

**NEWRY MOURNE AND DOWN DISTRICT COUNCIL**

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**Minutes of Audit Committee Meeting held on Tuesday 24 September 2019 at 6.00pm in the Mourne Room, Downshire Estate, Downpatrick**

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- Chairperson:** Ms B Slevin Independent Chairperson
- In Attendance:** **(Committee Members)**  
Councillor P Byrne  
Councillor W Clarke  
Councillor O Hanlon  
Councillor C Enright  
Councillor T Andrews (replacing Cllr Devlin)
- Officials in Attendance:** Mr L Hannaway Chief Executive  
Mr K Montgomery Assistant Director,  
Corporate Services (Finance)  
Ms B Phillips Finance Manager  
Mr G Byrne Audit Services Manager  
Ms L Dillon Democratic Services Officer
- Also in Attendance:** Ms A McMaw ASM (Internal Auditors)  
Mr B O'Neill Northern Ireland Audit Office

The Chairperson welcomed everyone to the meeting.

**Noted:** It was noted at the outset of the meeting that Councillor L Devlin was currently off on Maternity Leave and Councillor P Byrne nominated Councillor T Andrews to replace Councillor L Devlin on the Audit Committee, for this meeting

**Noted:** Mr Hannaway explained Members had only been issued the Statement of Accounts 2018/19 and he suggested adjourning the meeting until 7.00pm in order to allow them an opportunity to read the contents.

**AGREED:** **On the proposal of Councillor Byrne seconded by Councillor Andrews it was agreed to adjourn the Audit Committee Meeting until 7.00pm to allow Members an opportunity to read the Statement of Accounts 2018-19.**

(6.10pm – The meeting adjourned)  
(6.10pm – Councillor Enright left the meeting)  
(7.00pm – The meeting resumed)

**AC/060/2019: APOLOGIES AND CHAIRPERSON'S REMARKS**

The following apologies were received:

Councillor A Lewis  
Councillor M Gibbons  
Councillor L Devlin  
Councillor M Ruane  
Councillor G Sharvin  
Councillor C Enright

**AC/061/2019: DECLARATIONS OF INTEREST**

No declarations of interest.

**AC/062/2019: ACTION SHEET ARISING FROM AUDIT COMMITTEE MEETING – WEDNESDAY 3 JULY 2019**

Read: Action Sheet arising out of Minutes of Audit Committee Meeting held on Wednesday 3 July 2019.  
**(Copy circulated)**

The following issues were raised arising out of the above Action Sheet:

**AC/018/2019 – Internal Audit Asset: Summary Report (Grants Management System)**

**Noted:** A status report on the Grants Database will be brought back to the Audit Committee Meeting. This item will remain on the Action Sheet.

**AC/047/2019 – Members Training**

**AGREED:** On the proposal of Councillor Byrne seconded by Councillor Andrews it was agreed that In-House Training for Members of the Audit Committee will be provided by ASM Internal Audit and will be held on Thursday 9 January 2020, prior to the Audit Committee Meeting to be held on that date.

**AC/055/2019 – Update re: Audit Recommendations**

**Noted:** An update from the Audit Services Manager regarding Audit Recommendations would be tabled at a later stage during the Meeting.

**AGREED:** Update re Audit Recommendations to remain on the Action Sheet.

**AGREED:** It was unanimously agreed to note the Action Sheet and remove those actions marked for removal, with the exception of AC/055/2019 re: Audit Recommendations.

**INTERNAL AUDIT (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 Byrne seconded by Councillor Andrews, 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.

**AC/063/2019 ASM SUMMARY /PROGRESS REPORT**

**Read:** ASM Summary Progress Report for period 4 July 2019 – 24 September 2019. **(Copy circulated)**

**AC/064/2019 ASM INTERNAL AUDIT PLAN (REVISED)**

**Read:** ASM revised Internal Audit Plan. **(Copy circulated)**

**AC/065/2019 ASM INTERNAL AUDIT REPORT - LEISURE**

**Read:** ASM Internal Audit re: Audit Fieldwork 2019/20 – Leisure Services – cash handling and bookings management. **(Copy circulated)**

**NIAO (CLOSED SESSION)**

**AC/066/2019**

**NIAO  
REPORT TO THOSE CHARGED WITH GOVERNANCE**

Read: Northern Ireland Audit Office re: Report to Those Charged with Governance. **(Copy circulated)**

**CORPORATE SERVICES (CLOSED SESSION)**

**AC/067/2019**

**STATEMENT OF ACCOUNTS 2018-19**

Read: NMDDC Statement of Accounts Year ended 31 March 2019. **(Copy circulated)**

**AC/068/2019**

**UPDATE RE: AUDIT RECOMMENDATIONS**

Read: Report dated 24 September 2019 from Mr G Byrne Audit Services Manager regarding an update on the monitoring of internal audit recommendations made since the formation of NMDDC and a review of progress on NIAO recommendations. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor Andrews seconded by Councillor Byrne it was agreed to come 'out of Closed Session'.**

When the Committee came out of Closed Session the Chairperson reported the following decisions had been taken on the items discussed:

**AC/063/2019 - ASM Summary/ Progress Report**

**AGREED:** **It was agreed to note the ASM Summary/Progress Report for period 4 July 2019 – 24 September 2019.**

**AC/064/2019 - ASM Internal Audit Plan (Revised)**

**AGREED:** **On the proposal of Councillor Byrne seconded by Councillor Clarke it was agreed to approve the revised ASM Internal Audit Plan.**

**AC/065/2019 - ASM Internal Audit Report**  
**Re: Leisure**

**AGREED:** It was agreed to note the ASM Audit Fieldwork 2019-20 Report on Leisure Services – cash handling and bookings management.

**AC/066/2019 - NIAO Report to Those Charged with Governance**

**AGREED:** On the proposal of Councillor Andrews seconded by Councillor Hanlon it was agreed to note the Report to Those Charged with Governance, and note adjustments reflected in the Annual Accounts.

It was also agreed a complete Report to Those Charged with Governance will be tabled at the Audit Committee Meeting in January 2020.

**AC/067/2019 - Statement of Accounts 2018-19**

**Agreed:** On the proposal of Councillor Byrne seconded by Councillor Clarke it was agreed to approve the Statement of Accounts 2018-19 and Annual Governance Statement.

**AC/068/2019 - Update re: Audit Recommendations**

**Agreed:** It was agreed to note the Report from the Audit Services Manager providing an update on Internal Audit Recommendations and NIAO recommendations.

It was agreed a report be tabled at the Audit Committee Meeting in January 2020 outlining the level of risk against all outstanding audit recommendations.

**CORPORATE SERVICES**

**AC/069/2019      CORPORATE RISK REGISTER**

**Read:** Report dated 24 September 2019 from Mr G Byrne Audit Services Manager regarding the Corporate Risk Register.  
**(Copy circulated)**

Mr Byrne presented the above report.

During discussion on Corporate Risk, Members raised the following issues:

- Absenteeism
- Planning applications backlog
- Area Development Plan
- Brexit – rural economic development programme

**AGREED:** On the proposal of Councillor Clarke seconded by Councillor Andrews it was agreed:

- (a) To note the Corporate Risk Register.
- (b) A report on absenteeism levels to be brought to the next meeting of the Strategic Policy & Resources Committee Meeting to be held on Thursday 17 September 2019.
- (c) Update to be provided to Members on the Area Development Plan process and on outstanding legacy Planning Applications.

**AC/070/2019:** **FRAUD & WHISTLEBLOWING**

Read: Report dated 24 September 2019 from Mr G Byrne, Audit Services Manager regarding Fraud and Whistleblowing. **(Copy circulated)**

Mr G Byrne Audit Services Manager presented the above report.

**AGREED:** It was agreed to note the Fraud and Whistleblowing cases as per Report from Mr G Byrne Audit Services Manager above.

**AC/071/2019:** **DIRECT AWARDS CONTRACTS**

Read: Report dated 24 September 2019 from Mr G Byrne, Audit Services Manager regarding the Direct Awards Contracts / Single Tender Actions. **(Copy circulated)**

Mr G Byrne Audit Services Manager presented the above report.

**Agreed:** It was agreed to note report dated 3 July 2019 from Mr G Byrne Audit Services Manager regarding the Direct Awards Contracts/Single Tender Actions.

**AC/072/2019**                    **PROMPT PAYMENT STATISTICS**

Read:                                Report dated 24 September 2019 from Mr G Byrne Audit Services Manager regarding Prompt Payment Statistics. **(Copy circulated)**

Mr G Byrne Audit Services Manager presented the above report.

**Agreed:**                        **It was agreed to note the Report on Prompt Payment Statistics.**

**PERFORMANCE**

**AC/073/2019**                    **ASSESSMENT OF PERFORMANCE 2018-19**

Read:                                Report dated 24 September 2019 from Mr G Byrne Audit Services Manager regarding Assessment of Performance 2018-19. **(Copy circulated)**

**Agreed:**                        **It was agreed to note the Assessment of Performance 2018-19 which was presented to the Strategic Policy & Resources Committee Meeting held on 12 September 2019.**

**AC/074/2019**                    **PERFORMANCE IMPROVEMENT ASSESSMENT PROGRAMME**

Read:                                Report dated 24 September 2019 from Mr G Byrne Audit Services Manager regarding **(Copy circulated)**

**AGREED:**                        **It was agreed to note the Performance Improvement Assessment Programme which was presented to the Strategic Policy & Resources Committee Meeting held on 12 September 2019.**

The Chairperson said this was her last meeting with the Chief Executive , Mr Hannaway. She said it had been a pleasure to work with Mr Hannaway and she extended her best wishes to him for the future.

There being no further business the meeting concluded at 8.15pm.

For consideration at the Council Meeting to be held on Monday 7 October 2019.

**Signed:**                        **Mr L Hannaway**  
**Chief Executive**

**Signed:**                        **Ms B Slevin**  
**Independent Chairperson**

