

**Minutes of Audit & Risk Assurance Committee Meeting No. 35
held on Tuesday 20 February 2018 at 10am in the Charity
Commission for Northern Ireland office, Lurgan**

Present:

Norman Bennett, Chair
Séamus Magee, Commissioner
Kieran Donaghy (Independent Member)

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Peter Toner, DfC VCD
Eamonn O'Reilly, DfC Internal Audit
Tracey McCavigan, DfC Internal Audit
Peter Mallon, NI Audit Office
Natasha Mann, Finance & Admin Officer

The meeting commenced at 10am.

1. Minutes of Meeting

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting held on 29 November 2017, were agreed as a true and accurate record. Proposed by Kieran Donaghy and seconded by Séamus Magee.

AP1: Minutes of the meeting to be recommended to the Board for approval.

2. Conflicts of Interest

The Chair reminded everyone of the need to declare any conflicts of interest prior to the meeting commencing. No declarations were made in relation to this meeting.

3. Chair's Comments

It was noted that the external stakeholder workshop for the planned Risk Framework attended by the Chair, the Chief Executive and Head of Corporate Services was very useful. The Chair also informed the meeting that the Department for Communities intends to resurrect the Audit & Risk Assurance Committee Chairs' Forum on 13 March 2018

and he intended to raise GDPR and cyber security as key issues. The committee discussed the potential for Internal Audit to assist with GDPR preparations and it was agreed to discuss recent advice on the Data Protection Officer role.

4. Corporate risk register

The Head of Corporate Services introduced the paper and outlined progress since the Board last adopted the register. Following discussion the committee agreed to recommend the risk register, to the Board as proposed by Kieran Donaghy and seconded by Séamus Magee.

AP2: Risk register to be recommended to Board for approval.

5. Review of fraud policy and bribery risk assessment

The Head of Corporate Services outlined details of the review which had not recommended any changes to the fraud policy, and highlighted details of the bribery risk assessment based on the NIAO template. Following discussion, the committee agreed that no changes were needed at this time. Following further discussion, the committee approved the Commission's bribery risk assessment approach as proposed by Norman Bennett and seconded by Séamus Magee.

AP3: Copy of risk assessment to be circulated to Board members to complete page 11.

AP4: Peter Mallon to seek clarification from NIAO on completion of p11 of risk assessment.

AP5: Fraud policy (including bribery risk assessment) to be recommended to Board for approval.

6. Review of risk management policy and appetite

The Head of Corporate Services presented the paper and outlined the main changes to the committee. A series of queries were raised in relation to the basis for recommending an increase in the Commission's risk appetite and proposals to change the assurance check framework. Following discussion, the committee approved the changes and agreed to recommend to Board as proposed by Norman Bennett and seconded by Séamus Magee.

AP6: Review of risk management policy and appetite to be recommended to Board.

7. Amended finance procedures

The Head of Corporate Services introduced the paper and outlined the three changes to the committee. Information was provided on the proposal to increase the capital threshold to £1.5k from 2018/19 and NIAO confirmed this was a pragmatic approach. Following discussion, the committee agreed the changes and recommended the paper to Board as proposed by Norman Bennett and seconded by Séamus Magee.

AP7: Amended finance procedures to be recommended to Board.

8. Review of Committee Terms of Reference

The Chair introduced the paper and following discussion it was noted that no changes were recommended at this time, apart from minor text corrections.

AP8: Committee Terms of Reference to be published on Commission website.

9. Internal Audit plan for 2018-19

Eamonn O'Reilly, Internal Audit, introduced the paper and outlined the internal audit plan for the 2018-19 year. It was noted that the 2018-19 plan is the third and final year of the current three-year Strategic Internal Audit Plan 2016-19. Following discussion, amendments to the plan were approved and it was agreed Eamonn O'Reilly would finalise and submit updated plan to the Chief Executive.

AP9: Eamonn O'Reilly to finalise and submit updated plan to Chief Executive.

10. Internal Audit TOR for 2nd Assignment 2017-18

Eamonn O'Reilly briefed the committee on progress to date noting fieldwork had been largely completed and the report would be subject to finalisation and quality assurance before submission to management for consideration shortly. At this time no significant issues were noted.

11. Budget

The Head of Corporate Services presented the paper and outlined changes in the budget.

12. NIAO update on 9 month accounts

Peter Mallon, NIAO, gave a verbal update to the meeting. It was noted that there are no issues arising at this stage.

13. Audit recommendations implementation report

The Head of Corporate Services presented the paper detailing progress and it was noted that outstanding recommendations are being reviewed as part of the second assignment in quarter 4.

14. Review of conditions attached to business case approvals

Noted.

15. DAO letters summary

The Committee's attention was drawn to DAO 05/17.

16. Fraud and Whistleblowing report

None to report.

17. AOB

It was noted that the NIAO information sharing agreement redraft is with CCNI for agreement and signing.

18. Issues for next meeting

Next meeting scheduled for 8 May 2018.

Items for the agenda include: review of draft accounts, Draft Statement on Internal Control/Governance Statement, A&RA Committee annual report and Internal Audit report.

Meeting ended at 11am

Audit & Risk Committee

Register of Outstanding Action Points

Committee Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
35 (1)	20/02/18	1	Minutes of the meeting to be recommended to Board for approval.	HCorpS	Complete
35 (2)	20/02/18	4	Risk register to be recommended to Board for approval.	HCorpS	Complete
35 (3)	20/02/18	5	Copy of risk assessment to be circulated to Board members to complete page 11	HCorpS	Underway
35 (4)	20/02/18	5	Peter Mallon to seek clarification from NIAO on completion of risk assessment	NIAO	Underway
35 (5)	20/02/18	5	Fraud policy (including bribery risk assessment) to be recommended to Board for approval.	HCorpS	Complete
35 (6)	20/02/18	6	Review of risk management policy and appetite to be recommended to Board	HCorpS	Complete
35 (7)	20/02/18	7	Amended finance procedures to be recommended to Board	HCorpS	Complete
35 (8)	20/02/18	8	Committee Terms of Reference to be published on Commission website	CEX	Completed

35 (9)	20/02/18	9	Eamonn O'Reilly to finalise and submit updated plan to Chief Executive	IA	Complete
33 (8)	05/09/17	14	Plan briefing for committee on cyber security.	HCorpS	Complete
30 (3)	15/11/16	7	A&RA involvement in Section 22 decisions to be part of wider Board discussion.	HCorpS	Underway
29 (8)	29/9/16	12	New assurance check on complying with Code of Good Governance (2013) to be developed.	HCorpS	Underway