

**AUDIT COMMITTEE MEETING HELD  
WEDNESDAY 13 DECEMBER 2023**

**Table of Recommendations**

<b>No</b>	<b>Item</b>	<b>Summary of key Recommendations</b>
<b>1.</b>	Apologies	<b>Councillors Callaghan McMullan and Schenning</b>
<b>2.</b>	Declarations of Interest	<b>Nil</b>
<b>3.</b>	Minutes of Audit Committee Meeting held Wednesday 20 September 2023	<b>Received and noted</b>
<b>4.</b>	Northern Ireland Audit Office	
<b>4.1</b>	S95 Report	<b>Noted</b>
<b>5.</b>	Internal Audit (Causeway Coast and Glens Borough Council)	
<b>5.1</b>	Supporting Corporate Improvement Programme	<b>To recommend to Council that, in line with CIPFA audit committees, practical guidance for local authorities and policy, that audit committee receive quarterly assurance statements from the Oversight Panel that the implementation of the recommendations is on track, to allow the audit committee to discharge its responsibilities</b>
<b>5.2</b>	Annual Self-Assessment Questionnaire	<b>Noted</b>
<b>5.3</b>	Anti-fraud, Bribery and Corruption Policy	<b>Noted</b>
<b>5.4</b>	Business Continuity/Emergency Planning Internal Audit	<b>Noted</b>
<b>6.</b>	Internal Audit (Cavanagh Kelly)	
<b>6.1</b>	Budgetary Control	<b>Noted</b>
<b>6.2</b>	Concessionary Trading	<b>Verbal update noted</b>

<b>No</b>	<b>Item</b>	<b>Summary of key Recommendations</b>
<b>7.</b>	Direct Award Contracts	<b>Noted</b>
<b>8.</b>	Prior Year Recommendations – Progress Report as at December 2023	<b>Noted</b>
<b>9.</b>	Matters for reporting to Partnership Panel	<b>None</b>
<b>10.</b>	Correspondence	<b>None</b>
	<b>'In Committee' (Items 11-14 inclusive)</b>	
<b>11.</b>	Absence Report (Quarter 2)	<b>Noted</b>
<b>12.</b>	Corporate Risk Matrix	<b>Noted</b>
<b>13.</b>	Legal Cases Activity	<b>Noted</b>
<b>14.</b>	Whistle Blowing /Fraud	<b>Verbal update noted</b>
<b>15.</b>	Any Other Relevant Business (notified in accordance with Standing Order 12(o))	<b>None</b>
<b>16.</b>	Date of Next Meeting – Wednesday 13 March 2024	<b>Noted</b>

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF  
THE AUDIT COMMITTEE  
HELD IN THE COUNCIL CHAMBER AND VIA VIDEO CONFERENCE ON  
WEDNESDAY 13 DECEMBER 2023 AT 7.05PM**

**In the Chair:** Councillor C McQuillan (C)

**Members Present:** Alderman Callan (R), Coyle (C), J McAuley (C)  
Councillors N Archibald (C), Chivers (R), Kane (C), Kyle (R),  
McGurk (R), Mairs (C), Storey (C), Wisener (R)

L Mitchell, Independent Member (C)

**Officers Present:** M Quinn, Director of Corporate Services (C)  
A McPeake, Director Environmental Services (R)  
D Wright, Chief Finance Officer (R)  
A Ruddy, Audit, Risk & Governance Manager (C)  
C Chambers, Risk Officer (C)  
S Duggan, Civic Support & Committee & Member Services Officer (C)

**In Attendance:** P O'Sullivan, Audit Manager, Northern Ireland Audit Office (R)  
C McHugh, Senior Manager, Cavanagh Kelly (R)

C Thompson, ICT Officer (C)

Public 1no. (R)

**Key:** (C) = Attended in The Chamber  
(R) = Remotely in attendance

The Director of Corporate Services undertook a roll call.

### **SUBSTITUTIONS**

Alderman Coyle substituted for Councillor Schenning.

\* **A recess was held from 7.05pm-7.17pm due to an IT issue.**

### **CONDOLENCES**

Alderman McAuley, on behalf of Audit Committee, passed condolences to Councillor McMullan and family, on their recent bereavement.

### **1. APOLOGIES**

Apologies were recorded for Councillors Callaghan, McMullan and Schenning.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **3. MINUTES OF AUDIT COMMITTEE MEETING HELD WEDNESDAY 20 SEPTEMBER 2023**

Copy, previously circulated.

The Minutes of the Audit Committee meeting held Wednesday 20 September 2023 were received and noted.

## **4. Northern Ireland Audit Office**

### **4.1 S95 Report**

Copy, previously circulated, presented by Audit Manager, (NIAO).

Report to the Council and the Department for Communities under Section 95 of the Local Government (Northern Ireland) Act 2014, dated 29 November 2023.

Audit Manager, NIAO stated a Performance Improvement Audit had been carried out in November, the work certified on 29 November and report issued to Council.

The audit was summarised, Audit Manager, NIAO stated it had an unqualified audit opinion and the Local Government Auditor had concluded that the Council was likely to comply with Part 12 of the Local Government Act, 2014. The audit made no statutory recommendations and there were no new proposals for improvement, a good audit and were satisfied with the improvements that Council demonstrated it was likely to make. Audit Manager, NIAO referred Committee to the detailed observations Appendix B and Appendix A, the Local Government Auditor's Certificate.

Independent Member stated she was pleased to see an unqualified opinion in this particular area, and positive wording throughout the document in terms of the work of continuous improvement within Council. Independent Member commended management and Council on its commitment to improving services on an ongoing basis. Independent Member posed a question of the Director, in relation to the other matters, page 3 referring to sustainability, climate change and benchmarking, sought an update on the future plans in those areas.

The Director of Corporate Services advised Sustainability and Climate Change was listed within Agenda Item on the Corporate Risk Register and had been reframed as Net Zero. The Director advised Council will employ a dedicated

Officer to that area to ensure compliance with the statutory obligations which were forthcoming, this being led by the Infrastructure Department and further details would follow.

The Director of Corporate Services referred to benchmarking, advised Council currently use the APSE Framework for reporting and Perform, an in-house system, available to monitor and provide regular updates. She referred Committee to the Performance Improvement Officer for any further detail on the plans going forward.

Councillor Storey sought the cost of employing the post referred to.

The Director of Corporate Services stated further detail would be brought to Environmental Services Department, cost would be dependent on reporting mechanisms, roles and responsibilities and it was difficult to provide an estimate at this stage.

Committee NOTED the report.

## **5. INTERNAL AUDIT (CAUSEWAY COAST AND GLENS BOROUGH COUNCIL)**

### **5.1 Supporting Corporate Improvement Programme**

Report, previously circulated, presented by Audit, Risk and Governance Manager.

#### **Purpose of Report**

To seek approval from the Audit Committee to support Corporate Improvement Programmes within Council.

#### **Background**

The Chartered Institute of Public Finance and Accountancy (CIPFA) published Audit Committees: practical guidance for local authorities and policy (2022). This publication identifies the underpinning legislation, regulations, guidance or resources that the committee should be referencing in its operations.

#### **Findings**

A section within the Code, Guiding the audit committee covers wider functions specifically supporting the corporate improvement programmes within organisations it states:

*'Where an authority has undergone an external inspection, peer review or other intervention, an improvement programme will be developed. It will be important*

*for the audit committee to play its part in supporting the effective implementation of agreed actions’.*

*The primary role of the committee is to receive assurances that implementation of the programme is on track. The programme will have links to external audit reports, future audit risk assessments and the AGS, so it is important that the committee is aware of the overall progress. A significant programme may have a dedicated board that can provide an update to the committee to fulfil its assurance needs.*

*There may be aspects of the programme that directly link to the work of the committee – for example, the adequacy of financial management arrangements or internal audit. In such cases, the committee may be more actively involved in monitoring progress.’*

On the 30th of November 2020, the Minister for Communities directed the Local Government Auditor to hold an extraordinary audit of Causeway Coast and Glens Borough Council concentrating on land disposals and easements and related asset management policies and procedures.

Internal audit has considered the CIPFA guidance in the context of the Extraordinary Audit out workings and considers that it satisfies the definition of an ‘other intervention’ as referred to in the CIPFA guidance (referenced above).

At a Special Council Meeting on 27th March 2023, following the presentations of the Reviews into Governance, Land & Property and Record Keeping, Council resolved:

*That Council accept the Findings in these reports in full. Furthermore, that an implementation oversight panel is established (similar to what was taken forward with the Planning Review) to oversee the resolution of the issues outlined in these reports; to produce and progress an Action Plan and the implementation of these associated recommendations; the membership of 6 Elected Members by d’Hondt and a representative from the Department for Communities who have ultimate oversight authority to make sure there is change throughout this organisation and that it is overseen and engaged with.*

Internal audit considers the audit committee have a role in supporting the effective implementation of these agreed actions of the oversight panel and receiving assurances in respect of the process.

At a Special Council Meeting on 30th October 2023, following presentations from the Director of Environmental Services, Local Government Staff

Commission, Department for Communities and Elma Murray Independent Advisor to Council the Council resolved:

That Council agree to implement all the recommendations arising from the Reviews to address the recommendations from the Extraordinary Audit and to set these out as a comprehensive Transformation Programme to ensure that the matters that led to the Extraordinary Audit will not re-emerge. Specially, Council further resolved:

To set up an Implementation Oversight Panel to oversee the Transformation Programme and its implementation.

As a priority, to engage the Local Government Staff Commission to undertake the review of the Senior Leadership structure and the Organisational 'Health Check'.

To appoint an Independent Implementation Oversight Adviser to oversee the programme of work, Chairing an Implementation Steering Group and provide quarterly reports to the Department for Communities.

There are aspects of the work of the Oversight Panel that link directly to the work of the audit committee in relation to the adequacy of the financial management arrangements and internal audit arrangements.

### **Recommendation**

In line with CIPFA audit committees, practical guidance for local authorities and policy, it is recommended that audit committee receive quarterly assurance statements from the Oversight Panel that the implementation of the recommendations is on track, to allow the audit committee to discharge its responsibilities.

Audit, Risk and Governance Manager stated the report was to update Elected Members on the Audit Committee's responsibilities in relation to the process. Currently Council has a transformation programme underway. The CIPFA Guidance for Local Government and Police state the Audit Committee should receive regular assurance statements from any Oversight Panel that was set up in relation to the implementation of the recommendations. This, in order to assure itself that it was on track, to discharge its responsibilities for the Audit Committee.

Independent Member stated the Audit Committee had a role to play in ensuring the recommendations from the Extraordinary Audit were implemented, an area Audit Committee had not had oversight of the recommendations of, up until now and stated support for the proposal that Audit Committee should have a role in

ensuring the implementations were taken forward appropriately, and within an appropriate timescale.

Councillor Kane agreed that the reports should come to Audit Committee, he queried what the timescale was for the group being set up and the first meeting taking place.

Audit, Risk and Governance Manager clarified she could not comment on the group, nor Oversight Panel. The Audit Risk and Governance Manager stated the guidance specifically stated quarterly assurances, she would write to the relevant Officers and enclose the Guidance and request that Audit Committee receive quarterly assurance and that would fulfil the Audit Committee obligations in relation to the CIPFA Guidance.

Councillor Storey referred to the Department representative who attended a recent Council meeting, he stated it was clear that Council would be under scrutiny for another year. Councillor Storey questioned whether the Department would be happy with this, to ensure they would not request another mechanism to be added on. Councillor Storey stated he was annoyed with the Department which had seemed it wanted to run Council, as opposed to Elected Members, on the back of what Mark O'Donnell had said. Councillor Storey questioned whether the Department should be contacted to enquire whether they were content that this was what Council should be doing.

Audit, Risk and Governance Manager advised that Audit Committee were following CIPFA Guidance, she referred to Lesley Mitchell as Council's Independent Member and her role to scrutinise what was ongoing across Council, and to have Audit Committee better informed. Audit, Risk and Governance Manager stated she would write to the Department and obtain confirmation they would be satisfied. She stated it was in the Guidance for Local Government and Police, specific and distinct from, Departmental Audit Committee Guidance.

Proposed by Councillor N Archibald  
Seconded by Councillor Kane and

**AGREED** – to recommend to Council that, in line with CIPFA audit committees, practical guidance for local authorities and policy, that audit committee receive quarterly assurance statements from the Oversight Panel that the implementation of the recommendations is on track, to allow the audit committee to discharge its responsibilities.



## 5.2 Annual Self-Assessment Questionnaire

Report, previously circulated, presented by the Audit, Risk and Governance Manager.

### **Purpose of Report**

The purpose of this report is to update Audit Committee Members on the annual self-assessment exercise on the effectiveness of the Audit Committee. Audit Committee Members were issued with a questionnaire to complete to ensure compliance of the Audit Committee in line with best practice.

### **Background**

Similar to previous years, the Audit Committee are required to assess their effectiveness annually in line with guidance issued.

For 2023/24 Audit Committee Members were requested to complete the National Audit Office (NAO) checklist to consider the effectiveness of the Audit Committee. For 2022/23 Audit Committee Members were asked to complete the Chartered Institute of Public Finance and Accountancy (CIPFA's) Self-assessment of good practice. By rotating the Audit Committees checklist should ensure that any areas for improvement would be identified.

Audit Committee Members and the Independent Member were circulated the questionnaire to complete for the 2023/2024 financial year. In total 8 responses were received from a total of 17 questionnaires issued. This represents approximately 47% of the Audit Committee which is an increase to the prior years response rate of 25%.

### **Results**

Appendix 1 (circulated) lists the questions contained within the Self-Assessment checklist and the total responses to each of the questions asked.

All questionnaires received were fully completed and there were few areas that received a No response. Internal audit has not identified any further actions for Audit Committee's consideration for the 2023/24 financial year.

It is appreciated that several Audit Committee Members are new to Council and are in their first term to Local Government. The completion of the 2024/25 process may have more relevance to those Members who will have completed a full year in office.

### **Recommendation**

**It is recommended** that the Audit Committee note the results from the Annual Audit Committee Self-Assessment Questionnaire.

Audit, Risk and Governance Manager advised every year Audit Committee was required to do a self-assessment questionnaire, the annual questions were rotated between HMRC Treasury Guidance and CIPFA Guidance, the

questions different, this to ensure Audit Committee encapsules all best practice.

Audit, Risk and Governance Manager stated eight responses out of seventeen was a good return rate, the overall response that there was a high level of satisfaction of the effectiveness of the Committee. She advised of an annual process, a new checklist for 2024/25 which will more cumbersome. No areas for improvement had been identified following the responses.

Independent Member referred to areas where eight people issued a response, but in some of the areas, there was one person who had a different view and that may be down to a lack of understanding. Independent Member felt it would be helpful to go through the areas to reassure Committee those aspects were fully understood.

Audit, Risk and Governance Manager cited question 33, where there were two 'no' responses. Audit, Risk and Governance Manager stated she would organise a session prior to the Audit Committee, to go through the questions and provide time to respond for Members for the next questionnaire. With respect to the question, she clarified that in advance of Audit Committee, there was a pre meeting with the Independent Member, Internal and External Audit and Director of Corporate Services. She stated it was good practice for the Chief Executive to attend one Audit Committee annually, and would write to the Chief Executive annually, to invite him to attend.

Audit, Risk and Governance Manager conceded terminology within the questionnaire could be more 'local government' language and would ensure this for the next questionnaire.

Committee NOTED the report.

### **5.3 Anti-fraud, Bribery and Corruption Policy**

Report, previously circulated.

#### **Purpose of Report**

The purpose of this report is to implement the Internal Audit (Moore NI) recommendation in relation to the Councils Anti-fraud, Bribery and Corruption policy. In addition, the policy now includes the 'Initial Notification of Frauds to the Local Government Auditor' as an appendix to the policy.

#### **Background**

An internal audit report in the area of Grant Management made the following recommendation in relation to Fraud Detection and Reporting:

*The Council has an anti-fraud, bribery and corruption policy that was last updated in December 2021. The policy does not highlight fraud risk in relation to*

*grant funding although other areas with a similar risk propensity to fraud such as procurement are mentioned. There is a lack of detailed procedures / guidance available on how the anti-fraud policy should be implemented in various situations.*

*The anti-fraud policy statement in Section 3 of the policy document does not specifically state that the Council has a zero tolerance to fraud, bribery and corruption.*

*The grant guidance notes, and the letters of offer issued to grant applicants do not reference the Councils position on fraud nor do they clearly set out the penalties of making fraudulent grant claims to the Council.*

The implications of this recommendation not being implemented were noted as follows:

*Ambiguous terminology and guidance in relation to anti-fraud, bribery and corruption in both the policy document, policy statement and the lack of any reference fraud in the grant funding policies and letters of offer to grant applicants may result in challenges with addressing fraudulent situations should they arise during grant application processing or project implementation.*

The recommendation to this observation was noted as follows:

*Update Council anti-fraud, bribery and corruption policy to more clearly reflect the potential for fraud in grant funding. The anti-fraud policy should be supported with more detailed procedures / guidance to illustrate how the policy should be implemented in various situations. The Councils position on fraud should be clearly set out in the grant funding guidance notes and contractual documents for grant funding such as the letters of offer.*

The Council anti-fraud, bribery and corruption policy has been reviewed taking into consideration the comments raised by the Internal Auditor and revised accordingly. In addition, the 'Initial Notification of Frauds to the Local Government Auditor' return has been included within the policy as Appendix 2 (circulated).

### **Recommendation**

It is recommended that Audit Committee note the amendments to the Council's Anti-Fraud, Bribery and Corruption policy.

Audit, Risk and Governance Manager advised the update was driven by an Internal Audit recommendation by Moore NI who wanted references in the document specifically to grant funding.

Audit, Risk and Governance Manager referred to page 4 paragraph 2.3, that now included references to potential overstatements of expenditure when submitting grant claims. In addition, as part of the Fraud Planning Risk Guide, she was recommending Planning service be referred to in Council's Anti-Fraud Bribery and Corruption Policy, and a reference made to that, regarding submitting misleading information in relation to Planning.

Also included Appendix 2, page 15 and page 16 the notification of frauds to the Local Government Auditor, should incidents be suspected, attempted or actual fraud, these have to be reported to the Northern Ireland Audit Office (NIAO) and the Department. The return to be completed is attached in Appendix 2.

Audit, Risk and Governance Manager stated in addition, amendments to remove paragraphs covered elsewhere in separate policies in relation to Travel and Subsistence and Code of Conduct. The revised Policy more streamlined and user friendly and to satisfy the Internal Audit recommendation which had been conducted by Moore NI.

Independent Member commented it was a very good document. Independent Member highlighted there was no reference to Audit Committee, that Audit Committee did routinely receive an update on Fraud cases and Committee may want to add that under the reporting section.

Audit, Risk and Governance Manager concurred, advising she would check the Guidance, how it would fit in to the Policy, which was mainly in relation to how Officers would respond to fraud. Audit, Risk and Governance Manager advised she would come back with a response to Audit Committee.

Committee NOTED the report.

- \* **Councillor McGurk joined the meeting at 7.34pm during consideration of this item.**

#### **5.4 Business Continuity/Emergency Planning Internal Audit**

Report, previously circulated, presented by the Audit, Risk and Governance Manager.

Audit, Risk and Governance Manager referred to Page 3, the overall service areas received a Satisfactory Level of Assurance, overall Council had adopted a Business Continuity Policy and a new revised Business Continuity Plan for Council. However, there were a number of recommendations in relation to how to bed down the Business Continuity and Emergency Planning processes across Council.

Audit, Risk and Governance Manager highlighted Recommendation 1, page 5 and Recommendation 2, Page 6. New templates had been developed for the service level Business Continuity plans but they had not been rolled out across Council, there was still work to be done at service level, linking Business Continuity plan to risk and Risk Registers, to ensure they were in a new format, updated and tested on a regular basis. The Management response that Emergency Planning and Business Continuity Training were going to be rolled out in the New Year and following that, training would be rolled out on the new templates.

Audit, Risk and Governance Manager referred to Recommendation 2, Management had accepted. Where Council has a service level Continuity Plan in place, that it was tested on a regular basis, in the event Council would have an incident that everything would run according to plan.

Committee NOTED the report.

## **6. INTERNAL AUDIT (CAVANAGH KELLY)**

### **6.1 Budgetary Control**

Report, previously circulated presented by Senior Manager Cavanagh Kelly.

Senior Manager, Cavanagh Kelly referred to Page 3, summarised Key Findings from the Audit, a Satisfactory Level of Assurance. There were 4 Priority 2 Recommendations, the last time was a Limited Level of Assurance, there had been improvement around the financial management information being provided and timeliness. The recommendations were around making sure budget holders were aware of the timelines they needed to meet, to ensure the financial management information reporting process flows throughout the year. This would ensure budget holders had enough time to respond to requests for information from Finance and Finance have enough time to process the information.

Senior Manager, Cavanagh Kelly referred to the Recommendation around Financial Management information, that as well as looking at expenditure against budget and variances, there should also be projected outturn for the year, as part of the financial management information. These recommendations had been accepted by management.

Senior Manager, Cavanagh Kelly referred to two recommendations linked to budget preparation. There had been a new finance system introduced, Council would be using a new budget model for the first time preparing for the budget estimates, estimates had been started with a spreadsheet, however, once the

budget model would be in place, transferred over. Finance Officers had yet to be trained and the Senior Manager had been advised it would occur soon.

Senior Manager, Cavanagh Kelly referred a Recommendation updating documents and procedures, this area to consider the impact of Tech One on the Budgetary process. Senior Manager, Cavanagh Kelly concluded all Recommendations had been accepted.

Independent Member commented it was pleasing the Audit had received a Satisfactory Level of Assurance from a previous Limited Level of Assurance and commended the Finance Department for taking forward from the previous recommendation. Independent Member sought feedback from the Chief Finance Officer, she queried how the implementation of Tech One was progressing, whether they were encountering any problems, she observed the report recommendation to be implemented by December 2023 which was ambitious.

Chief Finance Officer responded, implementation of the new Finance System had gone well, the system in place since 1 April, there had been teething issues, but no fundamental errors. Chief Finance Officer stated he was awaiting Tech One to set up the Budget Model, and hoping to have sight of this before the holiday period, otherwise, the budget would be finished on spreadsheets.

Committee NOTED the report.

## **6.2 Concessionary Trading**

Senior Manager, Cavanagh Kelly provided a verbal update, she advised the report was drafted and had not been circulated as there were discussions with Management to agreeing their responses. Concessionary Trading was an area subject to a review by NIPSO (Northern Ireland Public Services Ombudsman's Office) because of a complaint and the report would also be issued to NIPSO when concluded.

Senior Manager, Cavanagh Kelly advised a procurement exercise due to take place in the first quarter of 2024 in relation to trading sites and awarding licences to trade, the current licences due to expire had been awarded for three years. Senior Manager, Cavanagh Kelly stated a lot of work had been undertaken by Officers preparing for the procurement and resolving issues that arose in the previous procurement and dealing with the recommendations from the NIPSO investigation, she advised Officers were to be commended for that. Senior Manager, Cavanagh Kelly stated there was still work to be done, it was borderline Limited Level of Assurance, mainly because it was so close to the procurement exercise for next year and there were still matters to be dealt with.

Alderman McAuley, referred to one case where pay back was required to be made by Council to a vendor. Alderman McAuley, enquired if any internal investigation had taken place into what had occurred to require the Council to make the repayment to the vendor.

The Director of Corporate Services advised a report could be brought back to the next Audit Committee Meeting.

Committee NOTED the verbal update.

## **7. DIRECT AWARD CONTRACTS**

Report, previously circulated presented by the Chief Finance Officer.

### **Background**

Causeway Coast and Glens Borough Council approved an updated Procurement Policy in March 2021.

### **Detail**

The revised policy had addressed a number of recommendations that had been made in reference to the old policy. One such recommendation was the inclusion of guidance around single tender actions or Direct Award Contracts (DAC). The policy gives guidance and sets out a procedure to follow in such circumstances.

### **DAC Process**

In all cases where council staff are considering the use of the award of a contract without competition, they must seek guidance from the procurement officer before proceeding as such an approach will be easily challenged in the courts unless rigorously supported by appropriate documentation and completed in accordance with the legislative requirements.

### **Authorisation required**

When a member of council staff has spoken with the procurement officer - and discussed all the alternative options available - and wishes to proceed with the award of a contract without competition the staff member should seek approval of their approach from the Senior Management Team before seeking Council approval to award.

A detailed report should be completed by the member of staff requesting the contract award explaining their rationale and the consideration given to all alternative options in conjunction with discussions between the staff member and the procurement officer. The template provided in Annexe 6 – Direct Award Contract Form should be fully completed by the member of staff requesting the contract award.

Once completed, this document will require authorisation from the Senior Management Team before proceeding to the relevant committee for

consideration. Upon agreement from the Council the staff member should contract the procurement officer to assist with the contract award to the chosen supplier.

### **DAC Approvals**

The purpose of this short report is to inform members of those DAC's which have been approved since 1 January 2021 and these are listed below, it should be noted that seven of these required Council approval at the point of award which was granted, there have been no DAC's awarded since the last Audit Committee in September.

Table 1 – Direct Award Contracts since 1 January 2021 was circulated within the report.

Chief Finance Officer clarified there had been no new DAC's awarded since the last meeting.

Committee NOTED the report.

## **8. PRIOR YEAR RECOMMENDATIONS – PROGRESS REPORT AS AT DECEMBER 2023**

Report, previously circulated presented by the Director of Corporate Services.

### **Purpose of Report**

The purpose of this report is to provide Members with an update in terms of progress made/being made in relation to recommendations made in Previous Internal Audits.

### **Background**

All outstanding Internal Audit Recommendations are summarised on the attached schedule (Appendix 1 circulated), which provides details on the position as at December 2023.

Recommendations which have now been fully implemented, since the last update to Committee, are coloured green. Outstanding recommendations which are currently being addressed are coloured amber.

Following every Audit committee meeting, the schedule is updated to include the most recent recommendations from Internal Audit Reports presented at that committee.

This schedule is circulated to Senior Management Team (SMT) monthly, with an update requested, and considered at SMT on a quarterly basis, prior to Audit Committee.

Senior Management Team (SMT) will continue to progress, monitor and review the issues being addressed to ensure these are completed in a timely manner.



## **Recommendation**

**It is recommended** that the Audit Committee recommends to Council to note the Prior Year Recommendations Progress Report.

The Director of Corporate Services drew Committees attention to Appendix 1, five reports had now been closed and recommendations implemented, in some cases one or two recommendations were outstanding and one issue within each report eg Essential Car User, that when resolved, three priority recommendations within three reports would be closed.

The Director of Corporate Services clarified this was a Standing Item on the Agenda until the list would subside. At the end of the meeting, the current internal audits would be added on, to provide a comprehensive update and this would be shared with Internal Audit.

Independent Member said the format was good, and she was pleased to see the 2016/17 budgetary control recommendation completed. Independent Member urged management that old recommendations were implemented by the end of the year, that it was challenging enough to deal with the current recommendations.

Committee NOTED the report.

## **9. MATTERS FOR REPORTING TO PARTNERSHIP PANEL**

There were no matters for reporting to the Partnership Panel.

## **10. CORRESPONDENCE**

There were no items of correspondence.

### **MOTION TO PROCEED 'IN COMMITTEE'**

Proposed by Councillor Storey

Seconded by Alderman Coyle and

**AGREED** – that Audit Committee move *'In Committee'*.

\* **Public was ejected from the meeting at 7.53pm.**

***The information contained in the following item is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.***

The Chair, Councillor McQuillan read the announcement at the beginning of the *'In Committee'* session.

## 11. ABSENCE REPORT (QUARTER 2)

Confidential report by virtue of paragraph 2 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

The Director of Corporate Services presented the report.

### **Purpose of Report**

The purpose of this report is to provide Members with Quarter 2 (1 July 2023 to 30 September 2023) information regarding Absenteeism throughout the Council.

The following areas were presented within the confidential report:

- Background
- Performance Improvement 2022/2023
- Target Outcomes
- Quarter 2 Performance Against Targets Analysis of Quarter 4 Data
- Table 1 – Analysis of Absenteeism Data Table 3 – Top 5 reasons for Absence\* Table 4 – Analysis of Stress and Stress Related Absences Table 5 - Analysis of the Cost of Absence
- Table 6 – Analysis of exits due to Ill Health Retirement / Capability
- Mental Health and Wellbeing Strategy and Action Plan
- Support provided to Staff

### **Recommendation:**

It is recommended that Council notes the report presented.

The Director of Corporate Services referred Committee to Page 3, table 1, the target had not been met target, an increase of days lost, due to a number of reasons as detailed. There had been 90% absence related to long term and less than 10% related to short term absence.

Alderman McAuley asked whether it had been taken into consideration staff working from home, who may not ring in sick, or struggle through, rather than coming into the office? He considered Council was not comparing like for like. Alderman McAuley advised some organisations were stating working from home reduced sickness levels and absenteeism figures were good, but this was not a true reflection.

The Director of Corporate Services advised that, for example, testing positive for Covid some can work from home, they were not absent and working, productivity assessed, if someone was off sick they were not working, there was no productivity. The Director of Corporate Services advised long term absence was a significant proportion of absence, due to pre or post-surgery or

treatment and short term a lesser percent of the overall total. The larger issue was long term sickness, an increase post covid.

Alderman McAuley sought a breakdown of staff on Statutory Sick Pay compared with staff on full pay.

The Director of Corporate Services stated this would require individual analysis, depending on length of service.

Committee NOTED the report.

## **12. CORPORATE RISK MATRIX**

Confidential report by virtue of paragraph 5 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

The Director of Corporate Services presented the report, referring to the matrix.

Referring to Compliance and Regulation, advised on an update under the issue of GDPR Record Keeping in relation to the Covid 19 enquiry, and all staff had been advised. Correspondence in relation to the Covid 19 enquiry had also been received from the Department. Regarding Estates and Assets – Council would be looking at Cemetery provision and further reports would be brought to Environmental Services Committee. Referring to the remainder of Risk Matrix updates had been provided and Climate Change reframed to Net Zero.

Committee NOTED the report.

## **13. LEGAL CASES ACTIVITY**

Confidential report by virtue of paragraph 5 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

The confidential report was presented by the Director of Corporate Services.

### **Introduction**

The purpose of this report is to identify potential future liabilities and areas of concern, and provide Members with a Quarterly update on the Legal cases activity, which are being dealt with “in-house” including the number of active legal cases, split between Directorate, the number of new cases, and the number of closed cases.

### **Position as at December 2023**

The table circulated provided information on number of cases open and closed across the service areas during the period 09 September 2023 to 01 December 2023.

Further detail was circulated within the confidential report.

### **Recommendation**

It is recommended that Audit Committee note the Legal Cases Activity Report.

The Director of Corporate Services referred to the update, table page 2, the open cases and number of cases closed, in addition to cases being progressed externally.

Alderman Callan sought the costs of the live legal cases, to be provided with a running total of external costs for the last couple of years.

Councillor Kyle referred to the report covering issues dealt with in house, excluded cases by other legal firms and questioned what costs were being put to the ratepayer by cases being run by other legal firms.

The Director of Corporate stated this would be included in the next report and going forward quarterly.

Committee NOTED the report.

## **14. WHISTLE BLOWING /FRAUD**

Confidential minute by virtue of paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

Audit, Risk and Governance Manager introduced Conor Chambers, Councils appointed Risk Officer/Assistant Internal Auditor who would lead on Council's Risk Management processes going forward.

Audit, Risk and Governance Manager referred to the September Audit Committee and ongoing correspondence regarding misrepresented soil sample analysis in support of a number of Planning Applications. She advised this had been referred to PSNI Economic Crime Unit, Council had forwarded the files to PSNI and she was unable to comment further.

Audit, Risk and Governance Manager advised of one current incident, the detail of which, was provided, preliminary enquiries were underway and a report would be brought back to Audit Committee.

Committee NOTED the verbal update.

## **15. ANY OTHER RELEVANT BUSINESS (NOTIFIED IN ACCORDANCE WITH STANDING ORDER 12(O))**

There were no matters of Any Other Relevant Business.

**16. DATE OF NEXT MEETING – WEDNESDAY 13 MARCH 2024**

Committee NOTED the date.

**MOTION TO PROCEED ‘IN PUBLIC’**

Proposed Councillor Kane  
Seconded Alderman Coyle                      and

**AGREED** – that Audit Committee move *‘In Public’*.

There being no further business, the Chair thanked those in attendance and wished Committee a good Christmas and New Year.

The meeting concluded at 8.06pm.

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Chair