MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE ROUND TOWER CHAMBER, ANTRIM CIVIC CENTRE ON TUESDAY 22 SEPTEMBER AT 6.30 PM

In the Chair	:	Councillor S Wilson
Committee Members Present	:	Alderman M Magill Councillor A Bennington
Committee Members (Remote)	:	Councillors – M Brady, A McAuley and L O'Hagan
Independent Member (Remote)	:	Ms Ashley Neill
Non Committee Members (In person)	:	Councillor B Webb
Officers Present	:	Director of Finance – J Balmer Director of People and Organisational Transformation – C Brown Head of Finance – R Murray Head of Internal Audit – P Caulcutt Head of ICT – G Smyth ICT Helpdesk Officer – D Graham Member Services Officer – S Fisher
In Attendance	:	NI Audit Office – S Jones

CHAIRPERSON'S REMARKS

The Chairperson welcomed everyone to the quarterly Audit and Risk Committee Meeting and reminded all present of recording requirements.

The Chairperson also extended a welcome to Ms Suzanne Jones from the Northern Ireland Audit Office and Collesa Brown, the recently appointed Director of People and Organisational Transformation to her first Audit and Risk Committee meeting.

1. APOLOGIES

None

2. DECLARATIONS OF INTEREST

None

3 ITEMS FOR DECISION

3.1 FI/FIN/SOA/12 ANNUAL GOVERNANCE STATEMENT 2025/26

1. Purpose

The purpose of this report was to present the Annual Governance Statement for 2025/26 for Members' approval and subsequent signature and dating by the Chairperson of the Audit and Risk Committee.

2. Background

The Council was required to publish an Annual Governance Statement with its annual statement of accounts.

This statement was consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government,' and outlined how the Council was complying with the Framework.

This statement also met the requirements of Regulation 4(2) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 in relation to the review of the system of internal control.

Regulation 4(4) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 also required 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."

3. Key Points

Members were reminded that a copy of the draft (unaudited) Annual Governance Statement 2025/26 was presented to them at the June 2026 Audit and Risk Committee and that this Statement along with the draft Financial Statements were submitted to the Department of Communities for external audit.

The external review was now completed and the final Annual Governance Statement 2025/26 was circulated.

Proposed by Councillor Bennington
Seconded by Alderman Magill and agreed that

the Annual Governance Statement 2025/26 be approved and duly signed and dated by the Chairperson of the Audit and Risk Committee.

ACTION BY: Paul Caulcutt, Head of Internal Audit

Councillor McAuley joined the meeting during Item 3.2.

3.2 FI/FIN/SOA/12 STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026

1. Purpose

The purpose of this report was to present the Statement of Accounts for the Year Ended 31 March 2026 for Members' approval and subsequent signature and dating by the Chairperson of the Audit and Risk Committee.

2. Background

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

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

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

3. Key Points

Members were reminded that the (unaudited) Statement of Accounts for the year ended 31 March 2026 was presented at the June 2026 Audit and Risk Committee and that the Committee would be required to approve the audited Statement of Accounts at the September Committee.

The Northern Ireland Audit Office had substantially completed their audit of the Statement of Accounts, with no change to the Council's financial position and were expected to provide an unqualified audit opinion, without modification.

Officers were finalising the Statement of Accounts, including minor amendments in preparation for publication. Details, circulated, would be presented to Members of the Committee prior to seeking approval.

A complete copy of the Statement of Accounts would be provided to Members for information by email.

Proposed by Ms Neill
Seconded by Councillor Bennington and agreed that

the Statement of Accounts for the Year Ended 31 March 2026 be approved and duly signed and dated by the Chairperson of the Audit and Risk Committee.

ACTION BY: Richard Murray, Head of Finance

4 ITEMS FOR NOTING

4.1 FI/FIN/SOA/12 NIAO: REPORT TO THOSE CHARGED WITH GOVERNANCE 2025/26 (DRAFT)

1. Purpose

The purpose of this report was to recommend to Members to note the Northern Ireland Audit Office's draft Report to Those Charged with Governance 2025/26.

2. Key Points

Members were advised that the Local Government Auditor had completed the audit of the Statement of Accounts for the year ended 31 March 2026 and had now issued the draft Report to Those Charged with Governance (circulated).

A copy of the final Report to Those Charged with Governance, incorporating management responses, would be presented at the next Committee meeting in December 2026.

Suzanne Jones from the NIAO presented the Report to Those Charged with Governance to Members.

The Director of Finance responded to a Member's questions and confirmed the final Report to Those Charged with Governance would be brought back to the December Committee, setting out management responses and actions to the findings raised.

Proposed by Councillor Bennington
Seconded by Councillor O'Hagan and agreed that

the Northern Ireland Audit Office's draft Report to Those Charged with Governance 2025/26 be noted.

NO ACTION

4.2 FI/FIN/SOA/11 NIAO: REPORT TO THOSE CHARGED WITH GOVERNANCE 2024/25 – ACTIONS UPDATE

1. Purpose

The purpose of this report was to recommend to Members to note the progress of actions taken in relation to the audit recommendations made by the NIAO in the Report to those Charged with Governance 2024/25.

2. Key Points

Further to the December 2025 report by NIAO: Report to those Charged with Governance, it was recommended that an update on the findings raised within the report along with the agreed actions be provided to a future Audit and Risk Committee.

In line with this recommendation, a progress report was circulated providing an update on actions taken by Council to address matters raised.

In response to a query from a Member regarding remedial works undertaken by a contractor, the Director of Finance confirmed that Council would not pay for work which should have been correct in the first instance.

Proposed by Councillor McAuley
Seconded by Ms Neill and agreed that

the progress made on the audit recommendations within the Report to those Charged with Governance 2024/25 be noted.

NO ACTION

4.3 FI/AUD/02 NIAO: LOCAL GOVERNMENT AUDITOR'S REPORT 2026

1. Purpose

The purpose of this report was to recommend to Members to note the Local Government Auditor's Report 2026.

2. Background

Northern Ireland's Local Government Auditor had published a report (circulated) summarising the findings of the audits of local councils during 2024/25.

3. Key Points

Regarding the financial position of all 11 councils, the report noted that:

- Income totalled £1.3 billion for the year, an increase of around 8% from 2023/24, largely driven by a 3% increase in District Rates.

- Expenditure for the year totalled £1.23 billion, of which more than 40% related to staff costs, and that 2024/25 was the second successive year that council income had exceeded expenditure.

- Councils held more than £2.5 billion of land and buildings.

- Total useable reserves had increased to £566 million, the highest levels recorded to date.

The Local Government Auditor had stated that "higher levels of usable reserves available to councils had helped strengthen their financial resilience in the short term. While this was welcome, it emphasised the need for councils to ensure they had clear and robust plans in place so that ratepayers would be assured that funds would be managed and used to deliver maximum value and benefit.

Similarly, buildings represent the single largest category of assets held by councils. My report therefore highlights the need for clear capital asset plans, particularly to ensure the effective and efficient management of any surplus assets."

Other findings noted in the report included:

- The average absence per council staff member during 2024/25 was 16.8 days, a slight improvement on the 17.1 days recorded in 2023/24. Despite this, five councils reported an increase in sickness absence during the year, with absence rates in local government continuing to considerably exceed those in central government.

- Performance in processing local planning applications varied considerably between individual councils. The average processing time across councils was 19.8 weeks against a statutory target of 15 weeks. Only three of the 11 councils met the statutory target.

The report made a number of recommendations aimed at supporting improvements for councils. Council would review these and ensure they were progressed and monitored as appropriate.

Proposed by Councillor Bennington
Seconded by Ms Neill and agreed that

the Local Government Auditor's Report 2026 be noted.

NO ACTION

4.4 PT/CI/066 2025/26 ANNUAL SELF-ASSESSMENT REPORT ON PERFORMANCE

1. Purpose

The purpose of this report was to recommend to Members to note the Council's 2025/26 Annual Performance Self-Assessment Report.

2. Background

Members were reminded that under Part 12 of the Local Government Act (Northern Ireland) 2014, Section 92(2)(b)(i) & (ii) of the Act required the Council to publish an assessment of its performance.

3. Corporate Performance and Improvement Plan

The Council's Corporate Performance and Improvement Plan established a range of performance targets, identified improvement objectives and statutory performance indicators to support the monitoring and assessment of the Council's performance.

4. Self-Assessment Report

The Annual Self-Assessment report, circulated, provided an evaluation of the Council's performance against its statutory and self-imposed corporate performance indicators. In line with the legislative requirements, it included comparisons with previous financial years and, where possible, benchmarked against the performance of other councils.

Proposed by Councillor Bennington
Seconded by Alderman Magill and agreed that

the Council's 2025/26 Annual Performance Self-Assessment Report be noted.

NO ACTION

4.5 PT/CI/071 QUARTER 1 PROGRESS REPORT, CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2026/27

1. Purpose

The purpose of this report was to recommend to Members to note the Corporate Performance and Improvement Plan 2026/27, Quarter 1 Performance Progress Report.

2. Background

Members were reminded that Part 12 of the Local Government Act (Northern Ireland) 2014 put 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 2026/27, approved in June 2026, set out the Council's improvement objectives together with its corporate and statutory performance targets.

4. Performance Progress Reports

The Quarter 1 Performance Progress Report was circulated. The report provided an update on progress against the Council's agreed improvement objectives and performance targets.

The Council's performance against the Key Performance Indicators for Quarter 1 was as follows:

Statutory Indicators

- Of the 10 Statutory Indicators, 7 were On Track and 3 indicators linked to Waste and Recycling have results not yet available and would be reported in Quarter 2.

Self-Imposed Indicators

- Of the 37 Corporate Performance Indicators linked to the six Corporate Objectives, 24 were On Track/Achieved, 4 were At Risk with mitigations in place to return them to target, 1 was currently outside the Council's control, and 8 did not yet have data available and would be reported in future quarterly reports.

Overall Indicators

- Council had 31 indicators On Track/Achieved, 4 indicators At Risk with mitigations in place, 1 indicator reported as outside Council control, and 11 indicators for which results were currently unavailable.

In response to a question from a Member, the Director of People and Organisational Transformation confirmed that the report was based on a low response rate for Quarter 1 and this had been identified as a performance improvement objective with an increase in response rates anticipated for Quarter 2.

Proposed by Alderman Magill
Seconded by Ms Neill and agreed that

the Quarter 1 Performance Progress Report, Corporate Performance and Improvement Plan 2026/27 be noted.

NO ACTION

4.6 FI/AUD/02 UPDATE ON AUDIT AND RISK COMMITTEE ACTIONS

1. Purpose

The purpose of this report was to recommend to Members to note the progress on actions raised at previous Audit and Risk Committees.

2. Background

Members were reminded that at each Committee meeting, a progress update on previous Committee actions was provided for consideration.

3. Key Points

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

Item	Action	Progress update	Anticipated Completion Date
December 2025			
5.1	ANY OTHER RELEVANT BUSINESS		
(i)	The Director of Finance and Governance agreed to review a Member's proposal that Council evaluate the potential benefits of investing in the Social Value Engine (SVE).	**In Progress** The Growth Director of Social Value Engine has been contacted and is to provide Council with background information, prior to appropriate arrangements for a demonstration being made.	31/12/26
June 2026			
3.1	AUDIT & RISK COMMITTEE ANNUAL REPORT 2025/26		
(i)	The Audit & Risk Committee Report for 2025/26 be approved and that the report be provided to the June 2026 Council meeting.	**Complete** The Audit & Risk Committee Report for 2025/26 was provided to the June 2026 Council meeting and has been uploaded to the Council's website.	N/A
4.2	CORPORATE PERFORMANCE AND IMPROVEMENT PLAN 2025/26, PERFORMANCE PRORGESS REPORT QUARTER 4		
(i)	Review the telephone answering system in order to address the number of abandoned calls.	**Complete** An update was provided to Members on 1 September 2026.	N/A
4.5	INTERNAL AUDIT UPDATE REPORT		
(i)	Provide Members with information on the number of staff on non-standard hours contracts.	**Complete** An update was provided to Members on 1 September 2026.	N/A

4.7	**CORPORATE RISK REGISTER**		
(i)	Provide Members with information in relation to the corporate risk register, including cyber security risk, capital development risk and the process of incorporating additional risks following audit findings.	**Complete** An update was provided to Members on 1 September 2026.	N/A
4.9	**ANNUAL GOVERNANCE STATEMENT 2025/26**		
(i)	Raise with the Director of Environment and Sustainability, a Member's request to consider the potential future benefits of the arc21 proposed facility.	**Complete** An update was provided to Members on 1 September 2026.	N/A
(ii)	Provide Members with information regarding the status of the CIPFA / SOLACE Framework approval by Council.	**Complete** An update was provided to Members on 1 September 2026.	N/A
4.10	**STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026**		
(i)	Bring a report to a suitable Committee on investment returns.	**Complete** An update was provided to Members on 1 September 2026.	N/A
6.1	**CONCERNS RAISED AND INVESTIGATIONS UPDATE**		
(i)	Discuss with the Director of Environment Services and Sustainability a Member's request for a review of vehicle recognition systems at Household Recycling Centres.	**Complete** An update was provided to Members on 1 September 2026.	N/A

Proposed by Councillor Bennington
Seconded by Councillor McAuley and agreed that

the progress on actions raised at previous Audit and Risk Committees be noted.

NO ACTION

4.7 FI/AUD/01 INTERNAL AUDIT UPDATE REPORT

1. <u>Purpose</u>

The purpose of this report was to recommend to Members to note the Internal Audit activity since the Audit and Risk Committee last met in June 2026.

2. Background

Members were reminded that a report providing a summary of the Internal Audit activity since the Audit and Risk Committee last met, was presented on a quarterly basis.

3. Key Points

The Internal Audit update report, circulated, included the objectives and conclusions reached for each completed engagement and management comments as applicable.

The report also provided 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).

Proposed by Ms Neill
Seconded by Councillor Bennington and agreed that

the Internal Audit activity since the Audit and Risk Committee last met in June 2026 be noted.

NO ACTION

4.8 FI/AUD/03 CORPORATE RISK REGISTER

1. Purpose

The purpose of this report was to recommend to Members to note the updated Corporate Risk Register.

2. Background

A report providing details of the Council's Corporate Risk Register, since the Audit and Risk Committee last met, was presented on a quarterly basis.

3. Key Points

The review and update of the Corporate Risk Register by Directors had been completed and the updated risk register, agreed by the Corporate Leadership Team, was circulated for Members' review.

In response to a question from the Independent Member regarding the progress on absence levels, the Director of People and Organisational Transformation confirmed that lowering absence was a key priority which remained under continuous review. She advised that there were a number of different strands employed including monitoring by directorate and theme to

enable targeted support and early intervention to help move closer to the Council's target.

Proposed by Ms Neill
Seconded by Councillor O'Hagan and agreed that

the updated Corporate Risk Register be noted.

NO ACTION

4.9 FI/AUD/191 NATIONAL FRAUD INITIATIVE 2026

1. Purpose

The purpose of this report was to recommend to Members to note the National Fraud Initiative 2026 report.

2. Background

The National Fraud Initiative (NFI) was a data matching exercise designed to help participating bodies identify possible cases of fraud and detect and correct under or overpayments from the public purse.

3. Key Points

The Comptroller and Auditor General (C&AG) for Northern Ireland, head of the Northern Ireland Audit Office (NIAO), had statutory powers to conduct matching exercises for the purpose of assisting in the prevention and detection of fraud. These powers were contained in the Serious Crime Act 2007, which inserts Articles 4A to 4H into the Audit and Accountability (Northern Ireland) Order 2003.

The Council must participate in this exercise and supply the following dataset information for matching to that of other public sector bodies to identify possible fraud or error:

1) Payroll – total payments made to current employees and Elected Members for the 1 April 2026 to 30 September 2026.

2) Trade creditors payment history – payment history for the period 1 October 2023 to 30 September 2026.

3) Trade creditor Standing Data – current creditor information held at the date of data extract (from 1 October 2026).

Where a match was found, it indicated that there was an inconsistency that may require further investigation to establish what had caused the match and any further action that may be deemed necessary. Examples of possible matches were as follows:

- An employee with the Council who had a second employment with another Council or public body.

- An employee who was also a supplier to the Council or had been paid through Creditors.

- Suppliers who were associated with other suppliers, e.g. through address.

- Duplicate payments made to suppliers.

Dataset Upload

Datasets must be provided to the Department of Work and Pensions (DWP) (responsible for the collection and processing of data on behalf of the C&AG) from 1 October 2026. A secure electronic upload facility was available enabling data for NFI to be submitted directly.

This facility was contained within the existing secure NFI web application and no other method of data transfer to the NFI was acceptable.

Access to the NFI website would be restricted to those Officers deemed necessary by the Chief Executive.

Results notification and possible action

Data extracted would then be matched with other Public Sector datasets and prioritised into the order of how closely the dataset matches. Initial matches should be available from mid-December 2026, with additional matches made available in the New Year.

The Council was responsible for investigating these matches. All matches would be considered by the Head of Internal Audit, who would determine further action if appropriate, including invocation of the Fraud Response Plan.

Details of the total matches received, and amounts recovered following the previous NFI exercises were as follows:

Year	**Matches**		**Amounts Recovered**	**Reason**
	Total	**Investigated**		
2020	1,036	153 (15%)	£1,837.31	2 duplicate payments
2022	648*****	218 (34%)	Nil	
2024	1,389	278 (20%)	£8,685.36	4 duplicate payments

***** The period of data extraction for Creditors Payments was reduced due to the introduction of the CiAnywhere finance system.

A summary of the NFI 2024 exercise completed in Northern Ireland, as reported by the Northern Ireland Audit Office, was circulated for information.

Participating bodies

Organisations participating in this exercise were those that provided data for the purposes of a data matching exercise, which may be on either a mandatory or voluntary basis.

Mandatory bodies were those bodies whose accounts were required to be audited by:

1) the Comptroller and Auditor General, except for bodies audited by the Comptroller and Auditor General by virtue of section 55 of the Northern Ireland Act 1998; or
2) a Local Government Auditor.

Since the Council's accounts were audited by a Local Government Auditor the Council must supply the required information.

The cost of participating in the National Fraud Initiative would be approximately £1,500 (final cost would not be known until invoiced) which was payable to the Northern Ireland Audit Office in February 2027.

Other mandatory participants included Central Government, Education Boards, and Health Trusts throughout the United Kingdom.

Proposed by Councillor Bennington
Seconded by Councillor Brady and agreed that

that the National Fraud Initiative 2026 report be noted.

NO ACTION

5 ANY OTHER RELEVANT BUSINESS

A Member requested to move into In Confidence and the Chair advised that the In Confidence reports would be taken following any other relevant business.

PROPOSAL TO PROCEED 'IN CONFIDENCE'

Proposed by Alderman Magill
Seconded by Councillor Brady and agreed

that any remaining Committee business be taken in Confidence.

The Chairperson advised that the live stream and audio recording would now cease at this point.

5.1 In response to a Member's request for a report around issues relating to workforce stability, service resilience and associated corporate risks, the Director of Finance advised the matter would require further consideration and agreed to report back to a future Committee meeting.

ACTION BY: John Balmer, Director of Finance

5.2 In response to a Member's questions around the new way of distributing the caddy bags, the governance arrangements and if monitoring was in place to see if this impacted recycling figures, the Director of Finance advised that this matter would require further consideration and agreed to report back to a future Committee meeting.

ACTION BY: John Balmer, Director of Finance

6 ITEMS IN CONFIDENCE

6.1 IN CONFIDENCE ICT/GEN/020 CYBER SECURITY UPDATE

1. Purpose

The purpose of this report was to recommend to Members to note the current Cyber Security Position of Council.

2. Background

The circulated report provided Members with an annual update on the ongoing work being undertaken to protect the Council's systems, data and services, and to further strengthen cyber resilience across the organisation.

The Head of ICT provided responses to Members' queries outlining progress on the introduction of Artificial Intelligence (AI) in Council processes, as well as confirming there have been no cyber incidents affecting Council.

The Head of ICT further confirmed that ICT has robust business continuity arrangements in place that would keep any potential down time, as a result of an incident, to a minimum.

Proposed by Councillor O'Hagan
Seconded by Ms Neill and agreed that

the Cyber Security report be noted.

NO ACTION

6.2 IN CONFIDENCE FI/AUD/04 CONCERNS RAISED AND INVESTIGATIONS UPDATE

1. Purpose

The purpose of this report was to recommend to Members to note the update on concerns raised and investigations.

2. Introduction/Background

Members were reminded that a report containing an update on concerns raised and investigations was presented on a quarterly basis.

3. Key Points

A report containing an update on concerns raised and investigations was circulated.

In response to a query from a Member, the Head of Internal Audit confirmed that there is a robust process in place to deal with concerns raised where the individual does not provide sufficient information or when it was believed that allegations were malicious or vexatious.

Proposed by Councillor Bennington
Seconded by Councillor McAuley and agreed that

the update on concerns raised and investigations be noted.

NO ACTION

PROPOSAL TO PROCEED OUT OF 'IN CONFIDENCE'

Proposed by Ms Neill
Seconded by Councillor McAuley and agreed that

any remaining Committee business be taken in Open Session.

The Chairperson advised that audio recording would resume.

There being no further committee business the Chairperson thanked everyone for their attendance, and the meeting concluded at 7.27 pm.

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MAYOR