



AUDIT RISK & ASSURANCE COMMITTEE
Minutes of Meeting
Wednesday 21 July 2021, 10.30am
Video conference

Present:

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

Staff

Andrew Sloan **AS** (Accounting Officer, CVS)
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 (**GON**) welcomed everyone to the meeting.
- 1.2. Apologies were noted from **MMI**.

2. Declaration of Interests

- 2.1. There were no Conflicts of Interests noted.

3. Minutes of meeting on 28 April 2021

- 3.1. The minutes of meetings on 28 April 2021 were agreed. It was noted that 4.5 of Governance Update should be highlighted in Action Notes to ensure response received from TEO.
- 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. Further discussion would take place during Accounting Officer Update. The issue of carrying out an independent PPE remains unclear.

4. Accounting Officer Update

4.1. **AS** presented the Accounting Officer Update.

Performance Management

4.2. The Corporate Performance and Corporate Assurance Reports for quarter 1 were noted.

4.3. **AS** highlighted the issues of concern around the operations of the Victims and Survivors Forum as it has been in place for a long period of time without a forum replenishment. The recent Forum Evaluation report included a recommendation to suspend or significantly reduce its operations in order to lessen the emotional burden on individual members. This issue has been escalated to TEO for further discussion.

4.4. **AS** pointed out that new appointments to the Forum can only be made by the Commissioner

4.5. **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

4.6. The Corporate Risk Register containing two medium risks with amber and two high rated risks with red status was noted.

4.7. **AS** advised that the wording of CR2 had been revised following comments from TEO at the recent Accountability meeting.

4.8. Several points around the wording in CR2 and CR4 were noted.

4.9. It was agreed that CR3 would be reviewed by SMT and the Corporate Risk Register would be recirculated to ARAC, highlighting any changes.

ACTION - SM

Management Accounts and Report

4.10. **AS** presented the management accounts for the six months to 30 June 2021. It was noted that the June monitoring round bid had been successful and the revised budget for 2021-22 was £916k.

4.11. **AS** advised that the Commission intended to submit a further bid in the October monitoring round for capital and to increase the depreciation to allow for IT equipment purchased at the end of the previous financial year.

4.12. **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

4.13. The update paper on Business Cases, Procurement and Post Project Evaluations was noted. **GON** commented that the Corporate Assurance Report for quarter 1 stated all outstanding PPE's had been completed however the PPE schedule stated otherwise. **AS** advised that due dates would be amended.

ACTION - MN

Audit

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

- 4.15. **GON** asked that a review of recommendations marked as being fully implemented take place to ensure full information is being provided and that the commentaries fully address the wording of the Audit recommendations

ACTION – SM

Peace IV Funded Research Projects

- 4.16. The Peace IV Research update was noted.
- 4.17. **SM** highlighted the estimated underspend of £7,918 and the proposal to utilise this for stakeholder engagement.
- 4.18. 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

- 4.19. It was noted that TEO had received 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. A formal written response was awaited from TEO.

ACTION - TEO

- 4.20. It was noted that the business case for the Director of Policy Development, Research and Engagement had been submitted to TEO and awaiting approval.

ACTION – TEO

5. Internal Audit Update

- 5.1. **SL** presented the revised Annual Internal Audit Plan for 2021/22. It was noted that the Internal Audit Strategy for 2020-23 had been adjusted for the number of days available, due to the audit days for the first year of the contract being exceeded.
- 5.2. **GON** advised that a supportive meeting had been held between ARAC members, CVS and Cavanagh Kelly. The Internal Audit KPIs were noted and **SL** provided assurance that trainee staff are not used for client audit work.
- 5.3. **MM** queried if any time could be allocated for compliance with the Departmental MOU or work with MSFM. **AS** advised that this would be considered internally in view of Partnership Agreements not being in place for CVS. It was agreed that when appropriate, either a workshop or internal audit review would take place on compliance with MSFM, with facilitation possibly provided by **SL**.

ACTION – SM

6. Annual Report and Accounts 2020/21

- 6.1. **SM** provided an overview of the first draft Annual Report and Accounts 2020-21. An underspend of £5,527 (0.63% within tolerance) was noted.
- 6.2. **GON** and **BMD** had identified a number of suggested edits and noted that areas of FReM and other guidance still needed to be implemented throughout the document.
- 6.3. **SM** advised that a further review, taking into consideration all points highlighted would take place.
- 6.4. Additional actions were noted;

- For 2021/22, will IFRS16 apply and is the MOTO with ECNI to be regarded as a lease?
- ARAC members to complete a Self-Assessment for the period 2020-21

ACTION – SM & MN

7. NIAO Update

- 7.1. **KD** presented the NIAO Audit Strategy and timetable for Annual Reports and Accounts 2020/21.
- 7.2. It was noted that the audit fee for 2020-21 audit strategy had risen to £13,500 due to increased centralisation costs.
- 7.3. The Actions for Audit Committee were noted with no issues and support given for the audit team to commence.

Freedom of Information

- 7.4. One FOI request had been received and responded to since the last meeting.

Complaints

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

Subject Access Requests

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

Gifts & Hospitality

- 7.7. It was noted that there has been one gift made to US Consulate General in thanks for providing a meeting venue to the Forum. This gift was less than £100 and within the delegated authority of the Chief Executive.

Fraud

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

Data Breaches

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

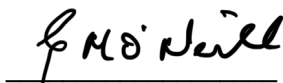
Guidance Received

- 7.10. FD(DoF) 04 21 (Further Guidance on the Preparation of 2020-21 Departmental Annual Report and Accounts) and FD(DoF) 05 21 (Guidance on the Format of the Remuneration Report 2020-21) were noted.

8. AOB

- 8.1. It was noted the date of the next meeting would be 4 November 2021.

Signed



Name

Gerry O'Neill

Date

4 November 2021

