

**Minutes of Audit & Risk Assurance Committee Meeting No. 50
Held on Thursday 18 November 2021 at 9.30am via Video
Conference**

Present:

Séamus Magee, Commissioner (Chair)
Gerard McCurdy, Deputy Chief Commissioner
Carmel Mullan, Commissioner
Caron Alexander, Independent Member

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Nicola Fisher, Finance & Admin Manager
Catherine O'Hagan, NI Audit Office
Tracey McCavigan, DfC Internal Audit

Apologies:

Peter Murchan, DfC Internal Audit

The meeting commenced at 9.30am.

1. Minutes of Meeting No 49

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 49 held on 15 September 2021 were agreed as a true and accurate record as proposed by Carmel Mullan and seconded by Gerard McCurdy. Action points were reviewed.

AP1: Minutes of meeting No 49 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 briefed those present regarding the October meeting of the Department for Communities (DfC) Arm's Length Bodies Audit Chairs' Forum, including discussion of practices around Post Project Evaluations and expectations of the Northern Ireland Civil Service's New Ways of Working policy due to go live in early 2022.

4. Corporate Risk Register

The Committee noted a series of changes to risk levels proposed by Senior Management Team. Assumptions were discussed and committee members noted the progress of the Review by Independent Counsel and the Ministerial review of charity regulation. Developments regarding further assurances from the Board to DfC around legacy complaint issues and steps to respond to letters of claim were also considered. Following discussion it was agreed to recommend to the Board increasing risks 1 and 6 to extreme at this time, as proposed by Carmel Mullan and seconded by Gerard McCurdy.

The committee discussed outstanding issues on the office relocation snag list and noted arrangements for staff working on their own in the office would be revisited.

AP2: Updated draft risk register to be recommended to Board for approval.

5. Review of Finance Procedures

The Head of Corporate Services highlighted the purpose of the annual review undertaken by staff. Nicola Fisher outlined a series of developments identified by staff to update the finance procedures including making electronic processing the norm, adding process to reflect new features of the finance accounting software used, and reflecting that the Business Continuity Plan (BCP) has been stood down and processes reflect pandemic working guidelines. A series of queries were addressed and following discussion the committee accepted the changes and agreed to recommend them to the Board for approval as proposed by Caron Alexander and seconded by Carmel Mullan.

AP3: Revised Finance Procedures to be recommended to Board.

6. Review of Internal Audit plan 2021/22 second assignment priorities

The Chair highlighted potential to reprioritise the business areas due for audit in the second assignment under the established audit strategy and plan in light of emerging issues linked to relocation and also recommendations arising from the Review by Independent Counsel of complaints relating to the Commission's regulation of two charities. Following discussion it was agreed to recommend to the Board that three of the four priorities proposed previously for assignment two are stood down and the priority should switch to control, governance and risk management in relation to implementation of the resultant action plan and progress reporting as proposed by Caron Alexander and seconded by Carmel Mullan.

AP4: Amended audit priorities to be recommended to Board.

7. Development of 2022/23 Business Plan Risk Register

The Head of Corporate Services introduced the paper. The Committee discussed existing strategic plan risks and concluded there was no evidence of an increase in the number of charity closures as a result of the pandemic emergency leading to risks to the appropriate disposal of charity assets.

The Committee noted sponsor team had agreed to stand down the normal timescale for developing a draft annual business plan by the end of December in light of the need to assess the findings and take forward actions to address the recommendations arising from the Ministerial Review of Charity Regulation, which Department for Communities anticipated would be published early in the new year. It was agreed to include this item again on the May agenda.

AP5: Development of 2022/23 Business Plan Risk Register to be included on May 2022 committee agenda.

8. Progress update on Internal Audit 1st Assignment

Tracey McCavigan provided a verbal update noting there were no significant issues identified to date and issues would be raised with management for comment in the coming weeks.

9. Review Conditions attached to business case approvals

The report was discussed and noted.

10. Audit Recommendations implementation report

The report was discussed and noted.

11. DAO and FD letters summary

Update noted

12. Budget

Committee members noted the position at end of October. The Head of Corporate Services highlighted development of a business plans related to a registration streamlining pilot project and settlement of long standing cases. Capital spend plans were noted including a surrender in light of the need to pause development work until the outcome of the Charities Bill 2021 regarding future delegation was known.

13. Fraud and Whistleblowing report

There were no issues were to report.

14. AOB

The Committee discussed results of the committee self-assessment and noted plans to drill down each corporate risk on a rotating basis starting in new business plan year.

AP6: From May 2022 the committee's corporate risk register standing agenda item to include a drill down into one risk.

15. Issues for next meeting, Tuesday 1 March 2022

Issues for the agenda include Review of Risk Management policy and procedures, corporate risk register, Internal Audit 1st assignment report, verbal update on 2nd Internal Audit Assignment, cyber update.

Meeting Ended 10.50 am.

Audit & Risk Committee

Register of Outstanding Action Points

Committee Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
50 (1)	18/11/21	1	Minutes of meeting No 49 to be recommended to Board -for approval.	HCorps	Complete
50 (2)	18/11/21	4	Draft risk register to be recommended to Board for approval.	HCorps	Complete
50 (3)	18/11/21	5	Revised Finance Procedures to be recommended to Board.	HCorps	Complete
50 (4)	18/11/21	6	Amended audit priorities 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	Underway
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	Underway