



<b>Subject:</b>	Audit & Risk Panel Report and Minutes of meeting of 4 March 2019
<b>Date:</b>	22 March 2019
<b>Reporting Officer:</b>	Ronan Cregan, Deputy Chief Executive and Director of Finance and Resources
<b>Contact Officer:</b>	Claire O'Prey, Acting 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 Audit & Risk Panel at its March 2019 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>Notes the key issues arising at the meeting and approves the minutes of the Audit &amp; Risk Panel of 4 March 2019 at Appendix 1.</li></ul>

3.0	<b>Main report</b>
3.1	<p data-bbox="276 271 432 300"><b>Key Issues</b></p> <p data-bbox="276 320 352 349"><u>NIAO</u></p> <p data-bbox="165 421 1471 757">3.1.1 The Audit &amp; Risk Panel received the <b>draft NIAO Audit Strategy for the audit of the Council’s financial statements for 2018/19</b>, which sets out the audit approach, materiality levels and the timetable for the audit. The deadline for certifying the accounts is 27 September 2019. Alongside their usual work, the NIAO have indicated that they will be testing; potential for fraud and whistleblowing; capital projects; reserves; continued organisation change; and non–recurrent funding (including diversionary funding and the Bank Buildings fire).</p> <p data-bbox="165 824 1471 1261">3.1.2 In addition to auditing the financial statements, the <b>NIAO also provide assurance to the Panel that the Council’s arrangements to monitor performance of the delivery of its improvement objectives for 2018 have complied with the legislative requirements of Part 12 of the Local Government (NI) Act 2014 and the associated guidance as issued by the Department for Communities</b>. In this respect, the Panel noted the Auditor’s unqualified opinion that the Council has discharged its performance improvement and reporting duties. The Panel also noted that there are no formal recommendations contained within the report but rather a number of ‘proposals for improvement’, which would be monitored by the Panel on a regular basis.</p> <p data-bbox="165 1328 1471 1664">3.1.3 The report on the exercise of the <b>Local Government Auditor’s functions in the year to 31 March 2018</b> made 3 recommendations relating to the Audit &amp; Risk Panel; training for members who are decision makers on Planning matters; and training for staff involved in procurement processes. The Panel noted that management updates indicate that good progress is being made to fully implement these recommendations within the council and that the NIAO will monitor progress and may report on their findings in future annual reports or Reports to those charged with Governance.</p> <p data-bbox="276 1731 552 1760"><u>Audit and Risk Panel</u></p> <p data-bbox="165 1827 1471 2065">3.1.4 The Panel agreed <b>the Audit and Risk Panel’s purpose and terms of reference</b>, which had been updated in line with CIPFA 2018 best practice to include the Panels role in: <ul style="list-style-type: none"> <li data-bbox="276 1933 1398 2018">▪ considering the assurances available on whether partnership and / or collaboration arrangements are satisfactorily established and are operating effectively; and</li> <li data-bbox="276 2033 863 2065">▪ reviewing the Councils ethical framework.</li> </ul> </p>

3.1.5	<p>The Panel also agreed the <b>programme of business for 2019</b>, with the dates for future meetings being set after the elections.</p> <p><u>Key reports</u></p>
3.1.6	<p>The Panel approved the <b>Internal Audit and Risk Management Plan for 2019/20</b> which sets out the role of AGRS as an assurance provider and advisory service which directly assists the Council in meeting relevant statutory obligations in relation to internal control, risk management and good governance. The Plan sets out the specific assurance and consulting assignments that will be undertaken in addition to other bodies of work around implementation of the Corporate Fraud Risk Assessment and the updated Risk Strategy.</p>
3.1.7	<p>The Panel noted the <b>progress being made against the annual audit plan</b>, with 7 audits finalised in the period December – February 2019, and received an update from the Director of Economic Development regarding Visit Belfast. The Panel asked for AGRS to undertake follow-up work at Visit Belfast and to update them at their June meeting. The Panel agreed to defer the audit of Procurement and Contract Management to 19/20 given the recent appointment of the Head of Commercial and Procurement Services.</p>
3.1.8	<p>The Panel noted the corporate risk updates for quarter 3 and that a <b>corporate risk workshop</b> was to take place on 14 May with CMT and tier 3 management, to take a fresh look at the key risks facing the Council. The Panel asked that the Director of Planning and Building Control to attend the June meeting to provide the Panel with an update on the management of the corporate risk on the Local Development Plan and to provide the Panel with a progress update on the Planning Improvement Plan.</p>
3.1.9	<p>The Panel also received quarter 3 reports on corporate health and safety, absence management and performance improvement.</p>
	<p><u>Financial &amp; Resource Implications</u></p>
3.2	<p>None</p>
	<p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p>
3.3	<p>None</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	Appendix 1 - Minutes of Audit & Risk Panel 4 March 2019

