



Subject:	Minutes of Meeting of Audit and Risk Panel
Date:	18th December, 2020
Reporting Officer:	Ronan Cregan, Director of Finance and Resources and Deputy Chief Executive
Contact Officer:	Claire O'Prey, Head of Audit, Governance and Risk Services

Restricted Reports	
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>Sometime in the future</i>	<input type="checkbox"/>
<i>Never</i>	<input type="checkbox"/>

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

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to provide the Committee with a summary of the key issues which were considered and discussed by the Audit and Risk Panel at its December meeting and present the minutes of the last meeting of the Panel for approval.
2.0	Recommendations
2.1	The Committee is requested to note the key issues arising at the meeting, approves the addition of two critical services to the Business Continuity Management policy in Appendix B and approve the minutes of the meeting of the Audit Risk Panel of 8th December 2020 at Appendix A.

3.0	Main Report
3.1	<p>Key Issues</p> <p><u>Audit and Risk Panel</u></p> <p>This was the second virtual meeting of the Audit and Risk Panel, with the new non-executive member, Ms. Fahy also in attendance. The minutes of the meeting are attached at Appendix A, with key matters summarised below.</p> <p><u>Belfast City Council Statement of Accounts 2019/20 / NIAO Report to Those Charged with Governance</u></p> <p>The Panel considered the draft Statement of Accounts of the Council for the year-end 31 March 2020, noting the position regarding reserves, debtors and creditors and the annual governance statement. These accounts are a fundamental part of the councils overall corporate governance framework and provide assurance to Members and ratepayers on the stewardship of the councils finances and its financial position.</p> <p>The NIAO Director informed the Panel that their audit of the accounts is almost complete and on the basis of the work completed to date, the Local Government Auditor (LGA) will report on the 2019-20 financial statements with an unqualified audit opinion.</p> <p>The Panel considered the draft Report to those Charged with Governance for 2019/20, which outlines the system / control issues arising from the NIAO audit, noting that no significant issues had been raised by the NIAO.</p> <p><u>Internal Audit Plan / Implementation of Audit Recommendations</u></p> <p>The Panel received an update on the progress being made to deliver the internal audit plan for 2020/21, a plan that has been revised to reflect changes to the Council's assurance needs arising from the impact of Covid-19, while continuing to meet our statutory obligations in relation to financial management, systems of internal control, management of risk and good governance.</p>
3.6	

3.7	<p>The Panel also noted a number of audits / reviews finalised in the period and requested progress updates on the implementation of the recommendations arising from the audits of government procurement cards; health and safety arrangements for work related transport and resilience.</p> <p>The Panel was also provided with an update on the recent Recommendations Monitor exercise, noting that performance in implementing agreed audit recommendations had dropped. The Panel were informed that senior management had been made aware of the need to implement these agreed recommendations to maintain robust internal controls particularly in the changed environment.</p>
3.8	<p><u>Risk Management / Business Continuity Management (BCM)</u></p> <p>The Panel considered the corporate risk register that had been updated in the light of Covid-19, and the key mitigating actions that management would take to help manage these risks to a more acceptable level. The Panel was informed that the risk rating has increased for two corporate risks, the risk relating to the Council’s Financial Position and the risk relating to the Strength of the Member / Officer Relationship. The Panel will receive quarterly updates on the progress being made to manage the corporate risks.</p>
3.9	<p>The Panel received an update on the work that had been done by critical services to substantively review and update their BCM plans to reflect the learning to date from our response to the impact of Covid-19. The Panel also agreed for two further services to be added to the current list of 15 critical services outlined in the BCM policy, namely Property Maintenance and the Customer Hub (due to be operational in April 2021). The updated BCM policy is at Appendix B.</p>
3.10	<p><u>Covid19 Fraud Risks / Raising Concerns</u></p> <p>The Panel was informed of a guide published by the Northern Ireland Audit Office (NIAO) on Covid-19 Fraud Risks. In essence the NIAO highlight that the impact of Covid19 has increased the risk of fraud because the application of normal internal controls may be disrupted due to remote working / reassignment of staff / processes moving online. The Panel noted that AGRS has been working on an update of the Council’s corporate fraud risk assessment and from initial discussions with management, in comparison to the previous fraud risk assessment, the level of fraud risk in the Council, has potentially</p>

	<p>increased in 3 areas; grants / funding; IT / cyber security and contract management.</p> <p>The Panel noted the measures that had been taken and are planned to ensure that appropriate mitigations are put in place.</p> <p>3.11 The Panel also considered recent guidance issued by the NIAO on Raising Concerns (whistleblowing) and noted the work that was underway to ensure that the Council's arrangements reflected best practice.</p> <p><u>Corporate Health and Safety, Absence Management and Performance Improvement</u></p> <p>3.12 The Panel received reports / updates for quarter ending September 2020 on corporate health and safety, absence management and performance improvement. The Panel welcomed these updates including the significant decrease in sickness absence at the end of quarter two which is 4.33 days compared to 6.05 days for the same period last year. The Panel requested that Corporate HR consider what further analysis and reporting is needed around absence due to stress, depression and anxiety. The Panel noted the changed arrangements for meeting our performance improvement duty during 2020-21 due to Covid-19, as advised by the Department for Communities.</p> <p><u>Financial and Resource Implications</u></p> <p>3.13 None</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>3.14 None known at this time</p> <p>.</p>
4.0	Documents Attached
	<p>Appendix A - Minutes of Audit and Risk Panel 8 December 2020</p> <p>Appendix B – Updated Business Continuity Management Policy</p>