



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Wednesday 29 June 2017, 10.00am
Equality House

Present:

Mary McIvor **MMI** (Chair)
Brian McDonald **BMD** (Member)
Gerry O'Neill **GON** (Member)

In Attendance:

Colin Moffett **CM** (TEO)
Joanne McClements **JMC** (TEO)
Amanda McMaw **AMM** (ASM)
John Beggs, Secretary to the Commission **JB** (CVSNI)
Craig Gartley **CG** (CVSNI)
Laura Loughridge **LL** (Minutes)

1. Introduction and Apologies

1.1. **The Chair (MMI)** welcomed everyone to the meeting. Apologies were given from Kathy Doey, NIAO. **The Chair** requested that NIAO provide a report to the Committee in the event of any future absences.

2. Register of Interests / Contractor-Supplier List

2.1. There were no Conflicts of Interests.

3. Minutes of meeting on 18 January 2017

- 3.1. The minutes were agreed with the following amendments;
- 3.2. 4.16 - **BMD** questioned if the Department could provide any assurance to the Commission that any potential reduction in budget would be limited to prevent any future impact, due to the forthcoming increase in accommodation costs and existing impact assessments and scenarios. *The Department agreed to take account of these factors.*
- 3.3. 6.7 - **BC** stated that a meeting would take place with ASM and CVS to discuss the draft Internal Audit Strategy for 2017-2020.
- 3.4. Action notes from previous meeting were discussed.
- 3.5. **BMD** advised that No.2 - Amendments to ARAC TOR had been completed.

ACTION - Secretariat

- 3.6. No. 4 - Progress recruitment for Head of Policy & Research vacancy and scope out possibility of temporary staff through NISRA/SIB. **JB** advised that recruitment was being progressed through HRConnect. Two members of staff had been temporarily promoted to Acting Head of Policy Development and Research. Discussion took place regarding the requirement for additional assistance in managing the Peace IV Research Project. It was agreed that the skills and experience of the Research Advisory Committee would meet all requirements.
- 3.7. No 5 - Review 2017/18 budget lines for overheads and salaries – It was agreed to circulate the figures.

ACTION - CG

- 3.8. No 12 - TEO to circulate Department Risk Register. **CM** advised TEO would circulate the Register.

ACTION - CM

4. Update – Accounting Officer

Performance Report

- 4.1. **JB** advised that feedback on the Corporate Plan 2017-20 and Outcome Delivery Plan 2017/18 had been received from TEO and was currently being reviewed and processed.

Budget Report

- 4.2. The Resource Budget Report was noted.
- 4.3. **JB** advised activity would increase through Quarters 2 & 3 now that the Commission had received an opening indicative Budget letter from TEO confirming a budget of £843k and reduction of 2.5% on 2016/17.
- 4.4. **The Chair** noted that the budget reduction had significantly impacted upon the Commission's Programme Budget. This impact could affect the Commission's achievement of its statutory responsibilities.
- 4.5. **JB** acknowledged the impact of the budget reduction and noted that the outlook for the Commission if the Peace IV Research Projects had not been ongoing, would have been very different.

Update on Business Cases and Procurement

- 4.6. The update on Business Cases, Procurement and Post Project Evaluations was noted.

NISRA Omnibus Survey

- 4.7. Now that the Commission has greater budget certainty, the approved Business Case to include questions in the NISRA Omnibus Survey would proceed. The Commission would include 15 questions in the Autumn survey.

Update on Peace IV

- 4.8. CPD had been contacted on 19 May 17 with completed Work Request Forms for each of the three PEACE IV funded Research Projects. Specification Templates were then requested to be completed for each of the Projects. These have been completed and submitted awaiting further advice from CPD.
- 4.9. Conflict of Interest forms have been completed by members of the Research Advisory Committee who would form part of the Tender Assessment Panel that would convene later in the year following the completion of three separate Tender Exercises. **JB** advised that the working groups were being finalised.
- 4.10. **JB** advised that no costs had been incurred to date on the project. However, as the VSS had received their confirmation of funding letter from SEUPB they

would be able to draw up a contract with CVS. It was anticipated this would be completed in the coming weeks and CPD would undertake e-tendering for the projects.

Review of the Commission

- 4.11. **JB** advised the Commission was awaiting the final draft report for feedback to Department.
- 4.12. **CM** confirmed that the draft report would be sent to the Commission by the end of the week.

ACTION - CM

Staffing

- 4.13. Following Business Case approval, the Commission was progressing recruitment for the Head of Research and Policy Development and the Communications and Engagement Officer through HR Connect.
- 4.14. The advert for the Head of Research and Policy Development would go live on 3 July 2017, with applications closing on 28 July 2017.
- 4.15. Staffing structure and job descriptions for all posts were under review by Secretary to the Commission following the recent recommendation from CIPFA review. **JB** noted the review was to ensure consistency across the Job Descriptions. There were no substantive changes, however, HR advice would be sought before presenting the review to Commission staff.

Forum

- 4.16. The Forum Business Case 2017-19 was being drafted and was due to be reviewed and signed off by the Accounting Officer before end June 2017, in preparation for submission to the Department and review and approval over July & August.

Freedom of Information

- 4.17. There were no FOI requests received in the last quarter.

Complaints

- 4.18. There were no complaints received in the last month.

Gifts & Hospitality

- 4.19. The Gifts and Hospitality Registers for the last quarter were still under review and would be made available on the Commission's website as soon as possible.
- 4.20. There was no exceptional gifts or hospitality received or provided in last quarter.
- 4.21. It was agreed to consider a 'de minimis' level for entries to be included on the Gifts & Hospitality Registers. The Commission would review and update the policy.

ACTION – Secretariat

Fraud

- 4.22. There have been no reported instances of fraud during the last month.

Guidance Received

- 4.23. The DAO (DoF) 02/17 Public Sector Internal Audit Standards (PSIAS) was noted.
- 4.24. **AMM** advised that of the 2 new rules detailed, the first was not applicable to the Commission and the second (regarding Consultancy) had been mitigated against. The Internal Audit Strategy had been updated to reflect these changes.

5. External Audit/Annual Report and Accounts

- 5.1. The Committee discussed the draft Annual Report and Accounts noting a projected final outturn of £864k and an underspend in the region of 0.09%.
- 5.2. **CG** advised that the Annual Report and Accounts had been provided to Deloitte for Quality Assurance and their report would be circulated to the Committee once completed.

ACTION – CG

- 5.3. **BMD** advised he had a number of comments which he would provide to the Commission.

ACTION – BMD

- 5.4. **CG** advised he would circulate the Commission's MOTO with ECNI which would explain the year on year increases associated with facilities management.

ACTION – CG

- 5.5. It was agreed to review the wording at Notes 1.13 & 1.14 and the figures at Note 5 - Intangible Non-Current Assets based on advice from **BMD**.

ACTION – CG

- 5.6. It was agreed to review the Commission's Asset Register for materiality following a question from **GON**.

ACTION - CG

- 5.7. **CG** advised that due to resource issues at NIAO, the field work, which was anticipated to begin at the start of August 2017, would now not be undertaken until mid-August. The revised timeline would be circulated to members once confirmed.

ACTION - CG

- 5.8. The update on Audit Recommendations was noted.

6. Internal Audit

- 6.1. **AMM** presented the draft Internal Audit Strategy for 2017-20. She highlighted paragraph 2 which detailed steps taken when preparing the Strategy and paragraph 12 which presented an overview of assurances provide in the last 4 years.
- 6.2. The Strategy for 2017-20 was discussed. **AMM** drew attention to two new areas of consideration; Review of compliance with the Standards for Services provided to victims and survivors and Review of the compliance with, and effectiveness of, the monitoring of services agreement between CVS and VSS.
- 6.3. It was agreed that the Strategy would not be finalised and approved until the Report of the Review of the Commission had been received. Any areas highlighted in the Report that required Internal Audit review could then be included in the Strategy.

ACTION – CVS & ASM

- 6.4. **CM** advised it was anticipated the Report would be provided to the Commission for factual and accuracy review within the week.
- 6.5. It was agreed that the External Quality Assurance Review Report of ASM undertaken in 2015/16 would be circulated to the committee.

ACTION - JB

7. Risk Register

- 7.1. **JB** presented the updated Risk Management Strategy. He advised that the Commissioner had revised the Risk Appetite to reflect a more open approach to some areas of the Commissions work. It was noted that Corporate Risk 3 remained at Cautious, Corporate Risk 7 remained at Averse and Corporate Risk 8 remained at Minimalist.
- 7.2. The committee agreed that the Commission's Risk Appetite should be reviewed and revised by the Commissioner.
- 7.3. It was agreed that the views of NIAO would be sought at the next meeting in relation to the use of a 3 x 3 or 5 x 5 matrix to assess risk ratings.

ACTION – Secretariat


- 7.4. **JB** presented the Risk Register as at end of Quarter 1 for information. The Risk Register contained 6 medium rated risks with amber status, 1 low rated risk with green status and 1 high rated risk with red status.
- 7.5. An amendment was required at page 23 to reflect the Amber status of Corporate Risk 6. It was agreed to review this status at the next meeting.

ACTION – Secretariat

8. AOB

- 8.1. The next meeting of the ARAC would take place on 12 October 2017.

Signed
Name



MARY MCIVOR

Date

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