

Audit and Risk Assurance Committee

Minutes

Meeting Overview	
Meeting:	Location
Audit and Risk Assurance Committee	MS Teams
Date:	Time:
18 September 2024	2.00 pm

Attendees	
Name	Title
David Small	ARAC Chair
Fiona Ryan	Commissioner
Craig Gartley	ARAC Member
Joy Hadden	ARAC Member
Joanne McComb	Head of Office, COSICA
Susie Harper	Head of Corporate Services, COSICA
Lisa McCord	Accountant, COSICA
David Hall	Grade 7, TEO HIA/ Sponsor Branch
Stephen Lindsay	Partner, Cavanagh Kelly
Clare Lowe	Auditor, NI Audit Office
Apology	
Andrew Allen	Audit Manager, NI Audit Office
Catriona McHugh	Senior Audit Manager, Cavanagh Kelly
Note Taker	Title
Ruth Jordan	PA & Corporate Services

Agenda Item		
1	APOLOGIES	Action
	<p>The Chair, D Small welcomed everyone noting Andrew Allen's (NIAO) and Catriona McHugh's (Cavanagh Kelly) apologies.</p>	
2	COMMISSIONER'S UPDATE	Action
	<p>The Commissioner advised the ARAC that it had been a busy period for the Office of the Commissioner.</p> <ul style="list-style-type: none"> • <u>Services Consultation</u> - The Commissioner advised that 110 individual responses to the consultation had been completed. The information and feedback gathered in the initial pilot phase has been useful in informing the further roll-out of the consultation. • <u>Advisory Panel</u> - was advertised on Thursday, 12 September 2024 in the Belfast Telegraph, Newsletter and Irish News. The Office of the Commissioner has been promoting the Advisory Panel on social media and using external organisations' platforms. The goal of the panel is to be hope/future focused. The Commissioner will be asking the panel to consider the results of the services consultation for their views. • <u>Review</u> – The statutory review of the Office of the Commissioner is due to commence in October. The Commissioner had asked the Executive Office to have the review earlier preferably this year rather than next in order to provide clarity for victims and survivors, staff and other stakeholders. <p>It is expected that the Report will be completed by end of November and then sent to Ministers in December. D Hall advised he would be meeting with the Reviewer, Professor Alexis Jay w/c 23 September to finalise the timetable.</p> <p>The Chair asked if there was a list of agreed stakeholders. D Hall advised there was and had been sent to the Reviewer. The Chair added that the timing of the Review was good - to reflect on what had been achieved and what work remained – this would inform decisions by Ministers.</p> <p>The Commissioner made the point that 1 in 5 people engaging with the Office were individuals disclosing they had been abused as children in settings outside of the remit of the Office of the Commissioner. Staff continue to take a trauma-informed approach through listening, acknowledging and signposting individuals to relevant services.</p>	

3	CHAIR'S BUSINESS	Action
	The Chair advised that he would be attending an annual TEO meeting for ALB ARAC Chairs at The Executive Office on 10 October 2024.	
4	MINUTES OF PREVIOUS MEETING	Action
	The minutes of the previous meeting on 5 June 2024 were accepted.	
5	MATTERS ARISING	Action
	The Memorandum of Understanding between the Office of the Commissioner and VSS was updated for agreement on 18 September 2024.	
6	BUSINESS PLANNING	Action
	It was noted that the Business Plan was currently with TEO for approval. D Hall said he would follow up and progress as soon as possible.	DH
7	RISK REGISTER	Action
	<ul style="list-style-type: none"> ➤ <i>Risk 1: Timeframe of Office</i> – The Chair stated that this was a main risk and consideration should be given to whether Likely Residual 2 was set too low. The Chair commented that as a small ALB, there would be a challenge on leadership and operationally. The Commissioner agreed that the Likely Residual Risk should be higher. ➤ <i>Risk 2: Advisory Panel</i> – S Lindsay suggested breaking the Risk Register down into component parts, ie, Process of Advisory Panel; Operationalisation of Panel and identifying separate risks. ➤ <i>Risk 4: Lack of data</i> – attributed number amended prior to meeting. ➤ <i>Risk 7: Capacity/Staffing</i> – Risk No 1 could have potential impact on staffing and capacity. The outcome of the Review should provide clarity for staff. C Gartley suggested that consideration should be taken of budgetary pressures, noting the £84k Salaries pressure in October Monitoring round. He asked if the budgetary pressures bring going concern into question. ➤ L McCord noted that it was brought to TEO sponsor branches attention as part of the pay remit process, that funds could be reallocated to cover salaries, but it would have a significant impact on the Commissioner's ability to perform her legislative duties. Therefore, the organisation's ability to continue as a going concern is not a risk at this stage. It was suggested that Risk 1 and 7 could be combined and subsections provided to explain the inextricable link between both risks. 	

8	FINANCE UPDATE	Action
	<p>L McCord presented the Finance update for Quarter 2 2024-25, noting the following:</p> <ul style="list-style-type: none"> • <u><i>Budget Position</i></u> – opening budget of £806k was confirmed in June 2024. • <u><i>June Monitoring Round</i></u> – There was an inescapable pressure in Salaries of £84k, an inescapable pressure in Interest of £1k and an easement in Depression of £6k. The pressure in Salaries is because the opening budget is based on the closing 2023-24 outturn, during 2023-24 there were a number of vacancies. <p>TEO sponsor branch was surprised when the June monitoring round was not approved and only an easement of £5k in depreciation was applied, bringing the budget to £801k – confirmed in July 2024.</p> <ul style="list-style-type: none"> • <u><i>October Monitoring Round</i></u> – Salaries pressure of £84k, interest pressure of £1k and deprecation easement of £1k remain and were applied for in October Monitoring. TEO budgeting arranged a call to confirm request will be granted but cannot issue budget allocation letter until October Monitoring round process is complete at DoF level. • <u><i>Grant in Aid</i></u> – Opening budget allocation and June Monitoring letters state Grant in Aid allocation of £877k. Additional Grant in Aid will be requested as part of the January monitoring round in agreement with TEO sponsor branch. • <u><i>TEO Consolidated Annual Report and Accounts</i></u> – planned TEO consolidation for September likely to coincide with external audit. C Gartley asked if there were any mapping issues for COSICA. L McCord confirmed TB Mapping mirrors NICS, so no concerns regarding timing of interim consolidation. • <u><i>Other</i></u> – August 2023 pay award not applied to COSICA staff. Currently with DoF for final approval. <p>Commissioner's 2023 pay uplift has not been applied. TEO sponsor branch stated that Commissioner's pay does not follow the NICS G5 pay scales and timings but based on percentage calculated by NISRA and applied on her start date (Dec 2020).</p> <p>C Gartley commented that the update was very insightful and to get the October monitoring round of £84k would ease the budgetary pressures. It was noted that the October Monitoring request factored in the 2024 pay remit, assuming a 4% uplift as per TEO guidance.</p>	

8	FINANCE UPDATE continued	Action
	<p>C Gartley asked if the Office had engaged with TEO on future planning for 2025-26 to 2027-28 and what approach was used, considering the future of the Office was under review. L McCord advised that the budget gathering exercise for 2025-26 to 2027-28 had been completed under the assumption that the office would continue to run as is, eg, staffing, salary uplifts and premises licence agreement. L McCord confirmed that J McComb had contacted D Hall for advice on the matter before the budget gathering exercise was completed.</p>	
9	INTERNAL AUDIT	Action
	<p>S Lindsay advised that Cavanagh Kelly had commenced the Communications and Engagement Internal Audit and Governance would follow at the start of 2025. It was noted that Cavanagh Kelly was in the third year of contract, ending in April 2025. It was noted that the audit plan was set out on page 5 of the Annual Internal Audit Plan 2024/25 document.</p> <p><u>Annual Internal Audit Plan 2024/25</u></p> <p>A slight change was made to the audit with Human Resources audit brought forward to 2022/23 plan and Advisory Panel put back to 2023/24. This was reflected in the Strategic Plan 2022-25.</p> <p>➤ Communications and Engagement – S Lindsay was working closely with Denise Morgan, Head of Policy & Engagement and was making good progress. Draft report should be sent by end of September.</p> <p>The Chair queried if financial monitoring and reporting was due to be re-assessed next year. S Lindsay agreed it would be prudent but that we were all aware of the potential constraints of the Office. J Hadden was content and agreed it was good to have Governance reviewed.</p> <p>C Garley asked if there would be a procurement of contract through CPD. S Harper advised that it was on the Office's agenda to review contracts coming to an end with a potential extension of one year.</p> <p>S Lindsay stated that a workshop had been carried out on Risk Management for the Office of the Commissioner. Good practice, policy and risk register were all covered. He said the Office had fascinating and unique challenges adding that an overall strategic approach had been adopted. The Chair agreed that a thorough approach was important benchmarked against good practice.</p>	

10	EXTERNAL AUDIT	Action
	<p>C Lowe advised the audit fieldwork is due to commence on 30th September 2024, however, this may be delayed by a week or two. C Lowe assured the ARAC that this would not delay the final Report to those charged with Governance, which is due on 31st December 2024.</p> <p>C Lowe advised that she would send a list of audit requests to L McCord, to minimise the amount of individual requests. L McCord confirmed she has documents ready to share, in line with the prior year request.</p>	
11	DAO LETTERS	Action
	Noted for reference.	
12	AOB	Action
	<p>No other business noted.</p> <p><u>Date of next Meeting:</u> Wednesday, 11 December 2024 at 11.00 am (MS Teams)</p>	

ARAC ACTIONS				
<i>Action Point</i>	<i>Agenda Item</i>	<i>Action</i>	<i>Responsible</i>	<i>Status</i>
1	6 – Business Planning	Check status of COSICA Business Plan	D Hall	Complete
2	7 – Risk Register	SH to update risk register with feedback provided	S Harper	Complete

Agreed by ARAC Chair D Small
11 December 2024