

**Minutes of Audit & Risk Assurance Committee Meeting No. 48  
Held on Tuesday 11 May 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  
Tracey McCavigan, DfC Internal Audit  
Peter Murchan, DfC Internal Audit  
Catherine O'Hagan, NI Audit Office  
Nicola Fisher, Finance & Admin Manager  
Clare McElherron, Finance & Admin Officer (Minutes)

**Apologies:**

Martin Ireland, DfC Voluntary & Community Division  
Colleen Bell, DfC Voluntary & Community Division  
Conor Hill, NI Audit Office

The meeting commenced at 9.30am

**1. Minutes of Meeting No 47**

The minutes of the Audit & Risk Assurance (A&RA) Committee meeting number 47 held on 2 March 2021 were agreed as a true and accurate record as proposed by Gerard McCurdy and seconded by Carmel Mullan.

**AP1: Minutes of meeting No 47 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 noted Caron Alexander was very reassured after a briefing on the Commission's strategic approach to Information & Communication Technology (ICT) and Transformation project. An update on office relocation and impact on service delivery and business plan priorities was provided. Committee members welcomed the recent engagement with the Ministerial Review panel and its plans to engage with the charity sector. It was agreed to review the organisations approach to risk management involving all Board members in quarter 3.

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

The Head of Corporate Services introduced the draft register. The Chair noted several corporate risks had been managed over a number of business plan periods and in the past year the organisation had demonstrated resilience in providing services and managing change. Following a series of queries relating to management of administrator rights it was agreed to recommend the draft register to the Board as proposed by and Caron Alexander and seconded by Gerard McCurdy.

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

### **5. Review of Draft Accounts**

The Chair welcomed Nicola Fisher to the meeting and commended staff for the turnaround on the draft 2020-21 accounts considering the pandemic circumstances. Details of the basis of the accounts preparation and an overview of financial position and cash flows was provided. Committee members noted the breakdown of expenditure and supporting notes. A number of potential changes to streamline reporting were discussed, but it was agreed to maintain disclosures. Prior year comparison were highlighted, in particular the decrease in legal provisions and increase in cash equivalents at year end attributable to the pandemic slow down.

The Committee thanked all staff for their work on the draft accounts which were agreed for recommendation to the Board, as proposed by Carmel Mullan and seconded by Gerard McCurdy.

**AP3: Draft accounts to be recommended to Board for approval.**

## **6. Draft Governance Statement**

The Chair welcomed the CEx draft statement, noting it provided a comprehensive account of governance and risks managed during the year. Among the novel aspects were significant training to manage staff wellbeing and new Schedule 1 decision making arrangements. In relation to the draft Remuneration report Committee members noted the increases in salary bands arising from additional cost of National Insurance contributions related to remuneration for Schedule 1 committee work. During discussion a series of additions were identified to the governance statement. It was agreed, subject to amendment, to recommend the draft governance statement to the Board as proposed by Carmel Mullan and seconded by Gerard McCurdy.

**AP4: Draft governance statement and remuneration report to be recommended to Board for approval.**

## **7. A&RA Annual Report**

The Chair highlighted the report which was intended to outline the Committee's work to the Board. Following a query the report was proposed by Carmel Mullan and seconded by Gerard McCurdy.

**AP5: AR&A Committee Annual report to be recommended to Board for approval.**

## **8. Internal Audit Plan 2021-22**

Peter Murchan introduced the plan which reflected discussion with the Chair and CEx regarding the programme of audit work during the third year of the Internal Audit strategy. It was agreed areas identified in the second assignment would be subject to review at mid-year and the plan was accepted as proposed by Gerard McCurdy and seconded by Carmel Mullan.

**AP6: Internal Audit Plan 2021-22 to be recommended to Board for approval and reviewed at mid-year.**

## **9. Internal Audit Second Assignment**

Peter Murchan introduced the report which covered work force planning, budget preparation, ICT management, accounts preparations and previous recommendations. The Committee noted a satisfactory opinion controls in all areas was effective and a good level of

management and oversight was evident. In relation to the one level three recommendation Internal Audit acknowledged while HR committee meetings had been deprioritised during the pandemic issues were brought to the Board and A&RA committee as assurance. The report was discussed and welcomed by the committee.

**10. Internal Audit Year-End Report 2020-21**

Tracey McCavigan introduced the report, noting the eleven areas examined during the pandemic period and underlining the good progress on previous year recommendations and the cooperation and diligence of staff. The Chair welcomed the clean bill of health reflected in the two satisfactory ratings, and highlighting his satisfaction with the examination of Business Continuity Plan arrangements during the pandemic which reflected effective oversight and close working by the Executive team.

**11. Report on SMT and Board Expenses**

The report was discussed and noted.

**12. 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 budget allocations at the start of the year and that the office relocation budget was managed by sponsor team.

**16. Fraud and Whistleblowing report**

There were no issues were to report.

**17. AOB**

No issues were raised.

**18 Issues for next meeting, Tuesday 14 September 2021**

Issues for the agenda include NIAO Report to Those Charged with Governance, Committee self-assessment, meeting of members and Auditors without staff present, review Finance procedures, DoF Annual Fraud Report and Cyber security update

Meeting Ended 12.30pm.

## 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>
48 (1)	11/05/21	1	Minutes of meeting No 47 to be recommended to Board -for approval	HoCS	Completed
48 (2)	11/05/21	4	Draft risk register to be recommended to Board for approval	HoCS	Completed
48 (3)	11/05/21	5	Draft accounts to be recommended to Board for approval	CEx	Completed
48 (4)	11/05/21	6	Draft governance statement and remuneration report to be recommended to Board for approval	CEx	Completed
48 (5)	11/05/21	7	AR&A Committee Annual report to be recommended to Board for approval	CEx	Completed
48 (6)	11/05/21	8	Internal Audit Plan 2021-22 to be recommended to Board for approval and reviewed at mid-year	CEx	Completed
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