

**Minutes of Audit & Risk Assurance Committee Meeting No. 49  
Held on Wednesday 15 September 2021 at 2.00pm 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  
Conor Hill, NI Audit Office  
Michael McNally, NI Audit Office  
Tracey McCavigan, DfC Internal Audit  
Peter Murchan, DfC Internal Audit

**Apologies:**

Catherine O'Hagan, NI Audit Office

The meeting commenced at 2.00pm.

**1. Minutes of Meeting No 48**

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 48 held on 5 May 2021 were agreed as a true and accurate record as proposed by Gerard McCurdy and seconded by Carmel Mullan.

**AP1: Minutes of meeting No 48 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 welcomed Michael McNally to his first meeting. It was noted the review a finance procedures would be brought to the next meeting and the Department of Finance annual fraud report had not yet been released.

### **4. Corporate Risk Register**

The Head of Corporate Services introduced the draft register which had recently been reviewed by Senior Management Team. No changes to ratings were recommended and the Chair noted a series of actions had been progressed across the various risks.

The committee discussed a series of issues related to Commissioner additional days, relocation costs and information security risks, development of a blended working policy and reporting by Independent Counsel on their review of historic complaints about two statutory enquiries. It was noted this work is due to be completed next month and information shared with the Northern Ireland Audit Office.

The CEx highlighted additional risks may emerge from litigation in contemplation at this time by a third party, and that advice was being sought for the September Board meeting. At this time it was agreed to recommend the draft register to the Board as proposed by Gerard McCurdy and seconded by Caron Alexander.

**AP2: Draft risk register to be recommended to Board for approval.**

### **5. Review of Business Continuity Plan**

The Head of Corporate Services introduced the review and highlighted a range of proposed changes reflecting the fundamental shift in managing business continuity afforded by the switch to 100% secure remote working capability, learning from the pandemic experience about what are priority needs, and focusing on people and processes.

A number of queries regarding testing and reliance on network suppliers were discussed. It was agreed to recommend the revised plan to the Board for approval as proposed by Carmel Mullan and seconded by Caron Alexander.

**AP3: Revised BCP to be recommended to Board.**

## **6. Assurance Statement**

The CEx outlined various aspects of the assurance statement including the impact of non reoccurring funding allocations on the Commission's ability to deliver against the current business plan registration target. Committee members identified additional wording in relation to the Safeguarding policy and noted if the office fit out snag list was not resolved information security concerns would feature in a future statement.

It was agreed to recommend the assurance statement to the Board as proposed by Gerard McCurdy and seconded by Carmel Mullan.

**AP4: Assurance statement to be recommended to Board.**

## **7. NIAO Report to those Charged with Governance**

Conor Hill introduced the report and noted the audit provided satisfactory assurance, no material errors were identified and there were no recommendations. The Committee commended the work of the Finance & Admin Manager and other staff in terms of the quality of the accounts preparation and providing timely and well documented support to audit queries.

## **8. Committee Self-Assessment**

The committee agreed the approach and timescale for this year's assessment.

**AP5: Committee to undertake self-assessment exercise.**

## **9. Meeting of Members and auditors without staff present**

The NIAO reported that its annual audit of the Commission had gone well in spite of the limitations again presented by the Covid 19 pandemic. Staff worked co-operatively with the NIAO to ensure all deadlines were met and no issues or concerns were identified. Staff were praised for their professionalism in meeting and providing information when access to the offices was restricted. NIAO referred to the future publication of good practice guides covering risk management and cyber security. These would be made available to the Committee once published. NIAO flagged that lessons learnt audits from the pandemic would be on the future agenda of ALBs.

Internal audit reported that staff were very co-operative throughout the year and all audits were completed within the agreed timeframe.

All information requested to complete audits was made available in a timely manner. The idea of conducting more in-depth audits across a smaller number of areas was discussed and it was agreed that this should be considered by the Committee. The idea of using some of the audit days for discreet consultancy work was also raised. This would be explored further but would need to meet the remit of internal audit. Discussions on the content of the second audit assignment would be fleshed out over the next couple of months.

On behalf of the Committee the Chair thanked the auditors for their co-operation and support throughout the year.

## **10. Cyber Security Update**

The Head of Corporate Services highlighted aspects of the assurance framework and indicated risks and incidents had increasing since the last report. Committee members noted the impact of increased network monitoring on information flows and recent attack incidents underlined the need for staff vigilance. Tracey McCavigan confirmed assurances and agreed to follow up sharing of these

**AP6: Internal Audit to share network security assurances with the Commission.**

## **11. Review Conditions attached to business case approvals**

The report was discussed and noted.

## **13. Audit Recommendations implementation report**

The report was discussed and noted.

## **14. DAO and FD letters summary**

Update noted

## **15. Budget**

Committee members noted a 1.5% projected overspend at this time and that adjustments were being made. It was confirmed an in year bid had been made for inescapable costs and a further allocation was possible for commissioner additional days. The CEx confirmed a business case for additional costs for travel to work arising from office relocation had been prepared on the basis of travel to the new location five days per week, but blended working removed that requirement.

**16. Fraud and Whistleblowing report**

There were no issues were to report.

**17. AOB**

No issues were raised.

**18 Issues for next meeting, Tuesday 23 November 2021**

Issues for the agenda include Review of Finance procedures, Assurance check of MOU's and SLAs, Review of risks and 2<sup>nd</sup> Internal Audit assignment priorities, verbal update on 1<sup>st</sup> Internal Audit Assignment, Self Assessment Exercise results, and DoF Annual Fraud Report.

Meeting Ended 3.40pm.

## Audit & Risk Committee

### Register of Outstanding Action Points

<b>Committee Meeting and Action Point Number</b>	<b>Date Raised</b>	<b>Agenda Item</b>	<b>Action</b>	<b>Owners</b>	<b>Status</b>
49 (1)	19/09/21	1	Minutes of meeting No 48 to be recommended to Board -for approval	HCorpS	Complete
49 (2)	11/05/21	4	Draft risk register to be recommended to Board for approval	HCorpS	Complete
49 (3)	11/05/21	5	Revised BCP to be recommended to Board.	HCorpS	Complete
49 (4)	11/05/21	6	Assurance statement to be recommended to Board.	CEx	Complete
49 (5)	11/05/21	8	Committee to undertake self-assessment exercise.	Chair/ CEx	Complete
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