



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Thursday 4 November 2021, 10.30am
Video conference

Present:

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

Staff

Stephen Moore **SM** (Head of Finance and Corporate Affairs, CVS)
Marie Neill **MN** (Secretariat, CVS)

In Attendance:

Steven Lindsay **SL** (Cavanagh Kelly)
Kathy Doey **KD** (NIAO)
Marie Matthews **MM** (TEO)

1. Introduction

- 1.1. The Chair welcomed everyone to the meeting.
- 1.2. Apologies were noted from **AS**.

2. Declaration of Interests

- 2.1. There were no Conflicts of Interests noted.

3. Minutes of meeting on 21 July 2021

- 3.1. The minutes of meetings on 21 July 2021 were agreed. It was noted that 4.3 and 4.5 on Accounting Officer Update should be taken forward as action points.

- 3.2. *AP1 – Obtain guidance from TEO re Corporate Risk Register compliance with HM Treasury Orange Book Management of Risk* – it was noted that this remained outstanding. **MM** had previously advised this would be reviewed and TEO would provide general advice for all ALBs in due course.

ACTION – TEO

- 3.3. *AP6 - Seek clarification around completion of independent PPE for PIV research projects* – it was noted that CVS had prepared a brief “Lessons Learned” paper and would build on this. The issue of carrying out an independent PPE remains unclear.
- 3.4. *Liaise with TEO re PIV cash flow issues* – it was noted that CVS would prepare final cash flow for TEO when all outstanding claims paid by SEUPB.

ACTION – SM/TEO

- 3.5. *Formal approval of G7 business case awaited from TEO* - it was noted that CVS had responded to a number of queries from TEO around affordability and the business case was still awaiting approval.

ACTION – TEO

- 3.6. *Make arrangements for workshop or internal audit review on MSFM compliance* – it was noted that a procurement exercise would be undertaken and a workshop delivered in quarter 4.

ACTION – SM

- 3.7. *ARAC members to complete a self-assessment for the period 2020-21* – it was noted that the self-assessment would be completed following the ARAC meeting.

ACTION – MN

4. Internal Audit Update

- 4.1. **SL** presented the findings and recommendations from Internal Audit Review of Procurement Arrangements which provided a satisfactory assurance rating.
- 4.2. **GON** suggested that it would be helpful to view CVS Finance Procedures including thresholds and delegated authority to ensure there was a clear pathway for staff when undertaking any procurement.
- 4.3. It was agreed that this would be added to the agenda for the next ARAC meeting

ACTION – MN

5. NIAO Update

- 5.1. **KD** presented the Report to Those Charged with Governance and gave thanks to **SM** and CVS staff for all assistance provided. **KD** also highlighted that a replacement auditor finished the assignment as the lead auditor had been absent due to sickness.
- 5.2. It was noted that the Annual Report and Accounts for 2020-21 provided an unqualified audit opinion.
- 5.3. **KD** advised that some minor amendments would be made and **SM** would update and circulate the final draft to ARAC.
- 5.4. It was noted that TEO had not yet provided approval for the write off due to overpayment of salaries. **MM** advised that this was currently being assessed by the governance unit. It was agreed that the wording would be changed to state that approval had been *sought* (not given).

ACTION – TEO

- 5.5. **BMD** queried why CVS did not have access to a corporate credit card as had been suggested previously. **BMD** also suggested a reduction in the number of zoom accounts held by CVS. It was agreed that CVS would explore these options further.

ACTION – SM

- 5.6. **SM** thanked both internal and external audit teams for their work to date.

6. Accounting Officer Update

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

Performance Management

- 6.2. The Corporate Performance and Corporate Assurance Reports for quarter 2 were noted.
- 6.3. **GON** highlighted discrepancies in comparison with the RAG status on Corporate Risk Register and figures in the absence report. **SM** advised this would be rectified.

ACTION – SM

- 6.4. **BMD** queried why the Outcome Delivery Plan was still awaiting approval from TEO. **MM** advised that the draft was still under review prior to submission to Ministers for formal approval and stated that this was not an usual situation.
- 6.5. **BMD** again queried why retrospective approval was needed for business cases to employ agency staff. **SM** advised that the Commission were unaware that a business case was required in this instance however these had been drafted and were in the process of being finalised for approval.

Risk Management

- 6.6. The Corporate Risk Register containing two medium risks with amber and two high rated risks with red status was noted. CVS will continue to review as necessary.
- 6.7. **BMD** and **GON** highlighted minor changes to the heading on CR1 and summary of CR2.

ACTION – SM

Management Accounts and Report

- 6.8. **SM** presented the management accounts for the nine months to 30 September 2021. It was noted that an easement of £40k had been submitted in the January monitoring round.
- 6.9. **SM** advised that the bid for capital and to increase the depreciation to allow for IT equipment purchased at the end of the previous financial year, submitted in the October monitoring round was still to be confirmed.
- 6.10. **GON** noted that the current Grant in Aid (cash) was lower than the resource figure and **AS** advised that a request would be submitted in the October monitoring round to increase this.

Update on Business Cases and Procurement

- 6.11. The update paper on Business Cases, Procurement and Post Project Evaluations was noted. ARAC requested that the findings of the Population Survey be issued to them.

ACTION - MN

Audit

- 6.12. The paper on the implementation of audit recommendations was reviewed with progress made.

Peace IV Funded Research Projects

- 6.13. The Peace IV Research update was noted.
- 6.14. It was noted that CVS would liaise with TEO in order to clarify the position around any cash flow issues with SEUPB.

ACTION – SM & TEO

Organisational Structure

- 6.15. It was noted that TEO had launched a recruitment competition for a new Commissioner.
- 6.16. **MM** advised that Terms of Reference for the independent review of the Commission were with Ministers for approval.

Freedom of Information

- 6.17. No FOI request 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. SM 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. PAAB DAO (DoF) 07.21 (Conflicts of Interest) and Major Business Case Committee Summary 2020-21) were noted.
- 6.24. BMD advised that a DAO had also been issued in relation to Contracts Register and it was agreed that CVS would investigate and implement.

ACTION – SM

7. AOB

- 7.1. It was agreed that a suitable date for the next meeting would be issued.

ACTION – MN

M Mc Ivor

Signed
Name

Mary McIvor

Date

10 February 2022