



13 June 2024

Committee Chair: Councillor S Ward
Committee Vice-Chair: Councillor A Bennington
Committee Members: Councillors – M Goodman, B Mallon, A McAuley and S Wilson
Independent Member: Ms Ashley Neill

Dear Member

MEETING OF THE AUDIT AND RISK COMMITTEE

A meeting of the Audit and Risk Committee will be held in the **Round Tower Council Chamber, Antrim Civic Centre on Tuesday 18 June 2024 at 6.30pm.**

You are requested to attend.

Yours sincerely

Richard Baker, GM MSc
Chief Executive, Antrim & Newtownabbey Borough Council

PLEASE NOTE: a fork buffet will be available in the Café from 5.20 pm.

For any queries please contact Member Services:

Tel: 028 9034 0107/028 9448 1301

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A G E N D A

1. APOLOGIES

2. DECLARATIONS OF INTEREST

3. ITEMS FOR DECISION

3.1 Audit and Risk Committee Annual Report 2023/24

3.2 Update of the Internal Audit Plan 2024/25

4. ITEMS FOR INFORMATION

4.1 Quarter 4 Progress Reports, Performance and Improvement Plan 2023/24

4.2 Corporate Performance and Improvement Plan 2024/25

4.3 Corporate Performance and Improvement Plan 2024/5 - Performance Governance Arrangements 2024/25

4.4 Update on Audit and Risk Committee Actions

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4.6 Internal Audit Annual Report 2023/24

4.7 Internal Audit Quality Assurance and Improvement Programme 2023/24

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4.11 Financial Statements for the Year Ended 31 March 2024

4.12 Post Project Evaluation Schedule

5. ITEM IN CONFIDENCE

5.1 Concerns Raised and Investigations Update

6. ANY OTHER RELEVANT BUSINESS

3 ITEMS FOR DECISION

3.1 FI/AUD/02 AUDIT & RISK COMMITTEE ANNUAL REPORT 2023/24

1. Purpose

The purpose of this report is to obtain approval from Members of the Audit and Risk Committee Annual Report for 2023/24 and that the report be provided to the June 2024 Council meeting.

2. Introduction / Background

CIPFA's Audit Committee – Practical Guidance for Local Authorities and Police, places a requirement on the Audit & Risk Committee to “report regularly on their work, and at least annually report an assessment of their performance”.

Members are reminded that on 15 February 2024, Members of the Audit and Risk Committee participated in a self-assessment review of the Committee's performance throughout the year.

The outcomes of this review were provided to and were approved by the Audit and Risk Committee on 20 March 2024, including the reporting of these outcomes to Full Council in June 2024.

3. Key Points

The Audit and Risk Committee Annual Report (**enclosed**) has been prepared outlining the Committee's activities during 2023/24 and how the Committee has discharged its roles and responsibilities as set out in the Audit and Risk Committee Terms of Reference.

Members are asked to review and agree the report prior to it being provided to Full Council.

Once approved by Full Council, the report will be published on the Council's website.

4. Recommendation

It is recommended that the Committee approves the Audit and Risk Committee Annual Report 2023/24 and that the report be provided to the June 2024 Council meeting.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

3.2 FI/AUD/01 UPDATE OF THE INTERNAL AUDIT PLAN 2024/25

1. Purpose

The purpose of this report is to obtain approval from Members for the update of the Internal Audit Plan for 2024/25.

2. Introduction / Background

The Head of Internal Audit is required to provide an annual opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

The basis of this opinion will be the Internal Audit service provided during the year as set out in the Audit Plan.

3. Previous Decision of Council

The Internal Audit Plan for 2024/25 was approved by Members of the Audit and Risk Committee on 18 March 2024.

4. Key Points

Following approval of the Audit Plan for 2024/25, two requests have been made to amend the Plan from Directors.

i) Environmental Health

A request to amend the focus of Environmental Health / Food Safety audit was made by the Director of Sustainability and the Head of Environmental Health.

The high level scope of the Food Safety audit was to "provide assurance on the processes in place within the programme of Food Safety inspections and enforcements".

When planning the audit with management, it was realised that the Food Standards Agency (FSA) had completed an audit of the Council Food Safety procedures in June 2022, including how the Council was recovering from COVID-19 in insuring the expected standards for Food Hygiene and Foods Standards services were in place.

The outcome of this audit was positive, with no recommendations being made for further improvements.

As a result, Environmental Health management believe a better use of Internal Audit resource would be to audit the Oil Stamps Scheme. This would provide assurance over the operation of the scheme in compliance with the Council's Oil Stamp Policy, and provide assurance over the financial controls in place to safeguard the stock of stamps and income generated through the Scheme.

ii) Arts, Culture, Tourism and Events

Following a complaint received in respect of a facility booking, the Director of Community Planning has requested that an audit of facility bookings be undertaken due to concerns regarding the compliance with booking processes and procedures.

The current approved Plan includes an audit of Theatres Cash Handling and Income Generation to provide assurance over the processes in place.

It is proposed to replace the Theatres audit with an audit of bookings within Arts, Culture, Tourism and Events. This will to provide assurance over the procedures and processes in operation, ensuring compliance with these.

CLT has considered and approved the update to the Audit Plan for 2024/25 as set out above.

5. Recommendation

It is recommended that the Committee approves the update of the Internal Audit Plan for 2024/25.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4 ITEMS FOR INFORMATION

4.1 PT/CI/049 QUARTER 4 PROGRESS REPORTS, PERFORMANCE AND IMPROVEMENT PLAN 2023/24

1. Purpose

The purpose of this report is to note the 2023/24 Quarter 4 Corporate Performance Progress report.

2. Background

Members are reminded that Part 12 of the Local Government Act (Northern Ireland) 2014 puts in place a framework to support the continuous improvement of Council services.

The Council's Corporate Performance and Improvement Plan 2023/24 was approved in June 2023. This set out a range of robust performance targets, along with six identified improvement objectives and a number of Statutory Performance Targets.

3. Previous Decision of Council

As agreed at the August 2023 Council meeting, quarterly performance reports are presented to the relevant Committee or Working Group.

4. Key Points

The 2023/24 Quarter 4 Corporate Performance Progress Report is **enclosed** for information.

5. Recommendation

It is recommended that the 2023/24 Quarter 4 Corporate Performance Progress report be noted.

Prepared by: Allen Templeton, Performance Improvement Officer

Agreed by: Katherine Young, Organisation Development & Employee Engagement Manager

Approved by: Helen Hall, Director of Corporate Strategy

4.2 PT/CI/060 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2024/25

1. Purpose

The purpose of this report is to note the final draft Corporate Performance and Improvement Plan 2024/25.

2. Background

Members are reminded that Part 12 of the Local Government Act (Northern Ireland) 2014 puts in place a framework to support the continuous improvement of Council services.

3. Previous Decision of Council

The Council's Corporate Performance and Improvement Plan 2024/25 draft was approved in January 2024. This set out a range of robust performance targets, along with six identified improvement objectives and a number of Statutory Performance Targets.

4. Key Points

On 5 February 2024 a twelve week public consultation commenced to derive feedback from Residents, Stakeholders, Local Businesses, Statutory and Community Planning partners, and other bodies with which collaborative working is taking place or planned.

A summary of the consultation responses was presented for Members' information at the June Policy & Governance meeting. The feedback from the consultation was considered for incorporation into the final draft of the Plan, a copy of which is **enclosed**.

5. Recommendation

It is recommended that the final draft Corporate Performance and Improvement Plan 2024/25 is noted.

Prepared by: Allen Templeton Performance Improvement Officer

Agreed by: Katherine Young Organisation Development & Employee Engagement Manager

Approved by: Helen Hall Director of Corporate Strategy

4.3 **PT/CI/060 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2024/25 - PERFORMANCE GOVERNANCE ARRANGEMENTS 2024/25**

1. **Purpose**

The purpose of this report is to provide to Members the Performance Governance Arrangements 2024/25 for noting.

2. **Introduction / Background**

Members are reminded that Part 12 of the Local Government Act (Northern Ireland) 2014 puts in place a framework to support the continuous improvement of Council services.

3. **Previous Decision of Council**

The draft Corporate Performance and Improvement was approved by Council in January 2024. This was subject to a 12 week consultation which commenced on 5 February. A summary report of this consultation was noted by Council on 28 May. Based on the outcome of this consultation the final Corporate Performance and Improvement Plan 2024/25 will be presented to Council on 24 June 2024.

4. **Key Issues (or the relevant titles for the main body of the report)**

Members have agreed that we will measure and monitor the performance of the corporate indicators as set out in the Corporate Performance and Improvement Plan 2024/25. The adoption of this approach ensure Council's compliance with Part 12 of the Local Government Act (Northern Ireland) 2014.

To support the delivery of the Performance and Improvement Plan, Performance Governance Arrangements, **enclosed**, are revised annually. These arrangements outline Council's statutory duty to set objectives for the improvement of services, the performance framework and reporting, the Corporate Performance and Improvement Objectives for 2024/25 and how we will monitor and measure these objectives.

5. **Recommendation**

It is recommended that the revised Performance Governance Arrangements 2024/25 are noted.

Prepared by: Allen Templeton, Performance Improvement Officer

Agreed by: Katherine Young, Organisation Development & Employee Engagement

Approved by: Helen Hall, Director of Corporate Strategy

4.4 FI/AUD/02 UPDATE ON AUDIT AND RISK COMMITTEE ACTIONS

1. Purpose

The purpose of this report is for Members to note the progress on actions raised at previous Audit and Risk Committees.

2. Introduction / Background

Members are reminded that at each Committee meeting, a progress update on previous Committee actions is provided for consideration.

3. Key Points

The following table provides a progress update on the actions raised.

Item	Action	Progress update	Anticipated Completion Date
December 2022			
4.6 RECOVERY PLAN 2022/23 – PERFORMANCE PROGRESS REPORT QUARTER 2			
(i)	A review of how Council assess customer satisfaction be undertaken.	In Progress The Consultation and Engagement Strategy and associated Framework has been completed and was presented to P&G for approval in June 2024. The Customer Services Strategy (which incorporates a consultation plan and customer charter) is currently being developed and will be presented to P&G in September for approval.	30/09/24
December 2023			
4.5 CORPORATE PERFORMANCE & IMPROVEMENT PLAN – PROGRESS REPORT QUARTER 2			
(i)	Clarity to be provided in future reports that improvement targets are annual.	In Progress The Corporate Performance Improvement reports have been amended to reflect this from Qtr1 of 2024/25 and are to be reported to Committees in September.	30/09/24

March 2024

3.1 REVIEW OF THE EFFECTIVENESS OF THE AUDIT & RISK COMMITTEE 2023/24

(i)	The outcomes of the review of the effectiveness of the Audit & Risk Committee be approved and that these outcomes be reported to the June 2024 Council meeting.	Complete The Review of the Effectiveness of the Audit & Risk Committee report will be provided to the June 2024 Council meeting along with the Audit & Risk Committee Annual report.	N/A
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3.2 INTERNAL AUDIT STRATEGY 2024-2027 AND AUDIT PLAN 2024/25

(i)	The Internal Audit Plan for 2024/25 be approved and an audit of all Policies and Procedures be included in the Audit Plan for either 2024/25 or 2025/26.	Complete CLT considered the inclusion of a Policies and Procedures audit and agreed that it would be best to include within the 2025/26 plan.	N/A
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4.5 INTERNAL AUDIT UPDATE REPORT

(i)	The new Contract Review report to be provided to CLT, to also be provided to the Audit & Risk Committee.	In Progress Development of a contract review report has been paused pending the implementation of the Procurement Act 2023. The implications of the Act need to be considered once guidance has been issued, to assess how we will manage, monitor and report on contracts, ensuring compliance with the Legislation.	31/03/25
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4.6 CORPORATE RISK REGISTER

(i)	The Director of Finance & Governance to provide follow up information (on the additional financial burden associated with arc21) to Cllr. Bennington.	Complete Follow up information provided to Cllr. Bennington on 4 April 2024.	N/A
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4. Recommendation

It is recommended that the progress on actions raised at previous Audit and Risk Committees be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.5 FI/AUD/01 INTERNAL AUDIT UPDATE REPORT

1. Purpose

The purpose of this report is for Members to note the Internal Audit activity since the Audit and Risk Committee last met in March 2024.

2. Introduction / Background

Members are reminded that a report providing a summary of the Internal Audit activity since the Audit and Risk Committee last met, is presented on a quarterly basis.

3. Key Points

The **enclosed** Internal Audit update report includes the objectives and conclusions reached for each completed engagement and management comments as applicable.

The report also provides details of the progress of the implementation of agreed Internal Audit recommendations and the results of Internal Audit's Quality Assurance and Improvement Programme (QAIP).

4. Recommendation

It is recommended that the Internal Audit activity since the Audit and Risk Committee last met in March 2024 be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.6 FI/AUD/01 INTERNAL AUDIT ANNUAL REPORT 2023/24

1. Purpose

The purpose of this report is for Members to note the Internal Audit Annual Report for 2023/24.

2. Introduction / Background

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit is required to provide an annual opinion on the overall adequacy and effectiveness of the Council's system of internal control.

This opinion is based upon and is limited to the work performed during the year.

3. Key Points

The **enclosed** report provides the annual opinion for Antrim and Newtownabbey Borough Council for the year ended 31 March 2024.

4. Recommendation

It is recommended that the Internal Audit Annual Report for 2023/24 be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.7 FI/AUD/01 INTERNAL AUDIT QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME 2023/24

1. Purpose

The purpose of this report is for Members to note the Internal Audit Quality Assurance and Improvement Programme for 2023/24.

2. Introduction / Background

The Public Sector Internal Audit Standards (PSIAS) requires Internal Audit “to develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity.”

The results of the quality assurance and improvement programme must be communicated to the Audit and Risk Committee and the Corporate Leadership Team.

3. Key Points

The annual review of the quality assurance improvement programme has been completed for Internal Audit and a copy is **enclosed** for Members' consideration.

4. Recommendation

It is recommended that the Internal Audit Quality Assurance and Improvement Programme for 2023/24 be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.8 FI/AUD/03 CORPORATE RISK REGISTER

1. Purpose

The purpose of this report is for Members to note the updated Corporate Risk Register.

2. Introduction / Background

A report providing details of the Council's Corporate Risk Register, since the Audit and Risk Committee last met, is presented on a quarterly basis.

3. Key Points

All Corporate risks have been reviewed and updated in line with the review and reporting timeframe.

In accordance with the reporting protocol, a report setting out the Corporate Risk Register and the changes made to risks, is **enclosed** for Members review.

4. Recommendation

It is recommended that the updated Corporate Risk Register be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.9 FI/AUD/01 REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL 2023/24

1. Purpose

The purpose of this report is for Members to note the Review of the Effectiveness of the System of Internal Control for 2023/24.

2. Introduction / Background

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, requires that "a local government body shall conduct a review at least once in each financial year of the effectiveness of its system of internal control" and that "the findings of the review... must be considered at a meeting either of the local government body as a whole or a committee of the local government body whose remit includes audit of governance functions" so that this review will inform the approval of the Annual Governance Statement.

3. Key Points

The annual review of the Effectiveness of the System of Internal Control has been completed for Antrim and Newtownabbey Borough Council and a copy is **enclosed** for Members' consideration.

4. Recommendation

It is recommended that the Review of the Effectiveness of the System of Internal Control for 2023/24 be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.10 FI/FIN/SOA/10 ANNUAL GOVERNANCE STATEMENT 2023/24

1. Purpose

The purpose of this report is for Members to note the draft Annual Governance Statement for 2023/24.

2. Introduction / Background

The Council is required to publish an Annual Governance Statement with its annual statement of accounts.

This statement is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government,' and outlines how the Council is complying with the Framework.

This statement also meets the requirements of Regulation 4(2) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 in relation to the review of the system of internal control.

3. Key Points

The draft Annual Governance Statement 2023/24 has been completed for Antrim and Newtownabbey Borough Council and a copy is **enclosed** for Members' review.

On completion of the audit of the Financial Statements the final Annual Governance Statement will be brought back to the Audit and Risk Committee for approval in September 2024.

4. Recommendation

It is recommended that the draft Annual Governance Statement for 2023/24 be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.11 FI/FIN/SOA/10 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Purpose

The purpose of this report is for Members to note the draft Financial Statements for the Year Ended 31 March 2024.

2. Introduction / Background

The Local Government Accounts and Audit Regulations (Northern Ireland) 2015 requires the Financial Statements be formally considered and approved no later than 30 September following the end of the financial year to which the accounts relate.

Draft Financial Statements are due to be submitted to the Department of Communities no later than 30 June following the end of the financial year in preparation of the external audit by the Northern Ireland Audit Office.

3. Key Points

Officers will provide Members with details of the Council's financial performance for the year ended 31 March 2024 as set out in the draft Financial Statements (**enclosed**).

Independent audit of the draft Financial Statements will proceed after submission to the Department for Communities by 30 June 2024 and the audited final Financial Statements will be provided to the Audit and Risk Committee for approval in September 2024.

4. Recommendation

It is recommended that the draft Financial Statements for the Year Ended 31 March 2024 be noted.

Prepared by: Richard Murray, Head of Finance

Agreed by: John Balmer, Deputy Director of Finance

Approved by: Sandra Cole, Director of Finance and Governance

4.12 PT/TP/021 POST PROJECT EVALUATION SCHEDULE

1. Purpose

The purpose of this report is to note the Post Project Evaluation schedule.

2. Introduction/Background

The Post Project Evaluation process encompasses the whole project lifecycle from inception to post project evaluation.

The process is administered by the Performance Improvement team. Project owners are responsible for setting the pre-project targets within the business case and completing the post project evaluation against these targets at the end of the realisation period(s).

3. PPE Update

The Post Project Evaluation schedule has been updated to reflect the current capital programme.

The schedule shows:

- Part 1 (Capital) of the evaluations that are in progress and an update on completed PPE that has gone to the relevant committees. Included in the schedule is the update on those projects that have been delayed due to DFI.
- Part 2 (Client) of the evaluations are in progress.

An updated Post Project Evaluation Schedule is **enclosed** for information and amendments have been updated in red.

A further update of the PPE schedule will be provided to Audit and Risk Committee in December 2024.

4. Recommendation

It is recommended that the Post Project Evaluation schedule be noted.

Prepared by: Katherine Young, Organisation Development & Employee Engagement Manager

Approved by: Helen Hall, Director of Corporate Strategy