

## **NEWRY MOURNE AND DOWN DISTRICT COUNCIL**

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**Minutes of Audit Committee Meeting held on Wednesday 04 April 2023 in the Mourne Room Downshire Civic Centre Downpatrick and via Microsoft Teams.**

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**Chairperson:** Ms B Slevin Independent Chairperson (Chamber)

**In attendance:** **(Committee Members)**

Councillor C Bowsie	Teams
Councillor J Brennan	Chamber
Councillor P Byrne	Teams
Councillor A Lewis	Teams
Councillor D McAteer	Teams
Councillor D Murphy	Teams

**Officials in attendance:** Mrs J Kelly Director Corporate Services  
Mr A Cassells Director Environment & Sustainability  
Mr G Byrne Assistant Director Finance & Performance  
Ms C Hughes Head of Performance (Acting)  
Ms E Cosgrove Head of Compliance  
Ms S McConville Procurement Manager (Acting)  
Ms J Hillen Assistant Director Community Engagement  
Ms S Taggart Democratic Services Manager  
Ms L Dillon Democratic Services Officer

**Also in attendance:** Ms C Hagan ASM Teams  
Ms K Costley NIAO Chamber

### **AC/025/2023: APOLOGIES AND CHAIRPERSON'S REMARKS**

The following apologies were received:

Ms M Ward Chief Executive  
Mr C Mallon Director Enterprise Regeneration & Tourism  
Councillor L Devlin  
Councillor M Gibbons

Councillor G Kearns

Councillor Enright requested the Committee be advised he was actively boycotting the Audit Committee Meeting in protest over failure to follow up on energy savings.

**AC/026/2023: DECLARATIONS OF INTEREST**

Ms Slevin Chairperson, declared an interest in Item 7 regarding the Annual Assessment of Chairperson Performance 2022-2023.

**AC/027/2023: ACTION SHEET ARISING FROM:  
AUDIT COMMITTEE MEETING  
WEDNESDAY 18 JANUARY 2023**

**Read:** Action Sheet arising from Minutes of the Audit Committee Meeting held on Wednesday 18 January 2023.  
**(Copy circulated)**

**AGREED:** **On the proposal of Councillor Brennan seconded by Councillor McAteer it was agreed to note the Action Sheet for Audit Committee Meeting held on Wednesday 18 January 2023.**

**AC/028/2023: DATES / START TIMES  
AUDIT COMMITTEE MEETINGS 2023-2024**

**Read:** Proposed dates and start times for Audit Committee Meetings for the 2023-2024 term.  
**(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Murphy it was agreed to note the following dates and start times, in respect of Audit Committee Meetings from July 2023 to April 2024, which will be tabled for formal approval via the Council's Annual Meeting to be held on Monday 05 June 2023:**

- Tuesday 04 July 2023 at 2.00pm
- Thursday 21 September 2023 at 2.00pm
- Tuesday 09 January 2024 at 2.00pm
- Tuesday 09 April 2024 at 2.00pm

**AC/029/2023:** **AUDIT COMMITTEE:**  
- **TERMS OF REFERENCE**  
- **TIMETABLE**

Read: Report dated 04 April 2023 from Mr G Byrne Assistant Director of Finance & Performance regarding:  
- Audit Committee Terms of Reference.  
- Audit Committee Timetable for 2023-2024.  
**(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed:**

- 1. To approve the Terms of Reference for the Audit Committee.**
- 2. To note the Audit Committee Timetable 2023-2024.**

**AC/030/2023:** **AUDIT COMMITTEE SELF ASSESSMENT 2022/2023**

Read: Report dated 04 April 2023 from Ms B Slevin Independent Chairperson of Audit Committee, regarding the Audit Committee Self-Assessment 2022/2023.  
**(Copy circulated)**

**AGREED:** **On the proposal of Councillor Lewis seconded by Councillor Murphy it was agreed to approve Report from Ms B Slevin Independent Chairperson of Audit Committee, and note the Audit Committee Self-Assessment 2022/2023.**

**AC/031/2023:** **ANNUAL ASSESSMENT**  
**RE: CHAIRPERSONS PERFORMANCE**  
**AUDIT COMMITTEE 2022/23**

Read: Report dated 04 April 2023 from Mr G Byrne Assistant Director of Finance & Performance, regarding the Annual Assessment of the Chairpersons Performance in respect of the Audit Committee 2022/23. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor Brennan seconded by Councillor Byrne it was agreed to note the Annual Assessment of the Chairperson's Performance in respect of the Audit Committee for 2022/23.**

## **CORPORATE SERVICES (OPEN SESSION)**

### **AC/032/2023: CORPORATE RISK REGISTER**

Read: Report dated 04 April 2023 from Ms J Kelly Director of Corporate Services regarding the Corporate Risk Register including the Corporate Services Directorate Risk Register. **(Copy circulated)**

Members raised concerns on the following risks:

**Corporate Services Directorate – Risk No.6 : Lack of formal talent management and succession planning arrangements across the organisation may have an impact on effective service provision and innovation.**

- Measures need to be taken to improve staff morale and retain talent.

**Corporate Risk No 8 : Failure to actively manage sickness absence resulting in delays and an inability to deliver Council Services.**

- What measures are being taken to reduce sickness absence.
- Clarity required on hybrid working model.

**Corporate Risk No 11 : Risk of Industrial Action leading to the failure to have necessary staffing structures and resourcing to deliver services.**

- Concerns this risk has been raised and the fact no information has been brought to the Audit Committee as to the reason for industrial action.
- Concerns that administration staff who have left the organisation, are not being replace leading to pressures on existing staffing and increase in sickness levels.

**Noted:** A policy was in place with regard to staff returning to work from sick leave, to ensure return to work interviews are done on a timely basis and ensuring people are given the necessary support when returning to work.

A policy was in place regarding agile working for those posts that meet the criteria for agile working. This policy remains under review and management continue to communicate with staff.

Senior Management are meeting via the Labour Relations Agency to discuss issues with Trade Unions.

Senior Management examine recruitment issues on a weekly basis across all directorates, and concerns regarding replacement of staff will be brought back to the next meeting of the Senior Management Team.

Councillor Byrne asked that it be recorded that given the rise in the risk score for Corporate Risk 11, and that it was understood strike action would be in place next Monday, the fact Members still did not understand what the issue was in order to address it was disappointing.

**AGREED:** **On the proposal of Councillor Byrne seconded by Councillor McAteer it was agreed as follows:**

- (a) To approve the updates to the Corporate Risk Register highlighted within the summary at Appendix 1. (Full Corporate Risk Register can be evidenced at Appendix 2)**
- (b) To note the revised Corporate Services Directorate Risk Register at Appendix 3.**

**AC/033/2023: PROMPT PAYMENT STATISTICS**

**Read:** Report dated 04 April 2023 from Mr G Byrne Assistant Director Finance & Performance regarding Prompt Payment Statistics – Quarter 2 and Quarter 3 2022-2023. **(Copy circulated)**

Mr Byrne presented the Report on Prompt Payment Statistics. He said statistics on year end were not yet available therefore submission to the Department will take place next week, and year end statistics will be presented to the Audit Committee Meeting in July 2023. He added statistics have improved throughout the year.

**AGREED:** **On the proposal of Councillor Murphy seconded by Councillor Brennan it was agreed to note the Quarter 2 and Quarter 3 2022-23 Prompt Payment statistics.**

**CORPORATE SERVICES (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 Bowsie seconded by Councillor Brennan 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 McAteer seconded by Councillor Brennan it was agreed to come out of Closed Session.**

(2.40pm Cllr Byrne left meeting)  
(3.00pm Cllr Murphy left meeting)  
(3.00pm Cllr Lewis left meeting)

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

**Noted:** No quorum present for discussion on Items 14 – 19, however no decisions were required on these items.

**AC/034/2023: UPDATE  
RE: AUDIT RECOMMENDATIONS**

**Read:** Report dated 04/2023 from Ms E Cosgrove Head of Compliance regarding an update on Audit Recommendations. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor Brennan seconded by Councillor Bowsie it was agreed to note the update in relation to legacy audit recommendations.**

**AC/035/2023: DIRECT AWARD CONTRACTS**

**Read:** Report dated 18 January 2023 from Ms S McConville Procurement Manager regarding DAC/STA Register – Quarter 4. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor Brennan seconded by Councillor Murphy it was agreed to note the Quarter 4 update in relation to Single Tender Actions.**

**AC/036/2023: CONTRACTS MAPPING WORK**

**Read:** Report dated 18 January 2023 from Ms S McConville Procurement Manager regarding procurement action plans. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Murphy it was agreed to note the update in relation to the Procurement Action Plans for each Directorate and note the request for a report to be submitted to the Audit Committee Meeting in September 2023.**

**AC/037/2023: FRAUD & WHISTLEBLOWING**

Read: Report dated 18 January 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 Murphy seconded by Councillor Bowsie it was agreed:**

- a) To note the update in relation to Fraud and Raising Concerns cases which have been detailed at Appendix 1.**
- b) To note the Risk Based Approach to sampling of National Fraud Initiative matches as per NIAO guidelines.**
- c) To note the progress on actions arising from the NIAO Internal Fraud Risk Self Assessment.**

**INTERNAL AUDIT (CLOSED SESSION)**

**Noted:** It was noted there was no quorum from Items 14 – 19.

**AC/038/2023: ASM INTERNAL AUDIT SUMMARY REPORT**

Read: ASM Internal Audit Summary Report dated 04 April 2023. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note the ASM Internal Audit Summary Report and the request for an update on recruitment for the Audit Committee Meeting in September 2023.**

**AC/039/2023: 2022/2023 ANNUAL ASSURANCE REPORT**

Read: ASM Annual Internal Audit Assurance Report dated 01 April 2023. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note the ASM Annual Internal Audit Assurance Report dated 01 April 2023, and refer for noting at the Audit Committee Meeting in July 2023.**

**AC/040/2023: ASM INTERNAL AUDIT – AUDIT FIELDWORK 2022/23  
RE: 2021/22 FOLLOW UP WORK**

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**Read:** ASM Internal Audit – Audit Fieldwork 2022/23- Report dated 14 March 2023 - Follow up review. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note ASM Internal Audit - Fieldwork 2022/23- Follow up review.**

**AC/041/2023: ASM INTERNAL AUDIT – AUDIT FIELDWORK 2022/23  
RE: COMMUNITY CENTRES**

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**Read:** ASM Internal Audit – Audit Fieldwork 2022/23- Report dated 14 March 2023 regarding Community Centres – compliance with building checklists. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note ASM Internal Audit - Fieldwork 2022/23- Report dated 14 March 2023 regarding Community Centres.**

**AC/042/2023: ASM INTERNAL AUDIT – AUDIT FIELDWORK 2022/23  
RE: REVIEW OF LABOUR MARKET PARTNERSHIPS**

**Read:** ASM Internal Audit – Audit Fieldwork 2022/23- Report dated 16 March 2023 regarding Review of Labour Market Partnerships. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note ASM Internal Audit - Fieldwork 2022/23- Report dated 16 March 2023 regarding Review of Labour Market Partnerships.**

**AC/043/2023: ASM INTERNAL AUDIT – AUDIT FIELDWORK 2022/23  
RE: REVIEW OF PERFORMANCE MEASURES**

**Read:** ASM Internal Audit – Audit Fieldwork 2022/23 – Report dated 13 March 2023 regarding Review of selected performance measures in the 2021 to 2023 Corporate Plan. **(Copy circulated)**

**AGREED:** **On the proposal of Councillor McAteer seconded by Councillor Brennan it was agreed to note ASM Internal Audit Audit Fieldwork 2022/23 – Report dated 13 March 2023 regarding performance measures.**

## **PERFORMANCE (OPEN SESSION)**

**AC/044/2023: PERFORMANCE IMPROVEMENT OBJECTIVES**

Read: Report dated 18 January 2023 from Mr G Byrne Assistant Director of Finance, Finance & Performance, regarding Draft Performance Improvement Objectives 2023/24.  
**(Copy circulated)**

**AGREED: On the proposal of Councillor McAteer seconded by Councillor Bowsie it was agreed to note:**

- a) The 5 Draft Performance Improvement Objectives 2023-24, as outlined in Appendix 1.**
- b) The proposed approach and timetable for publishing the Performance Improvement Plan 2023-24, as outlined in Appendix 2, including approval to commence the consultation and engagement process on 20 March 2023.**

## **CIRCULARS**

**AC/045/2023: LG-07-2023 RE: ACCOUNTS DIRECTION 2022/23**

Read: Letter dated 10 February 2023 from Department for Communities regarding Accounts Direction 2023-22 for NI District Councils. **(Copy circulated)**

**AGREED: On the proposal of Councillor McAteer seconded by Councillor Bowsie it was agreed to note the above correspondence.**

**AC/046/2023: LG-03-2023 RE: CONSOLIDATED COUNCILLOR CIRCULAR**

Read: Letter dated 25 January 2022 from Department for Communities regarding Consolidated Councillor Circular.  
**(Copy circulated)**

**AGREED: On the proposal of Councillor McAteer seconded by Councillor Bowsie it was agreed to note the above correspondence.**

There being no further business the meeting concluded at 3.30pm.

For consideration at the Council Meeting to be held on Tuesday 06 June 2023.

**Signed:** **Ms J Kelly**  
**Director Corporate Services**

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