

AUDIT & RISK COMMITTEE

Minutes of Meeting on Wednesday 10 April 2013

Present:

Richard Buchanan **RB** (Chair)
Patrick Farry **PF** (Member)

In Attendance:

Collette Kane **CK** (NIAO)
Alan Thomson **AT** (Head of Internal Audit)
Peter Robinson **RB** (OFMDFM)
Linda Mervyn **LM** (OFMDFM)
Adrian McNamee **AMN** (CVSNI)
Arlene McCreight **AMC** (CVSNI)
Commissioner Kathryn Stone **KS** (CVSNI)
Laura Kennedy **LK** (Secretary to the Committee)

1. Introduction and Apologies

- 1.1. The **Chair (RB)** welcomed everyone to the meeting.
- 1.2. Apologies were given from Melanie Humphrey

2. Register of Interests / Contractor-Supplier List

- 2.1. There were no conflicts noted.

3. Minutes of meeting on 16 January 2013

- 3.1. The minutes were agreed by all.

4. Update – Accounting Officer

- 4.1. The Committee confirmed they were content with the format of the budget report.
- 4.2. **KS** advised correspondence was received from Peter Robinson (**PR**), OFMDFM, on 27 February 2012 advising that the Indicative Budget allocation following the January Monitoring Round and further internal monitoring was £925,000.
- 4.3. This reflected all easements in year totalling £404,000 from the original budget of £1,329,000.
- 4.4. The Commission's total expenditure to end of March 2013 was £817,991.

- 4.5. It was advised that there were accruals totalling at least £53,000 outstanding.
- 4.6. The Committee expressed concern at the scale of the underspend that would materialise at the year-end, a position which was noted by the Commission.
- 4.7. Internal Audit had provided final reports on Programme and Project Management which received a satisfactory rating, and had put forward recommendations regarding the Governance Structure for the Commission which provided options for the Commission Governance structure post March 2013.
- 4.8. An audit of Business Continuity was undertaken in March 2013 and an audit of Information Security was scheduled for April 2013.
- 4.9. The revised 2012/13 Work Programme was submitted to the Department on 17 December 2012 and was approved on 14 March 2013.
- 4.10. The 2013/14 Work Programme was submitted to the Department on 31 January 2013 and is currently out to consultation. The consultation period ends on 17 May 2013.
- 4.11. The 2011-2014 Corporate Plan was sent to Ministers to note with the revised 2012/13 Work Programme.
- 4.12. The 2013-16 Corporate Plan was submitted to the Department on 31 January 2013 and is currently out to consultation. The consultation period ends on 17 May 2013.
- 4.13. The Commission was granted approval by the Department to renew the Windsor House lease for the period December 2012 to May 2013 based on the rental cost of £35k per annum.
- 4.14. The Business Case regarding accommodation was re-submitted to the Department on 14 February 2013 with Head Line Buildings as the preferred option.
- 4.15. Queries regarding the Business Case were received on 21 March 2013. These queries were responded to with an amended Business Case on 28 March 2013 and were accepted by the economists. The Commission awaits final approval from the Department.
- 4.16. The Commission is working towards moving by end of May 2013. **PR** suggested including Departmental representatives on the working group for the move.
- 4.17. HR Connect was running the recruitment competition for the Commission for four vacancies; Secretary to the Commission, Policy Officer, Personal Secretary and Administrative Officer (AO).
- 4.18. Interviews for the Policy Officer and Personal Secretary took place in the week beginning 25 March 2013. A suitable candidate was identified for the Personal Secretary role and an offer of employment to them had been made
- 4.19. A rescheduled interview for the Policy Officer role was due to take place on 12 April 2013.
- 4.20. Interviews for the Secretary to the Commission would take place on 10 & 12 April 2013.
- 4.21. As there was expected to be a large number of applications for the AO post, consideration was being given to another stage to include online assessment.
- 4.22. Consideration is being given to including a number of issues in the Forum Manual including a procedure for the reporting of arrests, charges, convictions or civil proceedings.
- 4.23. **CK** suggested Forum members should be asked to formally sign up to the "Nolan Principles" or The Seven Principles of Public Life.

5. Risk Register

- 5.1. **AT** advised that the Overall Risk Assessment for 6) Weakness in Programme & Project Management could be reduced based on the Satisfactory assurance provided in the recent Programme and Project Management Internal Audit Report.
- 5.2. It was agreed this would not take place until all recommendations in the report had been implemented and monitored.
- 5.3. It was agreed that any changes to the risk assessment should be visually represented.

ACTION: Secretariat

- 5.4. It was agreed the date on the Risk Register should be amended to reflect the month detailed, not the month it was presented.

ACTION: Secretariat

- 5.5. **AMC** confirmed all staff would be receiving appropriate Risk Management training from an approved training centre or from Internal Audit.

ACTION: Secretariat

- 5.6. **CK** advised the Commission should consider presentation of the risks affecting the reputation of the Commission and suggested consideration be given to the number of risks included in the Register.

ACTION: Secretariat

6. Corporate Plan 2013/16

- 6.1. The 2013 /2016 Corporate Plan is out to consultation and the consultation period is due to end on 17 May 2013

7. Work Programme 2012/13

- 1.1. The 2012/13 Work Programme was submitted to the Department on 17 December 2012 and approved on 14 March 2013.
- 1.2. The outstanding targets were noted.

8. Work Programme 2013/14

- 8.1. The 2013/14 Work Programme is out to consultation and the consultation period is due to end on 17 May 2013.

9. Update – Guidance/Policy

- 9.1. DAO (DFP) 01/13 Annual Compliance Report on the Use of External Consultants 2011-12 was noted.

10. Update Internal Audit

- 10.1. **AT** presented the Internal Audit Progress Report April 2013.
- 10.2. **AT** advised that the Draft Business Continuity and Information Security reports were still to be issued to the Commission.

- 10.3. The recommendations from the Project and Programme Management and Governance Structure Reports were to be taken forward by the Commission.
- 10.4. It was noted that Internal Audit had come in on budget.
- 10.5. The Internal Audit Work Programme for 13/14 would be formally presented at the next meeting and would be distributed to members for comment and additions beforehand. It was noted that an audit of Purchasing and Procurement would take place in Quarter 1.

11.Update – Recommendations from Internal Audit & NIAO

- 11.1. The updates were noted. Recommendations from the completed 2012/13 Internal Audit reports were to be included for the next meeting

ACTION: Secretariat

12.Freedom of Information (FOI) Requests

- 12.1. There was one FOI request on which the Commission was liaising with the Department.

13.Review of Terms of Reference

- 13.1. Amendments to be made as requested by the Committee.

ACTION: Secretariat

14.Delegated Limits of Expenditure

- 14.1. It was agreed the existing delegated limits of expenditure should continue to apply.

ACTION: Secretariat

15.Policy regarding emblems

- 15.1. **KS** advised the Committee of correspondence between Mike Nesbitt MLA and the Commission which has resulted in a review of the Commission's protocol on symbols and emblems. The Committee noted the steps that were being taken to resolve the issue.

16.Date for July ARC meeting

- 16.1. It was confirmed the July meeting would take place on 17 July 2013.

17.AOB

- 17.1. **CK** provided guidance from NIAO on the completion of the Governance Statement to be undertaken as part of the Annual Report and Accounts.
- 17.2. The **Chair** requested an update from **PR** regarding the Report on the Review of the Commission.
- 17.3. **PR** advised it was currently under revision by KPMG and then would be submitted for review by Ministers. Upon agreement by Ministers it was

anticipated the report would be made available to the Commission and the ARC Committee.

The date of the next meeting is Wednesday 17 July 2013 @ 10.30am

Signed _____
Name RICHARD BUCHANAN

Date 17 July 2013