

# Audit and Risk Assurance Committee

## Minutes

### Meeting Overview

Meeting:	Location
Audit and Risk Assurance Committee	via MS Teams
Date:	Time:
20 September 2023	11.00 am

### Attendees

Name	Title
David Small	ARAC Chair
Fiona Ryan	Commissioner
Joy Hadden	ARAC Member
Craig Gartley	ARAC Member
Andrew Allen	Auditor, NI Audit Office
Joanne McComb	Deputy Principal, Corporate Services
Lisa McCord	Accountant (Staff Officer)
Catriona McHugh	Senior Audit Manager, Cavanagh Kelly
Jordan McWilliams	Deputy Principal, HIA/TEO
Note Taker	Title
Lisa McCord	Accountant (Staff Officer)

### Apologies

Name	Title
Rosalind Dempsey	Principal, HIA/TEO

Agenda Item		
<b>1</b>	<b>APOLOGIES</b>	<b>Action</b>
	<p>The Chair, D Small welcomed everyone and acknowledged the new member C Gartley. R Dempsey's apology was noted and J McWilliams was thanked for attending in R Dempsey's absence.</p> <p>J Hadden and C McHugh gave their apologies and left the meeting at 12pm.</p>	
<b>2</b>	<b>COMMISSIONER'S UPDATE</b>	<b>Action</b>
	<p>The Commissioner, F Ryan welcomed the new ARAC member, C Gartley on board.</p> <p>The Commissioner updated the Committee on the work the programme team have done since the previous meeting and plans for the upcoming months.</p>	
<b>3</b>	<b>CHAIR'S BUSINESS</b>	<b>Action</b>
	<p>The Chair stated that he met with J Hadden and C Gartley to discuss the organisation's Corporate Governance, the ARAC work plan and any points raised by Internal Audit and NIAO to date.</p> <p>The Chair also met with the Commissioner over the summer and discussed governance within the organisation.</p> <p>The Chair noted that there were no conflicts of interest.</p> <p>C Gartley confirmed he had submitted his declaration of interest form.</p> <p>J McComb noted that alerts were in place, so Declaration of Interest forms would be updated annually and all new employees receive a Declaration of Interest form in their induction pack.</p> <p>J McComb confirmed that the Fraud, Whistleblowing and Register of Gifts and Hospitality policies had all been signed off by TEO HIA/IB. The Chair requested that the policies are forwarded to the committee for information.</p>	JMCC

<b>3</b>	<b>CHAIR'S BUSINESS continued</b>	<b>Action</b>
	The Chair asked for an update on recruitment of the Grade 7 post, citing it as a critical post. The Commissioner explained that a justification had been sent to TEO HIA/IB, supporting the request to revert to the original staffing structure which contained the G7 post. J McWilliams noted that TEO HIA/IB were waiting on a response to this request.	
<b>4</b>	<b>MINUTES OF PREVIOUS MEETING</b>	<b>Action</b>
	The minutes of the previous meeting on 6 June 2023 were discussed and approved.  Following the recruitment of the final ARAC member, the Chair requested that minutes are published online going forward.	JMcC
<b>5</b>	<b>MATTERS ARISING</b>	<b>Action</b>
	Updates on matters arising from the June meeting were noted.	
<b>6</b>	<b>BUSINESS PLANNING</b>	<b>Action</b>
	The Chair discussed the Performance Overview 2022-23, stating it was a useful document, summarising work done by the Office during the year.  The Commissioner confirmed that the Office is moving through the 2023-24 Business Plan and remains on track.  The Chair asked if the 2023-24 Business Plan had been approved and requested it be shared with the ARAC.  J McComb confirmed the 2023-24 Business Plan was returned by TEO with comments on 23 August 2023. The relevant amendments will be made and returned to TEO as soon as possible.  The Commissioner stated there had been a number of requests for her to visit GB to meet with survivors and agencies.  The Chair asked about the responsibilities of the Office with regards to memorial. The Commissioner referred to the summary of advice on memorial, which was published on the COSICA website on 23 August 2023.	RJ  JMcC

6	BUSINESS PLANNING continued	Action
	<p>The Chair enquired about the Office’s recommendation that research be undertaken in Northern Ireland on the prevalence of child (sexual) abuse in the population. The Commissioner described the challenges faced by the Office and other agencies due to the lack of prevalence research. The Office has drafted a recommendation paper, which will be shared with the relevant bodies and published on the COSICA website.</p>	
7	RISK REGISTER	Action
	<p>The Chair noted there had been a few changes to the Risk Register, a number of risks were discussed:</p> <p><u>Risk 1 – Failure to adequately represent the interests of victims and survivors</u></p> <p>Given the challenges around setting up an advisory panel, the Chair suggested that COSICA considers the residual risk is amber, not green. The Commissioner agreed to review and consider the change.</p> <p><u>Risk 3 – Lack of research in relation to NI victims and survivors of child abuse</u></p> <p>There was a discussion around the lack of prevalence research and the far-reaching impact this has.</p> <p>The Office has drafted a paper on the matter and is due to meet with politicians the w/c 25 September 2023.</p> <p>The Commissioner welcomed an offline meeting with J Hadden on how to reflect the risk of lack of a research-informed evidence base to the organisation and wider implications for Northern Ireland overall.</p> <p><u>Risk 6 – Insufficient Organisational Capacity /Staffing</u></p> <p>The Commissioner highlighted the increased risk due to not having a G7 in post. She also highlighted the risk to staff retention as the Office comes closer to the end of its five year term and in the absence of a renewed second five year term.</p>	<p>FR/ JMcC</p> <p>FR &amp; JH</p>

7	<b>RISK REGISTER continued</b>	<b>Action</b>
	<p><u>Risk 8 – Governance infrastructure to provide accountability and ensure compliance with statutory responsibilities</u></p> <p>The Chair commented that given the progress made in relation to governance and in light of the recent Internal Audit review of governance, the residual risk could be updated to green. C Gartley agreed with this suggestion.</p> <p>The Commissioner agreed to consider updating the residual risk of Risk 8.</p> <p><u>Risk 10 – Current political situation and reduction to budget</u></p> <p>The Chair asked if there was still a risk of a 10% reduction to the annual budget. J McComb confirmed the budget has been agreed for 2023-24 but noted that she would update the wording in risk 10, to reflect a more general financial risk.</p> <p>C Gartley suggested there was potentially an eleventh risk around financial feasibility and going concern.</p>	FR/ JMCC
8	<b>FINANCE UPDATE</b>	<b>Action</b>
	<p>The Chair requested that a year to date spend position is added to the Finance Update. L McCord noted and will update the document accordingly.</p> <p>The Chair raised concerns about exceeding the current cash allocation of £472k. L McCord noted the cash spent as at 31 August 2023 was £360k but echoed his concerns, requesting an update from TEO HIA/IB.</p> <p>J McWilliams noted there is no further update on cash allocations across all NDPBs.</p> <p>C Gartley asked if plans are in place to renew the Queen’s Court licence agreement, which ends in December 2023. L McCord confirmed that DoF had acknowledged the licence agreement was up for renewal and the terms will remain the same (a small increase of £133pa in rent). However, due to staffing constraints, the new licence agreement had not been drawn up yet.</p> <p>L McCord also noted the annual accommodation costs for 2023-24 will be approximately £59k compared to the business case of £40k. This puts pressure on other budget areas.</p>	LM

8	<b>FINANCE UPDATE continued</b>	<b>Action</b>
	<p>The Commissioner noted that the Office has been able to cover these additional costs due to key staff vacancies, but these budget constraints could impact programme initiatives going forward.</p> <p>L McCord gave an update on the 2022 Pay Remit, which has not been submitted because the Office is awaiting feedback from TEO Corporate Governance Branch on how to proceed.</p>	
9	<b>EXTERNAL AUDIT UPDATE</b>	<b>Action</b>
	<p>A Allen, Northern Ireland Audit Office (NIAO) presented the Report To Those Charged With Governance (RTTCWG), stating:</p> <ul style="list-style-type: none"> <li>• It was an unqualified audit opinion, without modification;</li> <li>• There were no financial adjustments required as a result of the audit;</li> <li>• There were 2 uncorrected misstatements, totalling £2k;</li> <li>• Irregular expenditure was not identified;</li> <li>• There were no changes to the timing and scope of the audit.</li> </ul> <p>The Chair noted it was a good report and thanked the NIAO and COSICA teams for their work. Noting the accounts are ready to lay much sooner than prior year, which were laid in February 2023.</p> <p>The ARAC confirmed it was content with the recommendation from Management to leave the uncorrected misstatements, as they are immaterial. It was noted that the accounts are ready to sign.</p>	
10	<b>INTERNAL AUDIT UPDATE</b>	<b>Action</b>
	<p>C McHugh, Cavanagh Kelly, presented the Governance Review document. Confirming it was a 2 day review focusing on compliance, good practice and the Office's Partnership Agreement with TEO.</p> <p>The Chair asked if the Partnership Agreement has been finalised and J McComb advised that it has been returned to TEO HIA/IB for review. J McWilliams stated Corporate Governance Branch has staffing resourcing issues, which is prolonging the process.</p> <p>Per the recommendations, C McHugh suggested the ARAC may want to establish a schedule for the quarterly meetings, allowing staff time to prepare the relevant reports.</p>	

10	INTERNAL AUDIT UPDATE continued	Action
	<p>C McHugh suggested checking the National Audit Office ARAC effectiveness tool when the ARAC performs its self-effectiveness review.</p> <p>A Allen noted the ARAC Handbook has suggested agenda items for the quarterly ARAC meetings.</p> <p>The Chair suggested he meets with J McComb to consider the recommendations and put an agenda schedule in place. J McComb to schedule time with the Chair to do so.</p>	JMCC
11	Risk Management Policy	Action
	<p>The Chair stated the Risk Management Policy was a comprehensive document.</p> <p>C Gartley suggested the matrix on p12 (3 by 3) is updated to reflect the residual risk matrix on p3 of the Risk Register (4 by 4).</p> <p>The risk groups on p13 should also be updated to reflect 4 risk groups instead of 3. J McComb to update the Risk Management Policy.</p> <p>The Chair suggested a Risk Workshop may be appropriate on an annual basis, where the organisation steps away from the Risk Register and evaluates risks afresh.</p> <p>The Commissioner noted this is the approach taken by COSICA on a quarterly basis as well as review of the risk register.</p>	JMCC
12	Register of Audit Recommendations	Action
	<p>The Chair thanked the team for the Audit Recommendations Tracker which will be a useful document.</p> <p>The Chair and C Gartley suggested a RAG status is added. The Chair also suggested that recommendations where implementation actions were complete, should be clearly identified as complete, so attention can be brought to the outstanding recommendations. L McCord to update the document.</p>	LM

13	AOB	Action
	<p>No other business discussed.</p> <p><u>Date of next Meeting:</u> 13 December 2023</p> <p>The Commissioner invited the ARAC to have an in person meeting at Queen's Court.</p> <p>The Chair agreed with the suggestion and requested a reminder is sent out with the next meeting invite.</p>	<p>RJ</p>



AGENDA ITEM	ACTION	RESPONSIBLE	STATUS
<b>3. Chair's Business</b>	Send Fraud and Whistleblowing policy documents to ARAC members	J McComb / R Jordan	Pending
<b>6. Business Planning</b>	Share 2023-24 Business Plan with the ARAC	R Jordan	Pending
	Update 2023-24 Business Plan and return to TEO	J McComb	Pending
<b>7. Risk Register</b>	Arrange an offline conversation on lack of research – Risk 3	F Ryan & J Hadden	Pending
	Consider changing residual risk on risk 1 to amber	F Ryan & J McComb	Complete
	Consider updating residual risk on risk 3 to green	F Ryan & J McComb	Complete
	Update the wording of risk 10 re: 10% reduction	J McComb	Complete
	Map risks S1-10 on the matrix on pg 3 for the RR	J McComb	Complete
<b>8. Finance Update</b>	Add a Spend to Date column to the Finance Update	L McCord	Complete
<b>10. Internal Audit</b>	Schedule a meeting with D Small to discuss Governance audit recommendations	J McComb	Complete
<b>11. Risk Management Policy</b>	Update the matrix on pg 12 and risk groups on pg 13 of RMP	J McComb	Update in meeting
<b>12. Audit Recommendations</b>	Update Audit Recommendations Tracker with a RAG status	L McCord	Complete
<b>13. AOB</b>	Send reminder re: in person ARAC meeting in Dec 2023	R Jordan	Complete