

LISBURN & CASTLEREAGH CITY COUNCIL

Minutes of the Remote Meeting of the Governance and Audit Committee held on Tuesday, 30 June, 2020 at 6:00 pm

PRESENT IN CHAMBER:

Councillor G McCleave (Chairman)

The Right Worshipful the Mayor
Councillor N Trimble

Aldermen J Baird, S P Porter and J Tinsley

Councillors J Lavery BEM, S Lee, R McLernon, John Palmer and A Swan

PRESENT IN REMOTE LOCATION:

Councillors S Carson, S Eastwood, J Gallen, A Gowan and S Lowry

INDEPENDENT MEMBER:

Mr E Jardine

IN ATTENDANCE:

Chief Executive
Head of Audit, Risk & Performance
Head of Human Resources & Organisation Development
Acting Head of Finance
Performance Improvement Officer
Policy Officer
Risk Officer
PCSP/Member Services Manager
IT Officer
Member Services Officer

Northern Ireland Audit Office

Mrs C Kane, Director

Commencement of the Meeting

At the commencement of the meeting, the Chairman, Councillor G McCleave welcomed those present to the remote meeting of the Governance and Audit Committee, which was being live streamed to enable members of the public to hear and see the proceedings.

At this point, the PCSP/Member Services Manager read out the names of the Elected Members in attendance at the meeting.

The Chairman, Councillor G McCleave, stated that, whilst the meeting was being live streamed, unauthorised recording was not permitted, as per the Council's Standing Orders. He proceeded to outline the evacuation procedures in the case of an emergency.

1. Apologies

It was agreed to accept apologies for non-attendance at the meeting on behalf of the Deputy Mayor, Councillor Jenny Palmer, and Alderman S Martin.

2. Declarations of Interest

There were no declarations of interest.

3. Report from Performance Improvement Officer

3.1 Performance Improvement Objectives, Case Studies and Associated KPIs – 3rd Quarter Review

Councillor S Carson joined the meeting during consideration of this item of business (6.06 pm), as did the Acting Head of Finance (6.08 pm).

Members were provided with a copy of:

- (a) a quarterly monitoring document, which was an update on all the projects that would demonstrate improvement against the 2019/20 Performance Improvement Objectives, including the relevant Performance Improvement KPI, and covered the period October to December 2019 inclusive. An additional section was included in the report which detailed some case studies that had demonstrated improvement during quarter 3; and
- (b) a report taken from the 'Performance Manager' System (Dashboard) detailing KPIs for each service within the organisation, detailing the KPI results for the period October to December 2019 inclusive. There were 13 Performance Indicators, 10 of which could only be measured at year end. The remaining 3 KPIs were all on target.

The Performance Improvement Officer having answered a number of queries raised by Members, it was proposed by Alderman J Baird, seconded by Alderman J Tinsley and agreed to recommend that the above reports be approved.

3.2 Complaints Report

Members were provided with a copy of a comparative report taken from the Council's Customer Care System detailing the number of comments, complaints and compliments in Quarter 3 of 2019/20. The Performance Improvement Officer having answered a number of queries raised by Members, it was proposed by Councillor A Swan, seconded by Councillor S Lee and agreed to recommend that this report be approved.

3.3 Update on Performance Improvement Plan 2020/21

Members were reminded that the Council must produce an annual Performance Improvement Plan in order to meet the requirements of the Local Government Act (NI) 2014, which required the Plan to be published by 30 June each year.

3.3 Update on Performance Improvement Plan 2020/21 (Contd)

A Performance Improvement Plan for 2020/21 had been developed before lockdown and was to have been presented to this Committee in March 2020. As a result of these unprecedented times, the Department for Communities had confirmed, in correspondence dated 11 June, 2020, that it did not expect Councils to publish a Performance Improvement Plan for the current financial year. The Department would confirm with all stakeholders, in due course, the process for reviewing Performance Improvement targets over the next two years and it was noted that further updates on this matter would be brought to the Committee at a future date.

4. Report from Acting Head of Finance

4.1 2018/19 Audit Findings Update

The Acting Head of Finance reminded the Committee that the Report To Those Charged With Governance, as presented to the meeting in January 2020, included three audit findings. Members were provided with, and noted the contents of, an update on the work being carried out by the Finance Team on each of these areas and the Acting Head of Finance answered a number of queries raised by Members.

4.2 NIAO Audit Strategy for 2019/20

Members were provided with, and noted the contents of, a copy of the Northern Ireland Audit Office Strategy for 2019/20. Mrs C Kane, Northern Ireland Audit Office (NIAO), made a verbal presentation to the Committee in respect of the Strategy. She advised that, whilst not included in the Strategy given that it was drawn up in March, the NIAO would be focussing in on the impact of Covid-19 and, in particular, looking at the Council's financial resilience. She also reported that, whilst the Council's Statement of Accounts was normally signed off in September each year, the Department for Communities had extended that to December this year, due to the pandemic.

Mrs Kane and the Chief Executive responded to a number of queries raised by Members.

5. Report from Policy Officer

5.1 Development of Proposed Council-wide Governance Code

Members were provided with a copy of the Code of Governance for 2020/21, which had been developed to help demonstrate that the Council's governance structures were open, transparent, robust and consistent with the core and supporting principles contained in the CIPFA Local Government Framework. The Policy Officer pointed out that the hyperlinks contained in the document were currently disabled, but would be enabled once the document was approved.

5.1 Development of Proposed Council-wide Governance Code (Contd)

It was proposed by Councillor J Gallen, seconded by Alderman J Tinsley and agreed to recommend that the Code of Governance for 2020/21:

- (a) be approved and uploaded to the Council's intranet and website; and
- (b) be updated on an annual basis and presented to the Committee to update Members on changes to the Council's governance structures and any issues of note. Whilst the Code would be updated annually, where there was a significant change during the year, the Code would be updated at that time and Members advised accordingly.

The Policy Officer agreed that, under Section E of the Code, the Council's Annual Report to the Equality Commission would be included as one of the sources of assurance.

6. Report from Risk Officer

6.1 Corporate Risk Register Update

The Risk Officer reported that the ongoing Covid-19 pandemic had had a significant impact on the Corporate Risk Register, with work currently underway to refresh the Register accordingly. It was noted that an updated Register would be provided to the Committee for its September meeting.

7. Confidential Business

The matters contained in the confidential report would be dealt with "In Committee" due to containing information relating to the financial or business affairs of any particular person (including the Council holding that information).

"In Committee"

It was proposed by Alderman J Baird, seconded by Councillor S Lee and agreed that the following matters be considered "in committee", in the absence of members of the press and public being present.

7.1 Report from Risk Officer

7.1.1 Capital Programme Risk Register

The Committee was reminded that, at its meeting held on 16 January, 2020, discussion had taken place regarding removal of CRR 8 Capital Projects Risk from the Corporate Risk Register and its referral back to the CMT for further consideration. CMT had agreed and recommended that Capital Risk remained on the Corporate Risk Register; however, had revised the risk to capture the wider Capital Programme rather than being limited to individual capital projects. Members were provided with a report in relation to this matter which, it was noted, would be reconsidered as part of the revised Corporate Risk Register.

Councillor S Lee left the meeting at this point (6.56 pm).

7.2 Report from Policy Officer

7.2.1 Acceptance of the Six Monthly Statements of Assurance

Members having been provided with a copy of the Six Monthly Statements of Assurance for the Environmental Services Directorate, Leisure and Community Wellbeing Directorate, Service Support Directorate and Service Transformation Directorate, it was proposed by The Right Worshipful the Mayor, Councillor N Trimble, seconded by Councillor R McLernon and agreed to recommend that they be approved.

7.3 Report from Head of Audit, Risk and Performance

7.3.1 Internal Audit Progress Report June 2020

Councillor S Lee returned to the meeting during consideration of this item of business (6.59 pm). The Right Worshipful the Mayor, Councillor N Trimble, left, and returned to, the meeting during consideration of this item of business (7.00 pm and 7.06 pm respectively).

Members were provided with a copy of an Internal Audit Progress Report – June 2020. This report summarised internal audit work and progress against the Operational Plan since the last meeting of the Committee on 16 January, 2020. A copy of any internal audit reports referred to in the progress report were also provided in full on SharePoint for Members' information. The Head of Audit, Risk & Performance provided a verbal update in respect of those internal audits that had received a Limited Assurance.

Following discussion, during which a number of Members' queries were addressed, it was proposed by Alderman S P Porter, seconded by Alderman J Tinsley and agreed to recommend that the Internal Audit Progress Report be approved.

The Head of Audit, Risk & Performance agreed to investigate comments by Councillor John Palmer regarding a copy of a contract that was to have been supplied by Antrim & Newtownabbey Borough Council and advise Councillor Palmer accordingly.

7.3.2 Internal Audit Annual Report 2019/20

Members were provided with, and noted the contents of, a copy of the Internal Audit Annual Report 2019/20, which summarised internal audit work and progress against the Operation Plan for the year 2019/20.

7.3.3 Governance and Audit Committee Self-evaluation Outcome Report

Members having been provided with a copy of a Self-evaluation Outcome Report, it was proposed by Alderman S P Porter, seconded by Councillor S Lee and agreed to recommend that this report be approved.

7.3.4 Draft Internal Audit Operational Plan 2020/21

Members were provided with a copy of a draft Internal Audit Operational Plan for 2020/21. The Head of Audit, Risk & Performance pointed out that this work programme was fluid and asked for leniency should there be a second wave of Covid-19 and her Officers were required to be deployed to assist with critical and essential services. It was proposed by Councillor J Laverty, seconded by Alderman J Baird and agreed to recommend that the Plan be approved.

7.3.5 Terms of Reference for Governance and Audit Committee

Members were provided with a copy of Terms of Reference for the Governance and Audit Committee, which included an Indicative Work Programme for Governance and Audit Committee meetings for 2020/21. It was proposed by The Right Worshipful the Mayor, Councillor N Trimble, seconded by Councillor A Swan and agreed to recommend that the Terms of Reference be approved.

7.3.6 Internal Audit Charter

Members were provided with a copy of the Internal Audit Charter which defined the purpose, authority, responsibility and scope of activity of the Council's Internal Audit Unit, reflected good practice and was compliant with CIPFA and Public Sector Internal Audit Standards. It was proposed by Alderman J Baird, seconded by Councillor S Lee and agreed to recommend that the Internal Audit Charter be approved.

7.3.7 Tender for Supply of Site Operatives for Council Household Recycling Centres

Members were provided with, and noted the contents of, a report which addressed a number of issues raised at the Committee meeting on 16 January, 2020 in relation to the above matter. During discussion:

- the Chief Executive and the Head of Audit, Risk & Performance took note of comments by Members to endeavour that learning from previous contracts was captured and incorporated into future projects; and
- the Chief Executive updated Members in respect of the recruitment of procurement roles.

7.4 Report by Acting Head of Finance

7.4.1 Fraudulent Use of Credit Card at Council Facility

Members were provided with, and noted the contents of, a report in respect of the fraudulent use of a credit card at a Council facility.

7.4.2 Draft Annual Governance Statement 2019/20

Members having been provided with a copy of the Council's draft Annual Governance Statement for 2019/20, it was proposed by Alderman S P Porter,

7.4.2 Draft Annual Governance Statement 2019/20 (Contd)

seconded by Alderman J Tinsley and agreed to recommend that the Statement be approved and that it be signed by the Chairman of the Committee, Councillor G McCleave, and the Chief Executive.

7.4.3 Draft Statement of Accounts for Year Ended 31 March, 2020

Members having been provided with a copy of the Council's draft Statement of Accounts for the Year Ended 31 March, 2020, it was proposed by Alderman S P Porter, seconded by Alderman J Tinsley and agreed that these be approved, in line with delegated authority granted to the Committee by Council, at its meeting held on 23 June, 2020.

Verbal Matter

7.5 Update on Corporate Risk Register
Councillor J Gallen

At the request of Councillor J Gallen, the Head of Audit, Risk & Performance provided a verbal update in respect of the Corporate Risk Register.

Resumption of Normal Business

It was proposed by Councillor A Swan, seconded by Councillor S Lee, and agreed to come out of committee and normal business was resumed.

6. Any Other Business

There was no other business.

Conclusion of the Meeting

At the conclusion of the meeting, the Chairman, Councillor G McCleave, thanked those present for their attendance.

There being no further business, the meeting was terminated at 8.19 pm.

Mayor/Chairman