

Audit and Risk Panel

Tuesday, 9th June, 2026

MEETING OF AUDIT AND RISK PANEL

Members present: Councillor R. McLaughlin (Chairperson);
Alderman Rodgers; and
Mr. D. Wilson (External Member).

In attendance: Ms. S. McNicholl, Deputy Chief Executive/Strategic Director
of Corporate Services;
Ms. N. Largey, City Solicitor/Director of Legal and
Civic Services;
Mr. T. Wallace, Director of Finance;
Ms. C. Sherridan, Director of HR;
Ms. H. Lyons, Corporate Finance Manager;
Ms. C. O'Prey, Head of Audit, Governance and Risk
Services;
Mr. M. Whitmore, Audit, Governance and Risk
Services Manager;
Mr. Liam Mulholland, Audit, Governance and Risk
Services Manager;
Ms. E. Eaton, Corporate Health and Safety Manager; and
Ms. C. Donnelly, Committee Services Officer.

Also attended: Mr. C. McGeown, Northern Ireland Audit Office;

Election of Chairperson

Moved by Councillor R. McLaughlin
Seconded by Alderman Rodgers, and

Resolved – “That Councillor R. McLaughlin be elected to serve as Chairperson for the Audit and Risk Panel until the date of the Annual Council Meeting in 2027.”

Apologies

An apology for inability to attend was reported for Councillor Groogan.

Minutes

The minutes of the meeting of 10th March, 2026, were approved by the Panel.

Declarations of Interest

Mr. Wilson declared an interest in the item under the heading “External Member Recruitment” in that he was the current external Member of the Panel but remained in the meeting whilst the item was being discussed.

Terms of Reference

The Panel noted the Statement of Purpose and Terms of Reference.

Absence Rates Y/E March 2026

The Director of HR summarised the undernoted report to the Panel:

“1.0 Purpose of Report or Summary of Main Issues

1.1 The purpose of this report is to inform the Audit Panel of the Council’s performance in managing absence at the end of quarter four, April 2025 – March 2026.

2.0 Recommendations

2.1 The Audit Panel is asked to note the contents of this report and to agree the proposed absence target as set out in section 3.7.

3.0 Main report

3.1 Key corporate indicators:

At the end of quarter four:

- The Corporate target for 2025/26 was 14.58 days per full time equivalent (FTE). The Council’s average sickness absence rate stands at 15.29 days per FTE. This is an increase of 0.71 days compared to absence for the same period last year (14.58 days).**
- A total of 35283.59 working days were lost due to sickness absence. This accounted for 6.8% of the total working days available.**
- The table below provides a summary of how departments performed against the target. Three departments did not meet the corporate target of 14.58 days for quarter four.**

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Departments	Total days lost (FTE)	Total Employees (FTE)	Average number of days lost per FTE	Variance	% of workforce	% of absence
City and Neighbourhood Services	23846.62	1317.98	18.09	3.51	57.13%	67.59%
City and Organisational Strategy	1054.83	98.2	10.74	-3.84	4.26%	2.99%
Corporate Services	1143.65	136.69	8.37	-6.21	5.92%	3.24%
External Affairs Comms & Marketing	140.23	25.56	5.49	-9.09	1.11%	0.40%
Finance	267.07	49.44	5.40	-9.18	2.14%	0.76%
Human Resources	108.68	34.47	3.15	-11.43	1.49%	0.31%
Legal and Civic Services	2853.31	167.26	17.06	2.48	7.25%	8.09%
Place and Economy	4050.70	357.07	11.34	-3.24	15.48%	11.48%
Property and Projects	1818.50	120.36	15.11	0.53	5.22%	5.15%
Grand Total	35283.59	2307.03	15.29	0.71		

3.2 Additional Absence information:

- There was an increase in the number of staff with no absence this year (43.30%), compared to last year (42.68%).
- There has been a significant increase of (1205.8 days or 5.2%) in absence classified as long term (20+ days) this year (24251.33 days) compared to the same time last year (23045.53 days).
- The number of days lost per FTE slightly increased in quarter four (3.84 days) when compared to quarter three (3.81 days), see figure 1.
- Depression/anxiety/stress (33.61% of total days lost) and musculo-skeletal (24.75% of total days lost) continue to be the top two reasons for absence. Refer to figure 2 for further information.
- From 1 April 2025 to 31 March 2026, 2830 cases of sickness absence were recorded. Discretion was reported as having been applied to 468 of these cases (16.54%) and accounted for approximately 30.69% (or 10827.44 days) of the total absence for 2025/26. Refer to figure 3 for further information.
- Due to competing demands and requirement for Corporate HR (CHR) and departments to conduct in-depth absence report testing for the new absence reporting module on Resourelink, monthly spot check meetings did not take place in January 2026 for all departments, and the March meeting did not take place for CNS again due to testing of the new absence reporting module. Issues were identified in how absences were being managed in 77 cases. These were discussed in detail with departments during quarter four. Refer to figure 4 for further information.
- Approximately 13.49% of absence (4760.62 days) is recorded as disability related. 62.19% of disability related absence was managed as long term. Employees who reported absence with Depression / Anxiety / Mental health conditions (40.79% or 1942.09 days),

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Fibromyalgia (10.52% or 501 days) and Cancer (8.01% or 381.20 days) accounted for over half (59.3%) of all disability related absence days. Refer to figure 5 for further information.

- **Eighteen employees met the trigger for a Stage four/FAH.**
 - **Two employees were ill health retired (IHR) prior to their hearing being convened.**
 - **Discretion was applied to ten cases where a decision was taken not to proceed to hearing:**
 - **two cases were due to additional medical information being requested**
 - **two cases were due to employees undergoing cancer treatment**
 - **one case was due to disability related absence**
 - **one case involved work related stressors**
 - **one case was due to an employee undergoing significant surgery and recovery**
 - **one case involved an employee recovering from a stroke**
 - **one employee was off due to pregnancy/maternity related reasons**
 - **one case involved an employee commencing a career break**
 - **One employee resigned before their hearing convened**
 - **One case is due to be heard in May 2026.**
 - **Three cases proceeded to final stage hearing with two employees given a final opportunity to improve their attendance and the other employee was dismissed.**
 - **One case was non-compliant with the Attendance Policy.**
- **Throughout the year, a total of 36 employees were dismissed due to absence (ten by way of stage four/final hearing and 26 by way of IHR). This was an increase of one case when compared to 2024/25.**

3.3 Departmental improvement plans and Absence reporting to DMT:

CHR has not had the ability to review departmental improvement plans for quarter four. This is due to the ongoing absence reporting testing for Resource Link which has been ongoing since February 2026. All departments have returned their quarter four improvement plans.

All departments returned their absence dashboards for January, February and March 2026.

CHR will review departmental improvement plans for 2025/26, to enable the review of 2026/27 plans and will suggest changes where necessary. A progress report on how departments are implementing and monitoring its 2026/27 improvement actions will be provided to CMT at the end of quarter one 2026/27.

3.4 Conclusion

There was an increase in sickness absence of 0.71 days in 2025/26 (15.29 days) when compared to 2024/25 (14.58 days).

The Council's top two reasons for absence are SDA and Musculoskeletal (appendix six), SDA increased by 14% and Musculoskeletal decreased by 1.6% when compared to last year. The increase in SDA equated to 1476.17 days and the reduction in Musculoskeletal equated to 142 days FTE working days.

It should be noted that whilst three departments did not achieve the corporate target of 14.58, there were substantial reductions in departmental absence.

Human Resources decreased by 5.61 days when compared to 2024/25 (8.76 days to 3.15 days), Property and Projects decreased by 4.16 days (19.27 days to 15.11 days), Legal and Civic Services decreased by 0.73 days (17.79 days to 17.06 days), External Affairs Comms and Marketing Dept decreased by 0.56 days (6.04 days to 5.49 days), and Place and Economy decreased by 0.36 days (11.70 days to 11.34 days),

A key area of focus for all departments in 2026/27 will be to ensure consistent application of the Attendance Policy – particularly in relation to the use of discretion and the scheduling of absence hearings in accordance with the Policy.

3.5 Health and wellbeing (H&WB) activity has continued to build through 2025/2026. The H&WB programme delivered 92 events attended by 1606 staff.

CHR was supported by the Internal Communications team to help promote and increase awareness to all staff including those at frontline locations. Follow up emails were forwarded by CHR to Department Leads closer to the date of the event to further promote. A quarterly Wellbeing and Development email is sent to all staff directly and a 'Wellbeing Wednesday' Interlink article promotes topics and events each week, which are also displayed on "big screens" across various council locations. Activities are also promoted via a team of Wellbeing

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Champions. The programme and wellbeing hub “Staywell” is also promoted via posters on staff noticeboards. How to access Health and Wellbeing events and initiatives is now signposted to staff in a number of training courses to include the Corporate Induction, Disability Awareness and My Action Plan.

In 2025/2026 CHR continued to raise awareness of stress and mental health via the new Employee Assistance Provider, Lena by Inspire with 111 staff attending this training and a further 23 staff attending a stress less session delivered by Employers for Disability. Lena by Inspire also delivered nine bite size sessions ranging from grief and loss, time to talk and mental health and menopause with 132 staff attending these sessions. Six sessions of Mindful Movement were delivered, attended by 91 staff.

A specific focus for the year was addiction and a number of training sessions and initiatives were delivered to raise awareness. Alcohol Drugs and Gambling Awareness for managers and employees was delivered to 12 staff, and 10 staff attended a session on Dry January and beyond. CHR will continue to focus on addiction going into 2026/2027 with a session on a mindful approach to alcohol organised for May 2026.

Another key area of focus was Suicide Awareness. The Lighthouse Charity delivered a Suicide Awareness and Prevention session at Duncrue. Suicide Awareness training is available on interlink and suicide awareness is covered in the Mental Health First Aid training. 24 staff have completed this training.

CHR continued to partner with Business in The Community (BITC) to deliver it’s popular ‘Healthier You’ and ‘Future Proof your Health’ webinars. 12 topics were covered and attended by 243 staff, with 90 of those attending the 15-minute desk yoga sessions to help release muscular tension from the upper body.

For frontline staff, the Keeping Well Van attended five CNS sites with a total of 70 staff receiving a 30-minute health check. From these, several GP referrals were recommended. 28 staff attended health checks for office-based staff. A further two CNS site visits have been booked for Duncrue and Roselawn for 2026/2027.

Promotion of wellbeing themes such as International Epilepsy Day and Eating Disorder Awareness Week were used to specifically promote awareness sessions including one live event on epilepsy attended by 20 staff and a webinar delivered

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by Beat, attended by five staff. International Women's Day was marked with an event in the City Hall attended by 125 staff and men's health was highlighted as part of the 'Movember' campaign with three webinars attended by 26 staff that included a focus on testicular and prostate cancer.

Three retirement and pension awareness events were delivered to 122 staff. NILGOSC also promoted a number of pension webinars throughout the year.

City Hall hosted the Blood Transfusion Service (NIBTS) for a staff session in June 2025 as part of World Blood Donor Week. 100 staff attended on the day helping to enable the NIBTS to meet the demand from hospitals for lifesaving donated blood.

The Council's H&WB programme continues to be supported by our Learning and Development programme with 44 staff attending the Understanding the Attendance Policy sessions. CHR delivered ten sessions on management skills attended by 117 staff, notably; Essential Skills for Line Managers, Skills for Performance Management; Dealing with Difficult Conversations and Conflict Resolution within your Team.

Active Travel events and initiatives remain available and well supported as we continue to work with Walk Wheel Cycle Trust (NI) (formerly Sustrans) and partners to introduce active travel initiatives.

2026/2027

CHR will continue to raise awareness of the stress, mental health and musculoskeletal support that is available with a specific focus on these areas. Plans are in place to promote the Council's team of Mental Health First Aiders and for frontline staff, we will continue to promote and signpost to the range of support available and deliver events at frontline locations to encourage participation.

3.6 Target

The corporate target for 2025/26 was 14.58 days. The Council's absence figure for 2025/26 was 15.29 days. This was an increase of approximately 5% on the previous year.

It is proposed that the Council target remains at 14.58 days for 2026/27.

4.0 Resource Implications

4.1 Directors are asked to ensure that:

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- Attendance management continues to be an item on DMT agendas and related matters discussed and appropriate actions taken forward.
- Resources are in place to ensure that adequate monitoring and review is in place at department level.
- The agreed approach to the management of discretion and issuing of warnings is implemented in their department.

5.0 Equality and Good Relations Implications

5.1

- Approximately 13.49% of absence (4760.62days) is recorded as disability related and 62.19% of disability related absence was managed as long term. The use of discretion and reasonable adjustments is considered in such cases.

Figure 1:

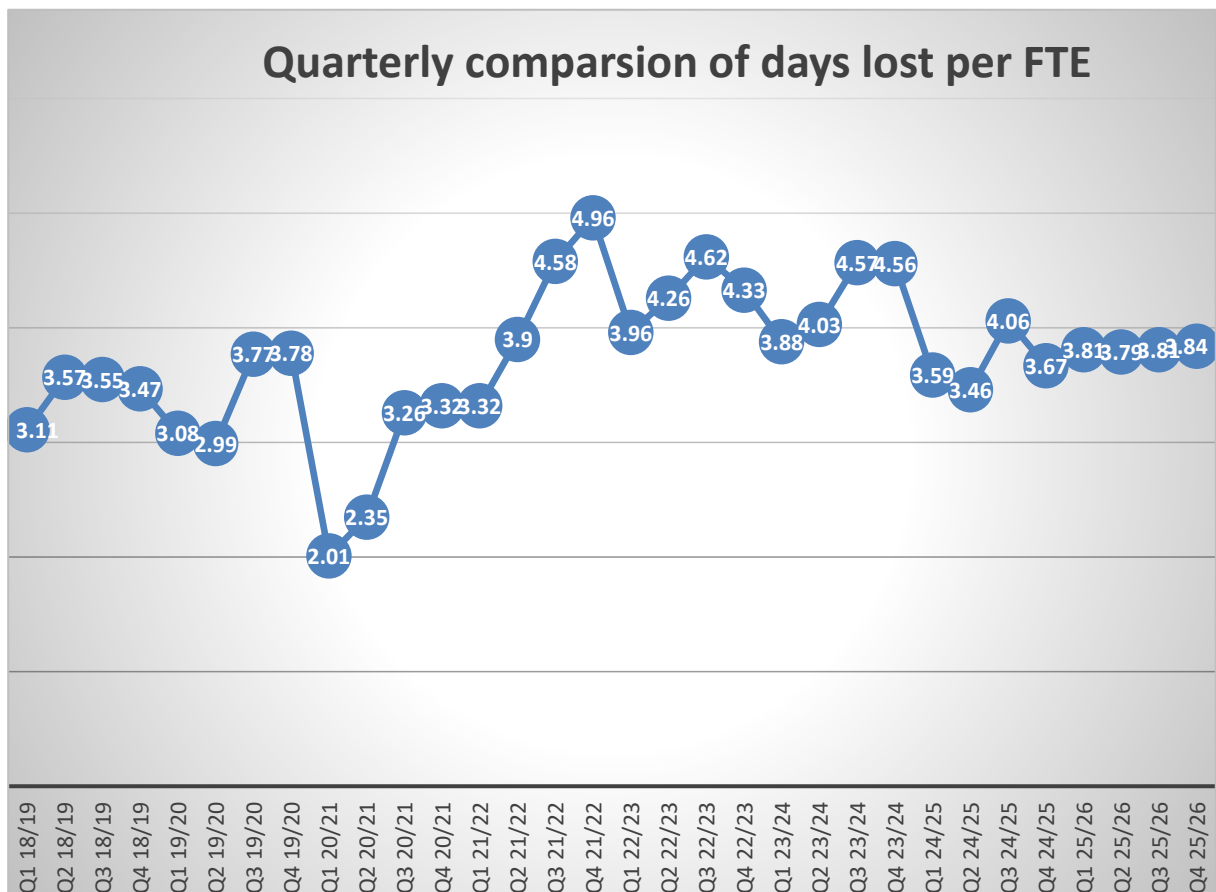


Figure 2:

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Reason for absence	Total days lost (FTE)	% of total days lost
Stress. depression, anxiety	11858.80	33.61%
Musculo-skeletal	8733.32	24.75%
Stomach, digestive, etc	3653.24	10.35%
Infections, inc colds & flu	3516.61	9.97%
Chest and respiratory	1719.45	4.87%
Other	1375.93	3.90%
Heart, blood press, circ, etc	1236.63	3.50%
Neurological, inc headaches	1103.66	3.13%
Genito-urinary, inc menstrual	888.82	2.52%
Eye, ear, nose & mouth/dental	810.88	2.30%
Infections, Covid19	190.09	0.54%
Pregnancy related	144.63	0.41%
Indust/Other	51.53	0.15%
Total	35283.59	

Figure 3:

Reason for discretion	Total days	% of total
Disability / Underlying medical condition	724.11	19.64%
Deferred pending OH	674.12	18.28%
Hospitalisation	492.25	13.35%
Mental Health	284.02	7.70%
Planned Surgery and recovery	238.18	6.46%
Bereavement	213	5.78%
Unresolved employee relations issues	204.91	5.56%
Industrial Injury	161.63	4.38%
Returned to work in line with OH	134.33	3.64%
Violence at work	130.94	3.55%
Emergency Domestic Responsibilities	109.17	2.96%
Previous long service and clear record	83.95	2.28%
Broken / Fracture bone(s)	83.84	2.27%
Infectious disease	63	1.71%
Pregnancy / Maternity related	50	1.36%
Work related stress	34.51	0.94%
Personal stressors	5	0.14%
Grand Total	3686.96	

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Total days lost in quarter four (January to March 2026)	9009.01
% of total days lost where discretion applied in quarter four	40.93%
Average days off per occurrence of discretion in 2025/26	23
Total days lost where discretion was applied in 2025/26	10827.44
% of total days lost between April 2025 and March 2026 where discretion was applied	30.69%

Figure 4:

Department	Number of cases
City and Neighbourhood Services	22
City and Organisational Strategy	4
Corporate Services	0
External Affairs Comms & Market	1
Finance	0
Human Resources	3
Legal and Civic Services	30
Property and Projects	13
Place and Economy	4
Total	77

Figure 5:

Actual disability	Total days lost	% of Total disability related absence	Managed as LTA	% of actual absence managed as LTA	% of Total Absence
Depression / Anxiety / Mental health conditions	1942.09	40.79%	998.66	51.42%	5.50%
Fibromyalgia	501	10.52%	232	46.31%	1.42%
Cancer	381.2	8.01%	374.7	98.29%	1.08%
Chronic back condition	224.58	4.72%	11.08	4.93%	0.64%
Chronic heart condition	218.68	4.59%	183	83.68%	0.62%
Sciatica	214.02	4.50%	214.02	100.00%	0.61%
Chronic back condition	168.73	3.54%	164.73	97.63%	0.48%
Chronic fatigue syndrome	151.62	3.18%	151.62	100.00%	0.43%
Stroke	132.01	2.77%	132.01	100.00%	0.37%

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Polymyalgia rheumatica	122.43	2.57%	122.43	100.00%	0.35%
Epilepsy	91.5	1.92%	49.5	54.10%	0.26%
Parkinsons	82.77	1.74%	82.77	100.00%	0.23%
Osteoarthritis	82.68	1.74%	55.32	66.91%	0.23%
Chronic hip condition	56.96	1.20%	56.96	100.00%	0.16%
Other*	390.35	8.20%	131.99	33.81%	1.11%
Totals	4760.62		2960.79	62.19%	13.49%
Total absence end of Q4 25/26	35283.59				
Disability related absence at Q4 2025/26	4760.62				
% of absence lost due to disability	13.49%				
% of disability related absence managed as LTA	62.19%				

*Other includes a total of 23 conditions that each individually account for less than 1% of total disability related absence.

The Panel noted the report and agreed that the Council absence target would remain at 14.58 days for the year 2026/27.

Corporate Health and Safety Performance Report

The Corporate Health and Safety Manager provided the Panel with an update on the corporate health and safety performance and activities for the quarter ending 31st March, 2026.

She updated the Panel on progress against key performance indicators, employee and non-employee accidents and health and safety statutory agency enquiries and correspondence, then she summarised the following health and safety data:

- Implementation of Health and Safety and Fire Safety recommendations;
- Employee and non-employee accidents; and
- Health and Safety statutory agency enquiries and correspondence.

She provided the Panel with a summary of the business of the Health and Safety Assurance Board activity during 2025/26 and highlighted the following key points;

- The Health and Safety Assurance Board met three times in 2025/26 (May, December and March);
- At each of the meetings, the Board received a quarterly health and safety performance report that included similar content to the Audit and Risk Panel's quarterly health and safety reports;
- In May 2025, reports were additionally considered on the draft annual corporate health and safety plan; the annual

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review of performance for 2024/25; assurance on the key risks of asbestos, legionella and fire safety; and the March corporate health and safety committee minutes;

- In December 2025, reports were additionally considered on six monthly claims report April – September 2025; assurance on the key risks of control of contractors, work related violence and event safety; the annual review of key health and safety risks and the September corporate health and safety committee minutes; and
- In March 2026, reports were additionally considered on the annual review of the Health and Safety Policy Statement; the annual review of the Board's Terms of Reference; and the December corporate health and safety committee minutes.

The Chairperson (Councillor R. McLaughlin) welcomed the increase in reporting of work-related violence incidents and attributed the higher figure to staff having been encouraged to report and stated that he hoped that this would continue to be encouraged through the implementation of the People Strategy.

The Panel noted the report.

AGRS Progress Report May 2026

The Audit, Governance and Risk Service (AGRS) Manager provided the Panel with an overview of the following ten assignments which had been finalised during the period from March to May, 2026:

- Grants;
- Police and Community Safety Partnerships;
- Fixed Assets;
- Developer Contributions;
- Gifts, Hospitality and Potential Conflicts of Interest;
- Stores (year-end);
- Internal Audit of the Corporate Risk on Bereavement Services;
- Internal Audit of the Corporate Risk on Equality and Diversity;
- CNS Case Management System – Process to Develop Specification; and
- Belfast Region City Deal – Programme Management Office.

He reported that one of the assignments had received an opinion of "Major Improvement Needed", one received the opinion of "Substantial" and five had received the opinion of "Some Improvement Needed". He explained that two of the assignments were not standard assurance audits and therefore did not require an assurance opinion.

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He stated that 71% of planned activity had either been completed or substantially completed which was a reduction in comparison to the previous year's figure of 80%, he attributed this to significant resource pressures within the section throughout the year.

He listed the audits in progress and explained that the Audit, Governance and Risk Service continued to provide advice and consultancy services to management.

Following a request from the Panel at its previous meeting, the AGRS Manager provided a summary review of those outstanding actions that were high priority and any that might subject the Council to an increased level of risk. Two areas were considered to be potentially subject to increasing levels of risk, that is, information management and overtime. He stated that the service would continue to send management regular updates of their outstanding actions and would perform a follow up exercise in quarter four of 2026/27.

In response to a question from a Member with regard to how the analysis of high priority recommendations was being filtered through the organisation, the Deputy Chief Executive explained that it was being reported through the Audit and Assurance Board, Corporate Management Team, Departmental Management Teams and was also being fed into the Departmental Plans.

The Panel agreed that a report be brought to the next meeting of the Panel that would outline the actions which has been undertaken in relation to Gifts, Hospitality and Potential Conflicts of Interest, given that it had received an opinion of "Major Improvement Needed".

The Panel noted the content of the report.

Corporate Risk Management

The Head of AGRS provided the Panel with an overview of the undernoted report:

"1.0 Purpose of Report or Summary of main Issues

- 1.1 To present the Audit Assurance Board with the Corporate Risk Dashboard summarising the key updates from the risk review for the QE March 2026, including an update on the new corporate risk regarding the Fleadh Cheoil.**
- 1.2 To update the Board on compliance with the Risk Strategy, based on the annual assurance statements for QE March 2026, completed by senior management.**
- 1.3 To provide the Audit & Risk Panel with an update on business continuity management arrangements, including the YE position regarding compliance with the policy; the completion of BCM plans for the Fleadh period and the completion of Fuel Resilience returns for the critical services.**

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2.0 Recommendations

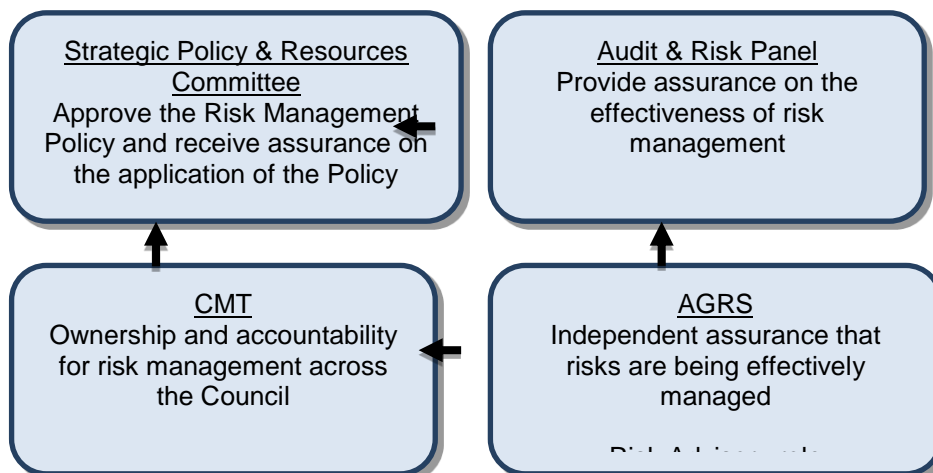
2.1 The Panel are asked to:

- a) Note the corporate risk management dashboard and agree the updates for QE March 2026, including an update on the new corporate risk regarding the Fleadh Cheoil.
- b) Note the assurances from senior management regarding compliance with the Risk Strategy, based on the assurance statements for QE March 2026.
- c) The current position regarding the YE position on compliance with the policy; the completion of BCM plans for the Fleadh period and the completion of Fuel Resilience returns for the critical services.

3.0 Main report

Summary of BCC Risk Management Arrangements

- 3.1 The aim of our Risk Strategy is to improve our ability to successfully achieve our objectives and deliver services to the communities to which we are accountable, by having a clear understanding of the key risks that could prevent us from delivering our priorities and putting in place measures to manage these risks.
- 3.2 An overview of the respective risk management responsibilities of the Strategic Policy and Resources Committee, the Audit and Risk Panel, the Corporate Management Team (CMT) and AGRS is outlined below



Corporate Risk Management update for QE March 2026

3.3 AGRS has met with risk owners to support them in their quarterly review of the corporate risks. The information from these meetings was used to prepare the Corporate Risk Management Dashboard for the QE March 2026 (appendix A) which sets out:

- Corporate risk analytics – risks reviewed, risks by category, risks within risk appetite, risk actions implemented / not yet due / overdue, movement in risk assessment**
- Key corporate risk updates for the quarter**
- For each corporate risk, a summary of progress made to manage the risk and actions implemented in the quarter**

3.4 The Panel is asked to note the following corporate risk updates:

- Regarding the new corporate risk Fail to deliver a safe and inclusive Fleadh Cheoil and realise benefits in line with the agreements and budget. The Risk Owner, the Strategic Director of Place and Economy has reviewed and agreed the risk action plan. The risk is currently assessed as High, however there are planned mitigations relating to finance, capacity / capability, decision making, health and safety, inclusion, affordability, partner buy-in, communications, contracts, promoters, feedback, business as usual, campsite oversight, business continuity and safeguarding, that aim to reduce the risk level down to Moderate.**
- In addition CMT has asked that consideration is given to combining the current two corporate risks on Information Governance and Strategic Approach to the Use of Data and links with the Electronic Data and Records Management project – the City Solicitor and Director of Legal and Civic Services has indicated that management will consider the framing of this proposed new risk at the May 2026 meeting of the Information Governance Board.**
- There has been no changes to the risk assessment for the 15 corporate risks.**
- Four actions to manage the corporate risks were implemented in the quarter including:.**

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- Security processes and controls in place assessed against the National Cyber Security Centre (NCSE) Cyber Assessment Framework (CAF) to identify gaps and shortfalls in cyber security and resilience in the council.
- External Security Operations Contract has been put in place with an external provider which will help to address the recommendations from the CAF.
- Internal Steering Group established to strengthen alignment and integration between BRCD Digital Programme, Innovation City Belfast strategy, Smart Belfast Urban Innovation (SBUI) Framework and Council’s Belfast Economic Strategy.
- £2m BRCD funding secured for grants programme to maximise the benefits of the BRCD Centres of Excellence.

- The corporate risk on Asset Management does not yet have a mitigation plan in place. The Director of Property and Projects is the Risk Owner for the corporate risk on Asset Management and for ensuring that a risk action plan will be prepared. This will be informed by the gap analysis against the NIAO guide ‘A Strategic Approach to the Use of Public Sector Assets – A Good Practice Guide for Local Government in Northern Ireland’ which was completed by AGRS and reported to the Audit and Risk Panel in December 2024.

- The Director has drafted Terms of Reference for the Strategic Asset Management Board (SAMB). Asset Management is one of the workstreams in the Transformation and Efficiency Programme and as such the Terms of Reference for the Strategic Asset Management Board are linked to the Terms of Reference for the Transformation and Efficiency Board, which are being developed.

Horizon Scanning

3.5 Horizon scanning is built into the quarterly corporate risk management review process – no new matters were raised. Horizon scanning activities should:

- Allow consideration of relevant information and any response that is required.
- Raise awareness of matters that could impact on longer term council and city plans, strategies and priorities.
- Enable Council to influence and challenge thinking on how to address city challenges.

Annual Assurance Statements on compliance with the risk management strategy

- 3.6 All Chief Officers and relevant senior managers completed an Annual Assurance Statement confirming compliance with the Risk Strategy, based on the assurance statements for QE March 2026.

Business Continuity Management (BCM)

BCM policy requirements

- 3.7 The table at appendix B sets out the year-end 2026 position on compliance with the requirements of the BCM policy.
- 7 of the 17 critical services completed their BCM exercise
 - 7 of the 17 critical services completed their Report on their BCM exercise
 - 3 of the 17 critical services completed their Report on the Update of their BCM Plan
 - 16 of the 17 critical services have reviewed and updated their Business Impact Analysis (note that 1 of the 16 completed returns is awaiting Director review and sign off).
- 3.8 Critical Services have been reminded of the need to begin planning how to exercise their BCM plans during 26/27.
- 3.9 The Business Continuity Group has been re-established and meets twice a year, with the next meeting scheduled for 15 June 2026.

BCM over the Fleadh period

- 3.10 In tandem with the work ongoing across the Council to deliver the Fleadh, Members and management will also need assurance that the Council can continue to provide its critical services during the period of the Fleadh from 2 to 9 August. We have asked each of the Council's Critical Services to complete a return to assess the impact of the Fleadh and set out the measures in place to manage the impact.
- 3.11 As of 2 June, 14 of the 17 critical services have completed their Fleadh BCM return (note that 5 of the 14 completed returns are awaiting Director review and sign off).

BCM and Fuel Resilience

- 3.12 The Executive Office (TEO) is currently completing a piece of work considering the impact of continuing and sustained

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increases in the cost of fuel and each Council has been asked to complete a template to identify critical internal and contracted services which may be impacted.

As of 29 May, all of the 17 critical services have completed their Fuel Resilience return.

- 3.13 The return was submitted to the Regional Officer: Local Government Civil Contingencies on Tuesday 2 June 2026, to enable collation of all submissions into a single local government submission that will be considered by SOLACE in June prior to returning to TEO.

Business Continuity Management policy review and update

- 3.14 AGRS has substantially completed the review and update of the Business Continuity Management policy and has liaised with Human Resources to confirm how the updated policy should proceed through the Industrial Relations Framework. AGRS aims to take a report on the updated policy to the September meetings of the Board / Panel.

Financial & Resource Implications

None known at this time.

Equality or Good Relations Implications/Rural Needs Assessment

None known at this time.”

In response to a question from a Member with regard to horizon scanning in relation to the corporate implications of new legislation, the City Solicitor explained that, when consultations were issued, they were brought to the Corporate Management Team and assigned to the relevant Director to take forward and reported through the relevant Committee.

The Panel noted the report.

**Head of Audit, Governance and Risk Services
Annual Assurance Statement**

The Head of AGRS presented the Panel with the following report:

“1.0 Purpose of Report or Summary of main Issues

Each year the Head of Audit, Governance and Risk Services (AGRS) prepares an annual assurance statement. The statement is a professional opinion on the adequacy and effectiveness of the Council’s risk, control and governance

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arrangements, and this opinion is one of the sources of assurance that the council relies on for its annual governance statement.

- 1.2 The main purpose of this report is to present the Head of AGRS' annual assurance statement for 2025/26.
- 1.3 In addition, as recommended by the Global Internal Audit Standards in the UK Public Sector, the Panel is asked to explicitly discuss the Chair's assessment of the independence and objectivity of the Head of AGRS.

2.0 Recommendations

- 2.2 The Panel are asked to note the Head of AGRS' annual assurance statement for 2025/26, as attached at Appendix A.
- 2.2 As recommended by the Global Internal Audit Standards in the UK Public Sector, the Panel is asked to explicitly discuss the Chair's assessment of the independence and objectivity of the Head of AGRS.

3.0 Main report

Key Issues

The Head of AGRS' Annual Assurance Statement

- 3.1 The Head of AGRS' assurance statement is set out at section 2 of the attached report and information to support the opinion provided is provided in section 3 of the report. This opinion is one of the sources of assurance that the council relies on for its review of the effectiveness of the Council's system of internal control in the annual governance statement.
- 3.2 The Head of AGRS' assurance statement reflects the findings arising from audit work during 2025/26 as reported to the Board / Panel on a quarterly basis during the year (through audit progress reports, risk review reports and recommendation monitoring reports) therefore detailed findings / recommendations have not been reproduced in this report. However, a summary of audit reports completed is provided in Section 3 of Appendix A.
- 3.3 As reported to the Board / Panel in March 2026, AGRS completed a self-assessment of conformance with the new Global Internal Audit Standards, the Internal Audit Code of Practice and the UK Public Sector Application Note. The outcome of this self-assessment concluded that on balance AGRS generally conforms with the Global Internal Audit Standards in the UK Public Sector. A small number of

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non-conformances have been reported through the governance structures and relate to:

- Non-conformance with four requirements relating to the Chair of the Audit and Risk Panel having a direct role in the reporting line, appointment and removal, performance appraisal and remuneration of the Head of AGRS. While the Head of AGRS has the authority to report directly the Chair whenever necessary and the Chair is involved in the appraisal and recruitment of the Head of AGRS, it would not be appropriate for the Chair to have a direct management role.
- Partial conformance with one requirement relating to the Quality Assurance and Improvement Plan (QAIP). While an external assessment is undertaken every five years, it is not feasible for the QAIP to be assessed annually by someone independent of the delivery of the audit plan.
- Partial conformance with two requirements and AGRS has developed improvement actions to fully conform with these requirements related to making the AGRS Charter publicly available and reviewing and updating the documented AGRS methodologies.

- 3.4 The following improvement action arose from the self-assessment against the new Global Internal Audit Standards in the UK Public Sector that was reported to the Panel in March 2026: *Ensure that where the tenure of the chief audit executive exceeds seven years, The Audit and Risk Panel explicitly discuss annually the chair's assessment of the chief audit executive's independence and objectivity.*

To address this improvement action, I bring the Board / Panels attention to the fact that I was appointed to the role of Head of AGRS on 1 October 2018 and have been in the post almost eight years. I ask the Panel to explicitly discuss the Chair's assessment of my independence and objectivity.

3.5 **Financial & Resource Implications**

None

Equality or Good Relations Implications/Rural Needs Assessment

None.”

The Panel noted the Head of Audit, Governance and Risk Services' annual assurance statement for 2025/26 and agreed with the Chairperson's positive assessment of the independence and objectivity of the Head of AGRS.

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Code of Governance

The Head of AGRS explained that the Audit, Governance and Risk Service had facilitated the annual review and update of the Council's Code of Governance by asking management to:

- review and update the governance arrangements set out in the Code of Governance;
- confirm that the arrangements were operating effectively in practice; and
- identify any improvement actions.

She reported that management had provided updates to the Code and, where applicable, had identified improvement actions. She summarised the following main updates to the Code.

She stated that a number of improvements were quite complex to implement and that whilst work had been undertaken to progress those improvements, they remained ongoing.

The Head of AGRS explained that the CIPFA Solace Addendum to the "Delivering Good Governance in Local Government Framework" which had been issued in May, 2025, recommended that the *"local code should be a public document or webpage, easily identifiable on the authority's website. It should be a useful reference for both officers, elected representatives and the public to understand how governance works and the authority's commitment to good governance. Where an authority does not publish a local code, it will need to explain the elements set out above in its AGS"*

She reported that the Head of Digital Services had raised concerns about making any system/security related information publicly available as it could potentially give cyber attackers an understanding of what controls the Council had in place.

She stated that it was recommended that the Code of Governance not be published on the Council's website as there was sufficient information in the Annual Governance Statement to enable the public to understand how governance works and the Council's commitment to good governance, and the Head of Digital Services' concerns.

The Panel approved the updated Code of Governance for Belfast City Council and agreed that it would not be published on the Council's website.

Draft Annual Governance Statement 2026

The Head of Audit, Governance and Risk Services referred the Panel to the Annual Governance Statement for the Council for 2025/26 and explained that the disclosures in the statement were based upon consideration of the Council's corporate risks, significant events and disclosures made by Chief Officers in their individual annual assurance statements.

She pointed out that, in May, 2025, CIPFA SOLACE had issued an Addendum which advised authorities to ensure that the Annual Governance Statement should contain additional detail on the annual review of the effectiveness of its system of internal control, namely:

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- An executive summary, to include an overall opinion on whether governance arrangements were fit for purpose;
- An assessment of effectiveness, setting out how the overall opinion had been arrived at;
- Where governance needed to improve, including an action plan.
- How governance had been improved over the current financial year; and
- A forward look on governance.

She reported that the Audit Assurance Board had considered and reviewed the range of information that they received and concluded that its review of the effectiveness of the Council's system of internal control allowed them to form an overall opinion that the Council's governance arrangements were fit for purpose, were adequately aligned to support the delivery of the corporate plan and meet the responsibilities for value for money, support to delivery each of the seven principles of good governance and allowed it to provide assurance to the Audit and Risk Panel that the Council's governance arrangements were fit for purpose.

In turn, the Panel confirmed that its review of the effectiveness of the Council's system of internal control had allowed them to form an overall opinion that the Council's governance arrangements were fit for purpose; were adequately aligned to support the delivery of the corporate plan and meet the responsibilities for value for money; support and deliver each of the seven principles of good governance and allowed it to provide assurance that the Council's governance arrangements were fit for purpose.

The Panel approved the draft Annual Governance Statement for the Council for 2025/26 and agreed to the disclosure of the significant governance issues contained in the statement, and for a note to be added that would explain that the summary Code of Governance within the Annual Governance Statement set out the key elements of the Council's governance framework and was based on a detailed Code of Governance which had not been published because the summary version would enable the reader to understand how governance works and the Council's commitment to good governance, and because publication of some of the information within the Code had the potential to enable a cyber-attack.

**Fraud and Raising Concerns / Corporate Fraud Risk Assessment –
Annual Report and Policy Update**

The Audit, Governance and Risk Services Manager reported on the number of cases in which the Council policies for fraud and raising concerns had been applied, the nature of the allegations and the outcomes of the subsequent investigations, including actions taken to address underlying issues.

He explained that a register of cases was maintained and that the dedicated raising concerns email inbox was monitored daily and that a significant proportion of the emails received related to service delivery and operational matters which had been redirected to the Customer Hub or relevant department to be addressed.

He summarised the types of concerns under the following five main headings:

- Code of Conduct;

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- Fraud and Financial Impropriety;
- Health and Safety;
- Service Delivery; and
- Other.

He explained that there were 18 corporate fraud risks within the Corporate Fraud Risk Assessment, that there were mitigation plans in place for each and they had been reviewed and updated by the relevant Directors during 2025/26. He added that, whilst the level of fraud risk remained unchanged for 16 of the fraud risk areas, management had updated the action plans to include additional mitigations.

He updated the panel on key changes which had been made following the reviews of the Raising Concerns Policy and the self-assessment checklist of the CIPFA Code of Practice for Managing the Risk of Fraud and Corruption (2014).

The Chairperson (Councillor R. McLaughlin) welcomed the increase in reporting of concerns and the work undertaken by AGRS in relation to Fraud and Raising Concerns which further highlighted its independence and objectivity.

The Panel:

- Noted the updates on fraud, raising concerns and related cases handled in 25/26;
- Noted the annual review and update of the Corporate Fraud Risk Assessment;
- Agreed to request that City Regeneration and Development develop a Fraud Risk Action Plan for Acquisitions and Disposals;
- Noted the review of the Raising Concerns and Fraud and Bribery policy;
- Noted the review of the NIAO Good Practice Guide on Raising Concerns and related checklist; and
- Noted the review of the CIPFA Code of Practice for Managing the Risk of Fraud and Corruption (2014).

Cyber Security Assessment Update

The Head of Digital Services provided the Panel with a summary of the key findings and priority recommendations that had arisen from the Cyber Assessment Framework (CAF) Compliance Assessment which had been completed in January, 2026.

He explained that the report found that, overall, the Council had demonstrated a developing but credible level of cyber resilience and that the principal opportunity for improvement was not the introduction of new controls but the formalisation, documentation and assurance of existing practices and that by strengthening governance, standardising processes and improving evidence of effectiveness, the Council could materially reduce cyber risk and move towards a more resilient and sustainable cyber security posture.

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He pointed out that the CAF report noted that there were areas for improvement regarding Elected Members and cyber security.

A Member requested that consideration be given to quarterly mandatory training for Elected Members that would be delivered through a different mechanism than was currently in place.

The Panel noted the report and agreed that the City Solicitor would consider the requirement for Elected Members to undertake cyber security training as part of the Governance Review.

Performance Improvement Update

The Strategic Performance Manager presented the undernoted report to the Panel:

“1.0 Purpose of Report

1.1 To update the Panel on our compliance with the statutory performance duty and to obtain approval of the 2025-26 NIAO Audit and Assessment Report for Belfast City Council.

2.0 Recommendations

2.1 The Panel is asked to approve the NIAO Audit and Assessment Report 2025-26 attached at Appendix 1.

3.0 Main report

Background

3.1 The respective duties of councils and the Local Government Auditor (LGA) are set out in the Part 12 of the Government (Northern Ireland) Act 2014 and are summarised as follows:

Councils

3.2

- Have a general duty to make arrangements to secure continuous improvement in the exercise of its functions.
- Set improvement objectives for each financial year.
- Publish a self-assessment before 30 September annually, that takes account of guidance issued by the Department for Communities.

Local Government Auditor (LGA)

3.3

- Audit the Council’s assessment of its performance for 2024-25 and its improvement plan for 2025-26 in accordance with section 93 of the Local Government

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Act (Northern Ireland) 2014 (the Act) and the Code of Audit Practice for local government bodies.

- **Perform an improvement assessment for 2025-26 at the Council in accordance with Section 94 of the Act and the Code of Audit Practice.**
- **Produce a report to comply with the requirement of section 95(2) of the Act.**

NIAO audit and assessment

- 3.4 As part of this process the NIAO officials undertook detailed audit fieldwork between October to December 2025 when Council officers offered a series of site visits and meetings as well as collating and presenting a substantive amount of evidence to demonstrate the council's improvement journey.**

Audit opinion

- 3.5 Following this fieldwork, the Local Government Auditor completed and presented to Council a NIAO Audit and Assessment Report 2025-26 (attached at Appendix 1). In this report, the Local Government Auditor has certified performance arrangements with an unqualified opinion and concluded that in relation to improvement planning and publication of improvement information, the Council:**

- **Complied with its duties in relation to both in accordance with section 92 of the Act.**
- **Acted in accordance with the Department for Communities' guidance.**

The Local Government Auditor also conducted an improvement assessment and confirmed that the Council:

- **Has discharged its duties under Part 12 of the Act.**
- **Has acted in accordance with the Department for Communities' guidance sufficiently.**
- **Has demonstrated a track record of ongoing improvement.**
- **Is likely to comply with Part 12 of the Act during 2025-26.**

NIAO Recommendations

- 3.6 The Local Government Auditor did not make any recommendations for improvement under section 95(2) of the Local Government (Northern Ireland) Act 2014.**

Special Inspection

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3.7 The Local Government Auditor concluded that, under section 95(2) of the Local Government (Northern Ireland) Act 2014, a special inspection would not be required.

4.0 Financial & Resource Implications

Audit fees in relation to the audit of the Performance Improvement Planning process have been accounted for in the NIAO Annual Audit Strategy.

5.0 Equality or Good Relations Implications / Rural Needs Assessment

There are no equality or good relations implications associated with this report.”

The Panel

- Noted the update provided;
- Approved the Quarter 4 performance report for 2025/26; and
- Noted that a detailed year-end Performance Assessment report for 2025/26 would be provided to the Strategic Policy and Resources Committee at its meeting in August, before ratification by full Council on 1st September, 2026, and publication on the Council's website before the statutory deadline of 30th September, 2026.

Annual report from Audit and Risk Panel to Strategic Policy and Resources Committee

The Head of Audit, Governance and Risk Services provided the Panel with an overview of the Draft Audit and Risk Panel Annual Report to the Strategic Policy and Resources Committee.

The Panel noted the report.

NIAO Code of Audit Practice and Statement of Responsibilities

The Director of Finance referred the Panel to the following two documents which had been issued by the Northern Ireland Audit Office (NIAO):

- Code of Audit Practice; and
- Statement of Responsibilities of Local Government Auditor and Local Government Bodies.

He stated that the NIAO had requested that the Code of Audit Practice and the Statement of responsibilities of Local Government Auditor and Local Government Bodies be brought to the attention of the Panel.

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The Panel noted the Code of Audit Practice and the Statement of responsibilities of Local Government Auditor and Local Government Bodies.

External Member Recruitment

The Deputy Chief Executive explained that the current contract for the external Member of the Audit and Risk Panel was due to expire in November, 2026, and that approval was being sought for a process to appoint a new external Member to the Panel and the arrangements for the recruitment panel.

The Panel:

- Noted that Mr. Wilson's contract was due to end and approved the proposed process to appoint an external Member to the Panel; and
- Agreed that Alderman Rodgers be nominated to sit on the recruitment panel alongside the Chairperson, the Director of Finance and the Director of HR and/or the City Solicitor.

Date of next meeting

The Panel noted that the next meeting was scheduled to take place on Friday 11th September, 2026.

Chairperson