MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE ROUND TOWER CHAMBER, ANTRIM CIVIC CENTRE ON TUESDAY 23 JUNE 2026 AT 6.30 PM

In the Chair	:	Councillor A McAuley
Committee Members Present	:	Alderman M Magill Councillor A Bennington
Committee Members (Remote)	:	Councillors M Brady and L O'Hagan
Independent Member	:	Ms Ashley Neill
Non Committee Members (Remote)	:	Councillor B Webb
Officers Present	:	Director of Economic Development and Planning – M McAlister Director of Organisation Development (Interim) – L Johnston Head of Finance – R Murray Head of Internal Audit – P Caulcutt ICT Business Support Officer (Interim) – D Graham Member Services Officer – C McGrandle
In Attendance	:	S Jones - NI Audit Office (Remotely)

CHAIRPERSON'S REMARKS

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

The Chairperson further extended a warm welcome to Ms Suzanne Jones from the Northern Ireland Audit Office.

1. APOLOGIES

Councillor S Wilson

2. DECLARATIONS OF INTEREST

None

3 ITEM FOR DECISION

3.1 FI/AUD/02 AUDIT AND RISK COMMITTEE ANNUAL REPORT 2025/26

1. Purpose

The purpose of this report was to recommend to Members to approve the Audit and Risk Committee Annual Report for 2025/26 and that the report be provided to the June 2026 Council meeting.

2. Background

CIPFA's Audit Committee – Practical Guidance for Local Authorities and Police 2022, places a requirement on the Audit and Risk Committee to "report regularly on their work, and at least annually report an assessment of their performance".

On 18 March 2026, the Audit and Risk Committee approved the outcomes of the self-assessment review of the Committee's performance throughout the year, including reporting these outcomes to Full Council in June 2026, along with the Audit and Risk Committee Annual Report.

3. Key Points

The Audit and Risk Committee Annual Report (circulated) was prepared outlining the Committee's activities during 2025/26 and how the Committee had discharged its roles and responsibilities as set out in the Audit and Risk Committee Terms of Reference.

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

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

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the Audit and Risk Committee Annual Report for 2025/26 be approved and that the report be provided to the June 2026 Council meeting.

ACTION BY: Paul Caulcutt, Head of Internal Audit

4 ITEMS FOR NOTING

4.1 FI/FIN/SOA/12 NIAO: CODE OF AUDIT PRACTICE 2026 AND STATEMENT OF RESPONSIBILITIES

1. Purpose

The purpose of this report was to recommend to Members to note the Northern Ireland Audit Office's Code of Audit Practice 2026 and Statement of Responsibilities.

2. Key Points

The Local Government Auditor recently issued the updated Code of Audit Practice 2026 (circulated) setting out he framework for auditing local government bodies in Northern Ireland for the next five years.

The Code was approved by the NI Assembly in April 2026 and was applicable to the audit of all Northern Ireland local government bodies' financial statements from the financial year 2025/26 onwards.

A Statement of Responsibilities of the Local Government Auditor and Local Government Bodies (circulated) had also been issued by the Local Government Auditor and was aligned to the Code of Audit Practice.

The Statement serves as the formal terms of engagement between the Local Government Auditor and local government bodies, summarising the responsibilities and what is expected of other parties.

Proposed by Councillor Bennington
Seconded by Councillor O'Hagan and agreed that

the Northern Ireland Audit Office's Code of Audit Practice 2026 and Statement of Responsibilities be noted.

NO ACTION

4.2 PT/CI/066 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2025/26, PERFORMANCE PROGRESS REPORT QUARTER 4

1. Purpose

The purpose of this report was to recommend to Members to note the Corporate Performance and Improvement Plan 2025/26, Quarter 4 Performance Progress Report.

2. Background

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 2025/26 was approved in June 2025. This set out a range of robust performance targets, along with identified improvement objectives and several statutory performance targets.

4. Performance Progress Reports

Fourth Quarter Performance Progress Report is circulated for Members' information.

5. Governance

Quarterly performance progress reports were reported to relevant Committees.

The Director of Organisation Development (Interim) responded to a number of Members' queries and agreed to review the telephone answering system in order to address the number of abandoned calls.

Proposed by Ms Neill
Seconded by Alderman Magill and agreed that

the Corporate Performance and Improvement Plan 2025/26 Quarter 4 Performance Progress report be noted.

ACTION BY: Liz Johnston, Director of Organisation Development (Interim)

4.3 PT/CI/071 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2026/27, EXECUTIVE SUMMARY AND PERFORMANCE GOVERNANCE ARRANGEMENTS

1. Purpose

The purpose of this report was to recommend to Members to note the Corporate Performance and Improvement Plan 2026/27, Executive Summary and Performance Governance Arrangements.

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.

3. Previous Decision of Council

Following approval in January 2026, the draft CPIP was subject to a 12-week public consultation.

Consultation feedback received from residents, stakeholders, businesses, and partner organisations was reported to Members in June 2026 and considered in the development of the final Plan.

The final CPIP 2026/27 was approved by the Policy and Governance Committee in June 2026, a copy of which was circulated.

The Executive Summary (circulated) provided an executive summary of the Performance Improvement Objectives as set out in the Corporate Performance and Improvement Plan for 2026/27. It outlined our commitment to the wellbeing of our residents, protecting our environment, the prosperity of the Borough and the seamless delivery of our services.

4. Performance Progress Reports

The Governance Arrangements (circulated), which would support the delivery of the CPIP, were also approved by the Policy and Governance Committee and were subject to annual review.

These arrangements outlined Council's duty to set objectives for the improvement of services, the performance framework and reporting, the Corporate Performance and Improvement Objectives and how we would monitor and measure these objectives.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

that the Corporate Performance and Improvement Plan 2026/27, Executive Summary and Performance Governance Arrangements be noted.

NO ACTION

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

1. <u>Purpose</u>

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

2. <u>Background</u>

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

3. <u>Key Points</u>

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

Item	Action	Progress update	Anticipated Completion Date
December 2025			
5.1	**ANY OTHER RELEVANT BUSINESS**		
(i)	The Director of Finance and Governance agreed to review a Member's proposal that Council evaluate the potential benefits of investing in the Social Value Engine (SVE).	**In Progress** Social Value Engine (SVE) had been invited to present to CLT.	30/09/26

Proposed by Ms Neill
Seconded by Councillor Bennington and agreed that

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

NO ACTION

4.5 FI/AUD/01 INTERNAL AUDIT UPDATE REPORT

1. <u>Purpose</u>

The purpose of this report was to recommend to Members to note the Internal Audit activity since the Audit and Risk Committee last met in March 2026.

2. <u>Background</u>

A report providing 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).

The Head of Internal Audit responded to Members' queries in relation to the recent audit activity and confirmed Members would be furnished with information on the number of staff on non-standard hours contracts.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the Internal Audit activity since the Audit and Risk Committee last met in March 2026 be noted.

ACTION BY: Liz Johnston, Director of Organisation Development (Interim)

4.6 FI/AUD/01 INTERNAL AUDIT ANNUAL REPORT 2025/26

1. Purpose

The purpose of this report was to recommend to Members to note the Internal Audit Annual Report 2025/26.

2. Background

In accordance with the Global Internal Audit Standards in the UK Public Sector, the Head of Internal Audit would be required to provide an annual opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

This opinion was based upon and would be limited to the work performed during the year.

3. Key Points

The Internal Audit Annual Report (circulated) provided:

- An overview of the internal audit activity throughout the year.

- A summary of the outworkings of the internal audit Quality Assurance and Improvement Programme.

- An overall annual assurance opinion for 2025/26.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the Internal Audit Annual Report 2025/26 be noted.

NO ACTION

4.7 FI/AUD/03 CORPORATE RISK REGISTER

1. Purpose
The purpose of this report was to recommend to Members to note the updated Corporate Risk Register.

2. Background

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

3. Key Points

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

The Head of Internal Audit responded to a number of Members' queries and confirmed further information would be provided to Members in relation to the corporate risk register including cyber security risk, capital development and the process of incorporation of additional risks following audit findings.

Proposed by Councillor Bennington
Seconded by Councillor O'Hagan and agreed that

the updated Corporate Risk Register be noted.

ACTION BY: Paul Caulcutt, Head of Internal Audit

4.8 FI/AUD/01 REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL 2025/26

1. Purpose

The purpose of this report was to recommend to Members to note the Review of the Effectiveness of the System of Internal Control for 2025/26.

2. 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 included audit of governance functions" so that this review would inform the approval of the Annual Governance Statement.

3. Key Points

The annual review of the Effectiveness of the System of Internal Control had been completed and a copy was circulated for Members' review.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the Review of the Effectiveness of the System of Internal Control be noted.

NO ACTION

Councillor Brady left the meeting remotely during Item 4.9.

4.9 FI/FIN/SOA/12 ANNUAL GOVERNANCE STATEMENT 2025/26

1. Purpose

The purpose of this report was to recommend to Members to note the draft Annual Governance Statement 2025/26.

2. Background

Council would be required to publish an Annual Governance Statement within its annual Statement of Accounts.

3. Key Points

The draft Annual Governance Statement (circulated) was consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government,' and outlined how the Council was complying with the Framework.

This statement also met 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.

On completion of the audit of the Statement of Accounts the final Annual Governance Statement would be brought back to the Audit and Risk Committee for approval in September 2026.

The Head of Internal Audit responded to Members' queries. He agreed to pass on a Member's request to the Director of Environment Services and Sustainability to consider the potential future benefits of the arc21 proposed facility and to provide information regarding the status of the CIPFA/SOLACE Framework approval by Council.

Proposed by Councillor Bennington
Seconded by Councillor O'Hagan and agreed that

the draft Annual Governance Statement be noted.

ACTION BY: Paul Caulcutt, Head of Internal Audit

Alderman Magill left the Chamber during Item 4.10.

4.10 FI/FIN/SOA/12 STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026

1. <u>Purpose</u>

The purpose of this report was to recommend to Members to note the draft Statement of Accounts for the year ended 31 March 2026.

2. <u>Background</u>

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

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

3. <u>Key Points</u>

Officers would provide Members with details of the Council's financial performance for the year ended 31 March 2026 as set out in the draft Statement of Accounts (circulated).

Independent audit of the draft Statement of Accounts would proceed after submission to the Department for Communities by 30 June 2026 and the audited final Statement of Accounts would be provided to the Audit and Risk Committee for approval in September 2026.

The Head of Finance responded to Members' queries and agreed to bring a report to a suitable Committee on investment returns.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the draft Statement of Accounts for the year ended 31 March 2026 be noted and a report be brought back to a suitable Committee on investment returns.

ACTION BY: Richard Murray, Head of Finance

4.11 FI/AUD/04 ANTI-FRAUD AND CORRUPTION POLICY, FRAUD RESPONSE PLAN AND ANTI-BRIBERY POLICY

1. <u>Purpose</u>

The purpose of this report was to recommend to Members to note the updated Anti-Fraud and Corruption Policy, Fraud Response Plan and Anti-Bribery Policy.

2. <u>Introduction/Background</u>

Members were reminded that in April 2023, the Policy and Governance Committee approved both the Anti-Fraud and Corruption and Anti-Bribery Policies.

3. <u>Key Points</u>

In accordance with the Council's Policy Framework and Schedule, the Anti-Fraud and Corruption Policy, Fraud Response Plan and Anti-Bribery Policy had been reviewed and updated.

There had been no significant amendments made to the Policies with the exception of amending job titles to reflect changes in Council structures, inclusion of the Rural Needs Impact Assessment and the provision of clarifications where appropriate.

A copy of the updated policies and plan were circulated, with amendments highlighted for information.

The policies and plan had been reviewed and approved by the Corporate Leadership Team in May 2026 and the Policy and Governance Committee in June 2026.

4. <u>Screening Requirements</u>

The Policy had been screened for the need for an Equality Impact Assessment (EQIA), Rural Needs Impact Assessment (RNIA) and a Data Protection Impact Assessment (DPIA).

The screening of each had concluded that impact assessments were not recommended.

Proposed by Ms Neill
Seconded by Councillor O'Hagan and agreed that

the updated Anti-Fraud and Corruption Policy, Fraud Response Plan and Anti-Bribery Policy be noted.

NO ACTION

Alderman Magill returned to the Chamber at this point.

4.12 P/PLAN/1 DEVELOPMENT OF A REGIONAL PROTOCOL FOR MANAGING FRAUD RISK IN PLANNING AND ESTABLISHMENT OF A PLANNING FRAUD REGIONAL RESPONSE TEAM

1. <u>Purpose</u>

The purpose of this report was to inform Members of the development of a Regional Protocol for managing fraud risk in planning, and the associated establishment of a Planning Fraud Regional Response Team (PFRRT), following the recommendations of the Northern Ireland Audit Office (NIAO) report.

2. <u>Background</u>

Following the publication of the Northern Ireland Audit Office (NIAO) report in July 2024, "Public Bodies' Response to Misrepresented Soil Sample Analysis", the Department for Infrastructure (DfI), the Society of Local Authority Chief Executives (SOLACE), and the Northern Ireland Environment Agency (NIEA) agreed to establish a Task and Finish Group (TFG)) to consider the recommendations from the NIAO report that apply to the two-tier planning system and to consider lessons learned and next steps.

In considering how best to address issues of potential fraud in planning and simultaneously responding to the recommendations of the NIAO report, the TFG developed a Protocol to manage fraud risk in planning at a regional or sub-regional level.

One of the key outcomes of the TFG was the establishment of a 'Planning Fraud Regional Response Team' (PFRRT) to address this should the issue of potential fraud be deemed to be a regional or sub-regional issue. A draft Terms of Reference (TOR) and a draft Protocol had been prepared. A copy of both documents was circulated for Members' information. The TOR and Protocol would sit alongside the Council's own procedures for fraud.

Proposed by Alderman Magill
Seconded by Ms Neill and agreed that

the report be noted.

NO ACTION

5. ANY OTHER RELEVANT BUSINESS

There was no any other business taken at this point.

PROPOSAL TO PROCEED 'IN CONFIDENCE'

Proposed by Councillor Bennington
Seconded by Alderman Magill and agreed

that any remaining Committee business be taken in Confidence.

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

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

1. Purpose

The purpose of this report was to recommend to 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 Head of Internal Audit responded to Members' queries and agreed to discuss with the Director of Environment Services and Sustainability the request for a review of vehicle recognition systems at Household Recycling Centres.

Proposed by Councillor Bennington
Seconded by Alderman Magill and agreed that

the update on concerns raised and investigations be noted.

ACTION BY: Paul Caulcutt, Head of Internal Audit

PROPOSAL TO PROCEED OUT OF 'IN CONFIDENCE'

Proposed by Councillor Bennington
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 7.48 pm.

MAYOR