



<b>Subject:</b>	Audit & Risk Panel Report and Minutes of meeting of 10 March 2020
<b>Date:</b>	20 March 2020
<b>Reporting Officer:</b>	Ronan Cregan, Director of Finance and Resources and Deputy Chief Executive
<b>Contact Officer:</b>	Claire O'Prey, Head of Audit, Governance and Risk Services (AGRS),

<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
<i>After Committee Decision</i>	<input type="checkbox"/>
<i>After Council Decision</i>	<input type="checkbox"/>
<i>Some time in the future</i>	<input type="checkbox"/>
<i>Never</i>	<input type="checkbox"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	The purpose of this report is to provide the Committee with a summary of the key issues that were considered and discussed by the Audit & Risk Panel at its March 2020 meeting and present minutes of the last meeting of the Panel for approval.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to <ul style="list-style-type: none"><li>Note the key issues arising at the meeting and approves the minutes of the Audit &amp; Risk Panel of 10 March 2020 at appendix 1.</li></ul>
<b>3.0</b>	<b>Main report</b>
<b>3.1</b>	<b>Key Issues</b> <u>Northern Ireland Audit Office (NIAO)</u>
3.1.1	Following the completion of their audit of the financial statements, the Panel considered the <b>NIAO Annual Audit Letter</b> , where the Local Government Auditor (LGA) reported

positively on the 2019-20 financial statements with an **unqualified audit opinion**. This letter will be published on our website. Our financial accounts are a fundamental part of the council's overall corporate governance framework and the unqualified NIAO audit opinion provides valuable assurance to Members and ratepayers on the stewardship of the council's finances and its financial position.

3.1.2 The NIAO went on to report that the **Report to those Charged with Governance for 2019/20**, which outlines the system / control issues arising from their audit, contains **5 recommendations for management action, none of which are priority one (i.e. significant or material in nature)**.

3.1.3 In addition, the Panel also considered the **NIAO Improvement Audit and Assessment Report**, which examined the council's performance improvement and reporting duties, including an assessment of our performance for 2018/19 and our 2019/20 improvement plans. The NIAO have issued an **unqualified audit opinion**, have made no statutory recommendations and have made 3 proposals for improvement.

#### Audit and Risk Panel

3.1.4 The Audit and Risk Panel was well attended and engaging and this is reflective of the pivotal role the Panel has in assisting the council in continually improving the governance arrangements of the Council. The annual update of the **Audit and Risk Panel's terms of reference and programme of business for 2020** were agreed, with the planned meeting dates for the remainder of the year to be re-examined.

#### Internal Audit and Corporate Risk Management

3.1.5 The Panel noted the **audit plan for 2020/21** indicating that they were content that it provided them, and therefore Strategic Policy and Resources Committee, with the necessary assurances over the council's risk, control and governance arrangements.

3.1.6 **The Panel noted the progress being made against the annual audit plan**, with 4 audits finalised in the period December 2019 – February 2020, with the audit of IT asset management receiving an assurance opinion of major improvement required and that management had put in place an action plan to further strengthen controls on this area to protect the council against the evolving risk of cyber attack. The Panel received an update on the **AGRS review of organisational culture**, recognising that was the first time this area had been reviewed, that CMT planned to take forward the areas for

	<p>consideration and that this was a welcome piece of work. Following discussion, the Panel agreed to defer the audit of PEACE IV and Houses of Multiple Occupation to the 2020/21 plan.</p>
3.1.7	<p>The Panel considered the <b>new corporate risk dashboard</b> which provided them with information on; compliance with the quarterly risk review process; the number of risks within our agreed risk appetite and; key issues arising from the quarterly review; and indicated that the content and format of the dashboard met their information needs.</p>
3.1.8	<p>The Panel enquired about services that had not yet completed their <b>annual business continuity exercise</b> by the end of March 2020 and the Head of AGRS reported that currently all critical services are actively involved in ensuring readiness to respond to potential interruption to service delivery due to the coronavirus.</p>
3.1.9	<p>The Panel received an update on the recent exercise to examine the <b>recommendations that related to pre 2017 audits and that had not yet been implemented by management</b> and asked that AGRS ensure that these actions are followed up to ensure that they are being progressed in line with the revised implementation dates provided by management.</p>
	<p><u>Corporate Health and Safety, Absence Management and Performance Improvement</u></p>
3.1.10	<p>The Panel received quarter 3 reports on corporate health and safety, absence management and performance improvement. The Panel welcomed the additional information on work related violence and received assurance that these matters were referred to the PSNI where appropriate. The Head of Human Resources provided the Panel with an update on how HR policies would be applied to staffing situations that could arise as a result of the <b>coronavirus risk</b>. The Deputy Chief Executive / Director of Finance and Resources further updated the Panel on the work that was being done on the councils response to the coronavirus risk and that the Chief Executive would be convening a meeting with other organisations regarding city impact.</p>
3.2	<p><u>Financial &amp; Resource Implications</u> None</p>
3.3	<p><u>Equality or Good Relations Implications/Rural Needs Assessment</u> None known at this time.</p>
<b>4.0</b>	<p><b>Appendices – Documents Attached</b></p>

