

**Minutes of Audit & Risk Assurance Committee Meeting No. 57
Held on Monday 11 September 2023 at 9.30am via Video Conference**

Present:

Gerard McCurdy, Chief Commissioner
Alan Hunter, Commissioner
Andrea Quail, co-opted member
Caron Alexander, Independent member
Hugh McKeag, Commissioner (observer)

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Ciara McCann, Admin Officer (Minutes)
Barry Mitchell, Northern Ireland Audit Office
Curtis Fleming, Northern Ireland Audit Office
Peter Murchan, DfC Internal Audit
Valarie McCloskey, DfC Voluntary and Community Division (observer)

Apologies:

Gary Curran, DfC Internal Audit

The meeting commenced at 9.30am.

1. Minutes of Meeting No 56

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 56 held on 10 May 2022 were previously agreed by correspondence and published by the June Board. An update was given on action items and the committee noted item (56/4) was completed and work to progress action (54/6) was underway.

2. Conflicts of Interest

None recorded.

3. Chair's Comments

The Chair noted he was chairing this meeting as an exceptional arrangement in light of a gap in Commissioner recruitments and that

Hugh McKeag, who was attending as an observer today, would be chairing the Committee going forward. The Committee noted an update on Commissioner recruitment and appointments.

The Chair thanked Caron Alexander for agreeing to continue as the independent member for another year. The Chair noted this was Andrea Quail's last meeting and expressed the Commission's thanks for her contribution for over the past year. Andrea Quail noted the experience had been very beneficial and she had been appointed to another public sector A&RA committee.

The Committee was briefed on plans to recruit a new Finance and Admin manager in the coming months and an update was provided on the department's work on a potential scheme of delegation. It was noted dates for committee meetings in 2024 had been circulated via email and members were asked to raise any issues with the admin team.

AP1: Committee members to advise admin team of any issues with 2024 meeting dates.

4. 6 Month Assurance Statement

The Chief Executive introduced the draft assurance statement and a number of issues were highlighted. In relation to the issue of future accommodation Valerie McCloskey confirmed that team would be meeting with Department for Communities (DfC) Property Management team to confirm project arrangement. The draft statement was agreed for recommendation to the Board as proposed by Alan Hunter and seconded by Caron Alexander.

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

5. 2022/23 Corporate Risk Register & Action Plan (including deep dive into risk 4)

The Chief Executive introduced the register and highlighted Senior Management Team's recommendation to reduce risk 5: Budget, at this time. The Committee also discussed risk 4: staff retention, and the impact of a move from Marlborough House at some point over the next 18 months. The Committee agreed to recommend the amended register reflecting an increase of risk 4 and reduction of risk 5 to the Board as proposed by Alan Hunter and seconded by Andrea Quail.

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

6. Review of information security policy

The Head of Corporate Services introduced the paper and outlined the reasons for the proposed changes to the information security policy and the related information manuals. Following discussion, it was agreed to recommend the three changes outlined in the paper to the Board as proposed by Caron Alexander and seconded by Andrea Quail.

AP4: Review of information security policy to be recommended to Board for approval.

7. Review of Governance Framework

The Head of Corporate Services introduced the review and highlighted the changes and updates. Following discussion, the Committee agreed the updated framework should be recommended to the Board as proposed by Caron Alexander and seconded by Alan Hunter.

AP5: Review of Governance Framework to be recommended to Board for approval.

8. IA Review of Raising Concerns about the Commission policy

Peter Murchan introduced the background to the review and confirmed Internal Audit's finding that the Commission's policy substantively took account of the practical considerations highlighted in correspondence by DfC's Head of Governance and succinctly achieved the objectives. The Chief Executive noted the Commission's legal team also undertook a review and the conclusions of that and the exercise by Internal Audit were incorporated into the revised policy. Following discussion, it was agreed to recommend the updated policy to the Board, subject to clarification and any amendment to section 6, as proposed by Andrea Quail and seconded by Caron Alexander.

AP6: Review of Raising Concerns about the Commission policy to be recommended to Board for approval.

9. Internal Audit Charter 2023-24

Peter Murchan introduced the Charter noting this is aligned with the Commission's three year audit strategy. It was agreed to recommend the charter to the Board as proposed by Andrea Quail and seconded by Alan Hunter.

AP7: Internal Audit Charter to be recommended to Board for approval.

10. NIAO Report to those charged with governance

Barry Mitchell introduced the report and noted the Comptroller & Auditor General had certified the accounts with a clean audit opinion. It was noted the Northern Ireland Audit Office (NIAO) were happy with how changes arising from IFRS 16 had been adopted and thanks to Commission staff for their support and co-operation were recorded. Findings and recommendations in relation to three areas were outlined by Barry Mitchell and the committee noted the actions and timetables agreed by management to take this forward. The Committee discussed the proportionality of evidence being sought for audit assurance of intangible assets and noted plans to engage with other charity regulators to develop the Commission's approach.

The Committee noted NIAO intended to contract out the Commission's external audit in 2023/24 and Commissioners highlighted potential conflict of roles. Barry Mitchell confirmed NIAO recognised there is a risk and will be managing this.

AP8: RTTCWG to be circulated to all Board members for information.

11. Meeting with members and auditors without staff present.

Staff left the meeting at 10.45am

The Committee met in private session with representatives from Internal Audit and NIAO.

Internal Audit reported that staff were very cooperative throughout the audits and due to the level of commitment and professionalism of staff audits were completed within allocated timeframes. Management response to the audits and findings were positive and constructive.

NIAO reported that staff were again cooperative and supportive throughout the process. Responses from staff to auditor queries were dealt with in a timely and professional manner. NIAO were particularly appreciative of the contributions made by the Finance & Admin Manager and Head of Corporate Services.

Overall, the auditors complimented the diligence, expertise and commitment of CCNI staff which were a considerable benefit to the auditors and the efficient running of the audits.

Management will continue to liaise with the auditors in closing out the various recommendations.

Staff rejoined the meeting at 10.55am

12. Budget

The Head of Corporate Services briefed the Committee on spend at the end of August and confirmed arrangements for budget spend for the remainder of the year.

13. Committee self-assessment

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

AP9: Ciara McCann to identity a suitable meeting date for the Committee to complete the self assessment.

14. DoF Annual Fraud Report 2020-21

Noted.

15. Cyber Security Update

The Committee noted the update and welcomed the assurance received from Internal Audit relating to Enterprise Shared Services which cleared a long-standing committee action (49 (6)). It was agreed the National Audit Office cyber assurance assessment would be completed for the next cyber update to the committee in March 2024.

AP10: National Audit Office cyber assurance assessment to be completed for the March committee meeting.

16. Review conditions attached to business case approvals

Update noted.

17. Audit recommendations implementation report

Update noted.

18. DAO and FD letters summary

Update noted.

19. Fraud and concerns about Commission report

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

20. AOB

Peter Murchan informed the committee that Michael Woods would be replacing Gary Curran from November 2023.

21. Issues for next meeting 21 Nov 2023

- Internal Audit Assignment 1 report
- Review of Conflict of Interest policy
- Review of Finance Procedure
- Review Business continuity plan
- 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
57 (1)	11/9/2023	3	Committee members to advise admin team of any issues with 2024 meeting dates.	HCorps	Underway
57 (2)	11/9/2023	4	Draft 6 Month Assurance Statement to be recommended to the Board.	CEx	Underway
57 (3)	11/9/2023	5	Corporate Risk Register to be recommended to Board for approval.	HCorps	Underway
57 (4)	11/9/2023	6	Review of information security policy to be recommended to Board for approval.	HCorps	Underway
57 (5)	11/9/2023	7	Review of Governance Framework to be recommended to Board for approval.	HCorps	Underway
57 (6)	11/9/2023	8	Review of Raising Concerns about the Commission Policy to be	HCorps	Underway

			recommended to Board for approval.		
57 (7)	11/9/2023	9	Internal Audit Charter to be recommended to Board for approval.	CEx	Underway
57 (8)	11/9/2023	10	RTTCWG to be circulated to all Board members for information.	HCorps	Underway
57 (9)	11/9/2023	13	Ciara McCann to identify a suitable date.	HCorps	Underway
57 (10)	11/9/2023	15	National Audit Office cyber assurance assessment to be completed for the March 2024 committee meeting.	HCorps	Underway
54 (6)	24/11/22	7	Commission to write to all MOU partners updating them on current arrangements and future developments.	HCS	Underway