



**MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE AUDIT AND RISK COMMITTEE
HELD IN ANTRIM CIVIC CENTRE ON TUESDAY 10 DECEMBER 2024 AT 6.30 PM**

In the Chair	: Councillor S Ward
Committee Members (Present)	: Councillor A Bennington
Committee Members (Remote)	Councillors M Goodman, A McAuley and S Wilson
Independent Member (In Person)	: Ms Ashley Neill
Non Committee Members (In person)	: Councillor B Webb
Officers Present	: Director of Finance and Governance – S Cole Director of Organisation Development (Interim) – H Hall Head of Finance – R Murray Head of Internal Audit – P Caulcutt ICT Helpdesk Officer – J Wilson Member Services Officer – C McGrandle
In Attendance	: S Wade - NI Audit Office K Doey – NI Audit Office

CHAIRPERSON'S REMARKS

The Chairperson welcomed everyone to the Audit and Risk Committee Meeting and reminded all present of recording requirements.

The Chairperson further extended a welcome to Seamus Wade and Kathy Doey from the Northern Ireland Audit Office.

1 APOLOGIES

Councillor B Mallon

2 DECLARATIONS OF INTEREST

None

3 ITEMS FOR DECISION

3.1 FI/AUD/02 REVIEW OF THE EFFECTIVENESS OF THE AUDIT AND RISK COMMITTEE 2024/25

1. Purpose

The purpose of this report was to obtain Members' approval to hold a facilitated self-assessment session on 13 February 2025 to review the effectiveness of the Audit and Risk Committee during 2024/25.

2. Background

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

In previous years, Members of the Audit and Risk Committee participated in a facilitated self-assessment review of the performance of the Committee.

3. Key Points

The Review of the Effectiveness of the Audit and Risk Committee for 2024/25 was now due. To assist the Members to complete this review, a self-assessment session was proposed to take place on Thursday 13 February 2025.

This self-assessment would include the completion of an 'Evaluating the Effectiveness of the Audit Committee' checklist which would enable the Committee to undertake and report an assessment of their performance throughout the year.

This assessment would be provided to the March 2025 Audit and Risk Committee for approval, before being reported, along with the Audit and Risk Committee Annual Report, to the Council meeting in June 2025.

In addition, and further to the report provided to Members in September with respect to the introduction of new Internal Audit Standards, we would use this session to provide further information on the Standards and their implications for the Audit and Risk Committee.

Proposed by Councillor Wilson

Seconded by Councillor McAuley and agreed that

a facilitated self-assessment session on 13 February 2025 be approved.

ACTION BY: Paul Caulcutt, Head of Internal Audit

4 ITEMS FOR INFORMATION

4.1 FI/FIN/SOA/10 NIAO: ANNUAL AUDIT LETTER 2023/24

1. Purpose

The purpose of this report was for Members to note the Local Government Auditor's 2023/24 Annual Audit Letter.

2. Key Points

In September 2024, the Audit and Risk Committee approved the Statement of Accounts for the year ended 31 March 2024.

The Local Government Auditor had been issued the Annual Audit Letter 2023/24 (circulated) following completion of the audit of the Statement of Accounts by the Northern Ireland Audit Office.

Representatives of the NIAO were in attendance to answer Members' questions.

Proposed by Councillor Wilson
Seconded by Councillor McAuley and agreed that

the Annual Audit Letter 2023/24 be noted.

NO ACTION

4.2 FI/FIN/SOA/10 NIAO: REPORT TO THOSE CHARGED WITH GOVERNANCE 2023/24

1. Purpose

The purpose of this report was for Members to note the final Report to Those Charged with Governance 2023/24.

2. Key Points

In September 2024, the Audit and Risk Committee approved the Statement of Accounts for the year ended 31 March 2024. Members were also provided with a copy of the draft Report to Those Charged with Governance.

The Local Government Auditor had been issued the final Report to Those Charged with Governance (circulated) and letter following completion of the audit of the Statement of Accounts by the Northern Ireland Audit Office.

The Report included Council's Management Responses to the findings raised, which had been reviewed and agreed by the Corporate Leadership Team.

Representatives of the NIAO were in attendance to answer Members' questions.

In response to a query from the Independent Member, the Director of Finance and Governance confirmed that an update on the findings raised would be provided at a future Committee.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the final Report to Those Charged with Governance 2023/24 be noted.

ACTION BY: Sandra Cole, Director of Finance and Governance

4.3 PT/CI/064 NIAO: PERFORMANCE IMPROVEMENT AUDIT AND ASSESSMENT REPORT 2024/25

1. Purpose

The purpose of this report was for Members to note the Northern Ireland Audit Office Performance Audit and Assessment Report 2024/25

2. Background

Part 12 of the Local Government Act (Northern Ireland) 2014 established that all Councils were under a general duty to make arrangements to secure continuous improvement in the exercise of their functions.

The Act required the Local Government Auditor to summarise all of her work (in relation to her responsibilities under the Act) at the Council, in an annual improvement report. This would be published on the NIAO website by 31 March 2025, making it publicly available.

3. Previous Decision of Council

The Performance Governance Arrangements 2024/25 were noted at the June 2024 Audit and Risk Committee and June 2024 Council meeting, contained within the Performance Governance Arrangements is the Reporting Timetable which confirmed the NIAO Performance Improvement Audit and Assessment Report would be presented to December Audit and Risk committee.

4. Key Points

The Local Government Auditor had concluded, in the Audit Assessment, that, Council was likely to comply with its performance improvement responsibilities under Part 12 of the Local Government Act (Northern Ireland) 2014 during

2024/25. The Local Government Auditor had confirmed Council was likely to discharge its duties in respect of Part 12 of the Act during 2024/25.

The Local Government Auditor had certified Council's performance arrangements with an unqualified audit opinion, without modification. The Audit and Assessment Report 2024/25 did not contain any statutory recommendations and there was one proposal for improvement. A copy of the report and letter to the Chief Executive were circulated for Members' information.

Proposed by Councillor Wilson
Seconded by Ms Neill and agreed that

the NIAO Performance Improvement Audit and Assessment 2024/25 be noted.

NO ACTION

4.4 FI/AUD/2 NIAO: LOCAL GOVERNMENT AUDITOR'S REPORT 2024

1. Purpose

The purpose of this report was for Members to note the Local Government Auditor's Report 2024.

2. Background

Northern Ireland's Local Government Auditor had published a report (circulated) which summarised the findings of the audits of local councils during 2022/23.

3. Key Points

The report highlights the largest shortfall between total income and expenditure since the formation of the new Council structure in 2015.

During 2022/23, the total income generated across the 11 councils was around £1.03 billion, a reduction of around 8.5% compared to the previous year. Expenditure across the councils during the year totalled £1.16 billion, representing a total shortfall of approximately £128 million.

The report outlined the primary reason behind the overall reduction in council income in 2023 was the significant reduction of central government financial support, with grants paid to councils by central government in 2020/21 and 2021/22 being significantly higher than usual to support councils managing the economic pressures arising from the COVID-19 pandemic and subsequently from inflationary increases in costs.

The Local Government Auditor advised that "this gap between decreasing levels of income and rising expenditure was being experienced across most councils" and that she was "concerned that any sustained continuation of

this trend could potentially challenge long-term financial sustainability of the overall local government sector”, requiring “financial resilience through effective planning and strong oversight”.

The Local Government Auditor further advised that “income generated by councils, through charges and service fees, fell in both the last two financial years” and that “there may be merit, therefore, in councils considering the scope for increasing income generation, and for sharing details about initiatives they have taken or plan to take to maximise income going forward”.

Other findings noted in the report included:

- The value of usable resources held by councils continued to be higher than before the pandemic, totalling around £447 million.
- Staff costs across councils amounted to £436 million, representing around 40% of operational expenditure.
- There had been a significant rise in absence levels post-pandemic, with an average of 16.9 days per council staff members reported in 2022/23, compared to the 11 days reported in 2020/21 (15.8 days in 2021/22).
- Levels of borrowing had continued to reduce across all councils, the total level of debt had fallen from £481 million in 2021/22 to £437 million in 2022/23. This was largely attributable to a reduction in overall capital expenditure since before the pandemic, which was unsurprising given the significant economic pressures and financial uncertainty facing councils.
- The processing of planning applications by councils continued to exceed targeted timescales, with 63% of major applications across councils not within the statutory 30 week target, and 62% of local applications not processed within the statutory 15 week target.
- The value of frauds reported by councils to the Local Government Auditor had increased to around £24,000 in 2022/23 (£9,400 in 2021/22).

Proposed by Councillor Bennington
Seconded by Councillor Wilson and agreed that

the Local Government Auditor’s Report 2024 be noted.

NO ACTION

4.5 FI/AUD/2 NIAO: THE NATIONAL FRAUD INITIATIVE IN NORTHERN IRELAND REPORT 2024

1. Purpose

The purpose of this report was for Members to note the National Fraud Initiative in Northern Ireland Report 2024.

2. Background

Northern Ireland's Comptroller and Auditor General had published a report (circulated) which summarised the findings of the eighth National Fraud Initiative (NF) exercise in Northern Ireland.

The NFI was a data matching exercise which was to be completed every two years. Public bodies, which included government departments, agencies, non-departmental public bodies, councils and health sector bodies participated, with their respective data sets matched to help identify potentially fraudulent and erroneous transactions.

3. Key Points

The report highlighted for the reporting period from April 2022 to March 2024, over £3.7 million of actual and estimated fraud and error was either detected or prevented through NFI data matching, a decrease from around £4.4 million in the previous exercise (2020-2022).

Of the total amount recovered or prevented, the majority (over £3 million) related to pension fraud, error and overpayments, with the vast majority of these stemming from a small number of cases.

Other findings noted in the report included:

- Outcomes relating to rates (rates avoidance) had increased significantly with over £500,000 recovered or prevented (£57,000 in 2020 - 2022).
- Over £90,000 in duplicate payments recovered from suppliers.

Proposed by Ms Neill

Seconded by Councillor McAuley and agreed that

the National Fraud Initiative in Northern Ireland Report 2024 be noted.

NO ACTION

4.6 G/GEN/019 CODE OF GOVERNANCE (OCTOBER 2024)

1. Purpose

The purpose of this report was for Members to note Council's Code of Governance (October 2024).

2. Background

Antrim and Newtownabbey Borough Council would be committed to the principles of good governance and has a Code of Governance to reflect this.

The document consolidates the key governance practices within Council, demonstrating Council's governance structures were consistent with the core and supporting principles contained in the Delivering Good Governance in Local Government Framework (April 2016).

3. Key Points

The Code of Governance (circulated) was taken to the Policy and Governance Committee for approval on 3 December. It was then uploaded to the Council website, to provide details of Council's existing processes and documentation to demonstrate compliance with the framework.

Proposed by Councillor Wilson
Seconded by Councillor McAuley and agreed that

the Code of Governance be noted.

NO ACTION

4.7 **PT/CI/060 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2024/25 – QUARTER 2 PROGRESS REPORT**

1. Purpose

The purpose of this report was to recommend to Members that the Corporate Performance and Improvement Plan 2024/25 Performance Progress Report, Quarter 2 be noted.

2. Background

Part 12 of the Local Government Act (Northern Ireland) 2014 put in place a framework to support the continuous improvement of Council services.

Council's Corporate Performance and Improvement Plan 2024/25 was approved in June 2024. This set out a range of robust performance targets, along with 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 would be presented to the relevant committee.

4. Key Points

Second Quarter performance progress report for the Corporate Performance and Improvement Plan 2024/25 was circulated for Members' information.

The Director of Organisation Development (Interim) provided an explanation in response to a query from the Independent Member regarding the performance indicator for school uniforms.

The Director of Organisation Development (Interim) noted a Member's suggestion that objectives could be linked to the strategic outcomes in the Corporate Plan and referenced in the quarterly updates.

Proposed by Ms Neill

Seconded by Councillor Bennington and agreed that

the Corporate Performance and Improvement Plan 2024/25 Performance Progress Report Quarter 2 be noted.

ACTION BY: Helen Hall, Director of Organisation Development (Interim)

4.8 **FI/AUD/02 UPDATE ON AUDIT AND RISK COMMITTEE ACTIONS**

1. Purpose

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

2. Introduction / Background

At each Committee meeting, a progress update on previous Committee actions would be provided for consideration.

3. Key Points

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

Item	Action	Progress update	Anticipated Completion Date
March 2024			
4.5	INTERNAL AUDIT UPDATE REPORT		

Item	Action	Progress update	Anticipated Completion Date
(i)	The new Contract Review report to be provided to CLT, to also be provided to the Audit and Risk Committee.	In Progress Development of a contract review report had been paused pending the implementation of the Procurement Act 2023. The implications of the Act need to be considered once guidance had been issued, to assess how we would manage, monitor and report on contracts, ensuring compliance with the Legislation.	31/03/25
September 2024			
3.1 ANNUAL GOVERNANCE STATEMENT 2023/24			
(i)	The Annual Governance Statement for 2023/24 be signed and dated by the Chairperson of the Audit and Risk Committee.	Complete The Annual Governance Statement was signed by the Chairperson on 17 September.	N/A
3.2 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024			
(i)	The Financial Statements for the Year Ended 31 March 2024 be signed and dated by the Chairperson of the Audit and Risk Committee.	Complete The Financial Statements were signed by the Chairperson on 17 September.	N/A
(ii)	The Management Attendance Action Plan be shared with Committee Members.	Complete The Managing Attendance Action Plan was provided to Committee Members on 24 September.	N/A
4.2 2023/24 ANNUAL SELF-ASSESSMENT REPORT ON PERFORMANCE			
(i)	Information on payment of suppliers, performance by department be provided to the Policy and Governance Committee.	Complete Information on the prompt payment performance by department was provided to the Policy and Governance Committee on 8 October.	N/A
4.6 INTERNAL AUDIT UPDATE REPORT			

Item	Action	Progress update	Anticipated Completion Date
(i)	Consideration be given to digitising the Oil Stamp Scheme	<p>Complete</p> <p>A new digital Oil Stamp Saving Scheme application process was introduced at the end of November 2024. This process would also include the annual renewal of terms and conditions to be completed digitally and held electronically.</p>	N/A

Proposed by Ms Neill
 Seconded by Councillor McAuley and agreed that

the progress on actions raised at previous Audit and Risk Committees be noted.

NO ACTION

4.9 FI/AUD/01 INTERNAL AUDIT UPDATE REPORT

1. Purpose

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

2. Introduction / Background

A report which provided a summary of the Internal Audit activity since the Audit and Risk Committee last met, would be presented on a quarterly basis.

3. Key Points

The circulated Internal Audit update report included the objectives and conclusions reached for each completed engagement and management comments, as applicable.

The report also provided 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).

In response to a Member's query in relation to the booking of facilities, the Head of Internal Audit clarified that the audit did not include community centres. He further confirmed, that the recommendations made would be considered for all Council facilities.

In response to a question from the Independent Member, the Head of Internal Audit provided reassurance regarding invoicing and software systems.

Proposed by Ms Neill

Seconded by Councillor Bennington and agreed that

the Internal Audit activity since the Audit and Risk Committee last met in September 2024 be noted.

NO ACTION

4.10 FI/AUD/03 CORPORATE RISK REGISTER

1. Purpose

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

2. Introduction / Background

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

A series of risk management workshops were held with Directors and Heads of Service to review, cleanse and update risks through the identification of significant and relevant risks which may impact on the achievements of objectives.

Directors also reviewed and updated the corporate risks included on the Corporate Risk Register and identified and considered new corporate risks for inclusion which were of corporate significance.

3. Key Points

The review and update of the Corporate Risk Register by Directors had been completed and the revised register, agreed by the Corporate Leadership Team was circulated for Members' review.

In response to a query from the Independent Member in relation to changes to the corporate risk register and the potential need for Safeguarding retraining, the Director of Organisation Development (Interim) confirmed that Council had completed a thorough review of its Safeguarding Policy in order to ensure it was robust and met the requirements of all departments within Council. She further confirmed that the Policy would be brought to the Corporate Leadership Team, Trade Unions and Council in the New Year.

The Director of Finance and Governance responded to a Member's query in relation to the potential increase of Councillors' allowances and confirmed that she would look into it and respond to the Member.

In response to Members' comments made in relation to the arc21 risk description, the Director of Finance and Governance confirmed that she would pass this on to the Director of Sustainability.

Proposed by Ms Neill

Seconded by Councillor McAuley and agreed that

the updated Corporate Risk Register be noted.

ACTION BY: Sandra Cole, Director of Finance and Governance

4.11 FI/AUD/02 NI PUBLIC SERVICES OMBUDSMAN: OMBUDSMAN'S REPORT 2023-2024

1. Purpose

The purpose of this report was for Members to note the NI Public Services Ombudsman's 2023/2024 report.

2. Introduction / Background

The Northern Ireland Public Services Ombudsman (NIPSO) provide access to justice for individual citizens who had a complaint about a public body. Their work contributed to improved accountability, fairness and transparency within public services.

NIPSO investigate unresolved complaints about public service providers and would decide either that a public body acted reasonably, or that it behaved unfairly. Where failings are found, they would ask the body to put things right.

NIPSO promote good administration in public bodies and help improve public services by making recommendations to try and prevent mistakes having been repeated.

Complaints received by NIPSO would be broken down into five main sectors:

- Health and Social Care
- Housing
- Education
- Local Government
- Central Government

3. Key Points

The Ombudsman's report (circulated) highlighted that during 2023/24, there was a substantial increase in complaints across all sectors when compared to the previous year, with an overall increase of 12%.

With respect to Local Government, ninety five (95) complaints across the eleven (11) Councils were received in 2023/24. This was up from eighty three (83) complaints received in 2022/23.

NIPSO received nine complaints against Antrim and Newtownabbey Borough Council during 2023/24.

Proposed by Councillor Wilson
Seconded by Ms Neill and agreed that

the NI Public Services Ombudsman's 2023/2024 report be noted.

NO ACTION

4.12 FI/AUD/02 NI LOCAL GOVERNMENT COMMISSIONER FOR STANDARDS: COMMISSIONER'S REPORT 2023-24

1. Purpose

The purpose of this report was for Members to note the NI Local Government Commissioner's 2023/2024 report.

2. Introduction/Background

The Commissioner for Standards investigate and where appropriate, adjudicate on written allegations made about a Councillor, that their conduct or behaviour has, or may have, breached the Northern Ireland Local Government Code of Conduct for Councillors (the Code), which sets out the standards expected from local Councillors in Northern Ireland.

3. Key Points

The Commissioner's report (circulated) highlighted that during 2023/24, across all 11 Councils, thirty one (31) written allegations were received. This was a reduction in the number of allegations when compared to the forty five (45) received in 2022/23.

Each allegation received may contain a number of allegations which a Councillor had breached the Code. Of the thirty one (31) allegations received in 2023/24, there were fifty one (51) potential breaches.

The potential breaches were categorised into 'issues', and the report highlighted the top three as:

- Concerns related to the behaviour of Councillors to others (24 issues / 47%)
- Concerns related to obligations as a Councillor (11 issues / 22%)
- Concerns related to use of position as a Councillor (5 issues / 10%)

With respect to Antrim and Newtownabbey Borough Council, one allegation was received during 2023/24, reduced from four received during 2022/23.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the NI Local Government Commissioner's 2023/2024 report be noted.

NO ACTION

The Chairperson advised that Any Other Business would be taken at this point of the meeting.

PROPOSAL TO PROCEED 'IN CONFIDENCE'

Proposed by Councillor Wilson
Seconded by Councillor McAuley and agreed

that any remaining Committee business be taken in Confidence.

The Chairperson advised that the live stream and audio recording would now cease.

5 ITEM IN CONFIDENCE

5.1 IN CONFIDENCE FI/AUD/04 CONCERNS RAISED AND INVESTIGATIONS UPDATE

1. Purpose

The purpose of this report was for Members to note the update on concerns raised and investigations.

2. Introduction / Background

A report containing an update on concerns raised and investigations would be presented on a quarterly basis.

3. Key Points

A report containing an update on concerns raised and investigations was circulated.

The Director of Organisation Development (Interim) and the Head of Internal Audit provided responses to queries raised by Members.

Proposed by Councillor McAuley
Seconded by Ms Neill and agreed that

the update on concerns raised and investigations be noted.

NO ACTION

PROPOSAL TO PROCEED OUT OF 'IN CONFIDENCE'

Proposed by Councillor Wilson

Seconded by Councillor McAuley and agreed that

any remaining Committee business be taken in Open Session.

The Chairperson advised that audio recording would resume.

There being no further committee business the Chairperson thanked everyone for their attendance, and the meeting concluded at 7.21pm.

MAYOR