



Subject:	Audit & Risk Panel Report and Minutes of meeting of 3 December 2019
Date:	17 December 2019
Reporting Officer:	Ronan Cregan, Director of Finance and Resources and Deputy Chief Executive
Contact Officer:	Claire O'Prey, Head of Audit, Governance and Risk Services (AGRS),

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
<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"/>

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

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to provide the Committee with a summary of the key issues that were considered and discussed by the Audit & Risk Panel at its December 2019 meeting and present minutes of the last meeting of the Panel for approval.
2.0	Recommendations
2.1	That the Strategic Policy and Resources Committee notes the key issues arising at the meeting and approves the minutes of the Audit & Risk Panel of 3 December 2019 at appendix 1.

3.0	Main report
3.1	<p data-bbox="277 304 432 338">Key Issues</p> <p data-bbox="277 409 751 443"><u>Northern Ireland Audit Office (NIAO)</u></p> <p data-bbox="165 510 1422 741">3.1.1 The Panel received a verbal update from the NIAO on their audit of the Statement of Accounts of the council for the year-end 31 March 2019. These accounts are a fundamental part of the council's overall corporate governance framework and provide assurance to Members and ratepayers on the stewardship of the council's finances and its financial position.</p> <p data-bbox="165 813 1430 943">3.1.2 The NIAO informed the Panel that their audit of the accounts is complete and the Local Government Auditor (LGA) will report positively on the 2018-19 financial statements with an unqualified audit opinion.</p> <p data-bbox="165 1014 1422 1294">3.1.3 The NIAO went on to report that the Report to those Charged with Governance for 2018/19, which outlines the system / control issues arising from their audit, contains 5 recommendations for management action, none of which are priority one (i.e. significant or material in nature). The final versions of the Annual Audit Letter and the Report to those Charged with Governance will be reported to the next meeting of the Panel.</p> <p data-bbox="165 1366 1422 1547">3.1.4 In addition, the Panel also considered the NIAO Improvement Audit and Assessment Report, which examined the council's performance improvements arrangements for 18/19. The NIAO have issued an unqualified audit opinion, have made no statutory recommendations and have made 5 recommendations for improvement.</p> <p data-bbox="277 1619 552 1653"><u>Audit and Risk Panel</u></p> <p data-bbox="165 1720 1430 2056">3.1.5 Members of the Panel play a pivotal role in assisting the council in continually improving the governance arrangements of the Council. Following the Audit & Risk Panel training session on Monday 21st October 2019, the Panel agreed a range of improvement actions to maximise the value of the Panel including the need to raise awareness and improve attendance at the Panel, raising general issues with reports to committee with the Director of Legal and Civic Services, requesting management to attend the Panel when audits receive assurance opinions of major improvement. The Panel also</p>

considered a self-assessment against best practice for Audit Committee's and found that **the Audit & Risk Panel was operating in line with best practice.**

Internal Audit and Corporate Risk Management

- 3.1.6 The Panel noted the **progress being made against the annual audit plan**, with 8 audits finalised in the period September – December 2019, 2 of which received an assurance opinion of major improvement required. Following discussion, the Panel agreed to defer the audit of Fleet Management, People Strategy and Developer Contributions but stressed the importance of these audits going ahead in 2020/21.
- 3.1.7 The Panel agreed the **mitigation plans in place to manage the corporate risks** that are considered by management to present the greatest threat to the delivery of our corporate plan and / or compliance with key statutory requirements. Progress in implementing these corporate risk mitigation plans will be reported to CMT, the Assurance Board and the Audit & Risk Panel. The Head of AGRS reported that only half of the critical services had planned their exercise for the 2019/20 year and that Directors had been reminded of the importance of ensuring that these exercises were properly planned and undertaken by the end of March 2020. In relation to this matter, the Deputy Chief Executive and Director of Finance and Resources highlighted an issue in that there is no dedicated resource for Business Continuity Management and indicated that this is under consideration.
- 3.1.8 The Panel received **the recommendations monitor** report and **highlighted their concern at the number of audit recommendations that had not been implemented by the agreed date and related to audits undertaken in 2017 or earlier.** The Panel agreed for AGRS to work with management to review these recommendations and their continued relevance, to determine the reasons for delay in implementation and to agree new dates. The Panel asked that a short report is brought back to them on this exercise.
- 3.1.9 The Panel agreed the updates to the Risk Strategy and the Business Continuity Management Policy.

3.1.10	<p><u>Corporate Health and Safety, Safeguarding, Absence Management and Performance Improvement</u></p> <p>The Panel considered a report from the Partnership Manager on the Safeguarding arrangements in place at our leisure centres and requested a further report on compensation claims relating to our leisure centres. The Panel also received quarter 2 reports on corporate health and safety, absence management and performance improvement. The Head of Human Resources agreed to provide the Panel with more detail on compliance with the Attendance Policy and more analysis on work related stress. The Corporate Health and Safety Manager highlighted to the Panel that corporately the council had implemented 83% of fire safety actions and 51% of health and safety actions which fell due within the period, against a corporate target of 80%.</p> <p><u>Financial & Resource Implications</u></p> <p>3.2 None</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>3.3 None known at this time.</p>
4.0	Appendices – Documents Attached
	Appendix 1 - Minutes of Audit & Risk Panel 3 December 2019