

**Minutes of Audit & Risk Assurance Committee Meeting No. 63
Held on Wednesday 26 November 2024 at 10am, Training Room,
Marlborough House**

Present:

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

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
David McGurk, Finance & Admin Officer (minutes)
Curtis Fleming, Northern Ireland Audit Office
Barney Conway, Sumer NI
Michael Woods, DfC Internal Audit
Peter Murchan, DfC Internal Audit
Mark Lee, DfC Voluntary and Community Division (observer)

Apologies:

Amanda McMaw, Sumer NI
Judith Woodburn, DfC Voluntary and Community Division

The meeting commenced at 10 am.

1. Minutes of Meeting No 62

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 62 held on 4 September 2024 were proposed for recommendation to the Board for publication by Alan Hunter and seconded by Hugh McKeag.

AP1: Minutes of Meeting No 62 to be recommended to the Board for publication.

2. Conflicts of Interest

None recorded.

3. Chair's Comments

Following her welcome to the committee Leanne McCullough gave an overview of her career and experience. The Chair noted a recent Internal Audit training event circular, which several members will be attending, and asked for more notice in future. Committee members noted an update had been requested from sponsor team on the departmental Arm's Length Bodies (ALB) Audit Committee Chairs' Forum. Details of a payroll data processing incident by HR Connect and follow up investigation by Enterprise Shared Services (ESS) were outlined. Internal Audit noted lack of checking new joiner data entry and steps to correct the initial error weren't taken.

AP2: Contact ESS to confirm actions taken in relation to the payroll error and update the next committee meeting.

4. Corporate Risk Register

The Head of Corporate Services provided an updated assessment, and the Committee discussed the reduction of two risks proposed by Senior Management Team. Following a query, it was noted that a new risk register would be developed and discussed at the committee meeting in March as part of the business planning process. The Committee agreed to decrease risk 5 – Resources, and risk 7 – Information Technology and Cyber security, as proposed by Leanne McCullough and seconded by Alan Hunter.

AP3: Ideas for new 2025/26 risk register to be developed for March meeting.

AP4: Changes to the corporate risk register to be recommended to the Board for approval.

5. Review of Information Security Policy

The Head of Corporate Services introduced the review paper highlighting proposed changes to the current policy. The Committee noted management had met with sponsor department's facilities and information management teams on updated practices. Related planned changes to the Records Management policy and Business Continuity Plan were highlighted. Following discussion, the Committee agreed the recommended changes to the existing policy as proposed by Alan Hunter and seconded by Leanne McCullough.

AP5: Updated Information Security Policy to be recommended to Board for approval.

Alan Hunter left the meeting at 10.35am

6. Review of Concerns about the Commission policy

The Head of Corporate Services outlined the results of the review which identified no changes were needed. The Committee agreed to recommend this outcome to the Board as proposed by Leanne McCullough and seconded by Hugh McKeag.

Committee members noted a potential assurance gap regarding the Commission's statutory remit as a designated person for whistleblowing concerns about charities. Following discussion, it was accepted this will be addressed through an updated enquiries manual and changes to systems to enable the Commission to report on its work.

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

7. Internal Audit Assignment 1 - 2024/25

Peter Murchan introduced the assignment and confirmed the areas covered included: the charity registration process and reporting, use of powers by the Enquiries team, charity incorporations, and implementation of Independent Counsel Recommendations. Committee members noted that the report was yet to be finalised but was anticipated to reflect a satisfactory assurance with no issues.

8. Budget

The Head of Corporate Services highlighted the October month end resource budget expenditure which was still based on an indicative budget. The Committee noted at sponsor team's direction the November monitoring round had included a bid for resource related to the accommodation move, but this had not been allocated to the Commission's budget. As part of the January monitoring SMT had identified easements relating to staff salaries and reduced accommodation costs.

9. Summary of Committee self-assessment

The Chief Executive outlined noted the results of the recent exercise and that no substantial issues or recommendations had been identified. The Chair noted a new template had been produced the National Audit Office and this will be used going forward.

AP7: Updated NAO assessment template to be used in Q3-2025 committee self-assessment.

10. Review conditions attached to business case approvals

The Committee noted the update, and it was agreed to make clear in future reporting if there were no current conditions attached. The committee discussed the current accommodation lease and potential for extension. It was agreed the Accounting Officer should write to the sponsor department's Permanent Secretary highlighting the committee's concerns at the pace of progress.

AP8: Write to the DfC Permanent Secretary outlining the committees concerns about accommodation going forward.

Caron Alexander joined the meeting at 11.00am

11. Audit recommendations implementation report

The Committee noted the update and progress in clearing against Internal Audit recommendations. Michael Woods confirmed that the second audit assignment this year would review the clearing of previous recommendations to give further assurance to the committee.

12. DAO and FD letters summary

Update noted.

13. Fraud and concerns about Commission report

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

14. AOB

An update on the progress of a scheme of delegation was provided.

AP9: Details regarding submission of Scheme of Delegation to the Minister to be confirmed.

15. Issues for next meeting 11 March 2024

- Risk appetite for new business plan objectives
- Review Terms of Reference and meeting schedule
- Review Fraud policy (including Bribery risk assessment annual) (2023)
- Review Risk management policy (2023)
- Update Business Continuity Plan
- IA Assignment 1 report
- IA Plan 2025/26
- NIAO audit strategy
- Cyber security update

Meeting ended at 11.30 am.

Audit & Risk Committee

Register of Outstanding Action Points

Committee Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
63(1)	26/11/24	1	Minutes of Meeting No 62 to be recommended to the Board for publication.	CEx	Complete
63(2)	26/11/24	3	Contact ESS to confirm actions taken in relation to the payroll error and update the next committee meeting.	HoCS	Underway
63(3)	26/11/24	4	Ideas for new 2025/26 risk register to be developed for March meeting.	HoCS	Underway
63(4)	26/11/24	4	Changes to the corporate risk register to be recommended to the Board for approval.	HoCS	Complete
63(5)	26/11/24	5	Updated Information Security Policy to be recommended to Board for approval.	HoCS	Complete
63(6)	26/11/24	6	Outcome of Review of Concerns about the Commission policy to be recommended to Board for approval.	HoCS	Complete

63(7)	26/11/24	9	Updated NAO assessment template to be used in Q3-2025 committee self-assessment.	HoCS	Underway
63(8)	26/11/24	10	Write to the DfC Permanent Secretary outlining the committees concerns about accommodation going forward.	CEx	Complete
63(9)	26/11/24	14	Details regarding submission of Scheme of Delegation to the Minister to be confirmed.	CEx	Underway
62 (1)	04/09/24	1	Minutes of Meeting No 61 to be recommended to the Board for publication.	CEx	Complete
62 (2)	04/09/24	4	Draft Six Month Assurance Statement to be recommended to the Board.	CEx	Complete
62 (3)	04/09/24	5	Corporate Risk Register to be recommended to Board for approval.	HoCS	Complete
62 (4)	04/09/24	6	Review of finance procedures policy to be recommended to Board for approval.	HoCS	Complete
62 (5)	04/09/24	7	Updated Internal Audit Plan 2024/25 to be recommended to	HoCS	Complete

			Board for approval.		
62 (6)	04/09/24	8	NIAO Report to those charged with governance to be circulated to all Board members for information.	HoCS	Complete
62 (7)	04/09/24	13	AO to identify a suitable meeting date for the Committee to complete the self assessment.	AO	Complete
59 (5)	12/03/24	6	Further training for staff and Commissioners 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	Complete
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