

**Minutes of Audit & Risk Assurance Committee Meeting No. 62
Held on Wednesday 4 September 2024 at 10am, Training Room,
Marlborough House**

Present:

Hugh McKeag, Commissioner (chair)
Alan Hunter, Commissioner
Caron Alexander, Independent member

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Jennifer Black, Admin Officer (Minutes)
Curtis Fleming, Northern Ireland Audit Office
Barney Conway, Sumer NI
Peter Murchan, DfC Internal Audit
Colleen Bell, DfC Voluntary and Community Division

Apologies:

Michael Woods, DfC Internal Audit

The meeting commenced at 10am.

1. Minutes of Meeting No 60 and 61

Noted the minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 60 held on 14 May 2024 were previously agreed by correspondence and published by the June Board. The minutes of the A&RA Committee meeting number 61 held on 24 June 2024, previously agreed by correspondence, were accepted for recommendation to the Board for publication as proposed by Caron Alexander and seconded by Alan Hunter.

AP 1: Minutes of Meeting No 61 to be recommended to the Board for publication.

2. Conflicts of Interest

None recorded.

3. Chair's Comments

The Chair highlighted the Minister had appointed Leanne McCullough as the new Commissioner with accountancy experience, and that membership of the A&RA committee would be confirmed at the September Board. Committee members noted agenda item 9 would be taken at the end of the meeting and that the review of information security policy be on the November agenda, so recent updates by sponsor department could be assessed. Commissioners noted the September agenda normally includes Department of Finance's latest annual theft and fraud report. In the absence of updates and training it was agreed to pursue alternative on-line training. Finally, the Chair noted there was no change to Internal Audit's 2023-26 Charter.

4. Six Month Assurance Statement

The Chief Executive introduced the draft assurance statement and gave an update on two areas of risk. Following discussion, the draft statement was agreed for recommendation to the Board as proposed by Caron Alexander and seconded by Alan Hunter.

AP2: Draft 6 Month Assurance Statement to be recommended to the Board.

5. 2024/25 Corporate Risk Register & Action Plan (including deep dive into risk 7)

The Head of Corporate Services introduced the register and highlighted three changes to risk ratings proposed by Senior Management Team, covering increase of risk five (people resources) and risk seven (cyber/information security) and decrease of risk six (budget). The Committee discussed sponsor department's progressing of the Commission's accommodation needs since June 2023, noting senior departmental officials were seeking to extend the existing lease beyond the notified building closing date. The impact of delays on existing staff and the current recruitment process were noted. The draft risk register was proposed for recommendation to the Board by Alan Hunter and seconded by Caron Alexander.

The committee agreed to discuss the cyber risk seven in detail under agenda item 10

AP3: Corporate Risk Register to be recommended to Board for approval.

6. Review of finance procedures

The Head of Corporate Services outlined the review and the minor changes. Following a number of queries and discussion, the changes were agreed for recommendation to the Board as proposed by Caron Alexander and seconded by Alan Hunter.

AP4: Revised finance procedures policy to be recommended to Board for approval.

7. Updated Internal Audit Plan 2024-25

Peter Murchan outlined the impact of the data incident investigation assignment reported to the committee in June on overall audit days. A proposal to defer one assignment until 2025/26 and to reduce the days allocated to two other assignments was discussed. The Committee agreed to recommend the updated framework to the Board as proposed by proposed by Alan Hunter and seconded by Caron Alexander.

AP5: Updated Internal Audit Plan 2024/25 to be recommended to Board for approval.

8. NIAO Report to those charged with governance

Curtis Fleming introduced the report and thanked Commission staff for their input during the audit process, which was completed on time. Barney Conway confirmed the satisfactory unqualified overall audit opinion and highlighted a number of key points in the report. The Committee reviewed the findings and audit certificates. The Chair thanked the auditors and Commission staff for all their work.

AP6: RTTCWG to be circulated to all Board members for information.

9. Meeting with members and auditors without staff present.

This item was dealt with at the end of the meeting.

Staff left the meeting at 11.00am

Committee members met with representatives from external and internal audit who reported no concerns relating to the Commission. Following discussion of Internal Audit's most recent assignment, the

Committee was reassured by the investigation and the auditor's view that identified changes would mitigate future risks. Committee members concluded the Commission was a well-run organisation which is thinly resourced. Implementation of the Transformation programme, which could release internal efficiencies, was on hold due to the current lack of clarity on future decision making and regulatory policy.

10. Cyber Security Update

The Head of Corporate services introduced the update, highlighting a delay in commencing the Assure.gov approach across the Northern Ireland Civil Service network until next year. The impact of recent developments to enhance information security by network providers on charities and work to communicate the changes were detailed. The committee welcomed the National Audit Office cyber assurance assessment that had been completed.

11. Audit recommendations implementation report

Noted.

12. Budget

The Head of Corporate Services briefed the Committee on spend at the end of July and that no easements or pressures had been notified during a short notice monitoring round in August. Arrangements for resource and capital budget spend for the remainder of the year were discussed and queries regarding the indicative budget and likely outcome of the Executive's budget Equality Impact Assessment were addressed.

13. Committee self-assessment

The Committee noted the template for completion and agreed to arrange to meet for a short session to complete the exercise.

AP7: AO to identify a suitable meeting date for the Committee to complete the self assessment.

14. Review conditions attached to business case approvals

Update noted.

15. DAO and FD letters summary

Update noted.

16. Fraud and concerns about Commission report

The Head of Corporate Services confirmed there had been no internal frauds or concerns about the Commission.

17. AOB

None.

18. Issues for next meeting 26 Nov 2024

- Review of information security
- Review of Concerns about the Commission
- Assurance check of MOUs/SLAs

Meeting ended at 11.15am.

Audit & Risk Committee

Register of Outstanding Action Points

Committee Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
62 (1)	04/09/24	1	Minutes of Meeting No 61 to be recommended to the Board for publication.	CEX	Underway
62 (2)	04/09/24	4	Draft Six Month Assurance Statement to be recommended to the Board.	CEX	Underway
62 (3)	04/09/24	5	Corporate Risk Register to be recommended to Board for approval.	HoCS	Underway
62 (4)	04/09/24	6	Review of finance procedures policy to be recommended to Board for approval.	HoCS	Underway
62 (5)	04/09/24	7	Updated Internal Audit Plan 2024/25 to be recommended to Board for approval.	HoCS	Underway

62 (6)	04/09/24	8	NIAO <i>Report to those charged with governance</i> to be circulated to all Board members for information.	HoCS	Underway
62 (7)	04/09/24	13	AO to identify a suitable meeting date for the Committee to complete the self assessment.	AO	Underway
59 (5)	12/03/24	6	Further training staff and Commission on fraud, bribery and money laundering to be arranged.	HoCS	Underway
59 (11)	12/03/24	12	Head of Corporate Services to follow up with IT Assist account manager regarding access to assurance dashboard.	HoCS	Underway
54 (6)	24/11/22	7	Commission to write to all MOU partners updating them on current arrangements and future developments.	HCS	Postponed until intro of potential scheme of delegation