

## **Derry City and Strabane District Council**

**Open Minutes of Assurance, Audit and Risk Committee held in the Council Chamber, Guildhall, Derry on Thursday 30 November 2017 at 4.00pm.**

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**Present: - Councillor McGinley (in the Chair); Alderman McClintock; Councillors Donnelly, Duffy, Gallagher, Hastings, Kelly, McKeever, McMahan, O'Reilly, Reilly and Robinson.**

**Non-Member of Committee: - Councillor Carr.**

**In Attendance: - Director of Environment and Regeneration (Mrs K Philips), Lead Assurance Officer (Mrs D McDonnell), Internal Audit Manager (Mr J Harrigan), Head of Waste (Mr C Canning), Business Support and Change Manager (Mrs R Craig), Independent Advisor (Mr T Jackson) and Committee Services Assistant (Mrs S Lynch).**

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### **AAR105/17 Notice and Summons for Meeting**

The Lead Assurance Officer read the Notice and Summons for the Meeting.

### **AAR106/17 Apologies**

Apologies were received from Alderman Thompson and Councillor Carlin.

### **AAR107/17 Declarations of Members' Interests**

None.

### **Open for Decision**

### **AAR108/17 Chairperson's Business**

There was no Chairperson's Business.

### **AAR109/17 Confirmation of the Open Minutes of the Assurance, Audit and Risk Committee held on Thursday 9 November 2017**

The Open Minutes of the Assurance, Audit and Risk Committee held on 9 November 2017 (AAR94/17 – AAR104/17) were confirmed and signed by the Chairperson.

### **AAR110/17 Matters Arising**

Alderman Mc Clintock referred to page 3 of the previous minutes. She indicated that she had since received a response to her query. It was confirmed to her that Council did use local government guidelines for selection and recruitment policies and she was assured they were robust in nature. Alderman Mc Clintock, although content with the response, further queried how frequently these guidelines were updated?

The Lead Assurance Officer stated that she would check when the guidelines were last updated and refer back to Alderman McClintock.

Councillor Carr raised a matter which was discussed at the previous meeting. It related to an incident which involved both himself and Councillor Donnelly. He said whilst Councillor Donnelly had been contacted he was yet to receive any communication in relation to the occurrence. He made reference to their accident occurring on the 20<sup>th</sup> however, stated that report did not mention that the barrier had been previously malfunctioning and did not state that a fault was reported on the 18<sup>th</sup> prior to the accident happening. Councillor Carr requested a review of the report and some form of contact from Council.

The Lead Assurance Officer stated that she was aware the Health and Safety Officer had made several attempts to phone Councillor Donnelly without success and subsequently followed up with an email. She indicated she would follow up further on this matter, check the details of the report and ensure that communication takes place with Councillor Carr.

### **AAR111/17 Internal Audit Reports**

The Internal Audit Manager presented the above report. The purpose of the report was to update Members on the Internal Audit work carried out within Derry City and Strabane District Council in the period October 2017 to November 2017.

Councillor Gallagher thanked the Internal Audit Manager for the report. He raised a query regarding the name change of the Department of Social Development to the Department for Communities. He queried whether this name change would have any bearing on legally binding matters and would it affect the future funding.

The Internal Audit Manager responded that he would enquire further about this, get some confirmation and respond to Councillor Gallagher. (It was later confirmed by the Councils Business Support and Change Manager who is responsible for this area that the funding is legally binding and that the name change will have no impact on this funding in the future).

Mr Jackson, the independent advisor asked a question about the risk environment around this funding area and the Business Support and Change Manager outlined the mechanisms in place to manage the risks.

The Committee

**Recommended that Council endorse the contents of the report presented.**

#### **AAR112/17 Internal Audit Plan Update**

The Internal Audit Manager presented the above report. The purpose of the report was to advise Members of the current position on the implementation of the Internal Audit Plan for 2017-2018.

Councillor Duffy expressed her appreciation of the Internal Audit Section. She stated that she felt the volume of work carried out by such a small section was tremendous and on behalf of her party thanked the officers for their hard work.

The Committee

**Recommended that Council endorse the contents of the report presented.**

## **AAR113/17 Assurance, Audit and Risk Committee Member Training**

The Lead Assurance Officer presented the above report details of which had been previously circulated to Members. The purpose of the report was to update Members on recent training provided and seek a recommendation from Members to enable Officers to organise relevant training for Assurance, Audit and Risk Committee Members going forward.

Councillor Gallagher welcomed the report and indicated that he was pleased the importance of Member training was highlighted. As the report indicated Committee Members were required to provide insight and strong and constructive challenge. He believed that with further, continued training Members could carry out this role efficiently and effectively.

The Committee

**Recommended that Council approve that:**

- **The next Audit Committee training be delivered in autumn 2018 by the Lead Assurance Officer and the Internal Audit Manager.**
- **The Lead Assurance Officer and the Internal Audit Manager provide individual induction training for new Members.**
- **In addition to this Members are asked to consider if any training gaps are apparent and if so, advise the Lead Assurance Officer or the Internal Audit Manager.**

### **Open for Information**

## **AAR114/17 NIAO Managing the Risk of Bribery and Corruption**

The Lead Assurance Officer presented the above report details of which had been previously circulated to Members. The purpose of the report was to advise Members of the new NIAO good practice guide for the public sector on managing the risk of bribery and corruption.

The Committee

**Recommended that Council note the contents of the good practice guidance on managing the risk of bribery and corruption.**

### **AAR115/17 Waste Management**

The Lead Assurance Officer presented the above report. The purpose of this report was to provide Members with a copy of the Waste and Environmental Management Risk Register and to remind Members of the report ER42/17 which was presented to and discussed by the Environment & Regeneration Committee in February 2017.

Councillor Gallagher thanked the Lead Assurance Officer for presenting the above report. He stated that at the last Committee meeting one risk had been highlighted so he was happy to see the complete risk register for this service area and be assured that controls were in place for all identified risks.

Councillor Reilly declared he was aware a waste vehicle had caught fire this afternoon. He said he was conscious there were no injuries but enquired if the Head of Waste, who was present at the meeting, had any update at this early stage or would it be reported to a future meeting.

The Head of Waste was happy to report there were no injuries. He stated it was too early to know the exact cause although early indication was that it was a mechanical fault. He confirmed a 6 weekly mechanical check was carried out on each vehicle as well as daily pre-inspections conducted on each vehicle before use to ensure they are fit for purpose. He declared that a full report including the cause of fire would be communicated at the next Environment & Regeneration Committee.

The Committee

**Recommended that Members note the contents of the report.**

## **AAR116/17 Performance Improvement**

The Lead Assurance Officer presented the above report. The purpose of this report was to update Members in relation to the Council's Performance Improvement responsibilities.

The Committee

**Recommended that Members note the contents of the report.**

## **AAR117/17 NIAO Review**

The Lead Assurance Officer presented the above report. The purpose of the report was to update Members in relation to the Northern Ireland Audit Office's (NIAO) review of issues raised with them by a waste management contractor in May 2016. The Lead Assurance Officer asked the Committee to note that the findings of the report were definitive in their conclusions.

Councillor Duffy welcomed the report and embraced the vindication of Council staff and also noted the definitive and conclusive nature of the report and that it gave a complete vindication of Council and staff. She stated that the serious and spurious allegation that Council had caused 50 job losses at Brickkiln had been completely unfounded. The allegations had also questioned the conduct and professionalism of Council employees. She asked that in future people should reflect on what they are saying and facts should be checked before accusations were made. She deemed that going forward the aforementioned training would be very beneficial.

Councillor Reilly said it was a shame that the NIAO was not in attendance to confirm their findings verbally. He said the letter received was an explicit conclusion that Council was not at fault. He believed this would offer a degree of assurance to the affected Council officers. He also believed Members should have faith in Council officers doing their job and this was backed up by the NIAO's welcome report. He said he hoped there would be a similar amount of press coverage of the outcome for Council as there was when the allegations were made.

Alderman Mc Clintock welcomed the vindication of Council officers and concurred with the remarks of previous speakers.

Councillor Gallagher welcomed the report but stated Members shouldn't be afraid of investigations particularly external ones. He stated that this is the purpose of the Assurance, Audit and Risk Committee and that some investigations come back with the all clear and others come back with recommendations. When issues are raised we have to take them on board, we cannot run away and hide and we have to face them and I don't think anyone who raises these issues should be put down for raising them.

Councillor Duffy stated that unfounded allegations were made in open business in the presence of members of the press and members have a duty of care to Council staff. No-one is afraid of investigations but the issue is that allegations were made without any proper homework or investigation being done. The allegations were made in a public forum and called into question the professionalism of Council staff and I would ask people to reflect on that.

Councillor Reilly asked for clarification as to why the report and letter were redacted. He understood this matter was made public when it occurred however if redaction was necessary, was the matter now deemed not for public consumption?

The Lead Assurance Officer referred to Councillor Reilly's point and stated that the letter was from the Director of the NIAO to the Chief Executive and it was redacted by the NIAO.

Councillor Donnelly concurred with Councillor Gallagher's comments in that he believed Members should not be afraid of investigations and to raise concerns as they were doing so on behalf of those they represent. He stated that there were other investigations, internal and external and seventy recommendations were made yet when the matter was brought up in Council it was ridiculed. I didn't hear any Member mention that. You cannot have your cake and eat it.

The Chair stated that the Committee had responsibility for ensuring that Council conducts all its business in a proper manner. Members were entitled to raise issues of concern when sufficient grounds exist to do so. He said all Members must caution against being party to unfounded allegations against Council on behalf of another individual or business. He stated that unfortunately in this instance members had, at committee meetings, accused senior council officers of acting improperly and accused Council of being responsible for the loss of jobs at a particular company. He indicated that these accusations and

allegations were demonstrated to be without foundation and those members responsible may wish to consider their own position on this committee. He said that for his part as Chairperson he wanted to take the opportunity to extend support to the Council officer whose character and professionalism was called into question and asked that these sentiments were conveyed to the individual along with a copy of the Audit Office findings. He said that this case, which was not of Councils making, placed a considerable strain on our human resources and disrupted other areas of Audit work. He concluded that it was important that a firm line was now drawn under this matter and the Committee moved forward without any further delay or distraction.

The Chair deemed the matter closed.

The Committee

**Recommended that Members note the contents of the report.**

**Meeting terminated at 4.40pm.**

**Chairperson** \_\_\_\_\_

**Date** \_\_\_\_\_