



12 March 2020

Committee Chair: Councillor M Goodman
Committee Vice-Chair: Councillor V McAuley
Committee Members: Councillors – A Bennington, P Hamill, J Montgomery and B Webb
Independent Member: Mrs G Nesbitt

Dear Member

MEETING OF THE AUDIT COMMITTEE

A meeting of the Audit Committee will be held in the **Round Tower Chamber, Antrim Civic Centre on Wednesday 18 March 2020 at 6.30pm.**

You are requested to attend.

Yours sincerely

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

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

PLEASE NOTE: Fork buffet will be available in the Members' Room from 5:30pm

For any queries please contact Member Services:

Tel: 028 9034 0048 / 028 9448 1301

memberservices@antrimandnewtownabbey.gov.uk

A G E N D A

1. Apologies

2. Declarations of Interest

3. PRESENTATION

3.1 Corporate Improvement Plan 2020/21

4. ITEMS FOR DECISION

4.1 Internal Audit Strategy 2020-23 and Audit Plan 2020/21

4.2 Review of the Effectiveness of the Audit Committee 2019/20

5. ITEMS FOR INFORMATION

5.1 NIAO: Antrim and Newtownabbey Borough Council: Audit of 2019/20
Statement of Accounts – Audit Strategy

5.2 Corporate Improvement Plan 2019/20 – Quarter 3 Improvement
Objectives Progress Update

5.3 Update on Audit Committee Actions

5.4 Internal Audit Update Report

5.5 Corporate Risk Register

6. ITEMS IN CONFIDENCE

6.1 NIPSO: Investigations – Council Services

6.2 Investigations Update

7. Any Other Relevant Business

3. PRESENTATION

3.1 PT/CI/029 CORPORATE IMPROVEMENT PLAN 2020/21

A presentation will be provided for Members on the Corporate Improvement Plan 2020/21 (Draft for Consultation) by the Head of Performance and Transformation. The Plan is enclosed for Members' attention.

4. ITEMS FOR DECISION

4.1 FI/AUD/1 INTERNAL AUDIT STRATEGY 2020-23 AND AUDIT PLAN 2020/21

The Head of Internal Audit is required to provide an annual opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. The basis of this opinion will be the work completed by the Internal Audit service over the year.

Due to the finite resources available, it is not possible to provide audit coverage of all aspects of the Council's activities within a given year. Therefore a risk-based plan (**enclosed**) of Internal Audit activity has been prepared to provide appropriate audit coverage over the next three years, focusing on the more significant risks first.

This risk assessment has been set out in the Internal Audit Strategy (**enclosed**), which also incorporates the Audit Plan 2020/21. Its purpose is to provide the Audit Committee and management with an understanding of Internal Audit's approach to developing the three year Strategy as well as setting out the proposed Audit Plan for 2020/21.

RECOMMENDATION: that the Committee considers the Strategy and Plan, makes amendments as appropriate and approves the Internal Audit Strategy 2020-23 and Audit Plan 2020/21.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

4.2 FI/AUD/2 REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE 2019/20

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 of their performance”.

Appendix E of the guidance also provides an 'Evaluating the Effectiveness of the Audit Committee' self-assessment checklist which will enable the Committee to undertake and report on the assessment of their performance throughout the year.

On 04 February 2020, Members of the Audit Committee participated in a facilitated self-assessment review of the performance of the Audit Committee, where they completed the 'Evaluating the Effectiveness of the Audit Committee' self-assessment checklist.

The results of this review are **enclosed** for Members' agreement.

These results, along with an Annual Report outlining the Audit Committee's activities during the year, will be reported to the June 2020 Audit Committee as well as the June 2020 Council meeting as part of the year end reporting process.

RECOMMENDATION: that the Committee approves the results of the review of the effectiveness of the Audit Committee and that these results be reported to the June 2020 Audit Committee and Council meeting.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

5 ITEMS FOR INFORMATION

5.1 FI/FIN/SOA/06 NIAO: ANTRIM AND NEWTOWNABBEY BOROUGH COUNCIL: AUDIT OF 2019/20 STATEMENT OF ACCOUNTS - AUDIT STRATEGY

The External Audit Strategy for the audit of the 2019/20 Statement of Accounts has now been received (**enclosed**) which provides a clear understanding of how the NIAO plan to carry out the audit of the 2019/20 financial statements and the key risks identified in their planning work.

Representatives of the NIAO will be in attendance to present the Strategy and answer Members questions.

RECOMMENDATION: that the report be noted.

Prepared by: John Balmer, Head of Finance

Approved by: Sandra Cole, Director of Finance and Governance

**5.2 PT/CI/024 CORPORATE IMPROVEMENT PLAN 2019-20 QUARTER 3
IMPROVEMENT OBJECTIVES PROGRESS REPORT**

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.

A third quarter progress report is **enclosed** for Members' attention.

The report provides an overview on how we performed against:

- Our eight corporate improvement objectives, as set out in the 2019-20 Corporate Improvement Plan, which was approved by Council in June 2019;
- The seven statutory indicators and standards that were set by Central Government Departments for Planning Services, Economic Development and Waste Management – as defined in the Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 and;
- A range of self-imposed improvement objectives across all service areas

RECOMMENDATION: that the Corporate Improvement Plan 2019-20 Quarter 3 progress report be noted.

Prepared by: James Porter, Performance Improvement Officer

Agreed by: Helen Hall, Head of Performance and Transformation

Approved by: Sandra Cole, Director of Finance and Governance

5.3 FI/AUD/2 UPDATE ON AUDIT COMMITTEE ACTIONS

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

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

Item	Action	Progress update	Anticipated Completion Date
December 2019			
3.1 REVIEW OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE 2019/20			
(i)	Councillor Webb requested that the review be held on the night of an existing Committee Meeting. The Head of Internal Audit clarified the anticipated duration of the proposed meeting and agreed to look into alternative dates.	Complete An alternative date of 4 February 2020 was proposed, then agreed by Members.	N/A
4.1 NIAO: ANNUAL AUDIT LETTER 2018/19			
(i)	The Director of Finance and Governance agreed to circulate the letter to Members when received.	Complete The Annual Audit Letter was provided to Members on 20 December 2019.	N/A
4.3 NIAO: PERFORMANCE IMPROVEMENT AUDIT AND ASSESSMENT REPORT 2019/20			
(i)	The Independent Member sought clarification on the timeline on the proposal for improvement relating to self-imposed indicators and standards, and asked if the Working Group's Terms of Reference could be provided to Members, which was agreed.	In Progress A draft Terms of Reference for the Local Government Performance Improvement Working Group has been developed and is being brought to their next meeting on 24 March 2020 for agreement.	31 March 2020
5.2 INVESTIGATIONS UPDATE			
(i)	In response to a query from Councillor Bennington, the Chairperson advised that this would be dealt with by the Director of Operations.	Complete The issue was passed to the Director of Operations who reviewed and responded to Cllr. Bennington.	N/A

RECOMMENDATION: that the Committee notes the Previous Actions update.

Prepared by: Paul Caulcutt, Head of Internal Audit

Approved by: Sandra Cole, Director of Finance and Governance

5.4 FI/AUD/1 INTERNAL AUDIT UPDATE REPORT

A report containing a summary of Internal Audit activity since the Audit Committee last met on 10 December 2019 is **enclosed**. The report includes the objectives and conclusions reached for each completed engagement and management comments as applicable.

The report also provide 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

5.5 FI/AUD/3 CORPORATE RISK REGISTER

Members are advised that a report providing details of the Council's Corporate Risk Register, including changes made to the Corporate risks, is presented to the Audit Committee on a quarterly basis.

The review and update of the Corporate Risk Register has been completed and a report setting out the 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