

**AUDIT COMMITTEE MEETING HELD
WEDNESDAY 14 DECEMBER 2022 AND RECONVENED ON
TUESDAY 31 JANUARY 2023**

Table of Recommendations

No	Item	Summary of key Recommendations
1.	Apologies	<i>None</i>
2.	Declarations of Interest	<i>Councillor Storey</i>
3.	Minutes of Audit Committee meeting held Wednesday 21 st September 2022	<i>Confirmed as a correct record</i>
4.	Northern Ireland Audit Office (NIAO)	
4.1	Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council (in public)	<i>Information</i>
4.2	Report to those charged with Governance 2021-22	<i>Information</i>
4.3	Annual Audit Letter	<i>Information</i>
4.4	Draft Audit and Assessment Report 2022-23 - Report to the Council and the Department for Communities under Section 95 of the Local Government (Northern Ireland) Act 2014	<i>Information</i>
5.	Internal Audit (Causeway Coast and Glens Borough Council)	
5.1	Annual Audit Plan 2022/23	<i>to recommend that Council notes the approach being considered for 2022/23 and approves the Annual Internal Audit Plan & Resources 2022/23</i>
5.2	Quarter 3 Update Audit Plan	<i>Information</i>
5.3	Updated Raising Concerns Policy	<i>to recommend that Council approves and adopts the Updates to the Raising</i>

No	Item	Summary of key Recommendations
		Concerns Policy as set out and in Appendix 1, previously circulated.
6.	Direct Award Contracts	Information
7.	Matters for Reporting to Partnership Panel	None
8.	Correspondence	
8.1	NIAO - Changes to audit approach for the 2022-23 audit cycle	Information
8.2	NIAO - ISA 315 - Audit approach briefing for management and those charged with governance	Information
	'In Committee' (Items 4.1 & 9-15 Inclusive)	
9.	Safeguarding Internal Audit	Information
10	Prior Year Recommendations – Action Plan 2022/	Information
11.	Absence Report Quarter 2 2022/23	Information
12.	Corporate Risk Matrix	Information
13.	Legal Cases Activities	Information
14.	Whistle Blowing /Fraud	Information
15.	Northern Ireland Audit Office (NIAO)	
15.1	Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council 'In Committee'	Information
16.	Extraordinary Audit – Progress report on Implementation Recommendations	Information
17.	Any Other Relevant Business (notified in accordance with Standing Order 12(o))	None
18.	Date of Next Meeting – 8 th March 2023 at 7 pm	Information

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF
THE AUDIT COMMITTEE
HELD VIA VIDEO CONFERENCE ON
WEDNESDAY 14 DECEMBER 2022 AT 7.00 PM**

In the Chair: Alderman McKeown (R)

Members Present: Alderman S McKillop (R), Councillors Anderson (R), Chivers (R), Dallat O'Driscoll (R), Holmes (R), MA McKillop (R), C McQuillan (R), C McShane (R), P McShane (R), Wallace (R), Watton (R)

Officers Present: M Quinn, Director of Corporate Services (R)
A McPeake, Director of Environmental Services (R)
P Donaghy, Democratic & Central Services Manager (R)

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

* **An audio recording of this meeting is not available, due to technical reasons.**

The Director of Corporate Services undertook a roll call.

The Director of Corporate Services advised there was no support staff due to Industrial Action and Committee should consider that the meeting adjourn.

Proposed by Councillor Holmes
Seconded by Alderman S McKillop and

AGREED – that the Audit Committee meeting is adjourned, to reconvene as soon as possible.

Adjourned Business:

1. Apologies
2. Declarations of Interest
3. Minutes of Audit Committee Meeting held Wednesday 21 September 2022
4. Northern Ireland Audit Office (NIAO)
 - 4.1 Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council
 - 4.2 Report to those charged with Governance 2021-22
 - 4.3 Annual Audit Letter

4.4 Draft Audit and Assessment Report 2022-23 - Report to the Council and the Department for Communities under Section 95 of the Local Government (Northern Ireland) Act 2014

5. Internal Audit (Causeway Coast and Glens Borough Council)

5.1 Annual Audit Plan 2022/23

5.2 Quarter 3 Update audit plan

5.3 Updated Raising Concerns Policy

6. Direct Award Contracts

7. Matters for Reporting to Partnership Panel

8. Correspondence

8.1 NIAO - Changes to audit approach for the 2022-23 audit cycle

8.2 NIAO - ISA 315 - Audit approach briefing for management and those charged with governance

IN COMMITTEE (ITEMS 9 – 15 INCLUSIVE)

9. Safeguarding Internal Audit

10. Prior Year Recommendations – Action Plan 2022/23

11. Absence Report Quarter 2 2022/23

12. Corporate Risk Matrix

13. Legal Cases Activity

14. Whistle Blowing /Fraud

15. Extraordinary Audit – Progress report on Implementation Recommendations

16. Any Other Relevant Business (notified in accordance with Standing Order 12(o))

17. Date of Next Meeting – Wednesday 8 March 2023 at 7PM

**MINUTES OF THE PROCEEDINGS OF THE RECONVENED MEETING OF
THE AUDIT COMMITTEE
HELD VIA VIDEO CONFERENCE ON
TUESDAY 31 JANUARY 2023 AT 7.00 PM
(adjourned from Wednesday 14 December 2022)**

In the Chair: Alderman McKeown (C)

Members Present: Alderman S McKillop (R), Councillors Anderson (R), Beattie (R), Chivers (R), Dallat O'Driscoll (R), Holmes (C), MA McKillop (R), C McQuillan (R), C McShane (R), P McShane (C), Schenning (R), Storey (C), Watton (R)

Officers Present: M Quinn, Director of Corporate Services (C)
(Items 1-3, 4.2-14, 16-17)
A McPeake, Director of Environmental Services (C)
(Items 4.1 and 15)
A Ruddy, Audit, Risk and Governance Manager (C)
P Donaghy, Democratic and Central Services Manager (R)
A Lennox, ICT Mobile Operations Officer (C)
C Thompson, ICT Officer (C)

In Attendance: A Allen, Audit Manager, NIAO (R)
E Murray Wallace, Independent Advisor (R)

Press no

Public no

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

The Chair advised that C Kane, Local Government Auditor and L Mitchell, Independent Member had advised they would not be in attendance.

The Director of Corporate Services undertook a roll call.

The Chair advised Council of its obligations and protocol whilst the meeting was being audio recorded

1. APOLOGIES

There were no apologies.

2. DECLARATIONS OF INTEREST

Councillor Storey declared an Interest in Item 4.1 - Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council as member of the Sub Committee. Councillor Storey did not participate in the Item.

The Director of Corporate Services advised, for the record, that she would be recusing herself from Items 4.1 - Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council and 15 - Extraordinary Audit – Progress report on Implementation Recommendations.

3. MINUTES OF AUDIT COMMITTEE MEETING HELD WEDNESDAY 21ST SEPTEMBER 2022

Copy previously circulated

Proposed by Councillor Storey
Seconded by Councillor Watton and

AGREED – that the Minutes of the Audit Committee meeting held Wednesday 21st September 2022 were taken as read and signed as a Correct record.

* **Having declared an interest Councillor Storey left the Chamber at 7.05 pm.**

* **Having recused herself the Director of Corporate Services left the meeting at 7.05 pm.**

The Director of Environmental Services presided at 7.05 pm.

* **Councillor Anderson joined the meeting in the at 7.07 pm.**

4. NORTHERN IRELAND AUDIT OFFICE (NIAO)

4.1 Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council

The Director of Environmental Services advised that based on legal advice issued to Northern Ireland Office and at the request of Local Government Staff Commission, there would be no presentation on the Extraordinary Audit at this time. The Director of Environmental Services said he would read the extract containing the legal advice to Elected Members but that the meeting would be required to move *'in committee'*.

Councillor P McShane said he wished to hear the detail contained within

the legal advice and suggested this be deferred until the meeting moves *'in committee'*. Councillor P McShane questioned why the matter had been tabled for this meeting given that the Council had voted unanimously in favour of the adopting the extraordinary audit findings and subsequent action plan and the process was well underway.

The Chair advised that the matter would be further discussed in conjunction with Item 15 *'in committee'*.

* **Councillor Storey re-joined the meeting in the Chamber at 7.10 pm**

The Director of Corporate Services returned to the Chamber and presided from 7.10 pm.

4.2 Report to those charged with Governance 2021-22

Report, previously circulated was presented by NIAO Audit Manager.

The NIAO Audit Manager advised that since the September Audit Committee meeting the Local Government Auditor had certified the audited accounts with an unqualified opinion on 28th September and that Management had provided responses to 4 findings together with target dates for actions and recommendations.

Finding No 2 with regard to leases on page 8 notes responses provided by the Land and Property team at Causeway Coast and Glens Borough Council stating that findings had only been discussed with Finance staff and not the Land and Property Team; Response from Land and Property Team indicate that action took place after expiry date of leases lapsed and it is recommended that Council ensure that all lease renewals and any rent reviews are dealt with when due, or as soon as appropriate.

4.3 Annual Audit Letter

Report, previously circulated, was presented by the NIAO Audit Manager.

The NIAO Audit Manager advised that, in accordance with legislative requirement Council had added the Annual Audit Compliance Letter to the website on 30 November 2022; Page 3 sets out key messages, many of which were included as set out in report at 4.2; With reference to paragraph 1 on page 10, the number of sick days per full time employee rose from 11.3 in 20/21 to 17.03 in 2021/22, however Council have provided an explanation for this in in page 10; Paragraph 5 – 8 on pages 10-11 sets out the position in relation to Performance Improvement

Assessment 2021/22 which is considered at Item 4.4 of report previously circulated.

4.4 Draft Audit and Assessment Report 2022-23 - Report to the Council and the Department for Communities under Section 95 of the Local Government (Northern Ireland) Act 2014

Report, previously circulated, was presented by the NIAO Audit Manager.

The Audit and assessment report 2022/23 was issued by the Local Government Auditor at the end of November in accordance with statutory timetable; Audit examined assessment report relating to 21/22 and Review of Improvement Plan for 22/23. Council prepared an Improvement Plan for 22/23 by required date of 30th June 2022 and an Improvement Assessment report produced the end of September 2022. Both documents were examined as part of audit, and it was concluded Council had discharged its performance improvement and reporting duties including assessment of performance for 21/22 and 22/23 Improvement Plan in accordance with guidance.

In light of challenging circumstances and environment it proved difficult to focus on recovery as unable to rely on past trends in performance to determine future. An unqualified audit opinion was formed as part 12 of Local Government Act and proposals for improvement set out on page 6-8 of report, previously circulated.

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

5.1 Annual Audit Plan 2022/23

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

Audit, Risk and Governance Manager advised that the Annual Internal Plan and Resources Financial year 22/23 was being issued later than she had hoped due to change of Internal Audit provider in-year. Previous provider advised they were no longer delivering audit services which resulted in a procurement exercise for which Cavanagh Kelly were the successful tender and will co-deliver internal audit along with the Audit, Risk and Governance Manager.

Contract of 30 additional call off days are required however due to late appointment of provider they may not be in a possible to fulfil additional call off days should Council require same which will result in prioritising high level risk audit areas with low level risk areas being deferred or rolled to next year.

In terms of Annual Plan 21/22 as per 19/23 Audit Strategy available days required to deliver plan were 16 days short to reach 100 percent of proposed Audit work. This should not be an issue and is outside of the control of Council.

The Chair sought clarification of the mid-June target and the Audit, Risk and Governance Manager advised that it was planned to sign off annual assurance in May or mid-June if insufficient coverage of limited assurances although ideally it should be 31st March and referred to delay in obtaining co-sourcing partner. It is planned to conduct audits in April and May, signing off assurance by the 30th June deadline. Other processes are ongoing which provide assurance if not insufficient audit coverage by way of seeking assurance from Directors or through assurance mapping.

The Audit, Risk and Governance Manager said she wished to make Elected Members aware of the update position at the earliest possible stage in the process.

Councillor P McShane referred to the continuity of co-sourcing partners in terms of the Officer involved who had worked also for Moore NI and is now employed by Cavanagh Kelly, questioned best practice and raised concern regarding reports provided historically by the auditor.

The Audit Risk and Governance Manager advised that Moore NI had indicated they would no longer be able to provide the service and through full procurement to open market and a tender process Cavanagh Kelly had secured the contract.

The Audit Risk and Governance Manager advised it just so happened that the Officer who worked for Moore NI had secured a management position with Cavanagh Kelly and reassured Councillor P McShane that a range of Officers undertake auditing work and there is segregation of duties with the Director signing off completed work.

Proposed by Councillor Holmes

Seconded by Councillor Watton and

AGREED – to recommend that Council notes the approach being considered for 2022/23 and approves the Annual Internal Audit Plan & Resources 2022/23.

5.2 Quarter 3 Update Audit Plan

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

Background

This document sets out the progress to date for the delivery of Internal Audit Services to Causeway Coast and Glens Borough Council for the year 2022/23. It is based on the audit needs assessment as detailed in the Internal Audit Strategy 2019-2023, revised to take account of the Covid-19 pandemic. The purpose of this report is to update members in terms of the progress for the delivery of the audit plan for the year 2022/2023.

Audit Plan 2022/23 The audits scheduled for 2022/23 are shown in the table below, previously circulated.

Previously performance improvement had requested annual internal audit to ensure compliance. Having considered this for 2022/23 and in agreement with the Head of Service performance improvement will revert to an internal audit every 4 years in line with the audit strategy. Performance Improvement is audited each year by the NIAO to demonstrate performance improvement and to the statutory indicators. Due to concerns in relation to the inconsistencies in the payment of overtime, internal audit conducted 'a time recording and overtime internal audit'. This received a limited level of assurance and a number of recommendations were made for the attention of senior management. Internal audit will review the implementation of these recommendations.

Backlog audits carried forward Backlog audit carried forward from previously years are noted in the table below. Audit Area Auditor Progress
Regeneration & Business Development TBC Outstanding Civic Buildings
TBC Outstanding Events In-House Ongoing In the event that these audits remain in backlog these audits will be incorporated into the internal audit strategy for 2023/27. 1.4 Progress to date It is important for Members to note that for the first eight months in 2022/23 Council did not have a co-sourcing partner in place. This coupled with in-house internal audit

assisting on the implementation of recommendation 1 contained within the extraordinary report has resulted in a backlog with the current year internal audit work. With the appointment of Cavanagh Kelly in late October it is envisaged that some of the backlog will be progressed in the later part of the year. Internal audit is flagging the current position with the audit committee for their information. To address the current backlog, it is envisaged that Internal audit will utilise the standard 40 days. It is anticipated that the writing of reports may continue into April and part of May 2023 to ensure adequate coverage of the plan. There is the option of 40 additional days to address the backlog. As noted above, available internal audit resources for the remainder of the 2022/23 financial year will be prioritised on higher risk areas in order to gain sufficient audit coverage to provide an overall level of assurance in the annual internal audit report.

Recommendation

This report is for information purposes only. Members should read and note the updated position for the 2022/23 planned audit work.

- * **Councillor Holmes joined the meeting at 7.15 pm.**
- * **Alderman S McKillop joined the meeting remotely at 7.20 pm**

5.3 Updated Raising Concerns Policy

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

Purpose

To present an update to the Raising Concerns Policy and recommend approval of the updates suggested.

Background

Causeway Coast and Glens Borough Council is committed to sound governance arrangements. In managing its arrangements and responsibilities, the Council, as a public body accountable to the taxpayer, is determined to ensure proper accountability and probity in delivering its stated business aims and objectives.

Council adopted the current Raising Concerns Policy in December 2020 and a review of this policy has now been carried out regarding this Policy. Members will be aware that this Policy replaced the previous Whistleblowing Policy within Council.

A review of the Raising Concerns Policy has been undertaken. The Policy remains the same in terms of content and process. The policy has been updated to reflect changes in job titles and terminology used. The report has been updated to reflect the same.

The policy has been updated to include the following changes and are highlighted in Appendix 1, previously circulated:

Page 3.3 Removal of some wording to simplify the paragraph

Page 7 to replace officers name with the job title.

Page 8 inclusion of the Councils raising concerns email address being concerns@causewaycoastandglens.gov.uk

Page 12 & 13 Job titles updated and the word 'worker' replaced with 'individual' to accommodate other individuals who may come forward with concerns. Overall, it should be noted that they has been no change to the main content of the policy.

Recommendation

It is recommended that the Causeway Coast and Glens Borough Council approves and adopts the Updates to the Raising Concerns Policy as set out and in Appendix 1, previously circulated.

The Audit Risk and Governance Manager advised that this policy replaced the Whistle Blowing policy with changes identified i.e., titles replacing individuals names in the interests of continuity and anonymity and reference to the generic email address which will appear on Council website directing concerns to the Audit Risk and Governance Manager in the first instance. The Audit Risk and Governance Manager pointed out that there were no other material changes to the report.

Councillor P McShane said he had been critical of the Whistle Blowing Policy and its implementation and asked if the policy was specific to Causeway Coast and Glens Borough Council, or applicable to all government organisations.

The Audit Risk and Governance Manager said that the Northern Ireland Audit Office provided a best practice guide for all Public Sector organisations, Departments and Councils.

The Audit Risk and Governance Manager said she undertook a review of all Councils' raising concerns policies before updating the policy and

believes it was aligned with other Councils, that Belfast City Council include further detail on how a concern is documented which she hoped to include in next policy update and pointed out that Causeway Coast and Glens Borough Council were one of the first to move away from 'Whistleblowing' terminology and refer now to 'Raising Concerns'.

Councillor P McShane said the hard facts pointed to individuals being terrified to come forward with a report and asked who currently the Champion was for the, 'Whistleblowing' policy. The Audit Risk and Governance Manager advised she was the Champion along with another member of staff and that she was the first point of contact and pointed out that she has been raising awareness of, and drawing attention to, the policy and expects employees to adhere to policy.

At the request of Alderman S McKillop the Audit Risk and Governance Manager advised that the change to the policy was due to compliance with GDPR/Data Protection and to ensure continuity should postholders change.

* **Councillor Storey left the meeting in the Chamber at 7.20 pm.**

Proposed by Councillor Holmes
Seconded by Councillor Watton and

AGREED – to recommend that Council approves and adopts the Updates to the Raising Concerns Policy as set out and in Appendix 1, previously circulated.

6. **DIRECT AWARD CONTRACTS**

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

Background

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

Detail

The new policy addresses 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, previously circulated, 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 one of these, to Vestre Limited, required Council approval at the point of award which was granted:

The Director of Corporate Services advised that this was a Standing Item on the Agenda follows a recommendation from Council for information only and referred Elected Members to table 1, previously circulated.

7. MATTERS FOR REPORTING TO PARTNERSHIP PANEL

There were no matters for reporting to the Partnership Panel.

8. CORRESPONDENCE

8.1 NIAO - Changes to Audit approach for the 2022-23 Audit Cycle

Report, previously circulated, was presented by NIAO Audit Manager.

The NIAO Audit Manager advised of changes in how audits are planned and undertaken in accordance with international auditing standards.

It is anticipated that there will be a greater number of enquiries from finance team at planning stage to gain enhanced understanding of IT environment and financial reporting mechanisms.

There will be less extensive processes in less risk areas and more extensive processes in areas of greater risk.

As a result, there will be an increase in audit fees for 2022/23 with initial assessment estimating that across board in region of 10-20%, consistent with other United Kingdom public bodies in the private sector which is applicable.

The NIAO will advise Council of 2022/23 course of action in due course once a detailed Audit Plan is carried out which will follow with discussions with Finance team in advance of inclusion in Audit Strategy which will be brought to next Audit Committee. Fees will be reviewed after the first year of implementation to ensure the fee remains appropriate and if savings are apparent, they will be passed on, as in previous years.

8.2 NIAO - ISA 315 - Audit approach briefing for management and those charged with governance

The NIAO Audit Manager confirmed that this Item was covered in full by discussion at 8.1.

NOTION TO PROCEED 'IN COMMITTEE'

Proposed by Councillor Watton
Seconded by Alderman McKeown

AGREED – to recommend that Council move *'In Committee.'*

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

The Chair reminded the Committee that Item 4.1 will be considered in conjunction with Item 15, at the request of Councillor P McShane.

9. SAFEGUARDING INTERNAL AUDIT

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

The Audit Risk and Governance Manager said that due to the sensitivity of the subject area normal practice was deviated from to consider the audit report *in committee*. Section 6 in report, previously circulated, highlights a twofold high risk priority:-

1. Accountability and responsibility.
2. Designating safeguarding Officer to detail within policy.

The aim is to strengthen accountability within Council and Council has two separate safeguarding policies in place, one for children and one for vulnerable adults, neither of which refer to specific Officer/s across all Directorates or includes Directors' responsibilities in the area of Safeguarding.

To enhance accountability, key officers should be listed on policy which is accessible on the website. Recommendations 1 and 2, previously circulated, indicated a review of policy to ensure that it lists all nominated Officers within Council with Officers across all Directorates. Recommendations 3 and 4, previously circulated, relating to training of staff and raising of awareness across council and although training was rolled out in 2019 by ODHR Covid resulted in the inability to hold face to face meetings.

The Audit Risk and Governance Manager said she would like to see formal training to refresh staff previously trained and training for all those involved with Community and Leisure facilities. Elected Members also require training so that they are aware of their responsibilities in the area of safeguarding.

Recommendation 6, previously circulated, recommends a Safeguarding Forum, comprising of appropriate personnel, to meet on a quarterly basis to discuss new issues or ongoing incidents within Council. The Audit, Risk and Governance Manager said she would welcome Safeguarding on some of the risk registers so the matter can be regularly reviewed.

10. PRIOR YEAR RECOMMENDATIONS – ACTION PLAN 2022/23

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

The purpose of this report is update Members in terms of Progress on Prior Year Recommendations, following the Report to Audit Committee by Moore NI in June 2022.

The Director of Corporate Services advised the Prior Year Action for this quarter was very detailed as had captured information from June 2022 as well as outstanding issues from 2016, in order to provide Elected Members with an overview. The Director of Corporate Services pointed to the colour coding which showed progress in relation to each recommendation.

The Director of Corporate Services invited comments from Elected Members in advance of the March meeting in relation to how helpful and/or useful they found the information provided and suggested that going forward she would like to develop a less labour intensive format, which was more user friendly, perhaps using appropriate software.

Councillor P McShane welcomed the detailed piece of work, in particular the traffic light system.

The Chair asked for a timeline for actioning issues around time recording and overtime claims and the Director of Corporate Services advised that this sat between the Finance and ODHR and hoped to see the work completed by the end of March 2023 and work was in progress at this time.

11. ABSENCE REPORT QUARTER 2 2022/23

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

Purpose of Report

The purpose of this report is to provide Members with Quarter 2 (1 April 2022 to 30 September 2022) information regarding Absenteeism throughout the Council.

Background

Absenteeism within the Council is closely monitored and managed in accordance with Councils Policies and Procedures, and in line with NJC Terms and Conditions.

ODHR Business Partners work closely with each of the Directors, Managers and Supervisors to assist and support through a range of preventative proactive measures alongside the reactive to include referrals to Occupational Health, absence review meetings, referrals for Ill Health Retirement.

The Director of Corporate Services advised this was a standing item on the agenda which details first 6 months from 1 April to 30 September 2022, advising that long term sickness absence continued to be a challenge with average days lost due to long term sickness absence increased even though the number of employees absence from work through sickness had reduced.

The Director of Corporate Services pointed to a range of issues and assured Elected Members that ODHR in conjunction with occupational health provider were working with employees through policy to provide support. The Director of Corporate Services advised that quite often treatment and further assessment prohibits return to work until resolved and assured Elected Members that Council were doing all they could do at this time.

* **Councillor Storey re-joined the meeting at 7.50 pm.**

12. CORPORATE RISK MATRIX

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

The Director of Corporate Services advised that the report followed standard format and purpose was to refine and provide further detail of the likelihood of something happening and the impact should happen and giving consideration to corporate risks in terms of impact on Council not achieving its corporate objectives.

The Director of Corporate Services provided commentary saying the front page was a summary based on rating system 1-5 in terms of probability and impact and that the top 6 Corporate risks as assessed by Senior Management were as follows:-

- Compliance and regulation in relation to Extraordinary Audit;
- Finance;

- Compliance and regulation in relation to GDPR, Equal Opportunities, Procurement and Health and Safety;
- Cyber security;
- Estates and assets;
- Staff and resourcing;

Further detail is provided in the associated spreadsheet showing risk descriptor, owner, initial rating, mitigating actions, further comments and residual risk.

The Director of Corporate Services invited comments and feedback from Elected Members asking them if there was any additional information they would like to appear on the Risk Matrix.

13. LEGAL CASES ACTIVITY

Report, previously circulated, 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 2022

The table below provides information on number of cases open and closed across the service areas during the period 1st June 2021 to December 2022.

The above figures do not include First Registrations (Appendix 1, previously circulated) and Car Parks (Appendix 2, previously circulated), General advice sought from the Legal Services Team and Legal cases which are being dealt with by External providers.

Recommendation

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

The Director of Corporate Services referred Elected Members to legal cases activity on page 2 of the report and a summary table which provided data on legal cases activity by department outlining number of cases open/closed as well as appendix 1 and 2 (previously circulated) update in terms of First Registration of Council land.

14. WHISTLE BLOWING/FRAUD

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

The Audit Risk and Governance Manager advised that Fraud Awareness training had been rolled out to Elected Members in response to Extraordinary Audit findings and that 38 out of 40 Elected Members had undertaken the training.

The Audit Risk and Governance Manager advised there were two modules added on to the online training for all staff ie Anti-bribery and Fraud Awareness.

The updated Raising Concerns policy will continue to be reviewed to determine whether it is fit for purpose and Internal Audit continues to ensure sufficient coverage and control mechanisms are in place.

The Audit Risk and Governance Manager updated Members on one irregularity during the quarter which she advised will be investigated in the coming weeks.

- * **Having declared an interest Councillor Storey left the Chamber at 8.00 pm.**
- * **Having recused herself the Director of Corporate Services left the meeting at 8.00 pm.**

The Director of Environmental Services presided at 8.00 pm.

15. NORTHERN IRELAND AUDIT OFFICE (NIAO)

15.1. Presentation of Extraordinary Audit of Causeway Coast and Glens Borough Council

The Chair advised that the legal opinion requested at item 4.2 would now be heard as requested by Councillor P McShane.

The Director of Environmental Services read out the legal advice provided by Belfast City Council Solicitor which was forwarded to Northern Ireland Office.

Councillor Holmes said he was disappointed that a report costing £120,000 could not be considered or discussed further by Elected

Members and they had not been afforded the opportunity to have a better understanding around the details, rationale for decisions taken and process going forward.

16. EXTRAORDINARY AUDIT – PROGRESS REPORT ON IMPLEMENTATION RECOMMENDATIONS

Report, previously circulated, was presented by the Director of Environmental Services.

The Chair advised that E Murray Wallace was in attendance as an observer and to answer questions from Elected Members.

Purpose of Report

This report updates the Audit Committee in relation to the actions taken by Council in response to the recommendations as contained within the Extraordinary Audit Report.

Background

On 30th November, 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.

On 7th July 2022 the Local Government Auditor published a report summarising the findings of an extraordinary audit of Causeway Coast and Glens Borough Council, it details the findings and recommendations emanating from the audit of land disposals and easements since the Council was formed in April 2015.

At the Special Council Meeting held on 26th July 2022 the Council resolved:

“That this Council accepts the findings contained within the extraordinary audit. That this Council immediately moves to implement all eight recommendations contained within the Extraordinary Audit. That the Ministerial letter of the 7th July 2022 be responded to confirming all the above and an action plan be completed by the 8th August 2022 that shows how the Auditor’s recommendations will be fully implemented by 30 December 2022.”

This update report lists steps taken by Council to address the

recommendations.

Progress update

The Council has established an implementation team to lead on Council's response to the recommendations contained within the Extraordinary Audit Report.

Elma Murray has been appointed by Council to act as an independent advisor to the implementation team. Elma will lead and co-ordinate the Council's response to the Department.

Council has scheduled monthly Special Council meetings to inform and update Elected Members of the actions and progress on the implementation teams.

The Department had originally set a deadline of 30 December 2022 for the implementation of the recommendations contained within the Extraordinary Audit. Council wrote to the Department seeking an extension to the 28 February 2023 and this request has been approved. Further Special Council Meetings are scheduled for 16th January 2023 and 20th February 2023.

Since the publication of the Extraordinary Audit Report a programme of training and development has been rolled out for Members and staff to fulfil the requirements of recommendations 3 and 4 contained within the Extraordinary Audit Report. Other processes across Council are ongoing to fulfil the remaining recommendations contained within the report.

Intergritas Consultancy & Training Ltd have been appointed to undertake the Council-wide review of governance arrangements and land related policies and procedures as required in recommendations 1, 2 and 5. These reviews are currently ongoing. Members and officers have been invited to engage in the process in person and through an on-line survey.

Local Government Staff Commission (LGSC) have been appointed to undertake recommendations 6 and 7.

Departmental officials will be meeting with Elma Murray and the Director of Environmental Services on a fortnightly basis to ensure that all recommendations will be addressed within the timescale.

Recommendation(s)

It is recommended that the Audit Committee note the steps taken by Council to address the recommendations contained within the Extraordinary Audit Report.

The Director of Environmental Services advised that this report was for information and for the benefit of Independent Audit member and Northern Ireland Audit Office Auditors and to update those who would not have had access to Special meeting where all Elected Members were updated on progress.

Councillor P McShane said he had concerns around auditing which he had raised with Northern Ireland Audit Officer, Internal Audit, Local Government Staff Commission and Director of Environmental Services to which he had not received a response and wished it to be recorded that his concerns were not addressed.

The Director of Environmental Services advised he was not in a position to comment at this stage but was content, should the Independent Advisor wish to give a view on how recommendations from Audit were being addressed and how action points were being implemented.

Independent Advisor acknowledged Councillor P McShane concerns and said she would raise them with the Department when she meets with them next week.

NOTION TO PROCEED 'IN PUBLIC'

Proposed Councillor Watton
Seconded Alderman McKeown and

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

The Director of Corporate Services returned to the Chamber and presided from 8.05 pm.

17. ANY OTHER RELEVANT BUSINESS (NOTIFIED IN ACCORDANCE WITH STANDING ORDER 12 (O))

There was no Other Relevant Business.

18. DATE OF NEXT MEETING – WEDNESDAY 8TH MARCH 2023

The date of the next meeting is Wednesday 8th March 2023.

There being no further business the Chair thanked those in attendance and the meeting concluded at 8.10 pm.