

NEWRY MOURNE AND DOWN DISTRICT COUNCIL

Minutes of Audit Committee Meeting held on Thursday 21 September 2023, at 2.00pm, in the Mourne Room Downshire Civic Centre Downpatrick and via Microsoft Teams.

Chairperson: Ms B Slevin, Independent Chairperson (Chamber)

In attendance in Chamber: Councillor S O'Hare

In attendance via Teams:

Councillor C Bowsie	Councillor J Brennan
Councillor L Devlin	Councillor O Hanlon
Councillor T Kelly	Councillor C King
Councillor A Quinn	Councillor G Sharvin

Officials in attendance

In Chamber:

Mrs J Kelly, Director Corporate Services
Mr A Cassells, Director of Sustainability & Environment
Mr C Mallon, Director: Economy, Regeneration & Tourism
Mr G Byrne, Assistant Director of Finance & Performance
Ms C Hughes, Head of Performance (Acting)
Ms E Cosgrove, Head of Compliance
Ms S McConville, Procurement Manager (Acting)
Ms S Taggart, Democratic Services Manager

Officials in attendance

Via Teams:

Mrs M Ward, Chief Executive
Ms B Phillips, Finance Manager

Also in attendance:

Mr S Knox NIAO
Ms C Hagan ASM

AC/066/2023: APOLOGIES AND CHAIRPERSON'S REMARKS

There were no apologies received.

AC/067/2023: DECLARATIONS OF INTEREST

There were no declarations of interest.

The Audit Chairperson, Ms B Slevin, left the chamber at this stage – 2.05pm

AC/068/2023: AUDIT CHAIRPERSON

Read: Report dated 21 September 2023 from Ms J Kelly,
Director of Corporate Services re: Audit Chairperson
(Copy circulated)

AGREED: It was agreed on the proposal of Councillor Hanlon, seconded by Councillor Sharvin to approve the extension of the contract for the current Independent Chair of the Audit Committee to 31 July 2024.

The Audit Chairperson, Ms B Slevin, re-entered the chamber at this stage – 2.08pm

AC/069/2023: ACTION SHEET ARISING FROM: AUDIT COMMITTEE MEETING TUESDAY 04 JULY 2023

Read: Action Sheet arising from Minutes of the Audit Committee Meeting held on Tuesday 04 July 2023.
(Copy circulated)

AGREED: On the proposal of Councillor Hanlon, seconded by Councillor Bowsie, it was agreed to note the Action Sheet for Audit Committee Meeting held on Tuesday 04 July 2023.

AC/070/2023: AUDIT COMMITTEE TRAINING

Read: Report dated 21 September 2023 from Mr G Byrne,
Assistant Director, Finance & Performance, regarding
Audit Committee Training for Members.
(Copy circulated)

Mr Byrne advised he had enquired from NILGA whether the training would be recorded in order that those Members who were unable to attend could have access to the training at a later date. He stated he had not received a response as yet but would revert to Members when it was forthcoming.

AGREED: On the proposal of Councillor Devlin, seconded by Councillor Brennan, it was agreed to note the update in relation to Audit Committee Training and Members were encouraged to attend the NILGA/NIAO facilitated session on the 06 October 2023 at 12.30pm.

CORPORATE SERVICES (OPEN SESSION)

AC/071/2023: CORPORATE RISK REGISTER

Read: Report dated 21 September 2023 from Ms J Kelly, Director of Corporate Services, regarding the Corporate Risk Register including the AHC Directorate Risk Register. **(Copy circulated)**

Councillor Sharvin queried why the title of the sickness absence risk had been changed as the previous title represented a more accurate reflection of the risk. He also asked why the vacant Directors' posts did not appear on the register as risks as there maybe a likelihood of not filling the posts through the recruitment process thereby adding more pressure to those existing Directors covering these departments.

Mrs Kelly advised SMT regularly review the risks and she would take back the Members' comments regarding the change in title. She stated the SMT could also investigate whether a separate risk around the recruitment process for Directors was required or if it can be inputted into the current risk. She advised the recruitment timetable had been presented and the recruitment panel had been appointed with the first training session having taken place.

Councillor Sharvin stated it may be a short-lived risk however it was important to acknowledge that it did exist and should be tracked as such in the register.

Councillor Hanlon endorsed Councillor Sharvin's comments stating the concerns need to be documented to ensure the risk can be tracked.

AGREED: On the proposal of Councillor Hanlon, seconded by Councillor Sharvin, it was agreed to approve the updates to the Corporate Risk Register highlighted within the summary at Appendix 1 of the officer's report. Full Corporate Risk Register evidenced at Appendix 2. It was also agreed to note the revised AHC Directorate Risk Register at Appendix 3. It was further agreed that SMT reflect on the comments made by Elected Members regarding the title of sickness absence risk and the need for

an identified risk to be inserted into the register around Director recruitment.

AC/072/2023: PROMPT PAYMENT STATISTICS

Read: Report dated 21 September 2023 from Mr G Byrne, Assistant Director, Finance & Performance, regarding Prompt Payment Statistics – Quarter 1 2023-2024.
(Copy circulated)

AGREED: On the proposal of Councillor Bowsie, seconded by Councillor Kelly it was agreed to note the Quarter 1 2022-23 Prompt Payment statistics.

AC/073/2023: UPDATE RE: MEMBERS INTERESTS

Read: Report dated 21 September 2023 from Miss S Taggart, Democratic Services Manager (Acting) regarding Register of Members' Interests. **(Copy circulated)**

AGREED: On the proposal of Councillor Brennan, seconded by Councillor Kelly, it was agreed to note the 6-month review report.

AC/074/2023: NMDDC STATEMENT OF ACCOUNTS

Read: Report dated 21 September 2023 from Mr G Byrne, Assistant Director of Finance & Performance, regarding Statement of Accounts for Year ending 31 March 2023
(Copy circulated)

Mr Byrne delivered a presentation on the Statement of Accounts of Newry, Mourne and Down District stating these were submitted to NIAO to be audited. He stated as per the NIAO's draft Report to Those Charged with Governance, there had been no material year-end adjustments therefore the figures within the Prime Statements presented to the Audit Committee in July 2023 remain consistent.

Ms Slevin queried whether Mr Byrne knew what the likely impact of the schools challenge with LPS would have on the amount of rates received by the Council.

Mr Byrne advised LPS were to provide a detailed report with regard the level of appeals in relation to schools and non-education sectors. He stated the Rates Support Grant had been cut continually however Council had known this

since the beginning therefore were more prepared for this. He stated that Mid Ulster Council were taking the lead in bringing a case forward at present with regard to the ongoing reduction in the rate support grant.

AGREED: On the proposal of Councillor Brennan, seconded by Councillor Hanlon, it was agreed to note the NIAO Report to Those Charged with Governance (RTTCWG) and approve the Statement of Accounts for the year ending 31 March 2023 for signing by the Chief Executive and Chairperson. It was also agreed to approve to not make any changes in respect of unadjusted misstatements identified in the RTTCWG.

NIAO (CLOSED SESSION)

Items restricted in accordance with Part 3 of Schedule 6 of the Local Government Act (Northern Ireland) 2014

Agreed: On the proposal of Councillor Hanlon, seconded by Councillor Devlin, it was agreed to exclude the public and press from the meeting during discussion on this matter which related to exempt information by virtue of Part 3 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 – Information relating to the financial or business affairs of a particular person (including the Council holding that information) and the public may, by resolution, be excluded during these items of business.

Agreed: On the proposal of Councillor O'Hare, seconded by Councillor Kelly, it was agreed to come out of Closed Session.

AC/075/2023: **NIAO
REPORT TO THOSE CHARGED WITH GOVERNANCE**

Read: Correspondence from NIAO, regarding Report to Those Charged with Governance (RTTCWG).
(Copy circulated)

AGREED: On the proposal of Councillor Sharvin, seconded by Councillor Bowsie it was agreed to note the Report and agree not to make any changes in respect of unadjusted mis-statements.

CORPORATE SERVICES (CLOSED SESSION)

AC/076/2023: UPDATE RE: AUDIT RECOMMENDATIONS

Read: Report dated 21 September 2023 from Ms E Cosgrove, Head of Compliance, regarding an update on Audit Recommendations. **(Copy circulated)**

AGREED: On the proposal of Councillor Hanlon, seconded by Councillor Quinn, it was agreed to note the update in relation to legacy audit recommendation. It was also agreed that a risk profile along with visual summaries of the data be included on the Audit Recommendations report.

AC/077/2023: DIRECT AWARD CONTRACTS

Read: Report dated 21 September 2023 from Ms S McConville, Procurement Manager, regarding DAC/STA Register – Quarter 2. **(Copy circulated)**

AGREED: On the proposal of Councillor Hanlon, seconded by Councillor Bowsie, it was agreed to note the Quarter 2 update in relation to Single Tender Actions.

AC/078/2023: FRAUD & WHISTLEBLOWING

Read: Report dated 21 September 2023 from Mr G Byrne, Assistant Director, Finance & Performance regarding an update on Fraud and Raising Concerns. **(Copy circulated)**

AGREED: On the proposal of Councillor O'Hare, seconded by Councillor Hanlon, it was agreed:

- a) To note the update in relation to Fraud and Raising Concerns cases which have been detailed at Appendix 1 of the officer's report.**
- b) To note the National Fraud Initiative matches testing and the further work which will now be undertaken.**
- c) To note the progress on actions arising from the NIAO Internal Fraud Risk self-assessment.**

AC/079/2023: PROCUREMENT ACTION PLANS

Read: Report dated 21 September 2023 from Ms S McConville, Procurement Manager, regarding Procurement Action Plans **(Copy circulated)**

AGREED: On the proposal of Councillor Brennan, seconded by Councillor O'Hare, it was agreed to note the update in relation to Procurement Action Plans for each Directorate.

AC/080/2023: EXTERNAL ASSESSMENT OF INTERNAL AUDIT SERVICE

Read: Report dated 21 September 2023 from Mr G Byrne, Assistant Director, Finance & Performance regarding External Assessment of Internal Audit Service. **(Copy circulated)**

AGREED: On the proposal of Councillor O'Hare, seconded by Councillor Brennan, it was agreed to note the update in relation to the External Assessment of Internal Audit.

INTERNAL AUDIT (CLOSED SESSION)

AC/080/2023: ASM SUMMARY REPORT

Read: ASM Internal Audit Summary Report dated 21 September 2023. **(Copy circulated)**

AGREED: On the proposal of Councillor Devlin, seconded by Councillor Brennan, it was agreed to note ASM Internal Audit Summary Report.

PERFORMANCE (OPEN SESSION)

AC/081/2023: ASSESSMENT OF PERFORMANCE 2022/23

Read: Report dated 21 September 2023 from Mr G Byrne Assistant Director of Finance regarding Assessment of Performance 2022/23. **(Copy circulated)**

AGREED: On the proposal of Councillor Hanlon, seconded by Councillor O'Hare, it was agreed to note the Assessment

of Performance 2022-23, including the summary document 'Our Performance Looking Back Going Forward'.

There being no further business the meeting concluded at 3.57pm.

For consideration at the Council Meeting to be held on Monday 02 October 2023.

Signed: Ms J Kelly
Director Corporate Services

Signed: Ms B Slevin
Independent Chairperson