



14 September 2023

Committee Chair: Councillor M Goodman

Committee Vice-Chair: Councillor B Mallon

Committee Members: Alderman M Magill  
Councillors A Bennington, A McAuley and S Wilson

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 19 September at 6.30 pm.**

You are requested to attend.

Yours sincerely

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

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

**PLEASE NOTE: a fork buffet will be available in the Cafe from 5.20 pm**

**For any queries please contact Member Services:**

Tel: 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. INTRODUCTION OF NEW STAFF**

### **4. ITEMS FOR DECISION**

4.1 Audit & Risk Committee Terms of Reference

4.2 Annual Governance Statement 2022/23

4.3 Financial Statements for the Year Ended 31 March 2023

### **5 ITEMS FOR INFORMATION**

5.1 NIAO: Report to Those Charged with Governance 2022/23 (Draft)

5.2 2022-23 Annual Self-Assessment Report on Performance

5.3 Corporate Performance and Improvement Plan - Progress Report  
Quarter 1

5.4 Update on Audit and Risk Committee Actions

5.5 Internal Audit Update Report

5.6 National Fraud Initiative 2022

5.7 Corporate Risk Register

5.8 Post Project Evaluations

### **6 ITEMS IN CONFIDENCE**

6.1 Cyber Security Update

6.2 NIPSO: Investigations – Council Services

6.3 Concerns Raised and Investigations Update

### **7 ANY OTHER RELEVANT BUSINESS**

## **REPORT ON BUSINESS TO BE CONSIDERED AT THE AUDIT AND RISK COMMITTEE MEETING ON 19 SEPTEMBER 2023**

### **4 ITEMS FOR DECISION**

#### **4.1 G/MSMO/140 AUDIT AND RISK COMMITTEE TERMS OF REFERENCE**

Antrim and Newtownabbey Borough Council conducts its business through a traditional committee system, where business is initially considered by one of its Committees forming a key component of Antrim and Newtownabbey Borough Council's corporate governance framework.

In line with good governance arrangements, Terms of Reference (TOR) are required for each Committee.

The Audit and Committee Terms of Reference has been rewritten to reflect the revised CIPFA Audit Committees: Practical Guidance for Local Authorities and Police 2022 (**enclosed**). The Terms of Reference sets out the roles and responsibilities of the Committee in accordance with this guidance.

A copy of the draft Audit and Risk Committee Terms of Reference is **enclosed** for approval by Members prior to publication on the Council website.

**RECOMMENDATION: that the Audit and Risk Committee Terms of Reference be approved.**

Prepared by: Liz Johnston, Deputy Director of Governance

Approved by: Sandra Cole, Director of Finance and Governance

## **4.2 FI/FIN/SOA/09 ANNUAL GOVERNANCE STATEMENT 2022/23**

Members are reminded that a copy of the draft Annual Governance Statement 2022/23 was provided to them in July 2023 and that this Statement along with the draft Financial Statements were submitted to the Department of Communities for external audit.

A number of minor amendments have been suggested by external audit to provide additional clarity, and management have agreed to make these.

A copy of the updated Annual Governance Statement 2022/23 is **enclosed**, with the most significant amendments being highlighted red for Members' information.

Regulation 4(4) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 also requires that "...a local government body as a whole or committee must approve an annual governance statement prepared in accordance with proper practices on internal control."

### **RECOMMENDATION: that**

- (a) the Annual Governance Statement 2022/23 be approved; and**
- (b) the Annual Governance Statement 2022/23 be signed and dated by the Chair of the Audit and Risk Committee.**

Prepared by: Liz Johnston, Deputy Director of Governance

Approved by: Sandra Cole, Director of Finance and Governance

### 4.3 FI/FIN/SOA/09 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Members are reminded that details of the (unaudited) Statement of Accounts for the year ended 31 March 2023, were presented at the June 2023 Council meeting and that the Audit & Risk Committee would be required to approve the audited Statement of Accounts at the September Committee.

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 requires that:

“8 (3)... a local government body must, no later than 30th September following the end of the financial year to which the statement relates:

- a) Consider either by way of a committee of that body or by the members of the body as a whole the statement of accounts;
- b) Following that consideration, approve the statement of accounts for submission to the local government auditor by a resolution of that committee or meeting;
- c) Following approval, ensure that the statement of accounts is signed and dated by the person presiding at the committee or meeting at which the approval was given...”

and

“(4) The chief financial officer must re-certify the presentation of the statement of accounts... before the relevant local government body approves it.”

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

The audited Statement of Accounts for Antrim and Newtownabbey Borough Council for the year ended 31 March 2023 are to **follow**.

#### **RECOMMENDATION: that**

- (a) the Statement of Accounts for the year ended 31 March 2023 be approved; and**
- (b) the Statement of Accounts be signed and dated by the Chair of the Audit and Risk Committee.**

Prepared by: Richard Murray, Head of Finance

Approved by: Sandra Cole, Director of Finance and Governance

## 5 ITEMS FOR NOTING

### 5.1 FI/FIN/SOA/09 NIAO: REPORT TO THOSE CHARGED WITH GOVERNANCE 2022/23 (DRAFT)

Members are advised that the Local Government Auditor has completed the audit of the Statement of Accounts for the year ended 31 March 2023 and has now issued the draft Report to Those Charged with Governance (copy of which will follow).

A copy of the final Report to Those Charged with Governance, incorporating management responses, will be presented at the next Committee meeting in December 2023.

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

**RECOMMENDATION: that the report be noted.**

Prepared by: Richard Murray, Head of Finance

Approved by: Sandra Cole, Director of Finance and Governance

## 5.2 PT/CI/038 2022-23 ANNUAL SELF-ASSESSMENT REPORT ON PERFORMANCE

Members are advised that Part 12 of the Local Government Act (Northern Ireland) 2014; Section 92 (2) (b) (i) & (ii) requires the Council to publish an assessment of its performance in the previous financial year, and include a comparison of performance against other councils where possible.

The 2022-23 Annual Self-Assessment on Performance is **enclosed** and provides an assessment of the Council's performance in relation to its statutory performance and self-imposed indicators.

**RECOMMENDATION: that the report be noted.**

Prepared by: Allen Templeton, Performance Improvement Officer

Agreed by: Lesley Millar, Head of Organisation Development

Approved by: Jennifer Close, Director of Organisation Development

### 5.3 **PT/CI/049 CORPORATE PERFORMANCE AND IMPROVEMENT PLAN - PROGRESS REPORT QUARTER 1**

Members are advised that it was agreed at the August Council meeting that quarterly performance reports would be circulated to the relevant Committee or Working Group.

The Local Government Act (Northern Ireland) 2014 (Part 12) puts in place a framework to support the continuous improvement of Council services.

The Council's Corporate Performance and Improvement Plan 2023/24 sets out a range of robust performance targets, along with six identified improvement objectives and statutory performance targets.

The Quarter 1 Performance Progress report, which has been reported to the relevant committees, is **enclosed** for Members' information.

**RECOMMENDATION: that the report be noted.**

Prepared by: Allen Templeton, Performance Improvement Officer

Agreed by: Lesley Millar, Head of Organisation Development

Approved by: Jennifer Close, Director of Organisation Development



## 5.4 FI/AUD/02 UPDATE ON AUDIT AND RISK COMMITTEE ACTIONS

As part of the reporting process to the Audit and Risk Committee, a progress update of actions raised from each Audit and Risk Committee has been provided.

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

Item	Action	Progress update	Anticipated Completion Date
<b>December 2022</b>			
<b>4.6</b>	<b>RECOVERY PLAN- 2022/23 – PERFORMANCE PROGRESS REPORT QUARTER 2</b>		
(i)	A review of how Council assess customer satisfaction be undertaken.	<b>In Progress</b> A review of how the Council obtains and assesses customer satisfaction is underway.	31 March 2024
<b>4.10</b>	<b>POST PROJECT EVALUATIONS</b>		
(ii)	A schedule of Post Project Evaluations be provided to a future Committee.	<b>Complete</b> A schedule of projects has been developed and included within this Committee's agenda.	N/A
<b>March 2023</b>			
<b>4.1</b>	<b>REVIEW OF THE EFFECTIVENESS OF THE AUDIT AND RISK COMMITTEE 2022-23</b>		
(i)	The results of the review of the effectiveness of the Audit and Risk Committee be approved and that these results be reported to the June 2023 Council meeting.	<b>Complete</b> The results of the review of the effectiveness of the Audit and Risk Committee were reported to the June 2023 Council meetings.	N/A
<b>4.2</b>	<b>INTERNAL AUDIT STRATEGY 2023-2027 AND AUDIT PLAN 2023-24</b>		
(i)	Officers agreed to further consider a number of issues raised by Members and respond to them in due course.	<b>In Progress</b> Suggestions raised by Members will be considered during the development of the 2024/25 Internal Audit Strategy and Plan.	31/03/24

Item	Action	Progress update	Anticipated Completion Date
<b>5.2</b>	<b>RECOVERY PLAN 2022-23 – QUARTER 3 PERFORMANCE PROGRESS REPORT</b>		
(i)	In response to a query from the Independent Member, the Chair agreed that Officers provide clarification to Members.	<p><b>Complete</b></p> <p>The Planning figures are provided by the Department of Infrastructure each quarter. The 2022/23 Quarter 3 figures were impacted by the implementation of the new Planning Portal, with complete figures for Quarter 3 not being provided.</p> <p>These were marked as 'On Track' based on performance projections to year end.</p>	N/A
<b>5.6</b>	<b>POST PROJECT EVALUATION</b>		
(i)	In response to a query from the Independent Member, Officers agreed to review the wording of a statement in the Business Case Pro Forma.	<p><b>Complete</b></p> <p>Wording has been considered and the Business Case Pro Forma has been amended accordingly.</p>	N/A

**RECOMMENDATION: that the report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

## 5.5 FI/AUD/01 INTERNAL AUDIT UPDATE REPORT

A report containing a summary of Internal Audit activity since the Audit and Risk Committee last met in March 2023 is enclosed. The 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).

**RECOMMENDATION: that the report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

## 5.6 FI/AUD/112 NATIONAL FRAUD INITIATIVE 2022

Members are reminded that the Council has been participating in the latest National Fraud Initiative exercise and has been investigating the matches provided as per the approach reported to the Audit & Risk Committee in March 2023.

We have substantially completed our investigations and a progress report outlining the results of our work is **enclosed** for Members' information.

No frauds have been identified through the work undertaken during this National Fraud Initiative exercise.

The remaining matches yet to finalise (11 matches) are in relation to Payroll matches with other public sector organisations. The finalisation of these matches is dependent on the information flow to and from these counterparties.

The completion of these matches will be undertaken throughout the remainder of this year and will be finalised prior to the deadline of 31 March 2024. An update report will be provided to the Audit Committee where there is an outcome to any of the investigations.

**RECOMMENDATION: that the report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

## **5.7 FI/AUD/03 CORPORATE RISK REGISTER**

Members are reminded that a report providing details of the Council's Corporate Risk Register, is presented to the Audit and Risk Committee on a quarterly basis.

All Corporate risks have been reviewed and updated in line with the review and reporting timeframe.

In accordance with the reporting protocol, a report setting out the Corporate Risk Register and the changes made to the risks, is **enclosed** for Members' review.

**RECOMMENDATION: that the report be noted.**

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

## 5.8 PT/TP/021 POST PROJECT EVALUATIONS

Members are reminded that in March 2023, the Audit and Risk Committee noted a new Post Project Evaluation (PPE) process, which was to be co-ordinated across the Council.

The process will be administered by the Performance Improvement team, with project owners responsible for setting the pre-project targets within the business case and completing the PPE against these targets at the end of the realisation period(s).

A schedule (**enclosed**) has been developed to monitor the timeframes in which PPEs are to be completed.

A report will be brought back to the Audit and Risk Committee bi-annually (December and June), with an update on the completion of PPE's and a revised schedule. The completed PPEs will be reported to the relevant Committees, providing the necessary assurances that they are being completed.

**RECOMMENDATION: that the report be noted.**

Prepared by: Lesley Millar, Head of Organisation Development

Approved by: Jennifer Close, Director of Organisation Development