

**Minutes of Audit & Risk Assurance Committee Meeting No. 51
Held on Tuesday 1 March 2022 at 9.30am via Video Conference**

Present:

Séamus Magee, Commissioner (Chair)
Gerard McCurdy, Deputy Chief Commissioner
Alan Hunter, Commissioner
Caron Alexander, Independent Member

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
David McGurk, Finance & Admin Officer (Minutes)
Catherine O'Hagan, NI Audit Office
Michael McNally, NI Audit Office
Tracey McCavigan, DfC Internal Audit
Peter Murchan, DfC Internal Audit
Paul McIlroy, DfC Internal Audit
Colleen Bell, DfC Voluntary & Community Division (VCD)

Apologies:

The meeting commenced at 9.30am.

1. Minutes of Meeting No 50

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 50 held on 18 November 2021 were agreed as a true and accurate record, subject to minor amendment of attendees, as proposed by Gerard McCurdy and seconded by Caron Alexander. Action points were reviewed and progress was noted.

AP1: Amended minutes of meeting No 50 to be recommended to Board for approval.

2. Conflicts of Interest

No declarations were made in relation to this meeting.

3. Chair's Comments

The Chair welcomed Alan Hunter to his first meeting following his appointment to the Commission Board and as a member of the Audit & Risk Assurance Committee. The Chair also thanked Carmel Mullan who has recently resigned as Board member with the Commission. The Chair noted a meeting with Department for Communities (DfC) regarding their new risk approach will take place on 8 March and will be attended by the Chair, Frances McCandless, Chief Executive & Aubrey McCrory, Head of Corporate Services. Following discussion it was agreed that the recently circulated NIAO Fraud Risk Guidance and the related check list will be included on the agenda for discussion at September's meeting.

AP2: NIAO Fraud Risk Guidance and the related check list added to agenda at September's meeting.

4. Corporate Risk Register & Action Plan

The Committee agreed that, following the new Charities legislation going through the Assembly and the publication of the Ministerial Review, the two former extreme risks (risk 1 & risk 6) can be reduced to moderate risks, as proposed by Caron Alexander and seconded by Gerard McCurdy.

In relation to risk 3 Tracey McCavigan outlined related progress of Internal Audit's second assignment field work and suggested additional external assurance could be sought in relation to information security if matters cannot be resolved. Committee to review this going forward. CEx to write to DfC regarding a site meeting at Marlborough House and add text to risk register outlining premises issues, as proposed by Caron Alexander and seconded by Gerard McCurdy.

AP3: Amended risk register to be recommended to Board for approval

AP4: CEx to write to DfC regarding a site meeting at Marlborough House.

5. Review Committee TOR

The Chair noted that CCNI have been without a Commissioner with charity accounting experience since the resignation of Carmen Mullan. The Committee noted plans to seek someone with such experience to support the Board in the next business year. Minor amendment was

agreed to the Terms of Reference, as proposed by Alan Hunter and seconded by Caron Alexander.

AP 5: Amended TOR to be recommended to Board

6. NIAO Audit Strategy

Catherine O'Hagan briefed the Committee on the proposed audit strategy and underlined the approach to be taken. Following a number of queries the Committee noted the approach the audit will be following and will share the strategy with the Board.

7. NIAO 9 month update

Catherine O'Hagan outlined progress of the 9 month audit fieldwork and informed the Committee there was nothing to report at this time.

8. Internal Audit 1st Assignment report

Peter Murchan outlined areas assessed in the first Internal Audit Assignment. The scope of the audit encompassed a review of the following activities:

- Provision of Advice & Guidance;
- Provision of Legal Advice;
- Business Planning & Performance Measurement Processes;
- Records Management; and
- User Access to IT Systems

There were no priority 1 recommendations with two priority 3 and one Priority 2 recommendations. The Committee were content with this and staff were congratulated on the outcome of the first assignment.

9. Progress update on Internal Audit 2nd Assignment

Peter Murchan noted the Committee had amended the priorities of the second assignment to cover five areas. The assignment is ongoing with no concerns at this time, which Committee members found reassuring. The report will be circulated in the near future.

10. Review conditions attached to business case approvals

Update noted.

11. Audit recommendations implementation report

Update noted.

12. Cyber Security update

Update noted. Updated position on NI Direct outlined and Committee noted delay in changing hosting of servers to IT Assist.

13. DAO and FD letters summary

Noted.

14. Budget

The Committee noted plans to spend the budget and also the risks at year end, with easements being allocated to spend on communications activities related to the forthcoming Charities Act (Northern Ireland) 2022.

15. Fraud and Raising Concerns Report

Nothing to report.

16. AOB

Nothing to report.

17. Issues for next meeting 10 May 2022

Agenda items to include Draft Accounts, Risk Policy and new Corporate Risk Register.

The meeting ended at 10.50 am.

Audit & Risk Committee

Register of Outstanding Action Points

Committee Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
51 (1)	01/03/22	1	Amended minutes of meeting No 50 to be recommended to Board -for approval.	HCorps	Complete
51 (2)	01/03/22	3	NIAO Fraud Risk Guidance and the related check list added to agenda at September's meeting.	CEx	Underway
51 (3)	01/03/22	4	Amended risk register to be recommended to Board for approval	HCorps	Complete
51 (4)	01/03/22	4	CEx to write to DfC regarding a site meeting at Marlborough House.	CEx	Complete
51 (5)	01/03/22	5	Amended TOR to be recommended to Board	HCorps	Complete
50 (5)	18/11/21	7	Development of 2022/23 Business Plan Risk Register to be included on May 2022 committee agenda.	HCorps	Complete
50 (6)	18/11/21	14	From May 2022 the committee's corporate risk register standing agenda item to include a drill down into one risk.	Chair	Underway

49 (6)	11/05/21	10	Internal Audit to share network security assurances with the Commission.	Internal Audit	Underway
45(4)	15/09/20	5	CEx to engage with CCEW on strategic opportunities from shared ICT services as part of the wider regulatory agenda	CEx	Complete