NEWRY MOURNE AND DOWN DISTRICT COUNCIL

Ref: AC/2026

Minutes of Audit Committee Meeting held on Thursday 30 July 2026, at 2.00pm, via MS Teams

Chairperson: Ms B Slevin, Independent Chairperson

Committee Members in attendance via Teams:
Councillor C Bowsie
Councillor P Byrne
Councillor L Devlin
Councillor O Hanlon
Councillor C King
Councillor K Murphy
Councillor S O'Hare

Non-Committee Members In attendance via Teams: Councillor J Truesdale

Officials in attendance via Teams:
Mrs M Ward, Chief Executive
Mr A Patterson, Director of Active & Healthy Communities
Mr C Boyd, Assistant Director of Capital & Procurement
Ms E Kirk, Assistant Director of Legal & People
Mr J McGilly, Assistant Director: Regeneration
Mr C Sage, Assistant Director: Sustainability
Ms S Trainer, Assistant Director: Environment
Ms K Hanna, Finance Manager
Mr G Ringland, IT Manager
Miss S Taggart, Democratic Services Manager
Ms F Branagh, Democratic Services Officer
Mr C Smyth, Democratic Services Officer

Also in attendance via Teams:
Ms C Hagan Sumer NI
Ms S Jones NIAO

AC/045/2026: **APOLOGIES AND CHAIRPERSON'S REMARKS**

Apologies were received from Councillor Brennan, and from Mr Mallon, Director of Economy, Regeneration & Tourism, and Mrs Murphy, Director of Sustainability & Environment. An apology was also received from Ms C O'Hagan, NIAO.

AC/046/2026: **DECLARATIONS OF INTEREST**

There were no declarations of interest.

AC/047/2026: **ACTION SHEET OF AUDIT COMMITTEE MEETING HELD 7 MAY 2026**

Read: Action Sheet arising from the Audit Committee Meeting held on 7 May 2026. (Copy circulated)

AGREED: **On the proposal of Councillor O'Hare, seconded by Councillor C King, it was agreed to note the Action Sheet for Audit Committee Meeting held 7 May 2026.**

AC/048/2026: **AUDIT COMMITTEE ANNUAL REPORT**

Read: Report from Ms B Slevin, Independent Chair of Audit Committee, regarding Audit Committee Annual Report (Copy circulated)

Ms Slevin, as Independent Chairperson of the Audit Committee, presented the Audit Committee Annual Report for 2025/26, advising that it reflected the work undertaken by the Committee throughout the year. She highlighted that the Committee's self-assessment had concluded that it was operating effectively during 2025/26, noting a number of recommendations arising from the review, such as the provision of further training for Members, alongside requests for updates on cyber and digital risks and climate change, both of which would be addressed during today's meeting.

Ms Slevin also advised that engagement had taken place with key stakeholders to enhance the Committee's effectiveness, including a constructive meeting with SUMER NI representatives. She reflected that the annual review of the Chairperson's performance undertaken by Councillors Byrne and Hanlon had concluded that an appropriate standard had been applied in chairing meetings and welcomed the Council receiving an unqualified audit opinion on the 2024/25 financial statements and a satisfactory internal audit assurance opinion, describing this as positive progress from the previous year.

In closing, Ms Slevin thanked Members and officers for their support throughout the year and extended her best wishes to former officers Mrs Kelly and Mr Byrne in their future careers.

Councillor Bowsie noted the work carried out by Mrs Kelly and Mr Byrne and queried whether there was an official start date for the new Corporate Services Director.

Mrs Ward advised that a communication had been shared with a start date of 10 August 2026.

Councillor Hanlon queried whether there was a risk to the Council when staff moved on before replacement staff were in post, and whether recruitment timescales could be better aligned to facilitate an adequate handover of information.

Mrs Ward advised that, while recruitment timescales did not always allow for overlap between departing and incoming staff, she had no concerns regarding handover arrangements. She confirmed that comprehensive handover notes had been prepared, arrangements had been made for the incoming temporary Assistant Director of Finance to meet with the outgoing officer, and further handover meetings had been arranged for the incoming Director of Corporate Services. She stated that appropriate measures had been put in place to ensure continuity of service and effective transfer of knowledge.

AGREED: **On the proposal of Councillor K Murphy, seconded by Councillor Devlin, it was agreed to note the contents of the report.**

PERFORMANCE

AC/049/2026: **PERFORMANCE IMPROVEMENT PLAN 2026/27**

Read: Report from Mrs M Ward, Chief Executive, regarding Performance Improvement Plan 2026/27. (Copy circulated)

Mrs Ward presented the Performance Improvement Plan 2026/27, advising that it had been considered through the appropriate Council governance structures, including the Strategy, Policy and Resources Committee, and had been subject to public consultation. She noted that the Plan set out five Performance Improvement Objectives for 2026/27 and was accompanied by a Consultation and Engagement Report. Mrs Ward further advised that a residents' survey would be undertaken later in the year to inform the next Corporate Planning process.

AGREED: **On the proposal of Councillor Byrne, seconded by Councillor O'Hare, it was agreed to note the Performance Improvement Plan 2026-27 (including the five performance improvement objectives), Consultation and Engagement Report 2026-27 and Objective Delivery Plans 2026-27.**

CORPORATE SERVICES – OPEN SESSION

AC/050/2026: **DIRECTORATE RISK REGISTER - AHC**

Read: Report from Mr A Patterson, Director of Active & Healthy Communities Committee, regarding Directorate Risk Register – AHC. (Copy circulated)

Mrs Ward advised that the Active & Healthy Communities (AHC) Directorate Risk Register was presented for noting in line with the reporting arrangements for all directorate risk registers.

Councillor Bowsie queried why only the AHC Directorate Risk Register had been tabled, to which Mrs Ward confirmed that each directorate's risk register was presented to the Audit Committee on a rotational basis, with the Corporate Services Directorate Risk Register having been presented at the previous meeting.

In response to a query from Ms Slevin, Mrs Ward confirmed that the Corporate Risk Register would be presented to the next meeting of the Audit Committee, advising that, due to annual leave during July, the Senior Management Team (SMT) had been unable to complete its scheduled review.

Councillor Truesdale queried Risks AHC/03 and AHC/04 and whether any additional interventions were planned to address the ongoing concerns.

Mr Patterson advised that the risk registers were reviewed quarterly, with the most recent review undertaken in May and confirmed that AHC/04 had been considered by the AHC Committee in June with actions being agreed. In relation to Risk AHC/03, he advised that significant work had been undertaken with colleagues in the Sustainability & Environment Directorate to ensure compliance with statutory responsibilities relating to Council facilities, including community centres and leisure facilities.

Councillor Truesdale queried whether the risks should have been addressed by this stage, to which Mrs Ward advised that all risks were actively monitored and managed through the Council's risk management framework, with key controls and associated action plans identified within the risk register and subject to ongoing review.

Councillor Byrne referred to Risk AHC/04, expressed concern regarding the potential impact of reduced Executive funding on Council programmes and queried whether the Audit Committee should receive updates on the potential implications for Council budgets in advance of its next scheduled meeting.

Mrs Ward confirmed that SMT was actively considering the issue, which had also been raised at a recent Party Leaders meeting, and advised that each directorate would report to its respective Committee on programmes likely to be affected. She confirmed that discussions with Central Government departments were ongoing regarding programmes being delivered by the Council on their behalf.

Councillor Byrne welcomed this approach and requested that the issue and associated mitigating actions be reflected within the next Corporate Risk Register.

Ms Slevin noted that the Annual Governance Statement also reflected the ongoing financial challenges arising from the Executive budget position.

Councillor Bowsie queried whether the Corporate Risk Register and the Economy, Regeneration & Tourism (ERT) Directorate Risk Register could be presented at every Audit Committee meeting, given the number of significant capital projects due to commence.

Mrs Ward confirmed that, as previously mentioned, the Corporate Risk Register was ordinarily presented at each meeting of the Audit Committee and advised that the relevant capital projects would be reflected within that register.

AGREED: **On the proposal of Councillor Bowsie, seconded by Councillor Byrne, it was agreed to note the revised AHC Directorate Risk Register summary at Appendix 1 and detailed AHC Directorate Risk Register at Appendix 2.**

AC/051/2026: **<u>PROMPT PAYMENT STATISTICS QUARTER 1 2026/27</u>**

Read: Report from Ms K Hanna, Finance Manager, regarding Prompt Payment Statistics Quarter 1 2026/27. (Copy circulated)

Ms Hanna presented the Quarter 1 2026/27 performance update on supplier payments, advising that 90% of supplier invoices had been paid within 30 days, with 58% paid within 10 days. She noted that 10% of invoices had been paid outside the 30-day target period. She confirmed that while there had been a slight decrease in performance, with the average payment time increasing from 14.22 to 14.51 days compared with the previous quarter, the Council continued to meet its performance target.

AGREED: **On the proposal of Councillor O'Hare, seconded by Councillor Devlin, it was agreed to note the Quarter 1 2026/27 financial year prompt payment statistics.**

AC/052/2026: **<u>NMDDC ASSURANCE FRAMEWORK AND CODE OF GOVERNANCE</u>**

Read: Report from Mrs M Ward, Chief Executive, regarding NMDDC Assurance Framework and Code of Governance. (Copy circulated)

Mrs Ward presented the Annual Governance Statement, advising that it set out the Council's governance framework, including its governance arrangements, risk management processes and committee structures, referring Members to the Statement attached at Appendix 1.

AGREED: **On the proposal of Councillor Hanlon, seconded by Councillor K Murphy, it was agreed to note the Council's Assurance Framework and the Code of Governance as detailed at Appendix 1.**

AC/053/2026: **<u>UPDATE OF MEMBERS' INTEREST</u>**

Read: Report from Miss S Taggart, Democratic Services Manager, regarding Update of Members' Interest. (Copy circulated)

Miss Taggart presented the six-monthly update on Members' Register of Interests forms, advising that, in accordance with audit recommendations, all forms had been reviewed and updated, regardless of whether amendments were required. She confirmed that the latest update had been completed in July 2026 and that the next scheduled review would take place in January 2027.

AGREED: **On the proposal of Councillor Devlin, seconded by Councillor K Murphy, it was agreed to note the update on Members' Registers of Interest.**

<u>ITEMS RESTRICTED IN ACCORDANCE WITH PART 3 OF SCHEDULE 6 OF THE LOCAL GOVERNMENT ACT (NORTHERN IRELAND) 2014</u>

Agreed: **On the proposal of Councillor O'Hare, seconded by Councillor C King, it was agreed to exclude the public and press from the meeting during the following items 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 Bowsie, seconded by Councillor K Murphy, it was agreed to come out of Closed Session.**

The Chairperson advised the following had been agreed whilst in closed session:

CORPORATE SERVICES – CLOSED SESSION

AC/054/2026: **<u>DRAFT ANNUAL GOVERNANCE STATEMENT AND STATEMENT OF ACCOUNTS</u>**

Read: Report from Mrs M Ward, Chief Executive, regarding Draft Annual Governance and Statement of Accounts. (Copy circulated)

AGREED: **On the proposal of Councillor Devlin, seconded by Councillor K Muprhy, the following was agreed:**

- **To approve the Annual Governance Statement 2025/26 at Appendix 1**
- **To note the draft Statement of Accounts and Financial Statements at Appendix 1.**

AC/055/2026: **<u>DIRECT AWARD CONTRACTS REPORT</u>**

Read: Report Mr C Boyd, Assistant Director of Capital projects & Procurement, regarding Direct Award Contracts. (Copy circulated)

AGREED: **On the proposal of Councillor Byrne, seconded by Councillor K Murphy, it was agreed to note the following:**

- **The 2026/27 Q1 update in relation to Direct Award Contracts.**
- **The Direct Award Activity 2026/27 year in review (Q1) totals**
- **The Active Direct Award Contracts as of 31/06/2026**

AC/056/2026: **<u>PROCUREMENT ACTION PLANS</u>**

Read: Report Mr C Mallon, Director of Economy, Regeneration & Tourism, presented by Mr C Boyd, Assistant Director of Capital Projects & Procurement, regarding Procurement Action Plans. (Copy circulated)

AGREED: **On the proposal of Councillor Bowsie, seconded by Councillor Devlin, it was agreed to note the Directorate Procurement Action Plans.**

AC/057/2026: **UPDATE ON FRAUD AND RAISING CONCERNS**

Read: Report from Mrs M Ward, Chief Executive, regarding Update on Fraud and Raising Concerns. (Copy circulated)

AGREED: **On the proposal of Councillor K Murphy, seconded by Councillor Byrne, it was agreed to note the following:**

- **The update in relation to fraud and raising concerns cases as detailed at Appendix 1**
- **The progress on actions arising from the NIAO Internal Fraud Risk self-assessment**

AC/058/2026: **CYBER SECURITY AND DIGITAL RISKS - PRESENTATION**

Read: Presentation from Mr G Ringland, IT Manager, regarding Cyber Security and Digital Risks.

AGREED: **On the proposal of Councillor Bowsie, seconded by Councillor K Murphy, it was agreed to note the presentation.**

AC/059/2026: **AN ASSESSMENT OF CLIMATE CHANGE**

Read: Report from Mr C Sage, Assistant Director: Sustainability, regarding Assessment of Climate Change. (Copy circulated)

AGREED: **On the proposal of Councillor Byrne, seconded by Councillor Devlin, it was agreed to note the contents of the report in relation to the assessment of climate change within the Council.**

AC/060/2026: **UPDATE ON CONCERN RAISED TO NIAO AND AUDIT COMMITTEE CHAIR**

Read: Report from Ms E Kirk, Assistant Director of Legal & People, regarding Update on Concern Raised to NIAO and Audit Committee Chair. (Copy circulated)

AGREED: **On the proposal of Councillor O'Hare, seconded by Councillor C King, it was agreed to note the letter of 18 June 2026 relating to the novation of Kilbroney Park Café to the party named in the**

report was taken by Council following legal advice and scrutiny to ensure monies owing to Council were recovered, services continued and sufficient protection was in place to terminate any agreement following non-payment and/or non-performance.

INTERNAL AUDIT (CLOSED SESSION)

AC/061/2026: **<u>SUMER NI SUMMARY REPORT</u>**

Read: Sumer NI Summary Report (Copy circulated)

AGREED: **On the proposal of Councillor O'Hare, seconded by Councillor K Murphy, it was agreed to note the Sumer NI Summary Report, including the Internal Audit Plan.**

There being no further business the meeting concluded at 3.05pm

For consideration at the Council Meeting to be held on Monday 7 September 2026.

Signed: ______________________
Mrs M Ward
Chief Executive

Signed: ______________________
Ms B Slevin
Independent Chairperson