



<b>Subject:</b>	Audit & Risk Report and Minutes of meeting of 11 September 2018
<b>Date:</b>	21 September 2018
<b>Reporting Officer:</b>	Ronan Cregan, Director of Finance and Resources and Deputy Chief Executive
<b>Contact Officer:</b>	Andrew Harrison, Head of Audit, Governance and Risk Services (AGRS)

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<i>After Committee Decision</i>	<input type="checkbox"/>
<i>After Council Decision</i>	<input type="checkbox"/>
<i>Some time in the future</i>	<input type="checkbox"/>
<i>Never</i>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	The purpose of this report is to provide a summary to Committee of the key issues that were considered and discussed by the Panel at its September 2018 meeting and present minutes of the last meeting of the Panel for approval.
<b>2.0</b>	<b>Recommendations</b>
2.1	That the Strategic Policy and Resources Committee <ul style="list-style-type: none"><li>Note the key issues arising at the meeting and approves the minutes of the Audit &amp; Risk Panel of 11 September 2018.</li></ul>
<b>3.0</b>	<b>Main report</b>
<b>3.1</b>	<b>Key Issues</b>
3.1.1	The Panel received the NIAO report on the audit of the Council's 2017/18 financial statements and their related Draft Report to those charged with Governance. The NIAO

has substantively completed its audit and reported that they expected to provide a 'clean,' unqualified audit opinion. The NIAO have raised a small number of recommendations relating to issues arising during their audit. None of these recommendations are priority 1 (that is 'high priority') recommendations. **It is important that Committee notes the satisfactory outcome of the NIAO's audit because it is an important assurance for them regarding the financial governance of the Council.** The approval of the final accounts by Committee is now required (separate paper on SP&R Committee agenda) prior to formal publication.

3.1.2 The Panel received update reports in relation to the governance of the Panel itself. Points to note are that the current Head of AGRS, Andrew Harrison is taking a one year (unpaid) career break and Mrs Claire O'Prey, one of the designated deputies, will be assuming this role from 1 October 2018. The Panel also agreed to initiate the process to advertise for the position of external member to the Panel following the end of the current contract. The Panel agreed that, in line with good practice for public appointments, the position would be made through a Recruitment & Selection Panel comprising the Chair of the Audit & Risk Panel, Councillor Craig, Councillor Carson, the Strategic Director of Finance & Resources and a representative from Corporate HR.

3.1.3 The Panel also received updates from AGRS and Corporate Health and Safety in relation to fire safety, where a recent audit has identified the need for improved processes to identify and escalate any issues regarding completion of fire logs. The Panel agreed to initiate a process whereby relevant Chief Officers / senior managers will be asked to attend future Panel meetings where audits results in either an 'unsatisfactory' or 'major improvement required' audit opinion.

3.1.4 The Panel considered recent NIAO publications on the National Fraud Initiative and the Local Government Auditor's Annual Report for the period ending 31 March 2018. These reports (respectively) identified the level of detection of rates evasion and comparative information regarding aspects of the performance / financial position of local councils in NI. A copy of this report can be found on the NIAO website <https://www.niauditoffice.gov.uk/publications/local-government-auditors-report-2018>

3.1.5 The Council's recently published performance report was also considered.

3.1.6 Finally the Panel received an update on corporate risk management and specifically a detailed assessment of fraud risk and a related approach to addressing this risk through

	<p>management controls, targeted training and clear linkages to AGRS audit assignment work.</p> <p><b><u>Financial &amp; Resource Implications</u></b></p>
3.2	<p>None.</p> <p><b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b></p>
3.3	<p>None</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	Appendix 1 - Minutes of Audit & Risk Panel 11 September 2018