

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE AUDIT COMMITTEE
HELD ON 2 MARCH AT 5.30 PM**

- In the Chair** : Councillor O'Reilly
- Members Present** : Councillors McClelland and Webb
Mr T McKenna
- In Attendance** : Ms C Archer – Pricewaterhouse Coopers
Mr G Byrne – Northern Ireland Audit Office
- Officers Present** : Assistant Chief Executive – Mr H Kelly
Director of Financial Services – Mr P McCabe
Head of Corporate Services – Mrs A McCooke
Management Accountant – Mr R Murray
Administrative Assistant – Mrs S Graham

1 MINUTES OF THE AUDIT COMMITTEE

The minutes of the proceedings of the Audit Committee of 17 November 2014 were enclosed.

Proposed by Councillor Webb
Seconded by Councillor and agreed that

the minutes of the proceedings of the Audit Committee of 17 November 2014 be received and noted.

2 ST/G/215 REPORT ON ABSENTEEISM

BACKGROUND

Members were reminded that sickness absence for Council employees was reported to the Committee in November 2014, for the period relating to April 2014 – September 2014. The purpose of this report was to provide the overall update on absence for the period from 1 April 2014 – 31 December 2014.

ABSENCE UPDATE

Members were advised that Table 1 below set out a comparison of the average days lost, on a month by month basis, and Table 2 notes the total average days lost per employee.

Overall, there had been a reduction in both the long and short term sickness absence and the average days per employee has reduced from 9.79 (Dec 2013) to 8.80 (Dec 2014).

Month	Average Days Lost per employee 2011 - 2012	Average days lost per employee 2012 - 2013	Average days lost per employee 2013-2014	Average days lost per employee 2014-2015	Variance from period last year.
April	1.05	0.72	0.90	0.76	-0.14
May	2.26	1.79	1.83	1.43	-0.4
June	3.61	3.00	2.95	2.25	-0.7
July	4.53	3.95	3.97	3.20	-0.77
August	5.87	4.95	5.15	4.01	-1.14
September	7.21	6.29	6.33	5.11	-1.22
October	8.48	8.24	7.87	6.54	-1.33
November	10.08	9.83	9.10	8.09	-1.01
December	10.83	10.95	9.79	8.80	-0.99
January	11.87	12.36	10.72		
February	12.44	13.65	11.66		
March	13.38	13.95	12.48		

It was reported that table 2 illustrated the comparison in absence days lost per employee from 1 April 2013 to 31 December 2013 and 1 April 2014 to 31 December 2014 and there had been a reduction in both the long term absence by 12.45 days and short term absence by 203.83 days.

Month	1 April 2013 to 31 December 2013	1 April 2014 to 31 December 2014	Variance from period last year.
No. FTE	362.10	378.21	+16.11
No. of days lost to sickness	3544.04	3327.73	-216.31 days
Days lost to Long Term Absence	2593.12	2580.67	-12.45 days
Day lost to Short Term Absence	950.91	747.08	-203.83 days
Average Days Lost per Employee	9.79 days	8.80 days	-0.99

GENERAL UPDATE

It was further reported that work was continuing with Antrim Borough Council to jointly review policies and procedures which would support the new Council in its aim to effectively manage attendance.

A joint Health and Wellbeing initiative, the £ for lb Challenge, was launched in January 2015 for twelve weeks. There were 37 Newtownabbey employees and 17 Antrim Employees participating in this initiative to lose weight and raise money for charity. To date the initiative had been very successful with the current weight loss for Newtownabbey employees being 114.2 lbs, 8.15 stones after just 4 weeks.

Members were further advised that the Joint HR Teams in Antrim and Newtownabbey attended training on the Wellness Recovery Action Plan programme (WRAP). This training was very informative and the teams would take this learning and develop the tools to assist employees with their absence. The programme could be used for a range of reasons some examples include, Stress, Depression, Diabetes and Weight Loss. This programme could be used with individual employees or teams to assist them in identifying their trigger zones and developing action plans to overcome them, allowing them to act before they go off sick or a particular situation escalates.

Proposed by Councillor Webb
Seconded by Councillor O'Reilly and agreed that

the report be noted.

3 FC/IA/3 NIAO FINANCIAL AUDIT DIRECTOR

It was reported that correspondence had been received from the Northern Ireland Audit Office, a copy of which was enclosed, advising that Colette Kane would assume responsibility for the lead NIAO Director role for the audit of the local government sector.

Proposed by Councillor McClelland
Seconded by Councillor Webb and agreed that

the report be noted.

4 FC/G/339 FRAUD

Members were advised that an update on fraud issues was included in the Audit Committee report as a standing item.

Members were reminded that the Council was required to participate in the National Fraud Initiative in Northern Ireland 2014 organised by the Northern Ireland Audit Office.

It was reported that the results of the initiative were released to the Council on 29 January 2015 and Internal Audit would set the investigation strategy for the various types of matches and investigate any particularly high risk matches, the Council's Payroll section would investigate payroll matches, and the Council's Accounts section would investigate creditor matches.

The current position with regard to fraud investigations was included in the next item, Internal Audit Update Report.

Proposed by Councillor McClelland
Seconded by Councillor Webb and agreed that

the report be noted.

5 FC/IA/53 INTERNAL AUDIT UPDATE REPORT

It was reported that a report containing a summary of Internal Audit Assignments from November 2014 to February 2015 was enclosed. This report included the objectives and conclusions reached for each completed assignment and management comments as applicable.

Proposed by Councillor McClelland
Seconded by Councillor O'Reilly and agreed that

the report be noted.

(Ms Archer left the meeting.)

6 FC/IA/74 REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT

Members were reminded that Regulation 3A of the Local Government (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006 required the Council to, at least once in each financial year, conduct a review of the effectiveness of its system of Internal Audit. This review had been completed internally for the past number of years.

In November 2011 three options for the completion of this review were presented to the Audit Committee, with the Council agreeing that internal reviews should continue to be completed subject to review for the financial year 2014/15. The other options considered were that the review could be conducted by an external independent organisation or by a person external to the organisation who has experience as a local government internal audit practitioner.

It was reported that the Head of Audit, Governance & Risk Services from Craigavon Borough Council had agreed to undertake a review of the effectiveness of the system of internal audit for the financial year 2014/15 at an approximate cost of £1,250. This officer has experience of undertaking external reviews of the effectiveness of the system of internal audit in both local and central government organisations.

Members were further advised that the form that the review would take would be a self-assessment with independent external validation by the Head of Audit, Governance & Risk Services from Craigavon Borough Council.

Proposed by Councillor McClelland
Seconded by Councillor Webb and agreed that

the review of the effectiveness of the system of internal audit for the financial year 2014/15 be carried out through a self-assessment with independent external validation by the Head of Audit, Governance & Risk Services from Craigavon Borough Council.

(Ms Archer returned to the meeting after discussion of the above item.)

7 FC/D/47 AUDIT STRATEGY 2014/2015

A copy of the Local Government Auditor's Audit Strategy 2014/2015 for the Council was enclosed. A representative from the Northern Ireland Audit Office would be in attendance.

Proposed by Councillor O'Reilly
Seconded by Councillor McClelland and agreed that

the report be noted.

8 FC/G/332 OVERTIME LEVELS

Members were reminded that it had been agreed in March 2011 that a quarterly report on the overtime claimed by each section be submitted to the committee. A report showing the overtime cost and budget by section for the period April 2014 to December 2014 was enclosed.

Proposed by Councillor O'Reilly
Seconded by Councillor McClelland and agreed that

the report be noted.

9 FC/G/309 DEBT MANAGEMENT

It was reported that the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 required that a local government body's accounting control systems included procedures to ensure that uncollectible amounts, including bad debts, were not written off except with the approval of the chief financial officer, or such member of staff nominated by him/her for this purpose, that such approval was reported to the body and was shown in the accounting records.

A number of debts, as shown in the enclosed schedule, had been pursued through the debt management policy and were now considered uncollectible. These amounts would be written off in the accounts for the year ended 31 March 2015.

Proposed by Councillor Webb
Seconded by Councillor O'Reilly and agreed that

the report be noted.

10 ANY OTHER BUSINESS

Mr McKenna advised members that this would be his last Audit meeting. He commended members and officers on their work and wished them every success in the future.

The Chairman thanked members and officers for all the work they had undertaken with regard to the Audit Committee and wished them success in the new Council.

The meeting ended at 5.55 pm

MAYOR