



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Wednesday 10 February 2021, 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)
Kathy Doey **KD** (NIAO)

1. Introduction

1.1. The Chair (**MMI**) welcomed everyone to the meeting.

2. Declaration of Interests

2.1. There were no Conflicts of Interests noted.

3. Minutes of meeting on 8 December 2020

3.1. The minutes of meetings on 8 December 2020 were agreed.

- 3.2. *AP3 – 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

- 3.3. *AP9 – Confirm no issue around cross border research re Needs Review Project – It was noted CVS would obtain confirmation from SEUPB to provide assurance that Brexit would not have any implication cross border research for Peace IV projects carried out by CVS.*

ACTION – AS

4. NIAO Update

- 4.1. **KD** advised that the audit of the 2019/20 Annual Report and Accounts was complete and presented the Report to Those Charged with Governance.
- 4.2. It was noted that the audit opinion was unqualified with two Priority 3 recommendations.
- 4.3. It was noted that the management responses in the Report to Those Charged with Government should be updated to include target for completion of recommendations.

ACTION – SM

- 4.4. The ARAC endorsed the management reasons for non-adjustment of misstatements.
- 4.5. It was agreed that in the absence of a Commissioner **MM** would provide advice on signing of Annual Report and Accounts.

ACTION – TEO

- 4.6. It was agreed that pending satisfactory completion of outstanding actions at 4.3 and 4.5 the Letter of Representation would be signed by the Accounting Officer and issued to NIAO when appropriate.
- 4.7. **KD** expressed thanks to **SM**, **MN** and all concerned at CVS for the high quality of working papers provided to NIAO. These were fully referenced and comprehensive and any queries dealt with in a prompt manner. This was also

endorsed by TEO and ARAC. **SM** noted thanks to audit team at NIAO for all their efforts given the unique circumstances due to remote working during Covid-19.

5. Internal Audit Update

- 5.1. **SL** outlined two reports which had been completed:
- PIV Research Project Management – Satisfactory Assurance (two Priority 3 recommendations)
 - Fraud Risk Assessment – Satisfactory Assurance (two Priority 3 recommendations)

It was noted that Terms of Reference for the Standards Review had been agreed and fieldwork would begin in the next few weeks. A final report would be produced for the next ARAC meeting.

- 5.2. It was agreed that **AS** would obtain a formal Letter of Offer in relation to the Needs Review Project. Clarification would also be sought in relation to project management training within the Research & Policy team and throughout the commission.

ACTION – AS

- 5.3. **BMD** queried the recommendation in relation to independent Post Project Evaluations. **AS** advised that the commission would carry out their own PPE for each project and **MM** suggested that contact be made with VSS as lead partner to ascertain if they would be carrying out an overall high level PPE.

ACTION – AS

- 5.4. **MMI** noted the excellent and comprehensive checklists for the Fraud Risk Assessment. **AS** advised that these would be disseminated to all commission staff and also that Fraud Awareness training had been scheduled for delivery at the Corporate Planning Day which was due to take place in early March 2021.
- 5.5. **SL** advised that the internal audit plan for 2021-22 would be presented at the next ARAC meeting

6. Accounting Officer Update

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

Risk Management

- 6.2. The Corporate Risk Register containing two medium risks with amber and 2 high rated risks with red status was noted.
- 6.3. **MMI** noted the substantial impact of not having a Commissioner appointed. **MM** provided an update that Ministers had requested a review of the commission take place. A submission was currently with Ministers and TEO were awaiting further advice in order to proceed.
- 6.4. Following discussion it was agreed that **AS** would review the impact and residual on risk 4. **MMI** recognised that **AS** had responsibility for interim governance arrangements but actions remained limited in the absence of a Commissioner.

ACTION – AS

Management Accounts and Report

- 6.5. **AS** presented the management accounts for the nine months to 31 December 2020. A projected surplus of £14,000 at this stage had been identified and is within the tolerance limited of -1.5%. **AS** advised that a number of plans had been identified in order to use the projected underspend.

Update on Business Cases and Procurement

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

Audit

- 6.8. The paper on the implementation of audit recommendations was reviewed with progress made. It was noted that an amendment to wording on the staff survey management response would be updated to include all staff (temporary and permanent).

ACTION – SM

Peace IV Funded Research Projects

- 6.9. The Peace IV Highlight Report was reviewed.
- 6.10. **SM** advised that the Peace IV immediate cash flow issue had been resolved and noted that TEO would continue to oversee to ensure no undue delays.
- 6.11. It was agreed that a CVS would produce a complete financial profile for all Peace IV projects (including the Needs Review Project) and present at next ARAC meeting

ACTION - SM

Organisational Structure

- 6.12. **AS** advised that interviews for Executive PA and Head of Finance & Corporate Affairs had taken place and new staff were expected to be in post before the end of the current financial year.
- 6.13. It was noted that TEO were seeking legal advice following receipt of letter from **AS** in relation to the Heads of Policy Development, Research and Engagement stating his position as to how these posts should be filled.
- 6.14. It was noted that the business case for the Director of Policy Development, Research and Engagement had been submitted to TEO and awaiting approval.

GDPR

- 6.15. **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.
- 6.16. It was agreed that the status on DP Champion would be amended to reflect the current position.

ACTION - SM

Freedom of Information

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

Complaints

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

Subject Access Requests

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

Gifts & Hospitality

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

Fraud

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

Data Breaches

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

Guidance Received

- 6.23. No guidance to note since last meeting.

7. AOB

- 7.1. **AS** advised that the commission would be in the second phase on the project to replace MSFM with Partnership Agreements.
- 7.2 It was noted the date of the next meeting would be 28 April 2021.



Signed _____
Name **MARY MCIVOR**

Date