

Audit and Risk Assurance Committee

Minutes

Meeting Overview	
Meeting:	Location
Audit and Risk Assurance Committee	via Zoom
Date:	Time:
6 June 2023	2.00 pm

Attendees	
Name	Title
David Small	ARAC Chair
Fiona Ryan	Commissioner
Joy Hadden	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
Ruth Jordan	PA to the Commissioner

Apologies	
Name	Title
Rosalind Dempsey	Principal, HIA/TEO

Agenda Item		
1	APOLOGIES	Action
	The Chair, D Small welcomed everyone, acknowledged Rosalind Dempsey's apology and thanked Jordan McWilliams for attending in R Dempsey's absence.	
2	COMMISSIONER'S UPDATE	Action
	<p>The Commissioner, F Ryan updated the Committee on the following:</p> <p><u>The Executive Office Campaign</u></p> <ul style="list-style-type: none"> • The Office experienced a significant increase in the number of calls to the Office following The Executive Office's household leaflet drop throughout Northern Ireland. • Raised awareness among victims and survivors, with one in three calls to the Office disclosing other forms of childhood abuse, some for the first time. Calls included those relating to Mothers and Babies institutions and clerical child abuse. The Commissioner paid tribute to the responsiveness and awareness of all victims and survivors whom they engaged with and providing signposting to other services as required. • TEO have been kept up-to-date on the Office's statistics. <p><u>Engagement</u></p> <ul style="list-style-type: none"> • The Policy and Engagement team met with the Wave Trauma Centre health and wellbeing team working with victims and survivors of Historical Institutional Childhood Abuse. It was a useful exchange of perspectives and experiences. • The Commissioner and Jacqueline Melville, Policy & Engagement DP had a successful visit to the London Irish Centre on 25 May 2023 where they met with staff from the centre and other agencies working with the wider Irish community. The visit was part of the Office's ongoing outreach initiative to Northern Ireland victims and survivors in Britain. • Communication with the UK Government Home Office as a follow on from the Office's initial approach regarding its awareness initiative to reach Northern Ireland victims and survivors living in Britain. 	

2	COMMISSIONER'S UPDATE continued	Action
	<p><u>Contributions & Memorial</u></p> <ul style="list-style-type: none"> • A meeting was scheduled with Independent Facilitator, Paul Sweeney on 7 June 2023 to receive an update on the matter of Contributions. <p><u>Redress</u></p> <ul style="list-style-type: none"> • The Commissioner advised that she had been approached by the Law Society to assist in the launch of its Best Practice Guidance on HIA Redress Board applications. The HIA Redress CPD Event was due to be held on 29 June 2023. The Commissioner had first approached the Law Society on the need for such a guide in 2022. The Office had subsequently contributed to the development of the guide through review and feedback. <p>The Chair thanked the Commissioner for her update and queried if the TEO leaflet had been distributed UK wide? The Commissioner clarified that it had been confined to Northern Ireland. She added that she was seeking a marketing communications plan from TEO regarding ongoing awareness raising activities.</p> <p>The Chair noted the positive update on the campaign which appeared to have been a success. He acknowledged the significant work that had been needed to plan and run the campaign. The Commissioner agreed, with the caveat that prevalence research was needed to provide a stronger evidence base for effective planning. She had recommended to TEO the need for such research and would be formalising her recommendation.</p> <p>The Chair commented that the update was very informative and helpful for ARAC members to hear. J Hadden agreed. She stated that it was important to hear the Commissioner's update, particularly with reference to the lack of capacity within the Office due to recruitment issues in relation to time and capacity.</p> <p>The Chair underlined that the governance infrastructure in place should hopefully provide assurance that governance arrangements were strong and allow the Office to focus on core programme delivery including legislative and engagement priorities. The Commissioner agreed. It was agreed that the Office was working well as an agile team.</p>	

3	CHAIR'S BUSINESS	Action
	<p>The Chair noted that there were no conflicts of interest. He advised that he was preparing the Annual ARAC Report noting business through the year. He hoped to have this circulated by the end of June.</p> <p>Regarding Fraud, Register of Gifts & Hospitality and Whistleblowing policies, J McComb stated that the Fraud and Whistleblowing policies were still with TEO. J McWilliams advised that she would follow up on the outstanding items.</p>	<p>DS</p> <p>JMcW</p>
4	MINUTES OF PREVIOUS MEETING	Action
	<p>The minutes were agreed with a minor change from TEO:</p> <ul style="list-style-type: none"> • Agenda item 2 should read as £260k rather than £360k. 	<p>RJ</p>
5	MATTERS ARISING	Action
	<p>It was agreed that ARAC training would be postponed until a third member was recruited. J McComb advised that the closing date for ARAC recruitment was 17 June 2023. It was noted that the Chief Executives Forum ran training courses for ARAC members in the Autumn and throughout the year.</p>	
6	BUSINESS PLANNING	Action
	<p>The Chair queried if there was an end of year 2022/23 report and asked about progress on the Business Plan for 2023-24. J McComb replied that she had contacted TEO and they confirmed due to the submission of quarterly reports, they do not require an End of Year report.</p> <p>The Chair clarified that an End of Year Report would set out everything the organisation achieved in the previous year. The Commissioner replied that COSICA's Business Plan was a living document showing the progress of set targets. It was agreed that the office would provide a one-page document providing a snapshot of what was achieved along with an annual Business Plan for 2023/24.</p>	

6	BUSINESS PLANNING continued	Action
	<p>The Commissioner concurred that a one-page summary would be added as a preface to the new Business Plan. J Hadden added that it was good to have a record of achievements for the year with identified issues rolled over to the next year. The Chair said that it would provide a better understanding of the business and help to formulate the plan for the year ahead. It would also help to inform the consideration of risks.</p>	FR
7	RISK REGISTER	Action
	<p>The Chair approved the updated Risk Register.</p> <ul style="list-style-type: none"> • <u>Strategic Risk 6 – Insufficient Organisational Capacity/Staffing</u> <p>The Chair raised the issue around staffing. The Commissioner informed the Committee that these issues remained; however, recruitment was underway for four positions:</p> <ul style="list-style-type: none"> ➤ Grade 7 Secretary to the Commissioner ➤ SO Policy & Research ➤ SO Policy, Engagement and Communications ➤ EO2 Policy and Engagement <p>J McComb confirmed that there had been a good response to recruitment advertisements, with interviews scheduled for June and July. The Chair said this was positive and acknowledged the workload associated with supporting and managing recruitment. The Commissioner agreed stating that the workload was time consuming and that it would be good to have a full quota of staff.</p> <ul style="list-style-type: none"> • <u>Strategic Risk 7 – Premises: Lack of appropriate systems and facilities</u> <p>The Chair asked if the Draft Business Continuity Plan was still with TEO. J McComb responded that it was and she would contact TEO for an update. The Chair suggested that COSICA should routinely review and identify any new risks. The Commissioner advised that prevalence research and planning would mitigate risks.</p>	JMcC

8	FINANCE UPDATE	Action
	<p>The Chair thanked L McCord for the Finance update, noting that the 2022/23 year end was close to budget with a similar budget assigned for 2023/24. L McCord advised that when TEO forwarded the May 2023 Consumption Report to COSICA to complete the budget was £745k rather than £780k. COSICA contacted TEO who noted the error and contacted DoF for confirmation that the budget should be £780k. J McWilliams advised that TEO should have an update by the end of the week (9 June 2023).</p> <p>The Commissioner stated that she had written to the Department to seek clarification and P Gallagher (TEO HIA/ IB Director) had replied that it was an indicative budget. It was noted that a budget cut off £35k would be detrimental to the office/ programme and staffing.</p> <p>The Commissioner explained that a number of staff had been performing dual roles which was not sustainable and carried risk.</p> <p>The Chair asked if COSICA could bid for an increased budget if a new initiative was identified. It was explained that additional funding would be applied for in monitoring rounds, however due to the current political and economic climate there had been no monitoring rounds in 22/23. The Commissioner informed that accommodation costs had increased which had not been factored into the budget, and that additional costs eroded the amount available for programme. The Chair reiterated that there should be flexibility for the Commissioner to bid if required.</p>	
9	EXTERNAL AUDIT UPDATE	Action
	<p>The Chair handed the meeting over to A Allen, NI Audit Office to brief the Committee on the Audit Strategy. A Allen thanked the Chair and advised that the Audit Strategy was issued annually and summarised the document.</p> <ul style="list-style-type: none"> • Audit Approach (Pages 5-7) – Materiality level noted; changes to financial reporting were noted - IFRS 16 Leases; Significant Risk 1 relating to Management override of controls was noted; • Timetable, fees and audit team (Page 8) – NIAO hope to certify by the end of September 2023 subject to COSICA sending the ARAC approved Annual Report and Accounts by 1 August 2023. The audit fee has increased from £12,300 to £13,600 due to a change in accounting standard which was passed on to the client. For continuity, the audit team remain the same. 	

9	EXTERNAL AUDIT UPDATE continued	Action
	<p>The Chair confirmed that the Committee was content with the assessment of risk and with the significant risk identified in addition to the audit strategy outlined. The Committee was not aware of any occasions of fraud, non-compliance, or irregularity. The timetable looked good to achieve certification at the end of September.</p> <p>A Allen said that it would be good to get it completed on a timely basis. L McCord added that there were several disclosure checklists to be completed and submitted along with the Annual Report and Accounts.</p>	
10	INTERNAL AUDIT UPDATE	Action
	<p>The Chair asked C McHugh, Cavanagh Kelly to briefly summarise the Internal Audit update, commenting that the papers were good, and the annual audit report was reassuring.</p> <p><u>Internal Audit Report 2022/23</u></p> <p>C McHugh referred to page 4 of the Report summarising the audit assurance work carried out during the year. Four audits were covered -</p> <ul style="list-style-type: none"> • Financial Management and Reporting; • GDPR and Information Security; • Human Resources; • Review of Corporate Governance. <p>All audits had satisfactory assurance ratings and the overall assurance rating was satisfactory.</p> <p>The Chair stated that the overall audit opinion was good and provided both ARAC and the Commissioner with strong assurance around governance. The Chair confirmed the positive findings which would inform his own annual report. J Hadden said she would be reviewing the report and would revert.</p> <p><u>Internal Audit Plan 2023/24</u></p> <p>C McHugh advised that the Audit Plan for 2023/24 had been discussed but not yet agreed. Page 5 outlined the plan for next year once approval is received. The Chair asked if financial systems would be covered. C McHugh stated that it had been covered in 2022/23 within the 3-year plan. L McCord clarified that the Committee could have the assurance that AccountNI is the financial system used which has controls in place.</p>	

10	INTERNAL AUDIT UPDATE	Action
	<p><u>Human Resources Audit</u></p> <p>The headline was that the overall audit assurance rating was satisfactory. Two Priority 3 recommendations relating to recruitment were made.</p> <p>The Chair asked if recommendations had been accepted. C McHugh responded that they had. It was noted that there were no significant issues with the HR Audit.</p>	
11	Register of Internal Audit Recommendations	Action
	<p>The Chair advised that although there were not many recommendations to date, this would become important moving forward.</p> <p>JMcC advised that the register was now in place. The Chair informed that this should come as a standard paper to the Committee.</p>	
12	AOB	Action
	<p>No other business discussed other than the ARAC Annual Report being completed later this month.</p> <p><u>Date of next Meeting:</u> 20 September 2023</p>	

AGENDA ITEM	ACTION	RESPONSIBLE	STATUS
3. Chair's Business	Annual ARAC Report	D Small	Complete
	Update from TEO on Fraud and Whistleblowing Policies	J McWilliams	-
4. Minutes of Previous Meeting	Amend Agenda 2	R Jordan	Complete
6. Business Planning	One page summary to preface of Business Plan	F Ryan	Complete
7. Risk Register	Update from TEO on Draft Business Continuity Plan	J McComb	Complete

Agreed by ARAC Chair D Small

20 September 2023