



NORTHERN
IRELAND
HUMAN
RIGHTS
COMMISSION

6 December 2021

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

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

In Attendance: David Russell, Chief Executive
Lorraine Hamill, Director (Finance, Personnel and Corporate Affairs)
Jacqueline McClintock, Senior Finance, Personnel and Corporate Affairs Officer
Mark Lawther, Ernst & Young
Caoimhe Ward, Ernst & Young
Emma Boyd, Ernst & Young
Paul Keane, National Audit Office
Anna Wojtal, National Audit Office
Brian Clerkin, ASM Belfast
Callum Hughes, Northern Ireland Office
Thomas Lough, Northern Ireland Office
Margie Murphy, Boardroom Apprentice

1. Welcome and Apologies

- 1.1 The Chairperson welcomed everyone to the meeting and introductions were made.
- 1.2 Apologies were received from:
Stephen Reid, Ernst & Young
Claire Martin (Director of Engagement)
Rhyannon Blythe (Director of Legal, Research and Investigations and Advice to Government)
Éilis Haughey (Director – Human Rights after EU Withdrawal)

2. Declarations of Interest

- 2.1 No declarations of interest were declared.

3. Chairperson's Business

- 3.1 The Chairperson reported on his meeting with Les Philpott, Non-Executive Director Chair at the Northern Ireland Office (NIO), where it was agreed that colleagues from the NIO would regularly attend future Committee meetings. The financial position of the Commission and risks on delivery of core objectives given the outlook on budget was also discussed.
- 3.2 The Chairperson reported that Les Philpott offered to attend a future meeting should the Committee find this useful.

4. Minutes of the meeting held on 28 October 2021

- 4.1 The minutes of the Audit and Risk Management Committee meeting held on 28 October 2021 were agreed as an accurate record.

5. Matters arising from 28 October 2021

5.1 There were no matters arising not covered on the agenda.

6. Director (Finance, Personnel & Corporate Affairs) Report

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

6.1 The Director provided an overview of the financial report to 31 October 2021.

6.2 The Director reported that following the November Monitoring round with the NIO the budget for Core was re-profiled.

6.3 The Director reported that the budget for the Dedicated Mechanism will be re-profiled from December 2021 to facilitate more accurate reporting / forecasting.

Action: Director (Finance, Personnel and Corporate Affairs) to re-profile the Dedicated Mechanism budget and present to the Commission Board at January 2022 meeting.

6.4 The Director reported that she met with Rhyannon Blythe (Director Legal, Research and Investigations and Advice to Government) to review legal spend and budget.

6.5 The Director reported that she met with Claire Martin (Director of Engagement) to review advertising and publication costs and budget.

6.6 The Chief Executive highlighted that the Commission is currently exercising its investigatory powers on Relationship and Sexual Education (RSE) provision in schools and are facing a legal challenge to the exercising of the powers. The Commission will have to defend this legal challenge and this will carry costs not budgeted for and this will exhaust the projected underspend at a minimum.

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

6.7 The Director provided an overview of the cash flow report at 31 October 2021.

- **High Value Purchases as at 26 November 2021:**

6.8 It was agreed that going forward the process to identify academics for a single tender action would be included in the High Value Purchases report.

Action: Senior Finance, Personnel and Corporate Affairs Officer to include process to identify academics for single tender action in High Value Purchases report.

6.9 The Director assured Committee members that a full audit trail of single tender actions is approved by the Chief Executive and retained on file.

- **Freedom of Information Act Requests:**

6.10 The Director reported on the Freedom of Information requests.

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

6.11 The Director reported on the absence statistics as at 31 October 2021.

7. Internal Audit Update

7.1 Brian Clerkin, ASM Belfast provided an overview on the Pensions, Payroll and Travel and Subsistence final report.

7.2 Brian Clerkin updated that internal audit on Financial Systems fieldwork was complete and awaiting management comments.

There was nothing of concern to highlight on the Financial Systems audit findings.

8. National Audit Office Planning Report 2021-22

- 8.1 The Committee discussed the Audit Planning Report on the 2021-22 Financial Statements Audit, and in particular the assessment of the risk of management override of controls and assessment for the provision for legal cases. Revenue recognition risk is rebutted as the Commission have no revenue in year. This will remain under review for future audits.
- 8.2 The Committee noted that the audit would also focus on the organisational uncertainty and governance changes and IFRS16 transition notes and impact analysis.
- 8.3 It was noted that the interim audit will take place in February 2022, with the final audit scheduled to take place week commencing 16 May 2022.

9. Corporate Risk Register 2021-22

- 9.1 The Chairperson reported that the corporate risk register was revised by the Chief Executive, The Director (Finance, Personnel and Corporate Affairs) and himself and was subject to a fair degree of change.
- 9.2 The Chief Executive and Director (Finance, Personnel and Corporate Affairs) provided an overview of the corporate risk register and changes made to the previous version.
- 9.3 The Director reported that tracked changes were removed as given the level of changes the document was difficult to follow however, going forward all changes would be tracked.

Action: Director (Finance, Personnel and Corporate Affairs) to track all future changes to the corporate risk register.

- 9.4 The Chief Executive reported that the Director is drafting wording on Cyber Security risk to ensure this reflects the IT support provided through the Commission's service level agreement with the Equality Commission Northern Ireland.
- 9.5 The Chief Executive confirmed that the red risk on staffing capacity is due to holding a number of vacancies in order to manage the proposed 5% budget cut advised by the Northern Ireland Office.
- 9.6 The Chief Executive confirmed that the red risk on Compliance with the Paris Principals is due to a report received from the sub accreditation committee of GANHRI following the reaccreditation process that has deferred the Commission for 12 months. The Commission has to report to the sub accreditation committee in the 2nd session in 2022. The 'A' status has not immediately been removed from the Commission however, there is a clear indication of intents by the committee to do so should the areas of concern not be addressed to their satisfaction.
- 9.7 The Chief Executive reported the areas of concern raised by the sub accreditation were driven by the financial position of Core. The four recommendations by the sub accreditation committee are:
- The sub accreditation committee have recommended that the Commission engage with the UK Government to ensure a sustainable and stable financial position for Core.
 - The sub accreditation committee have recommended that the Commission have an extra guarantee on financial autonomy.
 - The sub accreditation committee have recommended that the Commission address the issue of pluralism.
 - The sub accreditation committee have recommended that the Commission have unannounced access to places of detention for the purposes of monitoring.

- 9.8 The Chief Executive advised that the Chief Commissioner has written to the Secretary of State and a meeting is due to take place this week.
- 9.9 The Chief Executive advised that the Commission believe that an Independent review of the requirements for the Commission to perform their core function should be undertaken and budget settlements should flow from this review.
- 9.10 Commissioner Stephen White highlighted the Commissioners support of an independent review of the Commission and acknowledged the critical position.
- 9.11 The Chief Executive advised that the delay on an independent review of the Commission is due to Cabinet Office approval.
- 9.12 Thomas Lough (NIO) advised that the NIO are in discussions with colleagues at the Cabinet Office and new guidance is being drafted. NIO are due to meet with Cabinet Office this week and will try and update the Commission in this calendar year.
- 9.13 Committee members agreed Magique software would be used going forward for the corporate risk register.

Action: The Commission Board to consider the updated Risk Register at its December 2021 meeting.

Action: Director (Finance, Personnel and Corporate Affairs) to add the corporate risk register to Magique software and present at the March 2022 Committee meeting.

10. Expenses of Chief Executive

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

11. Any other Business

- 11.1 The Chairperson reported that Committee members met prior to this meeting to review the Committee's effectiveness and will reconvene after this meeting to complete.
- 11.2 The Committee reviewed the Stewardship Statement and requested that going forward they receive a copy in advance of its submission to the NIO
- 11.3 The Chairperson raised the need to resource training for Committee members on:
- Operating an audit committee as an ARMC member
 - Access to training resources on subject areas such as cyber security, procurement, fraud etc.

Action: Director (Finance, Personnel and Corporate Affairs) to advise Committee members of training resources available to them.

The meeting closed at 11:25.