

May 22nd, 2026

**Notice Of Meeting**

You are requested to attend a Meeting of the

Mid and East Antrim Audit & Scrutiny Committee

to be held on **Tuesday, 26th May 2026 at 6:30 pm** in **Council Chamber, The Braid, 1-29 Bridge Street, Ballymena** and **via remote access.**

Yours sincerely



Valerie Watts  
Interim Chief Executive, Mid and East Antrim Borough Council

# Agenda

## 1 NOTICE OF MEETING

## 2 APOLOGIES

## 3 DECLARATION OF INTEREST

Members and Officers are invited to declare any pecuniary and non-pecuniary interests, including gifts and hospitality, they may have in respect of items on this Agenda.

## 4 ITEMS FOR CONSIDERATION/DECISION

### 4.1 Internal Audit Progress Report - circulated

📄 *MEABC 26-27 Audit and Scrutiny Committee IA Progress Report - May 2026 (for issue).pdf*

*Page 1*

### 4.2 Audit Committee Self-Assessment - circulated

📄 *Audit Committee Self Assessment.pdf*

*Page 12*

📄 *Appendix 1 - Self-Assessment Checklist - Effective Audit and Risk Assurance Committees HMCI MH DRAFT.pdf*

*Page 14*

## 5 ITEMS FOR RECOMMENDATION TO COUNCIL

There are no items for recommendation

## 6 TABLED QUESTIONS

There are no tabled questions

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***Closed Committee - In accordance with Council policy, representatives of the Press will not be in attendance for this section of the Meeting.***

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## 7 ITEMS FOR CONSIDERATION/DECISION - CLOSED COMMITTEE

### 7.1 Annual Governance Statement - circulated 21.05.26

📄 *Annual Governance Statement 2025-26 Report - AS - May 2026.pdf*

*Not included*

📄 *Annual Governance Report 25-26 .pdf*

*Not included*

## 7.2 Annual Chair of Audit & Scrutiny Committee Report - circulated

📄 *Annual Chair's Report - Audit & Scrutiny\_R.pdf* *Not included*

## 7.3 Procurement DAC Update - circulated

📄 *Procurement DAC Update..pdf* *Not included*

📄 *Appendix 1 - Audit & Scrutiny Committee Direct Award Contracts from 01-01-2026 31-03-2026 .pdf* *Not included*

📄 *Appendix 2 - DACs awarded in 2025-26 and analysis of proposed actions in 2026-27.pdf* *Not included*

## 7.4 Corporate Risk Register – Consideration of New Risk - circulated 21.05.26

📄 *Report - Corportate Risk Register Consideration of new risk - BF.pdf* *Not included*

📄 *Appendix 1 - BF Corporate Risk Template.pdf* *Not included*

## 7.5 Annual Report on Fraud (including NFI Update) - circulated

Links to website

· [Fraud & Bribery Policy](#)

· [Fraud Response Plan](#)

· [Raising Concerns Policy](#)

📄 *Annual Report on Fraud.pdf* *Not included*

📄 *Appendix 1 - Fraud Bribery Policy Draft 2026 Update.pdf* *Not included*

📄 *Appendix 2 - Fraud Response Plan Draft 2026 Update.pdf* *Not included*

📄 *Appendix 3 - NIAO Fraud Assessment Questionnaire 2025-26 - MEABC.pdf* *Not included*

## 8 ITEMS FOR RECOMMENDATION TO COUNCIL - CLOSED COMMITTEE

There are no items for recommendation

## 9 TABLED QUESTIONS - CLOSED COMMITTEE

No tabled questions

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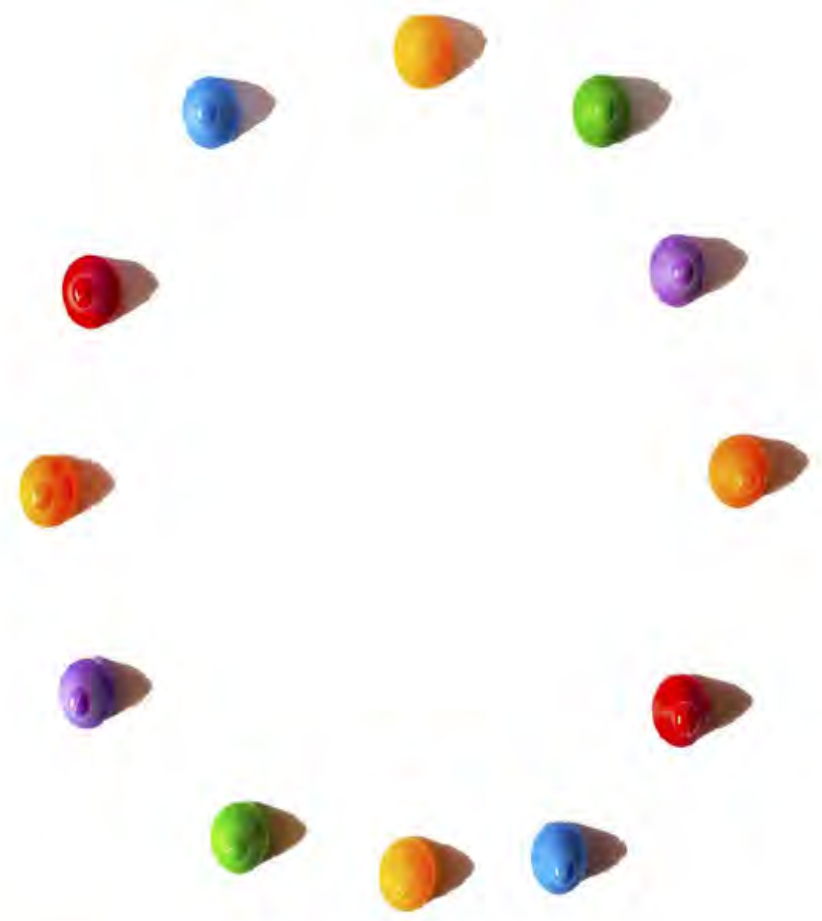
### *Open Committee*

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## 10 FORWARD PLAN FOR AUDIT & SCRUTINY COMMITTEE - circulated

 *A&S Forward Plan .pdf*

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**Mid and East Antrim Borough Council**  
Audit and Scrutiny Committee Progress Report

May 2026

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## Progress to Date

# Summary Status of the 2026/27 Plan

## Progress to Date

### Summary Status of the 2026/27 Plan

We have commenced delivery of our 2026/27 Internal Audit Plan. An overview of our progress for the year to date (as at 19<sup>th</sup> May 2026) is set out below:

Final Report	Draft Report	Fieldwork	Planning	Yet to Commence	Cancelled/Deferred	Total
-	-	-	4	2	-	6

Since the April 2026 Audit and Scrutiny Committee meeting we have:

- Issued the final Terms of Reference for the Labour Market Partnership (LMP) Review
- Commenced planning for the following reviews:
  - Policing and Community Safety Partnership (PCSP)
  - Fleet Management
  - Estates and Accommodation Strategy

Further detail on reviews is provided in **Appendix I**.

# Appendix I

## Progress to Date

## Progress to Date

### Update on Annual Internal Audit Plan – 2026/27

In this section we have provided an overview of our progress regarding the 2026/27 Internal Audit Plan as at 19/05/2026.

Review Area	Sponsor	Planned Days	Audit Status	Assurance Level	Planned Start Date	Actual Start Date	Notes
<b>Strategic</b>							
Estates and Accommodation Strategy	Director of Growth and Major Projects	15	Planning Commenced	-	w/c 20 <sup>th</sup> July 2026	-	Planning meeting scheduled 8 <sup>th</sup> June 2026. Draft Terms of Reference to be issued following the planning meeting.
<b>Operational</b>							
Policing and Community Safety Partnership (PCSP)	Director of People	6	Planning Commenced	-	w/c 27 <sup>th</sup> August 2026	-	Planning meeting scheduled 29 <sup>th</sup> May 2026. Draft Terms of Reference to be issued following the planning meeting.
Labour Market Partnership (LMP)	Director of Growth and Major Projects	6	Planning Commenced	-	w/c 22 <sup>nd</sup> June 2026	-	Final Terms of Reference issued 6 <sup>th</sup> May 2026.
Fleet Management	Director of Place	10	Planning Commenced	-	w/c 17 <sup>th</sup> August 2026	-	Planning meeting scheduled 26 <sup>th</sup> May 2026. Draft Terms of Reference to be issued following the planning meeting.

## Progress to Date

### Update on Annual Internal Audit Plan – 2026/27

In this section we have provided an overview of our progress regarding the 2026/27 Internal Audit Plan as at 19/05/2026.

Review Area	Sponsor	Planned Days	Audit Status	Assurance Level	Planned Start Date	Actual Start Date	Notes
<b>Financial</b>							
Marinas and Harbours	Interim Director of Corporate Services / Director of Growth and Major Projects	12	Yet to Commence	-	TBC	-	Planning meeting to be scheduled.
<b>Other Areas</b>							
Follow-ups	Interim Director of Corporate Services	5	Yet to Commence	-	TBC	-	Planning meeting to be scheduled.

## Changes to the Internal Audit Plan and AOB

### Amendments and AOB to be noted by the Audit and Scrutiny Committee

In line with good practice, any amendments to the Internal Audit Plan should be reported to the Audit and Scrutiny Committee for approval (E.g., cancellation of individual audits, additions to the Internal Audit Plan).

We have no other business to present however would be happy to discuss any other business that Mid and East Antrim Borough Council may wish to consider.

# Appendix II

## Statement of Responsibility

# Statement of Responsibility

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We take responsibility for this report which is prepared on the basis of the limitations set out below. The matters raised in this report are only those which came to our attention during the course of our Mid and East Antrim Borough Council's management, and we do not accept responsibility for such information and have not performed any substantiation or external confirmation procedures to establish its accuracy or completeness.

Recommendations for improvements should be assessed by the you (Mid and East Antrim Borough Council) for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by us should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

This document is confidential and prepared solely for your information and that of other beneficiaries of our advice listed in our engagement letter. Therefore, you should not refer to or use our name or this document (in whole or in part) for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party without our prior authorisation. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

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**Belfast**

**May 2026**



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<b>Council/Committee:</b>	Audit and Scrutiny Committee
<b>Date:</b>	26 May 2026
<b>Report Title:</b>	<b>Audit Committee Self-Assessment</b>
<b>Publication Status:</b>	Open
<b>Author:</b>	Michelle Hegarty, Assistant Director of Finance
<b>Approver:</b>	Laureen Donnan, Interim Director of Corporate Services

### 1. Purpose

- 1.1. The purpose of this report is to present to Audit and Scrutiny Committee the draft self-assessment of its effectiveness, which has been completed by the Chair.

### 2. Background

- 2.1. At its meeting in April 2026, the Audit and Scrutiny Committee agreed that the Chair would complete a draft of the NIAO self-assessment checklist for members' consideration, with the intention that it would be brought back to the Committee in May for discussion.
- 2.2. It is recognised as best practice for audit committees to undertake a regular—typically annual—self-assessment. This process enables the Committee to reflect on its performance, identify strengths and weaknesses, and take corrective action where appropriate.

### 3. Key Issues for Consideration

- 3.1. The Chair has completed the NIAO draft self-assessment (See Appendix 1) for members consideration.
- 3.2. Several questions within the checklist could not be immediately answered "yes" by the Chair. Additional explanatory comments have therefore been provided to support the Committee's review and discussion.
- 3.3. Members are asked to discuss the draft self-assessment and consider whether any improvement actions are required.
- 3.4. All improvement actions identified during the previous year's self-assessment have been implemented, with the exception of: *"Consideration will be given at the start of a new mandate to appointing an*

*independent member as Chair of the Committee.”* Members may wish to reaffirm the Committee's position on this matter or agree next steps.

#### **4. General Considerations / Implications**

- 4.1. Alignment with Corporate Priorities and Link to Corporate Plan - Regular self-assessment supports good governance and aligns with the Corporate Plan by promoting accountability, effective risk management, and continuous improvement — all of which underpin the Council's strategic priorities.

#### **5. Proposed Way Forward**

- 5.1. Subject to members' agreement of the draft self-assessment, any identified improvement actions will be incorporated into the Committee's forward work plan and progressed accordingly.

#### **6. Recommendation or Decision**

- 6.1. It is recommended that Elected Members discuss and review the completed checklist provided at Appendix 1 and consider whether any of the current answers require amendment.
- 6.2. Elected Members should also consider whether any improvement actions should be identified and developed as a result of the assessment.

#### **7. Appendices / Links**

Appendix 1 – Self Assessment - Evaluating the impact and effectiveness of the Audit Committee



## Section 1: Membership, Independence, Objectivity and Understanding

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
1.1	The Chair is a non-executive Board member and possesses an appropriate level of relevant experience. <b>(3.2)</b>	Yes	
1.2	Membership of ARAC has sufficient numbers to discharge its responsibilities. <b>(3.1)</b>	Yes	
1.3	ARAC explores the option of bringing in additional independent, non-executive members from sources other than the Board to ensure an appropriate level of skills and experience. <b>(3.2)</b>	Yes	
1.4	The Accounting Officer and the Finance Director routinely attend meetings. <b>(3.4)</b>	Yes	
1.5	The heads of Internal Audit and External Audit routinely attend meetings. <b>(3.4)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
1.6	The Chair separately meets the Accounting Officer, Financial Director, Internal Audit and External Audit outside the formal committee structure on a regular basis and at least once per year. <b>(3.5)</b>	Yes	
1.7	ARAC members understand their responsibilities regarding identifying, declaring and resolving conflicts of interest. <b>(3.9)</b>	Yes	
1.8	ARAC members have a clear understanding of what is expected of them in their role, and this was set out clearly at the time of appointment. <b>(3.10, 3.11)</b>	Yes	
1.9	<b>Monitoring conflicts of interest</b> - If any conflicts of interest are identified, the ARAC Chair is effective in ensuring the associated risks are effectively managed and continually monitored - see para 4.26 of NIAO Conflicts of Interest - Good Practice Guide.	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
1.10	<b>Conflicts of interest policy</b> - The conflict of interest policy is reviewed on an annual basis – <u>see para 4.9 and 4.13 of NIAO Conflicts of Interest - Good Practice Guide.</u>		Council does not currently have a standalone Conflicts of Interest Policy, but a combined Gifts & Hospitality and Conflicts of Interest Policy for employees is being developed. Council currently relies on the NI code of Conduct for Councillor's and the Code of Conduct for employees that cover the circumstances when conflicts of interest should be declared.
1.11	Terms of Reference are reviewed and approved annually by the Accounting Officer and Board Chair and are tabled at each ARAC meeting. <b>(5.26)</b>	Yes	
1.12	ARAC has access to sufficient funding to cover the costs incurred in fulfilling its role. <b>(5.31)</b> This should be sufficient to: <ul style="list-style-type: none"> <li>• meet the remuneration and working expenses of its members;</li> <li>• meet the relevant training needs of its members;</li> <li>• provide specialist (external) advice or opinions when required; and</li> <li>• provide external review of the effectiveness of ARAC.</li> </ul>	Yes	
1.13	ARAC meets at least four times during the year. <b>(5.30)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
1.14	The number of meetings held during the year is sufficient to allow ARAC to perform as effectively as possible. <b>(5.30)</b>	Yes	
1.15	Meetings are well-aligned with the audit and assurance cycle. <b>(5.30 and Annex E)</b>	Yes	
1.16	All matters falling within the Terms of Reference of ARAC are covered adequately over the course of the year or a reasonable time period. <b>(Annex D)</b>	Yes	
1.17	Meetings of ARAC are long enough to ensure that all agenda items are covered in sufficient detail. <b>(Annex F)</b>	Yes	

### Membership, Independence, Objectivity and Understanding – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
1.18	<b>Contribution to meetings</b> - All members and attendees make valuable contributions to meetings.	Yes	
1.19	<b>Deep dives</b> - Deep dives are undertaken in core and emerging risk areas, and these are sufficiently detailed so ARAC can understand the risk and challenge management.	Yes	
1.20	<b>Private meetings</b> - ARAC has the opportunity to meet Internal Auditors and External Auditors in private – without the presence of management – when necessary and this time is used effectively.	Yes	
1.21	<b>Appointments</b> - ARAC is clear on the type of skills and experience which should be sought in a new member – and the Chair is involved in the appointment process. <b>(Annex A, A.3)</b>		A&S comprises 8 councillor's appointed annually as part of the Council's general meeting.  The committee also includes 1 independent member appointed via a formal recruitment process. The extension to the independent member was discussed with the Chair and a report was brought to the A&S in August 2025 asking members to consider the role performance and effectiveness of the independent member before approving an extension to the end of August 2027.
1.22	<b>Time between ARAC meetings and main Board meetings</b> - There is sufficient time between ARAC meetings and main Board meetings to allow any work arising from ARAC meeting to be undertaken and reported to the Board as appropriate.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
1.23	<b>Culture and Behaviour</b> - ARAC acts in an inclusive and respectful manner, avoids 'group think', and provides an appropriate balance between challenge and support.	Yes	
1.24	<b>Preparation</b> - ARAC receives information and papers far enough in advance for members to fully consider before the meeting.	Yes	
1.25	<b>Resources</b> - ARAC is provided with sufficient administrative and secretarial support to undertake its duties to the required standard.	Yes	
1.26	<b>Balance of Agenda</b> - Sufficient time is afforded to the different providers of assurance to ARAC across the various lines of defence, notably risk management, Internal Audit and External Audit.	Yes	
1.27	<b>Forward Planning</b> - ARAC has a forward plan for its meetings so it can consider issues at the right time and in the right level of detail.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
1.28	<b>Minute taker</b> - There is a designated minute taker present at each meeting.	Yes	
1.29	<b>Record of reports presented</b> - All papers presented at ARAC meetings are at the right level of detail and presented in a manner which makes it easy for members to review and challenge. All papers should include a cover page outlining the main issues arising and should be tabled for either information, discussion, noting or for approval.	Yes	
1.30	<b>Hybrid meetings</b> - Where ARAC meetings are hosted online, a secure link to join the meeting on-line should be provided in advance. Appropriate technology should be in place prior to the meeting; ensuring all participants can be seen and heard clearly.	Yes	
<b>Additional comments and key takeaways</b>			



## Section 2: Skills and Experience

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
2.1	ARAC possesses a good range of skills and experience in relation to governance, risk and control. <b>(4.1)</b>	Yes	
2.2	At least one member of ARAC has recent and relevant financial experience sufficient to allow them to analyse the financial statements and understand good financial management disciplines. <b>(4.1)</b>	Yes	
2.3	ARAC proactively identifies which skills it requires to discharge its responsibilities most effectively. <b>(4.2)</b>	Yes	
2.4	The required skill sets for ARAC are reviewed at regular intervals. <b>(4.2)</b>	Yes	
2.5	<b>Co-opting members and procuring specialist skills</b> - ARAC uses the powers of co-opting members and procuring specialist skills where these are required. <b>(4.5)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
2.6	<b>Skills mapping</b> - ARAC documents and maps the skills of its members so it can identify areas of strength and any skills gaps. <b>(Annex G)</b>		<p>A&amp;S does not formally map member skills, as councillor appointments are made annually using the d'Hondt method and are therefore based on political party allocation rather than individual skills.</p> <p>The independent member, appointed through a recruitment process, provides additional expertise and continuity to support the Committee's overall skill set</p>

**Skills and Experience – Other Good Practice Arrangements**

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
2.7	<b>Diversity</b> - ARAC draws on a sufficiently diverse membership, containing a variety of demographic attributes and characteristics.	Yes	
2.8	<b>Relevance of financial reporting experience</b> - The financial reporting expertise held by members is relevant and appropriate to the significant financial reporting risks of the organisation – particularly in respect of any complex estimates or judgements.	Yes	
2.9	<b>Non-Technical Skills</b> - ARAC benefits from a good mix of non-technical skills – for example, communication, influencing, negotiating, leadership and facilitation skills.	Yes	

**Additional comments and key takeaways**

## Training and Development

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
2.10	Members who have recently joined ARAC have been provided with induction training to help them understand their role and the organisation. <b>(4.6)</b>	Yes	
2.11	Members of ARAC who are unfamiliar with corporate governance and wider practice in government are specifically upskilled in this area. <b>(4.6)</b>	Yes	
2.12	Members keep their skills and knowledge up-to-date through networking and conferences to allow them to focus on key issues facing the organisation. <b>(4.3)</b>		A&S members keep their skills and knowledge up to date through participation in council-organised training, attendance at relevant briefings, and engagement with external bodies such as NILGA and the Northern Ireland Audit Office. Members also develop their understanding through regular interaction with internal audit, external audit, and senior officers, which helps them stay informed about key risks and issues facing the organisation.
2.13	ARAC Chair ensures that members have an appropriate programme of engagement with the organisation and its activities to help them understand the organisation, its objectives, business needs, priorities and risk profile. <b>(4.7)</b>	Yes	

## Training and Development – Other Good Practice Arrangements

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
2.14	<b>Learning culture</b> - There is a positive culture of learning and personal development within ARAC	Yes	
2.15	<b>Emerging developments</b> - ARAC's training and development programme takes account of developments in corporate governance and emerging risk areas.		The Council does not currently have a formal A&S training and development programme. However, work is underway on a Members' Learning & Development Strategy 2025-2028, which will provide a structured approach to member learning. As part of this, the Council intends to incorporate specific training for A&S members annually.
2.16	<b>Public sector context</b> - For ARAC members unfamiliar with the operations of the public sector, special focus is given to this as part of their induction, focusing in particular on regularity.		For A&S members who are new to public-sector operations, the Council's induction includes an overview of the local government, with emphasis on regularity, propriety, and the financial and governance requirements specific to councils. This is supported by briefings from senior officers to ensure members understand the public-sector context in which the Council operates.
2.17	<b>Cross-government networking</b> - ARAC Chair attends cross-governmental (if a government department) or cross-departmental (if an arm's-length body) ARAC Chair meetings.		There is no cross-government or cross-departmental A&S Chair network for local government in Northern Ireland, so the Chair does not attend such meetings.  However, all A&S members, including the Chair, were invited to attend the NIGLA/NIAO Audit Committee training webinar on 26 November 2025, which provided sector-wide learning and networking opportunities relevant to their role.
<b>Additional comments and key takeaways</b>			

## Cyber and Digital

Reference	Good Practice	Yes/No	Actions/Comments
2.18	ARAC understands how cyber and digital risks impact on the organisation.	Yes	
2.19	ARAC has the level of skills and expertise required to challenge management and provide assurance to the Board that the organisation is properly managing its cyber and digital risks.	Yes	

## Information Security

Reference	Good Practice	Yes/No	Actions/Comments
2.20	ARAC understands the organisation's approach to managing information risks, and how it manages its GDPR requirements.	Yes	

## Climate Change and ESG

Reference	Good Practice	Yes/No	Actions/Comments
2.21	ARAC is satisfied the organisation's approach to managing ESG risks, and making appropriate disclosures, is in line with relevant standards such as the Greening Government Commitments and Sustainability Reporting Guidance.		<p>This requirement is not currently applicable to local government in Northern Ireland, as councils are not subject to the Greening Government Commitments or mandatory ESG disclosure standards at present.</p> <p>A&amp;S therefore has not assessed the organisation's approach against these frameworks. The Council continues to monitor emerging ESG and sustainability reporting requirements to ensure it can respond appropriately if future obligations are introduced,</p>

Reference	Good Practice	Yes/No	Actions/Comments
2.22	ARAC is provided with the appropriate means to effectively assess the organisation's approach to managing climate-related risks.		<p>While there is no standalone climate-related risk on the Corporate Risk Register, relevant climate considerations are incorporated into wider strategic risks presented to A&amp;S.</p> <p>Climate-related matters are instead addressed through the Council's Climate and Sustainability Action Plan and the Climate Adaptation Plan, both of which are reported to the Environment and Economy Committee rather than A&amp;S.</p>
2.23	ARAC assesses the organisation's net zero strategy with sufficient detail, and at regular intervals.		<p>A&amp;S does not receive a dedicated net zero strategy for assessment. Climate-related targets, including zero-emissions commitments, are incorporated within the Council's Climate and Sustainability Action Plan and Climate Adaptation Plan, which are reported through the Environment and Economy Committee rather than A&amp;S.</p>

### Projects and Programmes

Reference	Good Practice	Yes/No	Actions/Comments
2.24	ARAC is appropriately briefed on significant projects and programmes throughout their lifecycle e.g. provision of gateway reviews at each stage of the project.		<p>A&amp;S is not routinely briefed on significant projects or programmes throughout their lifecycle. Oversight of major projects is carried out through the relevant service committees, which receive updates and reports as projects progress.</p>
2.25	ARAC has the skills and expertise to provide effective critical challenge on the financial management, delivery risks and overall progress of projects or programmes.	Yes	

## Procurement

27

Reference	Good Practice	Yes/No	Actions/Comments
2.26	ARAC has an appreciation of the risks associated with procurement in the public sector context.	Yes	
2.27	ARAC has the skills and expertise to challenge commercial activities and the procurement of goods and services.	Yes	
2.28	ARAC is informed of all Single Tender Action/Direct Award Contracts with supporting detail.	Yes	
2.29	ARAC is provided with regular updates of any significant legislative changes in procurement practices and how management is preparing for these.	Yes	
<b>Additional comments and key takeaways</b>			



### Section 3: Roles and Responsibilities – Assurance

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.1	ARAC helps the Accounting Officer and Board to formulate their assurance needs. <b>(5.3)</b>	Yes	
3.2	ARAC assesses whether the assurance received is of sufficient quality to meet the assurance needs outlined in 3.1. <b>(5.3)</b>	Yes	
3.3	ARAC understands the key sources of assurance in the organisation, and how and why each of these sources provides assurance to them. <b>(5.5)</b>	Yes	
3.4	ARAC understands the three lines of defence model, as set out in <u>the Orange Book 2023, Annex 2</u> , and how this applies in practice to the organisation. <b>(5.6)</b>		A&S understands the Three Lines of Defence model as it is incorporated into the Council's Corporate Risk Register. The revised CRR layout and format clearly sets out the roles of management, oversight functions and internal audit in relation to each strategic risk, enabling A&S to see how the model operates in practice
3.5	ARAC is proactive in commissioning assurance work from appropriate sources where it identifies any significant governance, risk and control issues which have not been subject to sufficient review. <b>(5.9)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.6	ARAC ensures the organisation operates appropriate and effective whistleblowing practices, in keeping with NIAO's <u>good practice guide on Raising Concerns</u> (June 2020), and has completed the associated <u>self-assessment checklist</u> .	Yes	

### Assurance – Other Good Practice Arrangements

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.7	<b>Assurance Mapping</b> - ARAC uses assurance mapping to identify where assurance is required and any key gaps where no assurance is provided, or where the quality of the assurance is poor.	Yes	
3.8	<b>Recommendation Tracking Department of Finance (DOF) Letters and other relevant guidance</b> - ARAC has an effective system for monitoring management's progress with recommendations from DoF Letters and other relevant guidance.	Yes	

**Additional comments and key takeaways**

## Governance

ARAC understands how governance arrangements support achievement of the organisation's strategies and objectives.

**(5.19) In particular, ARAC understands:**

Reference	Essential Requirements	Yes/No	Actions/Comments
3.9	the Board's operating framework, including the organisation's vision and purpose;	Yes	
3.10	mechanisms which ensure effective organisational accountability, performance and risk management;	Yes	
3.11	role definitions, committees and other structures which support the effective discharge of responsibilities, decision-making and reporting;	Yes	
3.12	the development, operation and monitoring of the system of internal controls and whether these will provide timely warnings of any failings;	Yes	
3.13	how appropriate ethics and values are promoted within the organisation;		This is demonstrated through the Council's Code of Conduct for Councillors and Officers, the values set out in the Corporate Plan, and the policies and procedures that reinforce expected standards of behaviour such as Fraud and Raising Concerns policies.

Reference	Essential Requirements	Yes/No	Actions/Comments
3.14	how management information is communicated to the Board and other appropriate areas of the organisation; and		A&S understands how the Council's governance arrangements support delivery of its strategies and objectives. Management information is brought to Council and its committees in line with their terms of reference, ensuring that updates and decisions go to the appropriate place. This helps A&S understand how information flows through the organisation and how governance operates in practice.
3.15	the nature of relationships with arm's-length bodies, if applicable.	N/A	The Council does not operate any arm's-length bodies, so this aspect of governance is not applicable to A&S.

### Governance – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
3.16	<b>Future assurance requirements</b> - ARAC monitors developments in corporate governance so it can proactively advise the Accounting Officer and Board on any changes to assurance requirements.	Yes	
3.17	<b>Annual governance statement</b> - ARAC reconciles assurance from Internal Audit, External Audit and other sources of assurance with conclusions drawn in the organisation's annual governance statement.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
3.18	<b>Corporate governance policy</b> - Without duplicating the work of the Board, ARAC advises on – and scrutinises the implementation of – its organisation’s corporate governance policy.	Yes	
<b>Additional comments and key takeaways</b>			

### Risk Management and Internal Controls

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.19	ARAC understands the organisation’s business strategy, operating environment and the associated risks to executing the strategy. <b>(5.20)</b>	Yes	
3.20	ARAC is satisfied that management takes an enterprise-wide view of the organisation’s risks, including those that cross organisational boundaries. <b>(5.20)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.21	There is a clear understanding of the role and activities of the Board in relation to managing risk. <b>(5.20)</b>	Yes	
3.22	ARAC discusses with the Board how its policies, attitude to, and appetite for risk are defined and communicated across the organisation. <b>(5.20)</b>		Council has a Risk Management Framework which includes its risk appetite statement. These were presented to the Audit & Scrutiny Committee in April 2025. The Framework and risk appetite have since been updated and approved by CRPG in April 2026, and will be brought to A&S in June 26 alongside the Quarter 1 Corporate Risk Register for 2026/27.
3.23	ARAC understands and challenges the risk management framework and the assignment of responsibilities. <b>(5.20)</b>		As noted at 3.22, A&S has reviewed the Council's Risk Management Framework. A&S also reviews the Corporate Risk Register on a quarterly basis, along with updates from management and Internal Audit assurance work. Together, these allow A&S to see how risks are owned and managed across the Council.
3.24	Adequate assurance has been obtained on the risk and control environment encompassing services outsourced to external providers, including shared service arrangements, and the wider supply chain. <b>(5.12)</b>		The Council does not operate any shared service arrangements for its control environment. Assurance on the risk and control environment for services delivered by external providers is obtained through contract management processes, performance reporting and Internal Audit work. Relevant findings from this activity are reported to A&S through Internal Audit reports, management updates and the quarterly risk reporting process.
3.25	(For government departments and groups only) assurance has been obtained on risks from across the group – and there is timely communication and visibility of these risks. <b>(5.11)</b>	N/A	The Council is not part of a government department or group.

### Risk Management and Internal Controls – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
3.26	<b>Risk Culture</b> - ARAC promotes the importance of a positive risk culture in the organisation as set out in <u>NIAO's good practice guide on Innovation and Risk Management</u> .		A&S supports the development of a positive risk culture through its oversight of risk management arrangements. This includes regular scrutiny of risk information, challenge to management, and reinforcing the importance of good risk management practice.
3.27	<b>Managing Innovation</b> – ARAC is aware of how the organisation encourages best practice in innovation and risk management as set out in <u>NIAO's good practice guide on Innovation and Risk Management – Self Assessment Checklist</u> .		A&S is aware of the organisation's approach to innovation and risk management. Its role is primarily oversight rather than promoting innovation practice, but A&S gains assurance through its review of risk management arrangements and Internal Audit work. Internal Audit review of risk management was completed in 2024/25, and A&S is aware that all recommendations from that review have now been fully implemented during 2025/26.
3.28	<b>Risk Tolerance</b> - ARAC challenges management on whether there is a comprehensive process for identifying and evaluating risk, and for deciding what levels of risk are tolerable.		Risk tolerance is set out in the Council's Risk Appetite Statement, and the Corporate Risk Register includes clear treatment options (terminate, treat, tolerate, transfer) and target risk assessments. A&S reviews these as part of its regular scrutiny of the risk management process.
3.29	<b>Risk Registers</b> - ARAC has sufficient understanding of the organisation to assess whether the risk register is an appropriate reflection of the risks facing the organisation.	Yes	
3.30	<b>Resources</b> - ARAC can assess whether there are sufficient resources to manage risk effectively across the organisation.		A&S provides oversight of the Council's risk management arrangements. While A&S doesn't set or decide the resources itself, it can raise concerns if reports, Internal Audit work or discussions with management show that a lack of staff or funding is affecting how risks are managed.

Reference	Good Practice	Yes/No	Actions/Comments
3.31	<b>Emerging Risks</b> - ARAC challenges whether management's approach to identifying risks is broad enough to effectively identify new and emerging risks.		A&S reviews new and emerging risks when they are added to the Corporate Risk Register, which is presented to the Committee on a quarterly basis. This gives A&S the opportunity to question and challenge management on how new risks are identified. A&S does not lead the identification process itself, but it provides oversight and can raise concerns where gaps are identified.
3.32	<b>Risk Evaluation</b> - ARAC challenges management on its approach to evaluating risks, including the effectiveness of scenario planning and stress testing.		A&S looks at how management scores and evaluates risks when it reviews the Corporate Risk Register and can question management if it feels risks haven't been properly assessed or if more work is needed.  The Council hasn't carried out formal scenario planning or stress testing. The Council does have business continuity plans, but these are not routinely brought to A&S.
3.33	<b>Review of "Near Misses"</b> - ARAC reviews information on 'near misses' to help determine whether the systems in place are sufficiently robust to mitigate future risk events.		A&S does receive an annual report on the application of the Fraud Policy, which would include any fraud-related incidents or near misses investigated under that policy. However, this does not cover wider operational or service-related near misses - these types of near misses would normally be reported to the relevant service committees rather than A&S.  If a significant near miss were highlighted through Internal Audit work or risk updates, A&S would consider it, but this is not part of the regular reporting process.
3.34	<b>Fraud and Error</b> - ARAC understands the main fraud and error risks as set out in <u>NIAO's various Fraud Risk guides</u> , and challenges management to consider timely options for tackling fraud and error risks.	Yes	
3.35	<b>Resilience</b> - ARAC considers the cumulative impact of risks and how these could impact on the ongoing resilience of the organisation.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
3.36	ARAC critically challenges and reviews the adequacy and effectiveness of control processes in responding to risks. (5.20)		A&S reviews the Corporate Risk Register, which sets out the controls in place under the Council's 'three lines of defence' model, including management controls and internal assurance. A&S also receives Internal Audit reports, which highlight any weaknesses in controls and make recommendations for improvement. This gives A&S the opportunity to question whether the controls are adequate and working as intended.
3.37	ARAC challenges whether the extent of the controls in place to mitigate risks is excessive, and whether any action is needed to address this. (5.10)		A&S reviews the controls set out in the Corporate Risk Register and can question whether they are proportionate to the risks. Internal Audit reports provide assurance on how well controls are working and whether there are any recommendations for improvement.
3.38	<b>Understanding of internal control</b> - ARAC has a good understanding of how the organisation develops, operates and monitors the system of internal control.	Yes	
3.39	<b>Controls over material or significant risks</b> - ARAC seeks assurance on how any material or significant risks are managed through strategic, operational and compliance controls.	Yes	
3.40	<b>Timely indicators</b> - ARAC assesses whether the system of internal control would provide timely indicators of weaknesses and failings.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
3.41	<b>Root cause analysis of significant failings or weaknesses in internal control</b> - When any significant failings or weaknesses in internal control arise, ARAC reviews management's analysis of the root cause and subsequent action plan.		A&S reviews significant control issues through the Internal Audit reports it receives. These reports set out the weaknesses identified, the likely root causes, and the actions management has agreed to take.
3.42	<b>Financial control</b> - ARAC is satisfied that the organisation has a sound system of financial control – including the structure of delegations – which enables the organisation to achieve its objectives with good value for money.		A&S receives assurance on the Council's financial controls through its review of the annual accounts, External Audit reports, and Internal Audit work on key financial systems. These provide evidence that the core financial controls and delegations are operating as intended.
3.43	<b>IT controls</b> - ARAC has sufficient assurance over the quality of IT controls.	Yes	
3.44	<b>Design of fraud controls</b> - ARAC is satisfied that the organisation's controls are designed to effectively prevent and detect known fraud and error risks as set out in <u>NIAO's fraud risk guides</u> .	Yes	
3.45	<b>Evaluation of fraud controls</b> - ARAC has oversight of how controls are evaluated so it can understand how effectively fraud and error risks are being addressed.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
<b>Additional comments and key takeaways</b>			

### Training and Development

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.46	ARAC receives reports on major incidents as well as details of special investigations, including any whistleblowing cases. (5.22)		A&S has not received reports on major incidents or special investigations, including whistleblowing cases, as no such matters have required escalation to the Committee. The Chair of A&S is updated on any potential fraud issues as they occur and is listed as a contact point in both the Council's Fraud Response Plan and the Raising Concerns Policy, allowing staff to raise concerns directly with them. Although some raising-concerns cases have occurred, none have related to the Chief Executive or Senior Management Team. In such circumstances, concerns would be escalated to the Chair of A&S, who may convene a Raising Concerns Panel with appropriate internal or external advisers. Fraud-related cases are also referenced in the annual fraud report received by A&S. If a significant incident or investigation were to arise, it would be reported to A&S.

### Training and Development – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
3.47	<b>Counter fraud arrangements</b> – ARAC is satisfied that the organisation has adopted appropriate arrangements to identify and respond to the risk of fraud, including reporting losses and investigating fraud incidents as set out in <a href="#">NIAO's good practice guide on Managing Fraud Risk in a Changing Environment</a> .	Yes	
<b>Additional comments and key takeaways</b>			

## Financial Reporting

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
3.48	ARAC reviews the clarity and completeness of disclosures in the year-end financial statements. <b>(5.23)</b>	Yes	
3.49	ARAC considers significant accounting policies, any changes to them, and any significant estimates and judgements, if possible, before the start of the financial year. <b>(5.23)</b>	Yes	
3.50	ARAC uses its understanding of the organisation to assess whether disclosures in the financial statements are set properly in context. <b>(5.23)</b>	Yes	
3.51	In reviewing the Annual Accounts, ARAC specifically considers the following: <ul style="list-style-type: none"> <li>• accounting policies comply with relevant requirements, particularly <u>HM Treasury's Financial Reporting Manual</u>;</li> <li>• assurances about the financial systems which provide the figures for the accounts;</li> <li>• the quality of the control arrangements for preparing the accounts;</li> <li>• key judgements made in preparing the accounts, and management's consideration of their ongoing relevance;</li> <li>• any disputes arising between those preparing the accounts and the auditors; and</li> <li>• reports, advice and findings from External Audit – especially the Report to those charged with governance (RTTCWG).</li> </ul>	Yes	

## Financial Reporting – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
3.52	<b>Annual Report</b> - ARAC reviews the Annual Report to ensure that it is fair and balanced and is easily understandable.	Yes	
3.53	<b>Complex judgements and use of experts</b> - Where novel accounting issues or complex judgements have arisen during the year, ARAC has satisfied itself that management took specialist advice or enlisted expertise.	Yes	
3.54	<b>Continual monitoring of significant issues</b> - ARAC is effective in monitoring significant financial reporting issues throughout the year, particularly those which could lead to any potential qualification of the accounts.	Yes	
3.55	<b>Reports from third parties</b> - In reaching a view on the accounts, ARAC considers the implications of reports from third parties – for example, on legal matters, valuations or reports from regulators.	Yes	
3.56	<b>Key matters</b> - ARAC considers key matters on its own initiative rather than relying solely on the work of the External Auditor.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
3.57	<b>Understanding of the organisation</b> - ARAC has a detailed understanding of the organisation and its context and can successfully challenge whether the accounts provide a fair representation of activity.	Yes	
3.58	<b>Going concern</b> - ARAC sufficiently challenges the going concern assessment in the context of its review of the financial statements and understanding of the business.	Yes	
3.59	<b>Use of financial models</b> - ARAC offers appropriate challenge to any information which is generated through financial modelling.		In a local government setting, detailed financial modelling is not normally brought to A&S. Modelling is undertaken within the Finance team and reviewed by the SMT as part of the budget-setting process, with the high-level outputs discussed with Members at rate-setting workshops.  A&S would only see financial modelling for scrutiny purposes if it were relevant to a specific risk or assurance issue.
3.60	<b>Financial reporting developments</b> - ARAC is familiar with developments in financial reporting standards and can challenge their application in financial statements.		Developments in financial reporting are monitored by officers and the Northern Ireland Audit Office, who brief A&S on any relevant changes. For example, the impact of IFRS 16 was presented to the Committee last year. This approach reflects normal practice in local government, where technical assessment of new standards sits with Finance officers and external auditors, with A&S receiving updates.
3.61	<b>Group reporting</b> - (For government groups only) ARAC has sufficient oversight of significant financial reporting risks from across the department or group.	N/A	Council has no group reporting.

Reference	Good Practice	Yes/No	Actions/Comments
3.62	<p><b>Submission of unsigned Annual Report and Accounts (ARA) to the C&amp;AG</b> - (For central government bodies) The Annual Report and Accounts should be accompanied by a letter, signed by the Accounting Officer, confirming that the Accounting Officer takes full responsibility for the ARA. This letter should make clear that the Accounting Officer has</p> <ul style="list-style-type: none"><li>• reviewed the ARA to ensure they have been properly prepared in accordance with the guidance;</li><li>• enquired of staff to ensure adequate working papers are available to support the figures in the ARA; and</li><li>• enquired of staff to ensure that it is not anticipated that the ARA will be subject to significant adjustment as a result of the audit procedures.</li></ul> <p>ARAC should be provided with confirmation that the above has happened.</p>	Yes	



## Section 4: Scope - Terms of Reference

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.1	ARAC's Terms of Reference are agreed by the Accounting Officer and the Board. <b>(5.26)</b>	Yes	
4.2	The Terms of Reference are reviewed on an annual basis. <b>(5.26)</b>	Yes	
4.3	The Terms of Reference do not conflict with guidance in the HM Treasury's Audit and Risk Assurance Committee Handbook. <b>(5.27)</b>	Yes	
4.4	The Terms of Reference make clear ARAC's independence as a committee. <b>(5.27)</b>	Yes	
4.5	ARAC's Terms of Reference are made publicly available, including on the organisation's website. <b>(5.26)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.6	The Terms of Reference allow for ARAC to sit privately without any non-members present for all or part of a meeting if they wish. <b>(3.4)</b>	Yes	

**As a minimum, the following areas are covered by ARAC's Terms of Reference (5.26):**

Reference	Essential Requirements	Yes/No	Actions/Comments
4.7	details of ARAC membership.	Yes	
4.8	the reporting requirements to the Board.	Yes	
4.9	the key areas of responsibility on which ARAC will advise the Accounting Officer and Board.	Yes	
4.10	rights of ARAC over co-opting additional members or procuring specialist advice.	Yes	

Reference	Essential Requirements	Yes/No	Actions/Comments
4.11	the head of Internal Audit and a representative from External Audit will have free and confidential access to the Chair of ARAC.	Yes	
4.12	meeting information, including the number per year, the number of members required for the meeting to be quorate, and expected invitees.	Yes	
4.13	information requirements, including what information will be provided for each meeting, and what will be provided on request.	Yes	

### Terms of Reference – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
4.14	<b>Benchmarking</b> - ARAC has compared its Terms of Reference against those of similar profile organisations.		A&S reviews its TOR on an annual basis. The TOR are benchmarked against NIAO good practice guide.
4.15	<b>Expectations</b> - In addition to core requirements, the Terms of Reference contain information which allows ARAC to function more effectively – for instance, expectations about how far in advance of meetings papers will be provided.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
4.16	<b>Proportionality</b> - The Terms of Reference properly reflect the role and scope of ARAC and are proportionate to the way ARAC actually operates.	Yes	
4.17	<b>Standing item</b> – The Terms of Reference are included as a standing agenda item at every ARAC for reference purposes.	No	The Terms of Reference are not a standing item at every A&S meeting. They are presented at the first A&S meeting following the Annual Meeting for members' reference and agreement, rather than being included on each agenda.
<b>Additional comments and key takeaways</b>			

**Internal Audit**

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.18	ARAC performs a risk-based review of Internal Audit's strategy and annual programme of work. <b>(5.16)</b>	Yes	
4.19	ARAC assesses the adequacy of the budget and resources available to Internal Audit. <b>(5.16)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.20	ARAC reviews the Internal Audit charter or terms of reference. <b>(5.16)</b>	Yes	
4.21	ARAC assesses the results of Internal Audit's work, and management's responses to the issues raised. <b>(5.16)</b>	Yes	
4.22	ARAC reviews the annual Internal Audit Opinion and associated annual report. <b>(5.16)</b>	Yes	
4.23	ARAC assesses the performance of Internal Audit against applicable standards, expected performance measures and the results of any internal or external quality assurance assessments. <b>(5.16)</b>	Yes	
4.24	ARAC reviews progress made by management in addressing Internal Audit recommendations and is proactive in obtaining confirmation that the recommendations are actually implemented. <b>(5.16)</b>	Yes	

### Internal Audit – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
4.25	<b>Other assurance activity</b> - ARAC frames the work of Internal Audit in the context of other assurance activity that takes place in the first and second lines of defence.	Yes	
4.26	<b>Support</b> - ARAC plays a role in providing support for, and acceptance of, the work of Internal Audit.	Yes	
4.27	<b>Coverage</b> - ARAC challenges whether the effectiveness of the risk, compliance and finance functions is evaluated as a part of its Internal Audit strategy.	Yes	
4.28	<b>Overall opinion</b> - ARAC considers how the individual components of the annual Internal Audit plan provide reasonable assurance on governance, risk and control for the organisation in totality.	Yes	
<b>Additional comments and key takeaways</b>			

## External Audit

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.29	ARAC considers and makes relevant enquiries about the External Auditor's planned audit approach. <b>(5.17)</b>	Yes	
4.30	ARAC considers the impact of the results of External Audit work. <b>(5.17)</b>	Yes	
4.31	ARAC promotes cooperation between External Audit and Internal Audit to maximise overall audit efficiency, capture opportunities to derive a greater level of assurance and minimise unnecessary duplication of work. <b>(5.17)</b>	Yes	
4.32	<b>Recommendations Tracking – NIAO Public Reports</b> – Where relevant, ARAC has an effective system for monitoring management's progress with recommendations from NIAO Public Reports.  Management responses to recommendations should be included in a Memorandum of Reply (MOR) as set out in DAO 03/24 - <u><a href="#">Guidance on Responding to Northern Ireland Audit Office Public Reports</a></u>	Yes	
4.33	<b>NIAO Good Practice Guides</b> - ARAC has an effective system for monitoring management's progress with any relevant recommendations arising from NIAO Good Practice Guides.	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
4.34	<b>External Audit's findings and recommendations</b> – ARAC reviews and monitors management's responses to any findings set out in External Audit's RTTCWG.	Yes	

### External Audit – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
4.35	<b>Objectives of External Audit</b> - ARAC has a clear understanding of the objectives, scope and remit of External Audit work.	Yes	
4.36	<b>Review of adequacy of scope</b> - ARAC has the opportunity to review the scope of External Audit work and – if not satisfied as to its adequacy – challenge whether additional work should be undertaken by the External Auditor.	Yes	
4.37	<b>Level of fees</b> - ARAC satisfies itself that the level of fees payable in respect of the audit services provided is appropriate and that an effective, high-quality audit could be conducted for such a fee.	Yes	
4.38	<b>Materiality</b> - ARAC is satisfied that it has a good understanding of materiality, including the benchmarks used and the calculation of materiality and performance materiality, as set out in <u>FRC ISA 320 - Materiality in Planning and Performing an Audit</u> .	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
4.39	<b>Audit quality</b> - ARAC considers factors that could affect the quality of the audit during the year and discusses these with the auditor, as set out in FRC's paper <u>on Audit Quality Indicators</u> .	Yes	
4.40	<b>Expert advice</b> - ARAC is satisfied that the External Auditor has access to relevant expertise, for instance around pensions liabilities or property valuation.	Yes	
4.41	<b>Quality of review</b> - ARAC focuses on priority issues when undertaking its review of the results of External Audit work.	Yes	
4.42	<b>Review of audit representation letters</b> - ARAC reviews the audit representation letters before they are signed by the Accounting Officer and considers matters where representation has been requested that relates to non-standard issues.		A&S reviews the Letter of Representation as part of the Report to Those Charged with Governance, which is presented to the Committee on completion of the annual audit. This provides A&S with sight of the representations requested by the Northern Ireland Audit Office before the accounts are signed by the Accounting Officer.
4.43	<b>Quality of information provided to External Audit</b> - ARAC takes steps to ensure External Audit receives quality, robust and timely audit evidence from the finance function.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
4.44	<b>Support for External Audit</b> - ARAC is supportive of External Audit's challenge of management and does not act as management's advocate.	Yes	
4.45	<b>Uncorrected misstatements</b> - ARAC should provide written endorsement of management's reasons for not correcting any uncorrected misstatements identified by External Audit.	Yes	
<b>Additional comments and key takeaways</b>			



## Section 5: Communications and Reporting

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
5.1	ARAC produces a report after each meeting for the Accounting Officer and Board (with a copy to the head of Internal Audit and the External Auditor) covering: <ul style="list-style-type: none"> <li>the key business taken by ARAC; and</li> <li>ARAC's views and advice on any issues they believe the Accounting Officer or Board should take action on. <b>(6.1)</b></li> </ul>	Yes	
5.2	ARAC has effective communications with those it seeks briefings from (the executive and Internal and External Audit) and those it provides assurance to (the Board). <b>(6.3)</b>	Yes	
5.3	ARAC provides an Annual Report timed to support the preparation of the Annual Governance Statement. <b>(6.4)</b>	Yes	
5.4	ARAC's Annual Report is open and honest in presenting the ARAC's views. <b>(6.4)</b>	Yes	
5.5	ARAC's Annual Report summarises ARAC's work for the past year and how it discharges its responsibilities in accordance with HM Treasury's Audit and Risk Assurance Committee Handbook (July 2024) <b>(1.5, 6.5)</b>	Yes	

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
5.6	There are mutual rights of access between each of the Chair of ARAC, the Accounting Officer, head of risk management (if a separate function), head of Internal Audit and the External Auditor. <b>(6.7)</b>	Yes	
5.7	There are periodic discussions with key attendees outside of the formal meetings to help ensure that expectations are managed and there is mutual understanding of current risks and issues. <b>(6.7)</b>	Yes	

#### Communications and Reporting – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
5.8	<b>Transparency</b> - ARAC reports its work as transparently as possible within the limits of what is confidential and commercially sensitive.	Yes	
5.9	<b>Working with the Board</b> - ARAC has a robust mechanism for working with the Board, so expectations and accountability are clear.	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
5.10	<b>Technology</b> - ARAC uses technology to its advantage and communicates as a group in a way which is effective, efficient and secure.	Yes	
5.11	<b>Reports from ARAC to the Board</b> - Reports produced by ARAC are proportionate: there is enough information to provide the Board with the assurance it requires, but not too much that key information is diluted.	Yes	
5.12	<b>Visibility of risks across departments</b> - (For government departments only) the departmental ARAC has an effective way of gaining visibility over key risks and issues arising from ARACs within the departmental group.	Yes	
5.13	<b>Attendance at ARAC meetings by Departmental officials</b> - (For ALBs of government departments only) a departmental official is invited to and attends all ARAC meetings.	Yes	
<b>Additional comments and key takeaways</b>			



## Section 6: Continuous Improvement

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
6.1	<b>Chair's performance</b> - The Chair seeks appraisal of his or her performance from the Accounting Officer or Chair of the Board, as appropriate. <b>(Annex A, A2)</b>		<p>A formal appraisal of the Chair's performance by the Accounting Officer or Chair of the Council is not standard practice in a local government setting and does not currently take place.</p> <p>The Chair's performance is instead considered informally through ongoing engagement with the Accounting Officer and through the Committee's annual effectiveness review.</p>
6.2	<b>ARAC members' performance</b> - The Chair assesses the performance of the individual members of ARAC, discusses their training and development needs and agrees a training and development plan. <b>(Annex A, A2)</b>	Yes	
6.3	<b>Periodic reviews</b> - The Chair ensures a periodic review of the overall effectiveness of ARAC. <b>(Annex A, A3)</b>	Yes	
6.4	<b>Assessment of outcomes</b> - After completing an effectiveness review, there is sufficient time and effort devoted to discussing results and agreeing an action plan based on the outcomes.		After completing the effectiveness review, A&S sets aside time to discuss the results and agree any actions. The Chair prepares the draft self-assessment which is presented at the A&S meeting where the Committee will review the outcomes and agree any actions. This follows the same approach used last year.
6.5	<b>Monitoring of trends</b> - Evaluation of performance is not done in isolation, and year-on-year trends in different areas of performance are measured.		Internal Audit updates, risk management reports and the annual effectiveness review all provide comparative information that allows A&S to reflect on changes in performance over time.

Reference	Essential Requirements (including Audit and Risk Assurance Committee Handbook Reference)	Yes/No	Actions/Comments
6.6	<b>Feedback from key stakeholders</b> - The Chair considers ways in which to obtain feedback from the executive and other key stakeholders – for example, Internal and External Audit – on the performance of ARAC.	Yes	

### Continuous Improvement – Other Good Practice Arrangements

Reference	Good Practice	Yes/No	Actions/Comments
6.7	<b>Succession planning</b> - The results of the performance evaluation are used to inform and influence succession planning – for instance in highlighting skills gaps or a lack of diversity, similar to the process set out for succession planning in the <a href="#">NIAO Report Board Effectiveness Good Practice Guide 2022</a> (Paras 1.23 to 1.25).		Succession planning of the type described in the NIAO Good Practice Guide does not apply in a local government setting.  Committee membership and Chair appointments are determined through political proportionality and party nominations, so the effectiveness review is not used to plan future membership. Instead, any development needs identified through the review are addressed through Member training and support.
6.8	<b>Method of evaluation</b> - ARAC carefully considers the extent and method of performance evaluation – for instance, using peer evaluation forms similar to those used for Board members and Chairpersons as set out in the <a href="#">NIAO Report Board Effectiveness Good Practice Guide 2022</a> .		A&S does not use peer-evaluation forms or the formal evaluation methods described in the NIAO Board Effectiveness Good Practice Guide, as these processes are designed for appointed boards rather than elected councils. In a local government setting, performance evaluation is carried out in a proportionate way through the annual effectiveness review, with the Chair completing a self-assessment and the Committee discussing the outcomes collectively
6.9	<b>Objectivity and rigour</b> - The evaluation of performance is objective and rigorous enough for meaningful conclusions to be drawn.		The evaluation is proportionate for a local council setting. While we don't use the formal methods described in the NIAO guide, the annual effectiveness review and Chair's self-assessment provide enough objectivity for the Committee to draw meaningful conclusions.
<b>Additional comments and key takeaways</b>			



## Section 7: Council Specific

Reference	Good Practice	Yes/No	Actions/Comments
7.1	Does ARAC report directly to full Council?	Yes	
7.2	Do the Terms of Reference clearly set out the purpose of ARAC?	Yes	
7.3	Do ARAC's terms of reference explicitly address all the core areas including: <ul style="list-style-type: none"> <li>• Maintenance of governance, risk and control arrangements</li> <li>• Financial and governance reporting</li> <li>• Establishing appropriate and effective arrangements for audit and assurance</li> </ul>	Yes	
7.4	Is an annual evaluation undertaken to assess whether ARAC is fulfilling its terms of reference and that adequate consideration has been given to all core areas?	Yes	
7.5	Where coverage of core areas has been found to be limited, are plans in place to address this?	Yes	

Reference	Good Practice	Yes/No	Actions/Comments
7.6	Is ARAC independent of executive decision-making and able to provide objective oversight?	Yes	
7.7	Does ARAC have sufficient importance in the local council so that its recommendations and opinions carry weight and have influence with the leadership team and those charged with governance?	Yes	
7.8	Has an effective ARAC structure and composition of ARAC been selected? This should include: <ul style="list-style-type: none"> <li>• separation from the executive</li> <li>• an appropriate mix of knowledge and skills among the membership</li> <li>• a size of ARAC that is not unwieldy</li> <li>• consideration as to the inclusion of at least one independent member</li> <li>• consideration as to the independent member chairing ARAC</li> </ul>	Yes	
7.9	Have independent members appointed to ARAC been recruited in an open and transparent way and approved by the full Council?	Yes	
7.10	Does ARAC review progress from recommendations arising from NIAO's: <ul style="list-style-type: none"> <li>• annual audit of the accounts; and</li> <li>• performance improvement audit and assessment annual exercise.</li> </ul>	Yes	
<b>Additional comments and key takeaways</b>			

### Forward Plan – Audit & Scrutiny

#### Tuesday 23 June 2026

Items	Purpose	Report by:
Internal Audit – Labour Market Partnership Review (LMP)	Noting	Deloitte
Terms of Reference	Approval	Michelle Hegarty
Summary Report: Unaudited Financial Accounts	Noting	Michelle Hegarty

#### Tuesday 11 August 2026

Items	Purpose	Report by:
Corporate Risk Register	Noting	Michelle Hegarty
Going Concern Statement	Noting	Michelle Hegarty
Annual Insurance Claims Report	Noting	Michelle Hegarty
Procurement DAC Update	Noting	Michelle Hegarty
Scrutiny Review - Cash Handling Processes	Approval	Siobhan Fisher

#### Tuesday 22 September 2026

Items	Purpose	Report by:
Statement of Accounts– Sign Off	Approval	Michelle Hegarty
Report to those charged with Governance (RTTCWG)	Noting	Michelle Hegarty
Internal Audit Progress Report	Noting	Deloitte
Internal Audit – PCSP	Noting	Deloitte

#### Tuesday 27 October 2026

Items	Purpose	Report by:
Corporate Risk Register	Noting	Michelle Hegarty
Procurement DAC update	Noting	Michelle Hegarty
Report to those charged with Governance (RTTCWG) – Management Responses	Noting	Michelle Hegarty

**Tuesday 8 December 2026**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
Internal Audit Progress Report	Noting	Deloitte

**Tuesday 26 January 2027**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
Corporate Risk Register	Noting	Michelle Hegarty
Annual Audit Letter	Noting	Deloitte
Internal Audit Progress Report	For noting	Deloitte

**Tuesday 2 March 2027**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
Internal Audit - Progress Report	Noting	Deloitte
Internal Audit – Cyber Report	Noting	Deloitte
Internal Audit – Procurement Report	Noting	Deloitte
Internal Audit – Follow Ups	Approval	Deloitte
Internal Audit Charter	Noting	Deloitte
Procurement – DAC Update	Noting	Michelle Hegarty

**Tuesday 20 April 2027**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
NIAO External Audit Strategy	Noting	NIAO
Update on recommendations from Local Government Auditor's Reports	Noting	Michelle Hegarty
Corporate Risk Register	Noting	Michelle Hegarty
Audit Committee Self-Assessment	Approval	TBC
Internal Audit – Annual Assurance Report	Noting	Deloitte
Internal Audit – Waste Management Report	Noting	Deloitte
MEA Internal Annual Plan for next Financial Year	Approval	Deloitte

**Tuesday 25 May 2027**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
Annual Governance Statement	Approval	Michelle Hegarty
Annual Chair of Audit and Scrutiny Committee Report	Approval	Ald Ashe (Chair)
Annual Report – Fraud (including NFI Update)	Approval	Michelle Hegarty
Procurement DAC Update	Noting	Michelle Hegarty
Internal Audit Progress Report	Noting	Deloitte
Corporate Risk Register – new risk added	Noting	Valerie Watts
Audit Committee Self-Assessment	Approval	Ald Ashe (Chair)

**June 2027**

<b>Items</b>	<b>Purpose</b>	<b>Report by:</b>
Internal Audit – Labour Market Partnership Review (LMP)	Noting	Deloitte

<b>Items to be Programmed</b>
Scrutiny Review – Cash Handling Processes - Fieldwork