



23 June 2015

Committee Chair: Councillor T Beatty
Committee Vice-Chair: Councillor N McClelland

Committee Members: Councillors - T Girvan, D Hollis, M Maguire, M Rea

Dear Member

MEETING OF THE AUDIT COMMITTEE

A meeting of the Audit Committee will be held in the **Chamber, Mossley Mill on Monday 29 June 2015 at 3.30pm.**

Yours sincerely

A handwritten signature in black ink that reads "Jacqui Dixon".

Jacqui Dixon, BSc MBA
Chief Executive, Antrim & Newtownabbey Borough Council

For any queries please contact Member Services:

Kim Smyth (kim.smyth@antrimandnewtownabbey.gov.uk)

Sharon McAree (sharon.mcaree@antrimandnewtownabbey.gov.uk)

A G E N D A

- 1 Apologies.
- 2 Declarations of Interest.
- 3 Report on Business to be considered:
 - 3.1 Internal Audit Annual Report.
 - 3.2 Review of the Effectiveness of Internal Audit.
 - 3.3 Review of the Effectiveness of the System of Internal Control.
 - 3.4 Annual Governance Statement.
 - 3.5 Internal Audit Update Report.
 - 3.6 Statement of Accounts for the Year Ended 31 March 2015.
 - 3.7 Report on Absenteeism.
- 4 Any Other Relevant Business.

REPORT ON BUSINESS TO BE CONSIDERED AT THE AUDIT COMMITTEE MEETING ON MONDAY 29 JUNE 2015

ITEMS FOR CONSIDERATION

3.1 FG/AUD/1 INTERNAL AUDIT ANNUAL REPORT

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Internal Auditor 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. An annual opinion has been provided for each of the Legacy Councils in the respective Internal Auditor's Annual Report (copies of which are enclosed) for the year ending 31 March 2015.

RECOMMENDATION: that the Committee approves the Internal Audit Annual Reports for both Antrim and Newtownabbey Borough Councils.

Prepared by: Paul Caulcutt, Internal Auditor

Agreed by: Catherine McFarland, Director of Finance & Governance

3.2 FG/AUD/1 REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

The Local Government (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006 requires the Council to "at least once in each financial year conduct a review of the effectiveness of its system of internal audit" and that the results of this review are to be reported to and be considered by the Council's Audit Committee.

The annual review of the Effectiveness of Internal Audit has been completed for both Legacy Councils and copies of each are **enclosed** for Members consideration.

In addition to the annual assessment and in order to provide the Council with independent assurance of the effectiveness of system Internal Audit, the Public Sector Internal Audit Standards (PSIAS), requires an external assessment to be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation.

An external assessment for both Antrim and Newtownabbey Borough Councils has been completed for 2014/15 and the conclusion of this assessment has been incorporated into the reports mentioned above.

RECOMMENDATION: that the Committee approves the Review of the Effectiveness of Internal Audit for both Antrim and Newtownabbey Borough Councils.

Prepared by: Paul Caulcutt, Internal Auditor

Agreed by: Catherine McFarland, Director of Finance & Governance

3.3 FG/AUD/1 REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL

The Local Government (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006, requires that "a Local Government Body shall conduct a review at least once in each financial year of the effectiveness of internal control" and that this review will be reported to the Chief Executive and the Audit Committee to inform the approval of the Annual Governance Statement.

The annual review of the Effectiveness of the System of Internal Control has been completed for both Legacy Councils and copies of each are **enclosed** for Members consideration.

RECOMMENDATION: that the Committee approves the Review of the System of Internal Control for both Antrim and Newtownabbey Borough Councils.

Prepared by: Paul Caulcutt, Internal Auditor

Agreed by: Catherine McFarland, Director of Finance & Governance

3.4 FG/AUD/1 ANNUAL GOVERNANCE STATEMENT

The Council is required to publish a Governance Statement with its annual statement of account. 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 2A of the Local Government (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006 in relation to the publication of a statement on internal control. The Annual Governance Statements have been completed for both Legacy Councils and copies of each are **enclosed** for Members consideration.

RECOMMENDATION: that –

- (a) the Committee approves the Annual Governance Statements for both Antrim and Newtownabbey Borough Councils;**
- and**
- (b) the Statements be signed and dated by the Chair of the Audit Committee.**

Prepared by: Paul Caulcutt, Internal Auditor

Agreed by: Catherine McFarland, Director of Finance & Governance

3.5 FG/AUD/1 INTERNAL AUDIT UPDATE REPORT

Reports containing a summary of Internal Audit activity for each of the Legacy Councils and for Antrim and Newtownabbey Borough Council, for the period March 2015 to June 2015 are **enclosed**. These reports include the objectives and conclusions reached for each completed assignment and management comments as applicable.

RECOMMENDATION: that the Committee notes the Internal Audit Update Reports.

Prepared by: Paul Caulcutt, Internal Auditor

Agreed by: Catherine McFarland, Director of Finance & Governance

3.6 STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

Members are reminded that the Council delegated authority, in April 2015, to the Audit Committee to approve the Statement of Accounts.

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 require that "the Statement of Accounts.... shall be approved by a resolution of a Committee of a local government body or by a resolution of the members of the body meeting as a whole.... in any event before the 30 June immediately following the end of the financial year" and "following approval, the statement shall be signed and dated by the person presiding at the committee or meeting at which that approval was given".

Copies of the undernoted Statements of Accounts will follow:

- FI/FIN/5 - Antrim Borough Council for the year ending 31 March 2015
- FC/D/47 - Newtownabbey Borough Council year ending 31 March 2015
- FC/SC/1 - Antrim and Newtownabbey Shadow Council for the period ending 31 March 2015
- FC/STC/2 - Antrim and Newtownabbey Transition Committee for the period ending 19 June 2014
- FI/FIN/6 - GROW South Antrim Joint Council Committee for the year ending 31 March 2015
- FC/P/6 - CAN PEACE III Joint Committee for the year ending 31 March 2015

RECOMMENDED: that -

(a) the Committee approves the Statements of Accounts;

and

(b) the Statements of Accounts be signed and dated by the Chair of the Audit Committee and the Chief Executive.

Catherine McFarland
Director of Finance & Governance

3.7 ST/G/215 REPORT ON ABSENTEEISM

BACKGROUND

Members are reminded that sickness absence for Antrim and Newtownabbey Borough was reported to the Committee in April 2015, for the period relating to 1 April 2014 to 31 January 2015. The purpose of this report is to provide an update on absence for the full annual reporting period from 1 April 2014 to 31 March 2015.

For comparison purposes the same period for 2012/13, 2013/14 and 2014/15 has been included.

ABSENCE UPDATE

Table 1 below sets out the comparison of the absence days per employee for Antrim and Newtownabbey Borough Council from 1 April 2012 to 31 March 2015 with a breakdown of long and short term absence.

	2012/2013	2013/2014	2014/2015	
Month	1 April 2012 to 31 March 2013	1 April 2013 to 31 March 2014	1 April 2014 to 31 March 2015	Variance from period last year.
Number of Full Time Employees	668.67	681.92	706.88	+24.96
No. of days lost to sickness	8209.77	7786.69	7910.37	+ 123.68 days
Days lost to Long Term Absence	5663.12	5383.77	5626.41	+ 242.64 days
Day lost to Short Term Absence	2546.66	2402.92	2283.93	-118.99 days
Average Days Lost per Employee	12.28 days	11.42 days	11.19 days	-0.23

There has been a reduction in short term absence by 118.99 days and an increase of days in long term absence. Long term absence continues to be a priority for management and recently a number of cases were dealt with under the Formal Case Review, which has led to contract terminations.

Overall there has been a small increase in absence by 123.68 days with the average days lost per employee reducing by 0.23 days.

Almost 50% of staff had 100% attendance which was recently recognised by the Mayor at staff roadshows through prize draws and the award of complimentary spa passes at the Antrim Forum.

The top three reasons for absence for 2014 - 2015 are noted overleaf with current action being taken to address the reasons.

Reason	Action
Stress, depression, mental health and Fatigue	<ul style="list-style-type: none"> • Staffcare, confidential counselling to all staff. • Cognitive behavioural Therapy (CBT) sessions for staff in appropriate cases. • Immediate letter sent to advise of Staffcare, • Immediate Meeting with employee and line manager alternative person if issue is with the Line Manager in WRS cases. • Referrals to Nurse Led Clinic and/or OH doctor • Regular Welfare Review Meetings to agreed action plans, Use of the Leisure Facilities, • Piloting of the Wellness Recovery Action Plan, helping staff to recognise stress earlier and the interventions that can be put in place to help • Harassment advisors available in all departments and various locations
Other Category e.g. Cancer Related Illness, Surgery and Post Op Debility etc	<ul style="list-style-type: none"> • Well being Action plans for individual cases. • Phased returns variety of reduced hours, alternative work and/or adjusted duties. • Use of leisure facilities to help with returns from surgery in suitable cases. Eg Pool
Musculo-Skeletal problems	<ul style="list-style-type: none"> • Manual Handling Training • Referrals to Nurse Led Clinic and/or OH doctor, • Regular Welfare Review Meetings to agreed action plans, • Access to Physiotherapy subject to OH recommendation. • Wellbeing action plans. • Phased returns variety of reduced hours, alternative work and/or adjusted duties. • Work station/ergonomical assessments • Taster sessions of pilates • Investigation of workplace accidents and implementation of any appropriate recommendations

Specific to the current year of 2015/16, table 2 below sets out the average days lost per employee on a month by month basis, so far.

Month	Av days lost per employee April 2014 to March 2015	Av days lost per employee April 2015 to March 2016	Variance from period last year.
April	0.75	0.66	-0.09
May	1.5	1.41	-0.09
June	2.33		
July	3.22		
Aug	4.06		
Sept	5.16		
Oct	6.41		
Nov	7.48		

Dec	8.53		
Jan	9.6		
Feb	10.75		
Mar	11.19		

GENERAL UPDATE

The HR Team is piloting the Wellness Recovery Action Plan programme (WRAP) and this has been positively received by staff. The team will continue to monitor the effectiveness of this programme in the coming months. Further work will be progressed with Managers, the Health and Safety Team and Occupational Health to identify how we can further support the wellness of our staff and reduce absence.

A joint Health and Wellbeing initiative, known as the £ for lb Challenge, was launched in January 2015 for twelve weeks. There were 48 employees from Antrim and Newtownabbey Borough Council participated in this initiative to lose weight and raise money for charity. The initiative was very successful with a total weight loss of 19 stone and £313 being donated to the Northern Ireland Hospice.

An Employee Wellbeing Action Plan, to include targets for the reduction of absence, will be reported soon to the Council for consideration.

RECOMMENDATION: that

- (a) The report be noted;**
- (b) An absence update be submitted to the Policy and Governance Committee.**

Andrea McCooke
Director of Organisation Development