



NORTHERN
IRELAND
HUMAN
RIGHTS
COMMISSION

22 June 2021

Minutes of the Audit and Risk Management Committee held via Microsoft Teams

Present: Sean Donaghy, Chairperson
David A Lavery CB
Eddie Rooney

In Attendance: David Russell, Chief Executive
Lorraine Hamill, Director (Finance, Personnel and Corporate Affairs)
Jacqueline McClintock, Finance, Personnel and Corporate Affairs Officer (minutes)
Claire Martin, Director (Communications, Information and Education, Public and Political Affairs)
Rhyannon Blythe, Director (Legal, Research and Investigations and Advice to Government)
Éilis Haughey, Head of Dedicated Mechanism
Mark Lawther, Ernst & Young
Stephen Reid, Ernst & Young
Paul Keane, National Audit Office
Anna Wojtal, National Audit Office
Brian Clerkin, ASM Belfast
Melissa Lopez Santacruz, ASM Belfast

1. Welcome and Apologies

- 1.1 The Chairperson welcomed everyone to the meeting and introductions were made.
- 1.2 Apologies were received from Maura Muldoon (Commissioner), Jonathan McNeill (Ernst & Young) and Nikita Brijpaul (Boardroom apprentice).

2. Declarations of Interest

- 2.1 No declarations of interest were declared.

3. Chairperson's Business

- 3.1 The Chairperson had nothing to report. The Chairperson stated that he was delighted to be appointed to Chair of the Audit and Risk Management Committee and was looking forward to working with the Commission.

4. Minutes of the meeting held on 7 December 2020

- 4.1 The minutes of the Audit and Risk Management Committee meeting held on 7 December 2020 were agreed as an accurate record.

5. Matters arising from 7 December 2020

- 5.1 It was noted that ASM Belfast had been appointed as internal auditors following a tender process. The Chairperson welcomed ASM Belfast.

6. National Audit Office Completion Report (including management letter) on the 2020-21 financial statements audit:

- 6.1 Mark Lawther, EY, provided an overview of the NAO Audit Completion report. It was noted that the wording of the Governance Statement was to be finalised.
- 6.2 Two key audit findings were highlighted:
- (1) Organisational uncertainty – given the changes in year, the governance that was in place is reflected in the disclosures in the governance statement – governance statement to be finalised.
 - (2) Accounting for accommodation move - capitalisation of the move to Alfred Street and dilapidations provision for Alfred Street – nothing to note.
- 6.3 It was noted that there were no unadjusted misstatements and no issues were identified in relation to the management override of controls, provisions of legal cases and fraud in revenue recognition.
- 6.4 The Committee members approved the report.

7. Draft Annual Report and Accounts 2020-21:

- 7.1 The Chief Executive and the Director (Finance, Personnel and Corporate Affairs) presented the Draft Annual Report and Accounts 2020-21.
- 7.2 It was agreed that under 'Audit and Risk Management Committee Meetings' the wording would change to reflect the Terms of Reference from 'up to three Commissioners' to 'three Commissioners'

Action: Director (Finance, Personnel and Corporate Affairs) to amend wording of the Annual Report and Accounts to reflect Terms of Reference.

7.3 It was agreed that any changes to the Draft Annual Report and Accounts presented to the Committee would be tracked and a revised version circulated to Committee members and to the Commission Board for approval.

Action: Revised Draft Annual Report and Accounts to be circulated to Committee members.

Action: Revised Draft Annual Report and Accounts to be presented to the Commission Board for approval.

7.4 It was agreed that the Director (Finance, Personnel and Corporate Affairs) would make the necessary arrangements for the laying of the Annual Report and Accounts in Parliament in July 2021.

8. Director (Finance, Personnel & Corporate Affairs) Report:

- **Financial Expenditure as at 31 May 2021:**

8.1 The Director provided an overview of the financial report to 31 May 2021.

8.2 The Chief Executive reported that the projected underspend in salaries is partly due to the temporary suspension of recruitment as a result of ongoing discussions with the Northern Ireland Office (NIO) regarding the Comprehensive Spending review (CSR) and the Commission's ability to support the staff team in the next three financial years.

8.3 The Chief Executive reported that any projected underspend in salaries may move to operating budget pending the outcome of conversations with the NIO on the CSR.

8.4 The Committee highlighted their concern over the uncertainty of funding and levels of potential cuts and requested that the Commission Board's attention be drawn to it.

Action: The Chief Executive to report to the Commission Board on the uncertainty of funding and ongoing CSR conversations.

Action: The Chief Commissioner and the Chief Executive to seek clarity on funding.

- **Cash Flow report as at 31 May 2021:**

8.5 The Director provided an overview of the cash flow report at 31 May 2021.

- **High Value Purchases as at 15 June 2021:**

8.6 It was agreed that going forward an explanation for the reasons for a single tender action would be included in the High Value Purchases report.

Action: Finance, Personnel and Corporate Affairs Officer - High Value Purchases report to include reasons for single tender action.

- **Freedom of Information Act Requests:**

8.7 The Director (Communications, Information and Education, Public and Political Affairs) reported on the Freedom of Information requests.

- **Absences Statistics as at 31 May 2021:**

8.8 The Director (Finance, Personnel and Corporate Affairs) reported on the absence statistics as at 31 May 2021.

- **Other issues:**

8.9 The Director (Finance, Personnel and Corporate Affairs) reported prompt payment statistics are currently at 100%.

8.10 The Director reported that there have been no data breaches since 1 April 2021.

8.11 The Director reported that the Fair Employment Monitoring Return for 2021 had been submitted to the Equality Commission for Northern Ireland.

8.12 The Director reported that there had been no unacceptable behaviour from members of the public.

9. Internal Audit – Draft Strategic Internal Audit Plan 2021-2024

9.1 Brian Clerkin, ASM Belfast provided an overview of the Draft Strategic Internal Audit plan 2021-2024.

9.2 Committee members discussed the areas and timings of the draft Strategic Internal Audit plan.

9.3 Committee members agreed to the Internal Audit plan for 2021-22 and that the Chief Executive would continue to work with internal audit to confirm 2022-23 and 2023-24.

9.4 The Committee members highlighted concerns around the timings of new areas of audit and standing areas of audit and will consider the balance of activities across 2022-23 and 2023-24 at the December 2021 Committee meeting.

Action: Committee members to review internal audit plans for 2022-23 and 2023-24 at the December 2021 Committee meeting.

9.5 Committee members approved the Proposed Internal Audit Charter.

9.6 The Chairperson highlighted that external audit had noted in their report that they placed no reliance on the work of internal audit.

Action: Brian Clerkin, ASM Belfast, to comment on point 9.5 at the next Committee meeting.

10. Revised Terms of Reference

10.1 The Committee reviewed and approved the revised Terms of Reference.

11. Annual Audit and Risk Assurance Committee Effectiveness Checklist

11.1 Committee members agreed to undertake the Annual Audit and Risk Assurance Committee Effectiveness Checklist.

12. Expenses of Chief Executive

12.1 The Committee reviewed, noted and approved the expenses of the Chief Executive.

13. Other papers

13.1 The Committee noted that there was nothing to report on managing difficult members of the public, Equality and GDPR.

14. Any other Business

14.1 There was no other business.

The meeting closed at 15:40.