



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Tuesday 8 December 2020, 10.30am
Video conference

Present:

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

Staff

Andrew Sloan **AS** (Accounting Officer, CVS)
Stephen Moore **SM** (Head of Corporate Services, CVS)
Marie Neill **MN** (Secretariat, CVS)

In Attendance:

Marie Matthews **MM** (TEO)
Steven Lindsay **SL** (Cavanagh Kelly)

Apologies:

Kathy Doey **KD** (NIAO)

1. Introduction

- 1.1. The Chair (**MMI**) welcomed everyone to the meeting.
- 1.2. Apologies were noted from **KD**.

2. Declaration of Interests

- 2.1. There were no Conflicts of Interests noted.

3. Minutes of meeting on 8 July 2020

- 3.1. The minutes of meetings on 8 July 2020 were agreed.

- 3.2. *AP3 – Ascertain if/when Fraud Risk Assessment carried out* – It was agreed that a fraud risk assessment would be carried out in Q4 of 2020/21 by the internal auditors, Cavanagh Kelly.

ACTION – SL/SM

- 3.3. *AP4 – Review table headings on ODP 2020/21 at Corporate Outcome 6 to include details of how activities and outputs would be measured* – It was agreed that additional activities and outputs for Outcome 6 would be measured and included in the ODP for 2021/22.

ACTION – SM

- 3.4. *AP9 – Obtain guidance from TEO re Corporate Risk Register compliance with HM Treasury Orange Book Management of Risk* – **MM** advised this would be reviewed and TEO would provide general advice for all ALBs in due course.

ACTION – TEO

- 3.5. *AP12 – Check section 5 on ARAC Annual Report 31 March 2020 for correctness re Compliance with the MoU between CVS and VSS* – It was noted that that this relates to 2017/18 internal audit reports and ARAC Annual Report dated 31 March 2019.

4. NIAO Update

- 4.1. **SM** provided an update on progress with the audit of the Annual Report and Accounts 2019/20.
- 4.2. It was noted that audit testing was 95% complete and it is expected that the Annual Report & Accounts 2019/20 will be finalised in early February 2021.
- 4.3. It was noted that NIAO had reported no significant issues so far.

5. Internal Audit Update

- 5.1. **SL** outlined two reports which had been completed:
- Internal Audit Review of Covid-19 Contingency Procedures – Satisfactory Assurance (no recommendations)

- Internal Audit Review of Financial Controls – Satisfactory Assurance (two recommendations)

It was noted that the draft report in relation to PIV Research projects had been issued to the Commission and awaiting management responses.

- 5.2. **BMD** queried the acceptance of the management recommendation in relation to payroll contingency arrangements as this would be outside of Commission's control. It was agreed that **SM** would check with ECNI if they have an outsource arrangement in place as back up.

ACTION – SM

- 5.3. **BMD** queried the recommendation in relation to the ARAC Chair reviewing the Commissioner's expense claims. It was suggested that an alternative solution would be the Head of Finance and Corporate Affairs could review all expense claims for both the Commissioner and Chief Executive. **MMI** asked for further clarification and it was agreed that **MM** would check the approval process for senior officials within other ALBs

ACTION – TEO

- 5.4. **AS** noted the excellent service provided by Cavanagh Kelly to date.

6. Accounting Officer Update

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

Performance Report

- 6.2. **AS** advised that the ODP for 2020/21 had received approval from the Departmental Board and was to be submitted to Ministers for final approval. It was noted that the ARAC members would seek to have an update on progress against the ODP for the current given that we are already coming the end of quarter 3 in this financial year.

Risk Management

- 6.3. The Corporate Risk Register containing two medium risks with amber and 2 high rated risks with red status was noted.
- 6.4. Following discussion it was agreed that this reflected the key risks of the organisation. It was noted that a small amendment to the wording on Risk 1 would be required in order to reflect that whilst there are 55% staff vacancies these have been filled by agency members of staff.

ACTION – SM

Management Accounts and Report

- 6.5. **AS** presented the management accounts for the seven months to 31 October 2020. A projected surplus of £15,500 at this stage had been identified due to review of salaries budget for agency and permanent staff, and also savings on premises costs due to working from home arrangements. **AS** advised that a number of plans had been identified in order to use the projected underspend.
- 6.6. It was noted that the Population Survey and the development of the website had been deferred until quarter 1 of 2021/22.

Update on Business Cases and Procurement

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

Audit

- 6.5. The paper on the implementation of audit recommendations was reviewed with progress made, however it has been agreed that this paper would be reviewed in order to provide assurance that all recommendations which can be implemented are done so as a matter of priority.

ACTION – SM

Peace IV Funded Research Projects

- 6.6. The Peace IV Highlight Report was reviewed.
- 6.7. **AS** provided assurance to the ARAC members that the Peace IV immediate cash flow issue had been resolved although this was dependent on how quickly SEUPB can process claims. **MMI** sought assurance that there would be no further issues as we get towards the end of the project. **SM** advised that this would be difficult to confirm and it was agreed that TEO would continue to oversee to ensure no undue delays.
- 6.8. The briefing paper on the Needs Review Research Project was noted. **GON** queried if there would be any issue around cross border research. **AS** advised that he would follow up and confirm.

ACTION - AS

Organisational Structure

- 6.9. **AS** advised that the vacant posts of Executive PA and Head of Finance & Corporate Affairs had been advertised and interviews would take place in January 2021.

- 6.10. It was noted that **AS** had issued a letter to TEO in relation to the Heads of Policy Development, Research and Engagement stating his position as to how these posts should be filled. A meeting with TEO Grade 5 has been arranged for 14 December 2020 in order to progress.
- 6.11. It was noted that the business case for the Director of Policy Development, Research and Engagement had been submitted to TEO and awaiting approval. **AS** stressed to TEO the urgency of getting this post filled as it was putting pressure on the current Research and Policy team and the fulfilment of the ODP 2020/21.
- 6.12. ARAC members requested that progress on the organisational restructure be updated at their next meeting.

GDPR

- 6.13. **AS** advised that the GDPR Action Plan was awaiting approval from PRONI for the File Retention and Disposal Policy which would be laid in the NI Assembly.
- 6.14. It was noted that this area would be kept under review in the context of the United Kingdom exiting the European Union.

Freedom of Information

- 6.15. No FOI requests had been received since the last meeting.

Complaints

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

Subject Access Requests

- 6.17. No Subject Access Requests had been received since the last meeting.

Gifts & Hospitality

- 6.18. **AS** advised that no exceptional gifts or hospitality had been received or provided since the last meeting.

Fraud

- 6.19. No instances of fraud had been reported since the last meeting.

Data Breaches

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

Guidance Received

- 6.21. DAO (DoF) 04/20 HM Treasury Book was noted.
- 6.22. **GON** advised section 5 on ARAC Annual Report would need to be checked for correctness in relation to compliance with MoU.

ACTION - SM

7. AOB

7.1. It was noted the date of the next meeting would be 10 February 2021.

A handwritten signature in cursive script, appearing to read "Mary McIvor".

Signed
Name

MARY MCIVOR

Date

16 December 2020