



5 December 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 A 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 10 December 2024 at 6.30 pm.**

You are requested to attend.

Yours sincerely

A handwritten signature in black ink, appearing to read "Richard Baker".

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

[memberservices@antrimandnewtownabbey.gov.uk](mailto:memberservices@antrimandnewtownabbey.gov.uk)

## **A G E N D A**

### **1. APOLOGIES**

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

### **3. ITEMS FOR DECISION**

- 3.1 Review of the Effectiveness of the Audit and Risk Committee 2024/25

### **4. ITEMS FOR INFORMATION**

- 4.1 NIAO: Annual Audit Letter 2023/24
- 4.2 NIAO: Report to Those Charged with Governance 2023/24
- 4.3 NIAO: Performance Improvement Audit and Assessment Report 2024/25
- 4.4 NIAO: Local Government Auditor's Report 2024
- 4.5 NIAO: The National Fraud Initiative in Northern Ireland Report 2024
- 4.6 Code of Governance October 2024
- 4.7 Corporate Performance and Improvement Plan 2024/25 – quarter 2 Progress report
- 4.8 Update on Audit and Risk Committee Actions
- 4.9 Internal Audit Update Report
- 4.10 Corporate Risk Register
- 4.11 NI Public Services Ombudsman: ombudsman's report 2023-2024
- 4.12 NI Local Government Commissioner for Standards: Commissioner's Report 2023-24

### **5. ITEMS IN CONFIDENCE**

- 5.1 Concerns Raised and Investigations Update

### **6. ANY OTHER RELEVANT BUSINESS**

### 3 ITEMS FOR DECISION

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

##### 1. Purpose

**The purpose of this report is 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

Members are reminded that 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”.

Members are also reminded that 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 is now due. To assist the Members in completing this review, we are proposing to facilitate a self-assessment session on Thursday 13 February 2025.

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

This assessment will be provided to the March 2025 Audit & 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 will use this session to provide further information on the Standards and their implications for the Audit and Risk Committee.

##### 4. Recommendation

**It is recommended that a facilitated self-assessment session on 13 February 2025 be approved.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

## 4 ITEMS FOR INFORMATION

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

#### 1. Purpose

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

#### 2. Key Points

Members are reminded that in September 2024, the Audit and Risk Committee approved the Statement of Accounts for the year ended 31 March 2024.

The Local Government Auditor has now issued the Annual Audit Letter 2023/24 (to follow) following completion of the audit of the Statement of Accounts by the Northern Ireland Audit Office.

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

#### 3. Recommendation

**It is recommended that the Annual Audit Letter 2023/24 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

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

### **1. Purpose**

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

### **2. Key Points**

Members are reminded that 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 has now issued the final Report to Those Charged with Governance (**to follow**) following completion of the audit of the Statement of Accounts by the Northern Ireland Audit Office.

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

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

### **3. Recommendation**

**It is recommended that the final Report to Those Charged with Governance 2023/24 be noted.**

Prepared by: Liz Johnston, Deputy Director of Governance

Approved 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 is for Members to note the Northern Ireland Audit Office Performance Audit and Assessment Report 2024/25**

##### 2. Background

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

The Act requires 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 will 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 & 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 & Risk committee.

##### 4. Key Points

The Local Government Auditor has concluded, in the Audit Assessment, that, the Council is 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 has confirmed the Council is likely to discharge its duties in respect of Part 12 of the Act during 2024/25.

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

**5. Recommendation**

**It is recommended that the NIAO Performance Improvement Audit and Assessment 2024/25 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 (Interim)

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

##### 1. Purpose

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

##### 2. Background

Northern Ireland's Local Government Auditor has published a report (**enclosed**) summarising 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 outlines the primary reason behind the overall reduction in council income in 2023 is 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 advises that "this gap between decreasing levels of income and rising expenditure is being experienced across most Councils" and that she is "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 advises 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 include:

- The value of usable resources held by councils continues 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 has 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 have continued to reduce across all councils, the total level of debt fallen from £481 million in 2021/22 to £437 million in 2022/23. This is largely attributable to a reduction in overall capital expenditure since before the pandemic, which is unsurprising given the significant economic pressures and financial uncertainty facing councils.
- The processing of planning applications by councils continues 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 has increased to around £24,000 in 2022/23 (£9,400 in 2021/22).

#### **4. Recommendation**

**It is recommended that the Local Government Auditor's Report 2024 be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

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

##### 1. Purpose

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

##### 2. Background

Northern Ireland's Comptroller and Auditor General has published a report (**enclosed**) summarising the findings of the eighth National Fraud Initiative (NF) exercise in Northern Ireland.

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

##### 3. Key Points

The report highlights for the reporting period 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 include:

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

##### 4. Recommendation

**It is recommended that the National Fraud Initiative in Northern Ireland Report 2024 be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

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

##### 1. Purpose

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

##### 2. Background

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

The document consolidates the key governance practices within the Council, demonstrating the Council's governance structures are 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 (**enclosed**) 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.

##### 4. Recommendation

**It is recommended that the Code of Governance be noted.**

Prepared by: Liz Johnston, Deputy Director of Governance

Approved by: Sandra Cole, Director of Finance and Governance

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

##### 1. Purpose

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

##### 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 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 will be presented to the relevant committee.

##### 4. Key Points

Second Quarter performance progress report for the Corporate Performance and Improvement Plan 2024/25 is **enclosed** for Members' information.

##### 5. Recommendation

**It is recommended that the Corporate Performance and Improvement Plan 2024/25 Performance Progress Report Quarter 2 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 (Interim)

## 4.8 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
<b>March 2024</b>			
<b>4.5 INTERNAL AUDIT UPDATE REPORT</b>			
(i)	The new Contract Review report to be provided to CLT, to also be provided to the Audit & Risk Committee.	<b>In Progress</b> 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
<b>September 2024</b>			
<b>3.1 ANNUAL GOVERNANCE STATEMENT 2023/24</b>			
(i)	The Annual Governance Statement for 2023/24 be signed and dated by the Chairperson of the Audit & Risk Committee.	<b>Complete</b> The Annual Governance Statement was signed by the Chairperson on 17 September.	N/A
<b>3.2 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024</b>			
(i)	The Financial Statements for the Year Ended 31 March 2024 be signed and dated by the Chairperson of the Audit & Risk Committee.	<b>Complete</b> The Financial Statements were signed by the Chairperson on 17 September.	N/A

<b>Item</b>	<b>Action</b>	<b>Progress update</b>	<b>Anticipated Completion Date</b>
(ii)	The Management Attendance Action Plan be shared with Committee Members.	<b>Complete</b> The Managing Attendance Action Plan was provided to Committee Members on 24 September.	N/A
<b>4.2 2023/24 ANNUAL SELF-ASSESSMENT REPORT ON PERFORMANCE</b>			
(i)	Information on payment of suppliers, performance by department be provided to the Policy and Governance Committee.	<b>Complete</b> Information on the prompt payment performance by department was provided to the Policy and Governance Committee on 8 October.	N/A
<b>4.6 INTERNAL AUDIT UPDATE REPORT</b>			
(i)	Consideration be given to digitising the Oil Stamp Scheme	<b>Complete</b> A new digital Oil Stamp Saving Scheme application process was introduced at the end of November 2024. This process also includes the annual renewal of terms and conditions to be completed digitally and held electronically.	N/A

#### **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

#### 4.9 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 September 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 September 2024 be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

#### 4.10 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.

Members will recall that they were advised of a series of risk management workshops that were being held with Directors and Heads of Service to review, cleanse and update risks through the identification of significant and relevant risks that may impact on the achievements of objectives.

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

##### 3. Key Points

The review and update of the Corporate Risk Register by Directors has been completed and the revised register, agreed by the Corporate Leadership Team, 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



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

##### 1. Purpose

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

##### 2. Introduction / Background

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

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

NIPSO promotes good administration in public bodies and helps improve public services by making recommendations to try and prevent mistakes being repeated.

Complaints received by NIPSO are broken down into five main sectors:

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

##### 3. Key Points

The Ombudsman's report (**enclosed**) highlights 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, 95 complaints across the 11 Councils were received in 2023/24. This is up from 83 complaints received in 2022/23.

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

#### **4. Recommendation**

**It is recommended that the NI Public Services Ombudsman's 2023/2024 report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

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

##### 1. Purpose

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

##### 2. Introduction / Background

The Commissioner for Standards investigates and where appropriate, adjudicates 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 (**enclosed**) highlights that during 2023/24, across all 11 Councils, 31 written allegations were received. This is a reduction in the number of allegations when compared to the 45 received in 2022/23.

Each allegation received may contain a number of allegations that a Councillor has breached the Code. Of the 31 allegations received in 2023/24, there were 51 potential breaches.

The potential breaches are categorised into 'issues', with the report highlighting 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.

##### 4. Recommendation

**It is recommended that the NI Local Government Commissioner's 2023/2024 report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance