

NEWRY MOURNE AND DOWN DISTRICT COUNCIL

Minutes of Audit Committee Meeting held on Wednesday 04 July 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: **(Committee Members)**
Councillor C Bowsie Teams
Councillor J Brennan Chamber
Councillor O Hanlon Chamber
Councillor T Kelly Teams
Councillor C King Chamber
Councillor S O Hare Chamber
Councillor G Sharvin Teams

Officials in attendance: Mrs J Kelly Director Corporate Services
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
Ms L Dillon Democratic Services Officer

Also in attendance: Ms C Hagan ASM Chamber
Ms K Costley NIAO Chamber
Mr S Wade NIAO Chamber

AC/047/2023: APPOINTMENT OF CHAIRPERSON

Read: Report dated 04 July 2023 from Ms J Kelly Director of Corporate Services regarding the appointment of Chairperson of the Audit Committee.

AGREED: **On the proposal of Councillor Sharvin seconded by Councillor Hanlon it was agreed to note that extension of Ms B Slevin, as Independent Chairperson of the Audit Committee, has been extended by 4 months to allow time for the recruitment of this position.**

AC/048/2023: APOLOGIES AND CHAIRPERSON'S REMARKS

The following apologies were received:

Councillor L Devlin
Councillor A Quinn
Ms M Ward Chief Executive
Mr G Byrne Assistant Director (Finance)

AC/049/2023: DECLARATIONS OF INTEREST

No declarations of interest.

**AC/050/2023: ACTION SHEET ARISING FROM:
AUDIT COMMITTEE MEETING
TUESDAY 04 APRIL 2023**

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

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

AC/051/2023: AUDIT COMMITTEE ANNUAL REPORT

Read: Audit Committee Annual Report 2022/23 from Ms B Slevin Independent Chair of Audit Committee.
(Copy circulated)

Ms Slevin gave an overview of the Audit Committee Annual Report.

She highlighted to Members the importance of attending Audit Committee meetings explaining the fundamental role of the Committee within Council.

She referred to the unqualified opinion received by NIAO regarding Council's Financial Statements 2021/22, and the satisfactory opinion from Internal Audit.

Ms Slevin extended thanks to the Members, Officers and senior management.

AGREED: On the proposal of Councillor O Hare seconded by Councillor Sharvin it was agreed:

- a) To note the Audit Committee Annual Report 2022/23.
- b) The Audit Committee Annual Report 2022/23 be included for noting at the Council Meeting 07 August 2023.

CORPORATE SERVICES (OPEN SESSION)

AC/052/2023: CORPORATE RISK REGISTER

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

Ms Kelly presented the Corporate Risk Register explaining it was a live document reviewed regularly by senior management.

Members raised the following concerns:

- A number of risks have been signed by personnel who are no longer working within the Council organisation.
- Significant gaps in the senior management structure:
 - recruitment for the position of Director of Active & Healthy Communities has not taken place
 - inadequate number of Council members trained to sit on interview panel.
 - the gaps created by a number of Assistant Directors leaving the organisation.

AGREED: On the proposal of Councillor Brennan seconded by Councillor Bowsie 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 Neighbourhood Services Directorate Risk Register at Appendix 3 and ensure document is kept up to date in terms of personnel changes within Council organisation.

c) **Interview Panel Training for Elected Members to be arranged via HR Department.**

d) **Officers to examine possible changes required to the Terms of Reference for the recruitment panel for Director posts.**

AC/053/2023: PROMPT PAYMENT STATISTICS

Read: Report dated 04 April 2023 from Ms C Hughes Head of Performance regarding Prompt Payment Statistics – Quarter 4 2022-2023. **(Copy circulated)**

AGREED: On the proposal of Councillor King seconded by Councillor Sharvin it was agreed:

a) **To note the Quarter 4 2022-23 Prompt Payment statistics.**

b) **Officers to report back to Councillor Sharvin with further detail regarding content of report; arrange to alter the format of the report for the next meeting of the Audit Committee; include average figures to reflect the year.**

AC/054/2023: ASSRUANCE FRAMEWORK AND CODE OF GOVERNANCE

Read: Report dated 04 July 2023 from Ms J Kelly Director Corporate Services regarding Assurance Framework and Annual Governance Statement. **(Copy circulated)**

AGREED: On the proposal of Councillor Brennan seconded by Councillor Hanlon it was agreed to note the Council's Assurance Framework and the Code of Governance, illustrated and described at Appendix 1.

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 O Hare 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 Hanlon seconded by Councillor O Hare it was agreed to come out of Closed Session.**

AC/055/2023: ANNUAL GOVERNANCE STATEMENT AND ACCOUNTS 2022-23

Read: Report dated 04 July 2023 from Ms J Kelly Director Corporate Services regarding Annual Governance Statemen and Accounts 2022-23. **(Copy circulated)**

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

a) To approve the Annual Governance Statement 2022/23 at Appendix 1 (page 20-32)

b) To note the draft Statement of Accounts and Financial Statements at Appendix 1

AC/056/2023: UPDATE RE: AUDIT RECOMMENDATIONS

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

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

AC/057/2023: DIRECT AWARD CONTRACTS

Read: Report dated 04 July 2023 from Ms S McConville Procurement Manager regarding DAC/STA Register – Quarter 1. **(Copy circulated)**

AGREED: On the proposal of Councillor Brennan seconded by Councillor Sharvin it was agreed to note the Quarter 1 update in relation to Single Tender Actions.

AC/058/2023: **FRAUD & WHISTLEBLOWING**

Read: Report dated 04 July 2023 from Ms C Hughes Head of Performance, regarding an update on Fraud and Raising Concerns. **(Copy circulated)**

AGREED: On the proposal of Councillor Bowsie seconded by Councillor King 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)

AC/059/2023: **2022/2023 ANNUAL ASSURANCE REPORT**

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

AGREED: On the proposal of Councillor Sharvin seconded by Councillor Brennan it was agreed to note the 2022/2023 Annual Assurance Report.

AC/060/2023: **INTERNAL AUDIT PLAN 2023/24**

Read: ASM Internal Audit Draft Strategy and Internal Audit Charter dated 29 June 2023. **(Copy circulated)**

AGREED: On the proposal of Councillor Sharvin seconded by Councillor Brennan it was agreed to approve the Internal Audit Plan 2023/24.

NIAO (CLOSED SESSION)

AC/061/2023: NIAO AUDIT STRATEGY 2022-23

Read: Correspondence dated 28 June 2023 from NIAO regarding the NMDDC Audit Strategy 2022-23.
(Copy circulated)

AGREED: On the proposal of Councillor King seconded by Councillor Hanlon it was agreed to note the Newry Mourne & Down District Council Audit Strategy 2022-23.

PERFORMANCE (OPEN SESSION)

AC/062/2023: PERFORMANCE IMPROVEMENT PLAN 2023-24

Read: Report dated 04 July 2023 from Mr G Byrne Assistant Director of Finance regarding the Performance Improvement Plan 2023/24. **(Copy circulated)**

Ms Hughes presented the above Report, explaining the Performance Improvement Plan 2023-24 had been approved at the Strategy Policy & Resources Committee Meeting in June 2023, and formally ratified at the Council Meeting on 03 July 2023, and would now be published on the Council website and social media channels.

AGREED: On the proposal of Councillor Brennan seconded by Councillor Hanlon it was agreed to note the Performance Improvement Plan 2023-24, (including the five performance improvement objectives), Consultation and Engagement Report 2023-24 and Objective Delivery Plans 2023-24.

CIRCULARS

AC/063/2023: LG-13-2023 RE: FILLING POSITIONS OF RESPONSIBILITY ON A COUNCIL

Read: Letter dated 25 April 2023 from Department for Communities regarding Filling Positions of Responsibility on a Council.
(Copy circulated)

AGREED: On the proposal of Councillor Sharvin seconded by Councillor Hanlon it was agreed to note the above correspondence.

AC/064/2023: LG-14-2023 RE: APPOINTING COUNCILLORS TO COMMITTEES

Read: Letter dated 25 April 2023 from Department for Communities regarding Appointing Councillors to Committees.
(Copy circulated)

AGREED: On the proposal of Councillor Sharvin seconded by Councillor Hanlon it was agreed to note the above correspondence.

AC/065/2023: LG-15-2023 RE: DECLARATION OF ACCEPTANCE OF OFFICE

Read: Letter dated 25 April 2023 from Department for Communities regarding Declaration of Acceptance of Office.
(Copy circulated)

AGREED: On the proposal of Councillor Sharvin seconded by Councillor Hanlon it was agreed to note the above correspondence.

There being no further business the meeting concluded at 3.25 pm.

For consideration at the Council Meeting to be held on Monday 07 August 2023.

Signed: Ms J Kelly
Director Corporate Services

Signed: Ms B Slevin
Independent Chairperson