



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Monday 18 November 2019, 1.30pm
Equality House

Present:

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

In Attendance:

Amanda McMaw **AMM** (ASM)
Marie Matthews **MM** (TEO)
Kathy Doey **KD** (NIAO)
Sarah Caldwell **SC** (NIAO)
Andrew Sloan **AS** (Accounting Officer, CVS)
Stephen Moore **SM** (Temporary Head of Corporate Services, CVS)
Marie Neill **MN** (Minutes)

1. Introduction

- 1.1. The Chair (**MMI**) welcomed everyone to the meeting and noted the attendance of the Temporary Head of Corporate Services (CVS).
- 1.2. Apologies were noted from Judith Thompson (CVS) and Brian Clerkin (ASM).

2. Register of Interests / Contractor-Supplier List

- 2.1. There were no Conflicts of Interests.
- 2.2. **MMI** requested assurance that CVS held an up to date Register of Interests for the ARAC Committee. It was agreed that CVS would provide a summary of Board, SMT and staff of their Register of Interests declared and date of declaration.

ACTION - SECRETARIAT

3. Minutes of meeting on 27 June 2019

- 3.1. The minutes were agreed.
- 3.2. *AP3 - Update risk in PIV Highlight Report and provide separate budget report to allow oversight of cashflow risk issue* – it was noted that this action was not complete and it was agreed that AS would provide an update to ARAC prior to the next meeting.

ACTION - AS

- 3.3. *AP11 – Include opportunity for ARAC and IA to meet without CVS present on work programme on an annual basis* – It was agreed that this be amended to include NIAO and a date arranged for meeting to take place around the January meeting with a view to presenting the audit plans at the April meeting. **MM** noted that the IA contract had been extended to March 2020 therefore procurement would be required in order to secure a new contract with effect from 1 April 2020

ACTION – SM/SECRETARIAT

- 3.4. *AP16 – Check on status of information/meetings related to Departmental scenario planning* – **MM** advised that TEO had carried out an Information Gathering Exercise and CVS had responded with nil return. **BMD** queried CVS nil response as it was important to highlight any pressures. It was agreed that CVS would review with TEO

ACTION – AS/MM

4. NIAO Update

- 4.1. **KD** presented the Report to those Charged with Governance, with thanks to AS and SM for their help during the lengthy audit and noting the change during the year to key members of finance staff.
- 4.2. It was noted that that the Comptroller and Auditor General (C&AG) would certify the 2018-19 financial statements with an unqualified audit opinion.
- 4.3. **KD** asked the ARAC to note the Actions for Audit Committee on Page 4 of the report.
- 4.4. **KD** advised that no significant risks were identified during the audit and noted there were four Priority 2 rated recommendations.
- 4.5. It was noted that the Commission had accepted the recommendations and management responses had been provided.
- 4.6. **BMD** advised that the Letter of Representation should be forwarded to the ARAC for formal approval prior to being signed.

ACTION - SM

5. Annual Report and Accounts

- 5.1. **SM** presented the final draft of the Annual Report and Accounts, and thanked the NIAO and CVS staff for their help during the audit process.
- 5.2. An underspend of 1.35% (within tolerance) or £12,346 was being reported and **SM** answered a number of questions from members regarding details included under Operating Expenditure.
- 5.3. It was noted that the Commissioner would make some minor changes to the opening remarks in the Annual Report.
- 5.4. **MMI** advised that the committee were content to approve the Annual Report and Accounts for 2018/19.

6. Internal Audit Update

- 6.1. **AMM** presented the Internal Audit Charter and following discussions the ARAC were content to approve.
- 6.2. **AMM** presented the MoU Review final report with key findings, noting the satisfactory assurance.

7. Board Self-Assessment Review

- 7.1. **AS** presented the Board Self-Assessment Review. The Areas for Enhancement at Appendix 1 were noted and acknowledged.
- 7.2. It was agreed that any recommendations would be reviewed and considered.

8. Quarterly Assurance Statement

- 8.2. Quarter 2 of 2019/20 Assurance Statement was noted.

9. Update – Accounting Officer

- 9.1. **AS** presented the Accounting Officer Update.

Performance Report

- 9.2. The Outcome Delivery Plan was noted.

Risk Management

- 9.3. The Corporate Risk Register containing 3 medium rated risks with amber status was noted.
- 9.4. It was noted that the Corporate Risk Register was currently under review with a potential decrease to the number of risks identified.
- 9.5. **BMD** queried the risk owner being the Commissioner and it was agreed this would be amended to the Accounting Officer.

ACTION – SECRETARIAT

- 9.6. It was agreed that the Risk Register would be forwarded to the ARAC between quarterly meetings.

ACTION - SECRETARIAT

Management Accounts and Report

- 9.7. **AS** presented the Management Accounts and Report up to the month of September 2019, showing a current overspend of approximately £3,200 but estimated to be within tolerance by the end of the financial year.
- 9.8. It was noted that the Replenishment of the Forum exercise would be deferred until after the General Election.
- 9.9. **BMD** queried if the work could be carried out before the end of the financial year and **AS** was satisfied that a substantial amount of the work would be carried out.
- 9.10. **MMI** asked if a project plan and presentation on the Forum Replenishment could be presented at the next ARAC meeting.

ACTION - AS

- 9.11. The October monitoring round budget notification letter was noted, confirming an additional £3,000 capital spend.
- 9.12. **AS** advised CVS would be submitting a bid in the January monitoring round.

Update on Business Cases and Procurement

- 9.13. The update paper on Business Cases, Procurement and Post Project Evaluations was noted.
- 9.14. **BMD** noted there were several contracts due to end in March 2020, paying particular attention to the Internal Audit contract. It was noted that procurement of Internal Audit service would commence in quarter 4 to have contract in place for 1 April 2020.

Audit

- 9.15. The paper on the implementation of audit recommendations was noted.
- 9.16. It was agreed to review the schedule and amend the paper to illustrate more clearly that the Commission had undertaken activity and Implemented the recommendations, and when Internal Audit had noted the recommendations as Implemented.

ACTION – SECRETARIAT

Peace IV Funded Research Projects

- 9.17. The Peace IV Highlight Report was noted.
- 9.18. The Peace IV Tri-Annual Budget and Report was noted.
- 9.19. **AS** advised there was ongoing discussion between CVS, VSS and SEUPB to resolve the cashflow issue for 2021. This potential risk had been identified, was being monitored by the Research and Policy Development Team, and

had been noted at Co-Design level, however, it was not currently reflected in that Risk Register.

Other issues to note

Organisational Structure

- 9.20. **AS** advised that the Commission had received formal notification from the June monitoring round of an additional £15,000 funding in order to take forward the Job Evaluation Grading of 3 posts.
- 9.21. It was noted that the Commission had since been advised that the JEGS would be carried out by NICS HR therefore no hard charges would apply.
- 9.22. AS advised that an agency member of staff had taken up post as Information and Records Officer in order to complete the File Retention and Disposals project and this would absorb the additional funding received for the JEGS.

GDPR

- 9.23. The latest update of the Action Plan from April 2019 was noted.

Freedom of Information

- 9.24. It was noted that two FOI requests had been received since the last meeting.

Complaints

- 9.25. No complaints had been received since the last meeting.

Subject Access Requests

- 9.26. One Subject Access Requests had been received and responded to within guidelines since the last meeting.

Gifts & Hospitality

- 9.27. The Gifts and Hospitality for each quarter were reviewed and would be made available on the Commission's website.
- 9.28. No exceptional gifts or hospitality had been received or provided since the last meeting.

Fraud

- 9.29. There had been no reported instances of fraud since the last meeting.

Data Breaches

- 9.30. No data breaches had been reported since the last meeting.

Guidance Received

- 9.31. FD (DoF) 08/19 – IFRS16 Implementation and FD (DoF) 09/19 – Remuneration of Chairmen and members of Public Bodies were noted. It was

agreed that CVS would attend any available training courses to ensure guidance was being followed.

9.32. The Commission's Fraud Policy, Fraud Response Plan and Whistleblowing Policy was noted. It was agreed to review contacts to ensure fully up to date.

ACTION – SECRETARIAT

9.33. **GON** queried if a Fraud Risk Assessment had been carried out.

ACTION – SECRETARIAT

10. AOB

It was noted the date of the next meeting would be agreed and circulated as soon as possible.

A handwritten signature in black ink, appearing to read 'Mary McIvor', is centered on the page.

Signed

Name **MARY MCIVOR**

Date 20 May 2020