



11 September 2025

Committee Chair: Alderman J McGrath
Committee Vice-Chair: Councillor M Goodman
Committee Members: Alderman S Ross
Councillors – A Bennington, S Flanagan 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 9 December 2025 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 9448 1301
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 & Risk Committee 2025/26

3.2 Internal Audit Strategy 2026-2030 for Consultation

4. ITEMS FOR INFORMATION

4.1 NIAO: Annual Audit Letter 2024/25

4.2 NIAO: Report to Those Charged with Governance 2024/25

4.3 NIAO: Performance Improvement Audit and Assessment Report 2024/25

4.4 Code of Governance (November 2025)

4.5 Corporate Performance and Improvement Plan 2025/26 Performance Progress Report Quarter 2

4.6 Update on Audit and Risk Committee Actions

4.7 Internal Audit Update Report

4.8 Corporate Risk Register

4.9 Global Internal Audit Standards in the UK Public Sector – Action Plan

4.10 National Fraud Initiative – Update on Creditor Database Cleanse

4.11 NIAO: Designation of Local Government Auditor

5. ANY OTHER RELEVANT BUSINESS

6. ITEMS IN CONFIDENCE

6.1 Concerns Raised and Investigations Update

3 ITEMS FOR DECISION

3.1 FI/AUD/02 REVIEW OF THE EFFECTIVENESS OF THE AUDIT & RISK COMMITTEE 2025/26

1. Purpose

The purpose of this report is to obtain Members' approval to hold a facilitated self-assessment session on 5 February 2026 to review the effectiveness of the Audit and Risk Committee during 2025/26.

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 2025/26 is now due. To assist the Members in completing this review, we are proposing to facilitate a self-assessment session on Thursday 5 February 2026.

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 2026 Audit & Risk Committee for approval, before being reported, along with the Audit and Risk Committee Annual Report, to the Council meeting in June 2026.

4. Recommendation

It is recommended that a facilitated self-assessment session on 5 February 2026 be approved.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

3.2 FI/AUD/01 INTERNAL AUDIT STRATEGY 2026-2030 DRAFT FOR CONSULTATION

1. Purpose

The purpose of this report is for Members to approve the Internal Audit Strategy 2026-2030 consultation.

2. Introduction/Background

Members are reminded that new Global Internal Audit Standards in the UK Public Sector came into effect from 1 April 2025, replacing the former Public Sector Internal Audit Standards.

3. Key Points

Standard 9.2, under Domain IV – Managing the Internal Audit Function, requires the development and implementation of an Internal Audit Strategy that supports the strategic objectives of Council.

The Strategy will help guide the internal audit function towards the fulfilment of the Internal Audit Mandate (as set out in the Internal Audit Charter – approved by the Committee in March 2025) and aligns with the Council's Corporate Objectives set out in the Corporate Plan 2024-30.

A draft Internal Audit Strategy (**enclosed**) has been developed and is subject to a 4-week internal consultation, which will commence on 10 December 2025, for the purpose of obtaining feedback from stakeholders.

A summary of the consultation responses will be presented for Members' information at the March 2026 Committee, with this feedback being considered for incorporation into the Strategy prior to seeking final approval.

The Strategy has 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 has concluded that impact assessments are not recommended.

4. Recommendation

It is recommended that the draft Internal Audit Strategy 2026-2030 be approved for consultation.

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/11 NIAO: ANNUAL AUDIT LETTER 2024/25

1. Purpose

The purpose of this report is for Members to note the Local Government Auditor's 2024/25 Annual Audit Letter.

2. Key Points

Members are reminded that in September 2025, the Audit and Risk Committee approved the Statement of Accounts for the year ended 31 March 2025.

The Local Government Auditor has now issued the Annual Audit Letter 2024/25 **(enclosed)** 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 2024/25 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/11 NIAO: REPORT TO THOSE CHARGED WITH GOVERNANCE 2024/25

1. Purpose

The purpose of this report is for Members to note the final Report to Those Charged with Governance 2024/25.

2. Key Points

Members are reminded that in September 2025, the Audit and Risk Committee approved the Statement of Accounts for the year ended 31 March 2025. 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 (**enclosed**) 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 2024/25 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

4.3 PT/CI/070 NIAO: PERFORMANCE IMPROVEMENT AUDIT AND ASSESSMENT REPORT 2025/26

1. Purpose

The purpose of this report is to recommend to Members that the Northern Ireland Audit Office Performance Audit and Assessment Report 2025/26 be noted.

2. Introduction/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 2026, making it publicly available.

3. Previous Decision of Council

The Performance Governance Arrangements 2025/26 were noted at the June 2025 Audit & Risk Committee and June 2025 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 2025/26. The Local Government Auditor has confirmed the Council is likely to discharge its duties in respect of Part 12 of the Act during 2025/26.

The Local Government Auditor has certified the Council's performance arrangements with an unqualified audit opinion, without modification. The Audit and Assessment Report 2025/26 does not contain any statutory recommendations and there are no proposals for improvement. A copy of the final Section 95 report, Audit Certificate and letter to the Chief Executive, are **enclosed** for Members' information.

5. Recommendation

It is recommended that the NIAO Performance Improvement Audit and Assessment 2025/26 be noted.

Prepared by: Allen Templeton, Performance Improvement Officer

Approved by: Helen Hall, Director of Organisation Development (Interim)

4.4 G/GEN/019 CODE OF GOVERNANCE (NOVEMBER 2025)

1. Purpose

The purpose of this report is for Members to note the Council's Code of Governance (November 2025).

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 2 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

4.5 PT/CI/066 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2025/26, PERFORMANCE PROGRESS REPORT QUARTER 2

1. Purpose

The purpose of this report is to recommend to Members to note the Corporate Performance and Improvement Plan 2025/26, Quarter 2 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.

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. Key Points

Second Quarter Performance Progress Report is **enclosed** for Members' information.

5. Governance

Quarterly performance progress reports are reported to relevant Committees.

6. Recommendation

It is recommended that the Quarter 2 Performance Progress Report be noted.

Prepared by: Allen Templeton, Performance Improvement Officer

Approved by: Helen Hall, Director of Organisation Development (Interim)

4.6 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
March 2024			
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 on 24 February 2025. The implications of the Act are being considered to assess how we will manage, monitor and report on contracts, ensuring compliance with the Legislation, with the first contract reviews under the new Legislation due by the end of September 2025.	31/12/25
September 2025			
3.1 ANNUAL GOVERNANCE STATEMENT 2024/25			
(i)	The Annual Governance Statement be signed by the Chair of the Audit & Risk Committee.	Complete The Annual Governance Statement was signed by the Chair of the Audit & Risk Committee on 16 September 2025.	N/A

Item	Action	Progress update	Anticipated Completion Date
4.2	UPDATE ON ACTIONS TAKEN BY COUNCIL IN RELATION TO THE AUDIT RECOMMENDATIONS BY THE NIAO IN THE REPORT TO THOSE CHARGED WITH GOVERNANCE		
(i)	Further clarification (to Cllr. Bennington) be provided in relation to Leisure Software.	Complete Clarification was provided to Cllr. Bennington by the Head of Leisure.	N/A
4.8	NATIONAL FRAUD INITIATIVE 2024-25		
(i)	Provide an update on cleansing the system (Creditors) at the next Audit & Risk Committee.	Complete Update report on the cleansing of the Creditors system is included in this Committee's agenda.	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

4.7 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 2025.

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 2025 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

A facilitated workshop with the Corporate Leadership Team was held at the beginning of November to undertake a deep dive review of the Corporate Risk Register.

Following the workshop, the Corporate Leadership Team identified and agreed a number of updates to the Corporate Risks. These updates have been made to the Corporate Risk Register, which 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 GLOBAL INTERNAL AUDIT STANDARDS IN THE UK PUBLIC SECTOR – ACTION PLAN

1. Purpose

The purpose of this report is for Members to note the Global Internal Audit Standards in the UK Public Sector Action Plan.

2. Introduction/Background

Members are reminded that new Global Internal Audit Standards in the UK Public Sector came into effect from 1 April 2025, replacing the former Public Sector Internal Audit Standards.

3. Key Points

To assess conformance with the new Standards, Internal Audit has completed a gap analysis.

On completion of this analysis (**enclosed**), it is concluded that Internal Audit has 'generally achieved' conformance.

There are some areas for development that will work towards full achievement and an action plan has also been **enclosed** for Members' information.

Progress updates on the completion of the actions will be provided to future Audit & Risk Committees.

4. Recommendation

It is recommended that the Global Internal Audit Standards in the UK Public Sector Action Plan be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.10 FI/AUD/146 NATIONAL FRAUD INITIATIVE – UPDATE ON CREDITOR DATABASE CLEANSE

1. Purpose

The purpose of this report is for Members to note the update on the creditor database cleanse following the National Fraud Initiative exercise.

2. Introduction/Background

Members are reminded that the Council participated in the latest National Fraud Initiative exercise; the results of which were presented to the Audit & Risk Committee in September 2025.

At that meeting it was agreed that an update on the process for cleansing the creditors ledger on the financial system would be presented to Members.

3. Key Points

Officers have reviewed all the matches selected for further investigation through the National Fraud Initiative and have taken corrective action as necessary.

The initiative identified the following potential duplicates in relation to creditors standing data:

Match Type	Matches
Duplicate creditors by creditor name	9
Duplicate creditors by address detail	64
Duplicate creditors by bank account number	24

There are many reasons why creditors may have more than one account e.g. an account for direct debits and a different account for payments paid by invoice, or related companies operating at the same address.

Reports of all active creditors have been run from the financial system and those accounts using the same VAT number and/or Bank Account number have been identified for further review. Out of approximately 5,400 suppliers, 28 duplicate VAT numbers and 33 duplicate bank accounts were found.

The number of potential duplicates are broadly similar to the numbers identified through the National Fraud Initiative as shown above.

These potential duplicates are being reviewed, this involves internet searches and contacting the creditor, to find out whether the creditor account can be closed or if there are valid reasons for the second record. At the current time none of these potential matches have been closed.

In addition, staff creating new suppliers in the Accounts Team have introduced further checks on VAT number and Companies House Records with these being further reviewed by a senior finance officer prior to approval. Whilst a limited number of duplicates have been identified for review, Finance Officers are also keen to utilise AI technology to further enhance the review process once a Council Policy for the use of AI is approved.

Some indicative research has indicated that AI tools can cleanse creditor data by using machine learning (ML) algorithms to automate the identification and correction of errors, inconsistencies, and duplicates within large datasets.

4. Recommendation

It is recommended that the update on the creditor database cleanse following the National Fraud Initiative exercise 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

4.11 FI/AUD/04 NIAO: DESIGNATION OF LOCAL GOVERNMENT AUDITOR

1. Purpose

The purpose of this report is for Members to note the designation of the Local Government Auditor.

2. Introduction/Background

The Council has received correspondence from the Department for Communities (**enclosed**), advising of the change in the designation of the Local Government Auditor.

3. Key Points

With effect from 1 January 2026, the Department, in consultation with the Comptroller and Auditor General for Northern Ireland, has designated Brian O'Neill as Local Government Auditor and assigned him to audit the accounts of every Local Government Body.

4. Recommendation

It is recommended that the designation of the Local Government Auditor be noted.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

5 ANY OTHER RELEVANT BUSINESS

Any Other Relevant Business (AORB) may be taken at this point.