

AUDIT COMMITTEE MEETING WEDNESDAY 9 SEPTEMBER 2020

No	Item	Summary of key Recommendations
1.	Apologies	<i>Councillors Beattie, Watton and McMullan</i>
2.	Declarations Of Interest	<i>Nil</i>
3.	Minutes of Audit Committee Meeting 17 June 2020	<i>Confirmed</i>
4.	Appointment of Independent Member	<i>Information</i>
5.	Northern Ireland Audit Office (NIAO)	
	5.1 NIAO Causeway Coast and Glens Borough Council Additional Significant Risk 2019-20 Correspondence	<i>Information</i>
6.	Internal Audit (Causeway Coast and Glens Borough Council)	
	6.1 Draft Annual Governance Statements 2019-20	<i>Information</i>
	6.2 Quarter 2 Internal Audit Plan 2020-21	<i>Note the updated position and agree to accept the proposed amendments to the original plan of work proposed for the financial year 2020/21</i>
7.	Internal Audit Reports (Moore Stephens)	
	7.1 Capital Projects	<i>Information</i>
	7.2 Fuel Management	<i>Information</i>
	7.3 Community Plan	<i>Information</i>
8.	Direct Award Contracts	<i>Information</i>
9.	Report to Those Charged With Governance - Progress report September 2020	<i>Information</i>
10.	Absence Report Months 1-3 2020/2021	<i>Information</i>

No	Item	Summary of key Recommendations
11.	Matters for Reporting to Partnership Panel	<i>Nil</i>
12.	Correspondence	
	12.1 NIAO: Raising Concerns – Best Practice Guide	<i>Information</i>
	12.2 NIAO: Covid-19 Fraud Risks	<i>Information</i>
	12.3 National Audit Office: Guide for audit and risk committees on financial reporting and management during COVID-19	<i>Information</i>
	12.4 Update to HM Treasury's Orange Book	<i>Information</i>
	'In Committee' Items 13-15 inclusive	
13.	Corporate Risk Review with Corporate Risk Matrix	<i>Note and approve the changes to the Corporate Risk Register</i>
14.	Legal Cases Activity	<i>Information</i>
15.	Whistle Blowing /Fraud	<i>Information</i>
16.	Any Other Relevant Business (notified in accordance with Standing Order 12(o))	
	16.1 NIAO Audit Strategy	<i>Information</i>
	16.2 Advance Notice - Anonymous Survey	<i>Information</i>
17.	Date of Next Meeting - Wednesday 9 December 2020	<i>Circulated</i>

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF
THE AUDIT COMMITTEE
HELD IN COUNCIL CHAMBER CIVIC HEADQUARTERS AND VIA VIDEO
CONFERENCE ON
WEDNESDAY 9 SEPTEMBER 2020 AT 7PM**

In the Chair: Councillor Wallace

Members Present: Alderman Robinson (R), McKeown, S McKillop (R);
Councillors Anderson, Dallat O'Driscoll (R), Holmes,
MA McKillop (R), McLaughlin (R), McQuillan, P
McShane (R), Peacock (R) and Schenning (R)

IND Member Present: L Mitchell

Officers Present: M Quinn, Director of Corporate Services
A Ruddy, Audit, Risk & Governance Officer
P Donaghy, Democratic & Central Services Manager
S Duggan, Civic Support & Committee and Member Services Officer

In Attendance: C Kane, Director, NI Audit Office (R)
C McHugh, Internal Auditor, Moore (NI) (R)

J Winfield, ICT Operations Manager
C Thompson, ICT Officer

Press (2no.) (R)

Key: (R) = Remotely in attendance

1. APOLOGIES

Apologies recorded for Councillors Beattie, McMullan and Watton.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

The Chair introduced L Mitchell, a recently appointed Independent Member to the Audit Committee

L Mitchell addressed committee, stating she was delighted to have been appointed and looked forward to working with committee and meeting Members in person. L Mitchell advised she had been a qualified accountant for 30 years, working within the Western Health Trust including

as Finance Director for 18 years and understood the responsibilities on all Members of the Audit Committee.

3. MINUTES OF AUDIT COMMITTEE MEETING 17 JUNE 2020

The Minutes of the Audit Committee meeting held 17 June 2020 were confirmed as a correct record.

* **Councillor Holmes joined the meeting at 7.05PM.**

Matters Arising

3.1 Performance - Update on 2019/20 Performance Improvement Plan Quarter 3 (Item 10.1)

In the absence of Councillor McMullan, Councillor Peacock referred to a response Councillor McMullan had received from the Director of Corporate Services concerning a matter he had raised at the June Audit meeting, in relation to the provision of leisure services for people with disabilities.

Councillor Peacock read from a prepared statement, she advised organisations across public and private sector had provision within their pricing schedule for people with disabilities and their carers, for example, National Trust 'Admit One' card. Councillor Peacock advised of adverse experiences for some, having to prove a disability upon point of service.

Councillor Peacock considered that Council should recognise this issue and implement a process such as an approved card issued to access disability rates across all Council facilities and, if necessary, facilitate free entry for their carer, should additional support be required.

Councillor Peacock proposed that Council review its pricing scheme for those with disabilities, implement an access card as described which includes free entry to a carer, if required and promote this across the Council area while engaging with disability groups.

Alderman McKillop advised, as a disability champion, she would be in a position to liaise and refer the matter to the relevant Officer tasked with dealing with disability issues in Council.

Councillor Holmes considered the issue was not a matter for Audit Committee to consider.

Upon consent of Councillor Peacock, the Director of Corporate Services stated she would refer the matter to the Director of Leisure and Development.

4. APPOINTMENT OF INDEPENDENT MEMBER

Report, previously circulated.

Council agreed the appointment of a new Independent Member to the Audit Committee at the March meeting. The advertisement appeared in the Belfast Telegraph and Coleraine Chronicle week ending 5th July, with a closing date of 18th July.

Seven application forms were requested. Five applications were returned. Five applicants were shortlisted and interviewed.

The successful applicant being Lesley Mitchell has been informed and will attend Committee's September meeting.

Lesley Mitchell is a fully qualified accountant with over 30 years post qualification experience. She worked in the health service for 32 years of which 18 years was in the role of Finance Director in the Foyle Health and Social Services Trust and latterly the Western Health and Social Care Trust. Lesley retired from the health service in 2019 and is currently working as an Audit Committee member for the NI Commissioner for Children and Young People.

5. NORTHERN IRELAND AUDIT OFFICE (NIAO)

5.1 NIAO Causeway Coast and Glens Borough Council Additional Significant Risk 2019-20 Correspondence

Copy correspondence circulated, presented by C Kane.

NIAO have been reconsidering its audit of the 19/20 accounts in light of the recent Covid 19 pandemic. NIAO are aware and grateful for the contribution local government continue to make to ensure vital public services are delivered to citizens. However are also aware of the financial pressures Councils continue to be under as a consequence of the pandemic.

NIAO have considered this and have decided to include an additional significant risk in addition to the risk identified regarding financial position, to consider the financial resilience of the Council as part of its audit of the 19/20 accounts. The proposed significant risk was included as an Appendix to the letter (circulated).

Councillor P McShane sought clarification, that not all Councils had received an additional significant risk as regards its financial position. C Kane advised that was correct.

Councillor McQuillan sought an explanation of the difference between this Council's position and that of others and the timescale and progress of the reports required to be submitted to the Audit Office.

C Kane advised the matter was in relation to the financial issues and difficulties Council had experienced, where expenditure had exceeded income, Audit would be focusing on this, and additional financial risks. C Kane advised she would be looking at Council's financial resilience and recovery plan, to be submitted within one month- 6 weeks' time, which will look at 1) Recovery, 2) Cashflow and 3) Assessment of Going Concern.

The Director of Corporate Services advised the Chief Executive had convened a Finance Working Group and the Finance Committee were looking at a Medium Term Financial Plan, a recovery plan was due as a result of this ongoing work.

5.2 Performance Improvement in Local Government 2021

Copy correspondence circulated, presented by C Kane.

Correspondence has been received from DfC, advising that subsequent to their letter dated 11 June 2020 a decision has been made to set aside the requirement to produce and publish a performance improvement plan for the 2020/21 year.

Councils will still be required to publish their performance improvement assessment report covering 2019/20, with a publication date of 30 September 2020.

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

6.1 Draft Annual Governance Statements 2019-20

Copy circulated, presented by the Audit, Risk & Governance Officer.

The Audit, Risk & Governance Officer brought Committees attention to pages 13-15 within the report, she advised the report was subject to change.

The Audit, Risk & Governance Officer referred Committee to pages 14-15 within the report, *'the significant governance issues for 2019/20 were*

identified through the review of significant risks in the Corporate Risk Register for the year ending 31 March 2020, consideration of significant events, issues arising, internal and external audit reports'. She advised this would be updated to reflect, where possible the 7 areas now completed.

The Audit, Risk & Governance Officer referred Committee to paragraph 3, areas remain outstanding from prior year recommendations, *'including recommendations in relation to budgetary control and risk management'*.

In addition to those areas, noted by Internal Audit above, the following governance issues have been identified: 1 – Finances and Going Concern. The Audit Risk & Governance Officer advised NIAO commented expenditure had exceeded income for 2 years. She advised Senior Leadership Team (SLT) had commenced a detailed review of Council's budgets for the 2020-21 year. The Council had engaged with Central government seeking financial support. Budgets had been reviewed and significant steps taken to reduce expenditure, to maximise any available cost savings and income generating opportunities.

The Audit, Risk & Governance Officer referred Committee to Area 2 – Covid 19;

Area 3 – ICT – The Audit Risk and Governance Officer advised of large scale remote working and increasing security threat;

Area 4 – Fraud and Raising Concerns, which would be updated to reflect the current position as at December 2020.

The Audit, Risk & Governance Officer advised the final statement would be brought to the December Audit Committee for agreement, before submitting to NIAO for signing.

Councillor Peacock sought an update on the Corporate Strategy and what was required for the Elected Member Development Charter.

The Director of Corporate Services advised the final document would be brought to Corporate Policy and Resources Committee in September or October for Council ratification; she advised information would be brought back on the Corporate Strategy and the Elected Member Development Charter.

The Director of Corporate Services referred to the June Audit Committee, she advised the completed questionnaires referred to were available upon request and would be emailed to Councillor Peacock.

Councillor P McShane welcomed the Statement going further. He referred to a recent confidential report, within which, he considered were reasonable steps, however, he advised Council had failed to act, and therefore he could not take the report seriously.

In response to Alderman McKillop, the Audit, Risk & Governance Officer advised the 2019/20 audits ran into 2020/21, an additional audit had now been completed. She advised Capital Projects had an overall assurance level of limited, Fuel Management from Satisfactory to limited. In total, 7 areas across the Council were subject to Internal Audit during the year, 2 receiving a limited level of assurance with 4 receiving a satisfactory level of assurance, and 1 receiving a Call In.

6.2 Quarter 2 Internal Audit Plan 2020-21

Report, previously circulated, presented by the Audit, Risk & Governance Officer.

The document set out the programme for the provision of Internal Audit Services to Causeway Coast and Glens Borough Council for quarter 2 for 2020/21 and is based both on the audit needs assessment as 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 the report is to provide an update in terms of proposed internal audit plan for Quarter 2 in 2020/21 and access progress against the first Quarter Internal Audit Plan 20/21.

Quarter 1 Internal Audit Plan 2020/21

Following Covid-19 it was agreed at the June audit committee that the audit plan would be considered on a quarterly basis largely following the work planned in the 2019-23 internal audit strategy considering the closure of facilities and what actually remained operational throughout the pandemic. Quarter 1 audit plan was as follows:

Audit Area	Days	Auditor	Timing	Progress
<i>Environmental Services Directorate</i>				
Business Continuity & Emergency Planning		In-house	August	

<i>Financial Directorate</i>				
Use of Corporate Credit Card		In-house	Deferred – Quarter 3	
Treasury Management		Moore NI	Deferred – Quarter 3	
<i>Corporate Directorate</i>				
Corporate health & safety		Moore NI	TBC	
Community Planning		Moore NI	August	

1.1 Quarter 2 Internal Audit Plan 2020/21

The work planned for quarter 2 aims to follow the original of work plan whilst also proposing to audit areas of key risk to the Council in light of the pandemic. The following two areas/audits are proposed to be completed to ensure that the Council remain focused in light of a second wave of the virus, these areas include:

- ICT arrangements for people working from home (wfh).
- Payroll – as a result of employees being deployed, furloughed etc there is an increased risk of error in this area.

To ensure audit remain within its quota of audits for the financial year 2020/21 I am proposing that the following two areas are deferred until facilities reopen to full capacity:

- Coast & Countryside management
- Museums

It is proposed that the audit plan proceeds as normal with focus on the following areas:

Audit Area	Days	Auditor	Timing	Progress
<i>Environmental Services Directorate</i>				
Environment Health		Moore NI	TBC	
Corporate Health & Safety		Moore NI	TBC	
<i>Planning Directorate</i>				

Regeneration & Business Development		In-house	TBC	
<i>Chief Executive Department</i>				
Performance Improvement		Moore NI	TBC	
Community Planning		Moore NI	TBC	

It is recommended the Audit Committee note the updated position and agree to accept the proposed amendments to the original plan of work proposed for the financial year 2020/21.

L Mitchell commended the report, focusing on ICT and payroll was appropriate under the current circumstances and the increasing risks in the environment currently operating.

* **Alderman Robinson joined the meeting at 7.23PM.**

Proposed by Councillor McQuillan
Seconded by Councillor Anderson and

AGREED – to recommend that Council note the updated position and agree to accept the proposed amendments to the original plan of work proposed for the financial year 2020/21.

The Chair put the motion to the Committee to vote.
The Chair declared the motion carried.

7. INTERNAL AUDIT REPORTS (MOORE STEPHENS)

Reports, previously circulated, presented by C McHugh.

7.1 Capital Projects

Based on audit testing C McHugh provided the following overall level of assurance: Limited.

C McHugh advised there was no concern in relation to individual capital projects, the concern overall was in relation to the governance surrounding the capital project itself, a lack of capital strategy and minutes of meetings of the Capital Project Working Group.

Councillor Peacock referred to the Capital Strategy in place at April 2019, CIPFA Prudential Code (2018) and expressed concern jeopardising

compliance. C McHugh advised the recommendations had been accepted, the Working Group would work with the Finance Team to put a Capital Strategy in place for November / December 2020. She recommended reports from the Working Group should report through Committee and to Council.

In response to Councillor McQuillan, the Director of Corporate Services clarified the Capital Projects Working Group consisted of the Director of Leisure and Development, Director of Environmental Services, Chief Executive, Head of Capital Works, Energy & Infrastructure and a member of the Finance team.

L Mitchell commented the timescale for implementation was ambitious and queried whether this was achievable.

The Director of Corporate Services advised there were a range of plans and templates in place, there was no overarching structure between the different service areas and this would be presented to Committee for the November / December 2020 deadline.

Alderman McKillop suggested the high risk should have been identified prior. The Director of Corporate Services advised Capital Projects had been identified as a medium impact risk, she advised the audit had also identified elements of good practice.

Councillor Anderson questioned whether there was any evidence the Working Group had followed up on where money was being spent on Capital Projects.

C McHugh stated there were not a lot of minutes to identify if the Working Group had followed up in this way. C McHugh referred to the recommendation of a post project evaluation looking at capital projects budget spend, in line and what the project has achieved in its objectives and what had been delivered.

7.2 Fuel Management

Based on audit testing C McHugh provided the following overall level of assurance: Limited.

C McHugh outlined the scope of the purchase and secure storage of fuel, the scope had been expanded as the Audit Committee raised a concern in relation to a fuel budget overspend. She referred to two additional Priority 2 recommendations relating to budget preparation. 2 recommendations had been raised in previous reports regarding budget management.

* **Councillor McQuillan left the Chamber at 7.48PM.**

L Mitchell clarified whether any assurance level was unacceptable as opposed to limited, or if there was any risk of that.

C McHugh advised a number of controls had been audited, there was good practice, the concern was budget management and she considered limited assurance correct.

Councillor P McShane queried the difference in budget for fuel allocation in 2019/20. He advised of inadequacies in budget variances, stating PWC ZBB exercise had resulted in significant improvements.

C McHugh clarified she would find the 2019/20 variance for the budget setting process and what was actually required/spent in fuel for the year, both in percentage terms and figures.

Councillor Peacock questioned whether financial matters formed part of performance reviews.

The Director of Corporate Services stated PDR (Performance and Development Review) had been rolled out to Tier 2, and would be rolled out to Tier 3. She advised Months 1-4 Management Accounts had been circulated, Months 1-5 would be available within the next few weeks. Projections for estimates for the year-end, taking into account the impact of Covid could then be prepared.

Councillor Holmes advised setting budgets was vitally important, there had been errors in the budget setting process the budgets should be restated during the course of the year, there was a the culture of the organisation to spend what they wish.

Alderman McKillop asked that it was noted; she agreed with the Independent Member, she had concerns surrounding the weaknesses and control of access to fuel, fuel not being logged properly, she considered the risk was understated within the document and would like it looked at again.

C McHugh advised she would be following up to identify if the recommendations were being put in place.

7.3 Community Plan

Based on audit testing C McHugh provided the following overall level of assurance: Satisfactory.

C McHugh advised of two Priority 2 recommendations and one Priority 3 recommendation.

C McHugh referred to the Terms of Reference for the Groups managing the Community Plan, to ensure reporting and everyone aware of their role and responsibilities. She advised meetings had been delayed due to Covid and recommended the schedule of meetings kept up with statutory reporting.

C McHugh advised the Corporate Strategy was out of date and should be in place to reflect the Community Plan.

L Mitchell commended the management of Community Planning, demonstrating relatively minor issues raised.

8. DIRECT AWARD CONTRACTS

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

Background

Causeway Coast and Glens Borough Council approved an updated Procurement Policy in March 2019.

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 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 2 December 2019 and these were listed below (table circulated), it should be noted that none of these required Council approval at the point of award.

Councillor Schenning queried whether awards to community organisations had been via the Funding Unit. The Director of Corporate Services advised she would investigate more detail and respond.

9. REPORT TO THOSE CHARGED WITH GOVERNANCE - PROGRESS REPORT SEPTEMBER 2020

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

The Director of Corporate Services highlighted areas within the document – an Internal Audit on Agency staff would be presented to the December Audit committee meeting; committee's attention was drawn to Leases, a temporary payment holiday had been granted; programming was continuing as resources would permit.

10. ABSENCE REPORT MONTHS 1-3 2020/2021

Report, previously circulated, presented by the Director of Corporate Services, to provide Members with Quarter 1 (April-June 2020/2021) information regarding Absenteeism throughout the Council.

Background

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

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

**Performance Improvement Plan 2019/2020, continuing in 2020/2021
Progress to date – Quarter 1 (April – June 2020) Objective 4,
Performance Improvement Plan**

Outputs

- The new Sickness Absence Policy and Procedure, has been developed, consulted on and agreed with Trade Unions at JCNC. The Policy was presented to Members via CPR in November 2019, and scheduled to be tabled again with a recommendation for approval at CPR in January 2020. The Policy was agreed by Council on 4th February 2020.
- The implementation date of the Policy was delayed to 1st July 2020 as a result of COVID 19.
- A programme of training for employees and line managers was developed following approval of the Policy. This training was carried out virtually and commenced in June 2020 to coincide with the implementation date.
- 258 staff and managers have been trained to date, with further training planned for front line staff.
- Work is ongoing with stakeholders to identify and agree further measures to support employees such as access to private Health Care, access to specific treatments, health insurance etc
- In light of COVID-19 Occupational Health appointments are continuing mainly by telephone call. However, Occupational Health are providing some face to face appointments and OD/HR are working with Occupational Health to ensure appropriate measures are in place.
- Councils' highest reason for absence is stress. Employees who report sick with stress are referred immediately to Occupational Health so that interventions can be put in place at an early stage. Employees are also reminded of the counselling services provided by INSPIRE and over this period a number of employees availed of these services.
- The Health & Well Being Group activities for employees were cancelled as a result of COVID 19 for this period.
- OD/HR continue to issue emails to all staff covering a variety of topics in relation to general health and wellbeing including Mental Health.
- SLT have agreed to adopt the Regional Mental Health and Well Being Strategy developed via the Local Government Staff Commission.

Outcomes

- A 2.5% reduction in the number of days lost to Council through long term sickness (2,237.37 in 2019/20)
- A 2.5% reduction in the average number of days lost per employee through sickness absenteeism (4.03 days per employee in 2019/20)
- We will maintain the average time for an Occupational Health Review from 4 weeks to 2 weeks.
- There were no Council physical wellbeing activities and events due to COVID-19 restrictions.

	3 months ending 30/06/19	Target for year	3 months ending 30/06/20	On Target/ Not On Target
Average number of days lost per employee through sickness absenteeism	4.03	3.93 (2.5% reduction)	3.91 (2.97% reduction)	On Target
Number of Days lost to Council through long term sickness	2237.37	2,181.44 (2.5% reduction)	2,171.83 (2.93% reduction)	On Target
Average time for an Occupational Health Review - We will maintain the average time for an Occupational health Review from 4 weeks to 2	4 weeks	2 weeks (from 4 weeks to 2 weeks)	2 weeks	On Target
Staff members will take part in the Council's new physical wellbeing activities and events			Cancelled due to COVID	

Quarter 1 Details

Quarter 1 details were included in Appendix 1 (circulated) and can be summarised as follows

- 84 employees were absent during this quarter with 528 present (124 and 510 for the same period 2019)
- 91.35% of the absence was classed as “Long Term Absence” ie absence greater than 20 days, with 8.65% short term, (88.87% and 11.13% in 2019)
- Average days lost per employee (combined short and long term) at the end of Quarter 1 was 3.91 (4.03 for the same period 2019)

Appendix 2 (circulated) provides details in terms of the causes of absence. The top 5 are as follows:-

- Stress, depression, mental health and fatigue – 57.32% (46.36% in Quarter 1 2019)
- Infections – 9.49% (2.51% 2019)
- Stomach, Liver, Kidney and Digestion – 8.55% (2.68% in 2019)
- Back and neck problems – 8.17% (7.96% in 2019)
- Other (eg Cancer, RTC, Surgery, Post op recovery etc) – 6.85% (19.11 in 2019)
- Musculo-skeletal problems – 6.05% (9.4% in 2019)

This quarterly report will continue to be provided to Audit committee, and the information will also be feed through Council’s Performance Improvement Plan.

It is recommended that Council notes the report presented.

Councillor Holmes queried whether monitoring of absences in relation to Covid were recorded separately, he commented the report did not present Agency staff. The Director of Corporate Services advised she would bring the information back, she advised furlough of staff had commenced during the period. Councillor Homes commented that absences had not increased in light of Covid-19 which was positive.

Councillor Anderson queried whether mental health initiatives had taken Covid into consideration, The Director of Corporate Services advised of availability to mental health services online, employees may also self-refer to occupational health services, and advised that there were a range of Policy initiatives in place.

Alderman McKillop requested clarification that absenteeism had improved, with employees working from home. The Director of Corporate Services clarified, had the mechanism not been in place, there may have been a huge increase in sickness absence due to childcare and caring commitments, for example.

11. MATTERS FOR REPORTING TO PARTNERSHIP PANEL

There were no matters for reporting to the Partnership Panel.

12. CORRESPONDENCE

Previously circulated.

12.1 NIAO: Raising Concerns – Best Practice Guide

C Kane advised 'Raising Concerns' was the revised terminology for 'Whistleblowing', both internally and externally, that should be taken on board as good practice for the organisation.

Councillor Peacock welcomed the Guide, she wished to ensure the Policies and Procedures were updated to reflect the guidance and that a 'Raising Concerns Champion' be nominated.

Councillor P McShane urged caution at anyone wishing to raise concerns.

Proposed by Councillor Peacock
Seconded by Councillor McLaughlin

- to recommend that Council nominate a 'Raising Concerns Champion'.

The Director of Corporate Services advised the following documents would now be updated incorporating the Best Practice Guide – Risk Management and the Whistleblowing Policy, and presented to the December Audit Committee.

C Kane clarified a, 'Raising Concerns Champion,' would be an Officer.

Councillor Peacock, upon consent of the seconder, withdrew her proposal on the assurance the Policies and Procedures would be reflected to include a 'Raising Concerns Champion', when being drafted.

* **Councillor Anderson left the Chamber at 8.19PM and re-joined at 8.23PM.**

12.2 NIAO: Covid-19 Fraud Risks

Correspondence, presented by C Kane, highlighting a higher risk of fraud during Covid-19.

12.3 National Audit Office: Guide for audit and risk committees on financial reporting and management during COVID-19

Correspondence, presented by C Kane, she advised was authored by National Audit Office, which would primarily apply to Central Government and challenges financial reporting.

12.4 Update to HM Treasury's Orange Book

Correspondence, presented by the Director of Corporate Services, she advised relevant documents would be updated to reflect the new guidance and brought back to the December Audit Committee.

MOTION TO PROCEED 'IN COMMITTEE'

Proposed by Councillor Anderson
Seconded by Councillor Holmes and

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

* **Press left the meeting at 8.35PM.**

13. CORPORATE RISK REVIEW WITH CORPORATE RISK MATRIX

Confidential report, previously circulated, presented by the Audit, Risk and Governance Officer.

Purpose of Report

This report compares the June risk register to the September risk register documenting the escalation of some risks whilst other risks facing the Council are unlikely to materialise.

Background

This quarter the senior management undertook a comprehensive review to identify and assess the main risks that could prevent the Council from realising its objectives. Following the review mitigating actions have also been reviewed to ensure that these risks are managed to an acceptable level.

The goal of risk management is to manage these risks to an acceptable level, not to eliminate risk completely. When risks are managed effectively, our objectives and priorities are more likely to be achieved.

The table circulated aims to compare the June risk matrix to the September risk matrix seeking to highlight the impact the pandemic and external environment has had on the key business of Council.

Finance has increased to being the main risk facing the Council, this is supported by the yearend financial statements which show expenditure in excess of income. Whilst the 2020/21 in year review looks healthier, this area will remain the key focus for the Council going forward. Covid-19 drops to second place with systems now established to support services continuing as normal, however Council cannot become complacent in its approach to this virus.

The risk to the Councils planning service has increased in this quarter following consideration by senior management. With the reduction in income as a result of Covid-19 and vacant posts to be filled both will have an impact on performance. Mitigating actions are currently being considered by senior management and the recommendations from the review of planning service will also be considered and implemented.

The fundamental responsibility for managing these risks lies with senior management. Committees also have an important role to play in the oversight of the management of these key risks, seeking assurance from senior management in order to ensure that progress is being made to manage these risks.

Proposals

Agreement of the selection of the changes as proposed in paragraph 2.1 to paragraph 2.3 to the Corporate Risk Register are presented to the Audit Committee for more detailed discussion and agreement

It is recommended that the Audit Committee notes and approves the changes to the Corporate Risk Register.

Proposed by Alderman McKillop

Seconded by Councillor Schenning and

AGREED – to recommend that Council notes and approves the changes to the Corporate Risk Register.

14. LEGAL CASES ACTIVITY

Confidential report, previously circulated, briefly presented by the Director of Corporate Services.

15. WHISTLE BLOWING /FRAUD

The Audit, Risk and Governance Officer updated committee, she advised there had been two court cases, opened and closed, she advised of an additional issue of correspondence received to consider progression of; and that all other investigations were ongoing.

Councillor P McShane queried an update on an issue regarding an employee. The Audit, Risk and Governance Officer advised the internal audit and investigation had been completed and the issue remained live within the Council.

MOTION TO PROCEED 'IN PUBLIC'

AGREED – to recommend that Council move, *'In Public'*.

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

16.1 NIAO Audit Strategy

The Audit, Risk and Governance Officer wished to acknowledge Northern Ireland Audit Office in providing training on the Audit Strategy for Committee Members. She thanked the NIAO for their Teams call in relation to taking members through the Audit Strategy issued.

The Chair concurred, he advised the Training was very useful.

16.2 Advance Notice - Anonymous Survey

The Audit, Risk and Governance Officer advised an anonymous survey would shortly be carried out to gauge Committee's views on how they feel the Audit Committee is operating.

17. DATE OF NEXT MEETING - WEDNESDAY 9 DECEMBER 2020

Circulated.

This being all the business the Chair thanked everyone for their attendance and the meeting concluded at 8.53PM.

Chair

Unconfirmed