the next Council Strategy Workshop would be held on Wednesday 21 November 2018 at 7 pm.

## 12. MATTERS FOR REPORTING TO PARTNERSHIP PANEL

There were no items for reporting to the Partnership Panel.

## 13. CORRESPONDENCE

The Audit Committee were advised of the following items of correspondence:

- NIAO – Local Government Auditors Report 2018

The Auditor from NIAO presented the report and highlighted the findings.

- CIPFA Ni Aual Conference 2018 being held on 11 October in Stormont Hotel, Belfast

**AGREED** - to note the correspondence outlined.

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

Proposed by Councillor Baird

Seconded by Councillor Beattie and

**AGREED** - that the Committee proceeds to conduct the following business 'In Committee'.

## 14. CORPORATE RISK MANAGEMENT

The Director of Corporate Services presented Council's Summary Risk Matrix September 2018, which had 16 risks outlined. An explanation on the presentation and information and how the Risk Management process has evolved.

Further details were circulated which included an extract from the Council's Risk Management Strategy, and guidance on how the level of impact and likelihood is scored. This information is then used to update

the Corporate Risk matrix on a quarterly basis. The schedule for September 2018 was circulated and discussed.

Members welcomed the progress made and queries the position of ICT and Absenteeism.

As previously suggested, in the Report to Those Charged with Governance, the Head of ICT to present to Corporate Policy and Resources Committee to provide an update to Members.

The Audit Committee **NOTED** the update on Corporate Risk Management.

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

Members received, for information, a confidential updated report with regard to the Council's legal cases.

The report was **NOTED** by the Audit Committee.

#### **16. WHISTLEBLOWING/FRAUD**

The Director of Corporate Services reported that there was 1 new whistleblowing/fraud incidents during the quarter relation to both Planning and Procurement; and it was currently being investigated by the NIAO.

#### **MOTION TO PROCEED 'IN PUBLIC'**

Proposed by Councillor Baird  
Seconded by Councillor McShane and

**AGREED** - that the Committee would conduct the remainder of the business 'In Public'.

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

There was no other relevant business.

#### **18. DATE OF MEETING**

- Wednesday 12 December 2018

There being no other business, the Chair thanked members for their attendance and the business concluded at 8:45 pm.

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Chair

Confirmed