**Minutes of Senior Management Team (SMT) Meeting held on 18 June 2020 @ 2pm**

**In line with official Government advice all Northern Ireland Audit Office staff are currently working from home until further notice. This meeting was conducted remotely online.**

**In attendance:** Kieran Donnelly, Chair (C&AG)

Pamela McCreedy (COO)

Rodney Allen (Director)

Patrick Barr (Director)

Neil Gray (Director)

Colette Kane (Director)

Tomas Wilkinson (Director)

Suzanne Walsh (Director)

Louise Donnelly (Secretary)

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| **1.** | **Apologies**  No apologies were noted. |
| **2.** | **Declaration of Conflicts of Interest**  There were no issues declared by members. |
| **3**. | **Minutes of Previous meeting and Matters Arising**  Minutes of the previous meeting held on 18 May 2020 were agreed and matters arising updated. |
| **4.** | **Risk Management**  **Sub Risk Register for COVID 19**  Colette Kane briefed members on changes made to the COVID 19 risk register following a meeting of the Corporate Risk Register Working Group (CRRWG) last week. All changes were highlighted in red for member’s convenience. The following were highlighted:   * COVID risks are cross referenced to those in the Corporate Risk Register where possible. * A number of actions have now been completed and are now controls. * New or revised actions have been included for a number of risks. * A new risk has been added to address possible risks when moving from lockdown.   Members discussed the COVID 19 risk register and suggested a number of changes including changes to risk ratings. Colette Kane will make these changes for discussion at the next meeting.  **Near misses and issues**  Annual assurance requires that the CRRWG advises SMT and the Audit and Risk Assurance Committee (ARAC) of any notified near misses and issues. Colette confirmed that with the exception of the COVID pandemic addressed through the COVID 19 risk register, no other near misses or issues have been brought to the attention of the CRRWG.  Members of the CRRWG will give a short presentation on the Orange Book to members at the next meeting scheduled for 21 July 2020. |
| **5.** | **Finance Report**  **2019-20**  Rodney Allen briefed members on the following key points:   * **Finance**   The 2019-20 year-end position was discussed. There were no significant changes since the May SMT. Members noted the 2020-21 budget position.   * **Accommodation Project**   The accommodation design is ongoing with each element of the design shared on a weekly basis with staff for feedback through the various user groups. A report will be prepared for SMT following the completion of this stage of the project.   * **IT** Staff are continuing to successfully host and attend online meetings using the various software packages supported by the Office. |
| **6.** | **Corporate Report**  Rodney Allen briefed SMT members on the following key points:  **HR**   * **Recruitment**   + A new GTA will take up post in September 2020   + Recruitment is progressing for the following roles:     - Learning and Development Officer     - Apprenticeship intake for 2020     - Auditor     - Audit Manager * **Attendance Management**   Members noted absence figures per employee in the rolling period 1 June 2019 to 31 May 2020 commending the high percentage of staff with no absences.   * **Performance Management**   Interim performance assessments for 2020 are due soon and it is important there is timely completion.   * **Miscellaneous**   Liaison with the Heads of HR from the other audit institutions took place on 28 May and resulted in shared learning and experience.  **Business Support**   * **Tendering Exercises**   Members were updated on the current legal services tendering exercise.   * **Governance**   The next meeting of the Advisory Board has been set for 6 October 2020; however, the Chair has indicated that he may call a meeting during the intervening period. The date of the next ARAC meeting has been rescheduled to 21 July 2020 to align with the timeline for completion of our external audit and associated papers.   * **Internal Audit (IA)**   Two audit briefs have been agreed which IA intends to conduct mid July 2020. An initial meeting has been scheduled with the relevant staff concerned.   * **Annual Report and Accounts**   Work is progressing on the Annual Report and Accounts and a draft will be available for members to consider before the end of June 2020.   * **Communications**   The team continue to support the office’s COVID-19 response. The office held its first online Staff Brief in May. Pulse Surveys have also continued to be administered with issues and questions raised being followed-up and addressed via the team brief, online homeworking Q&A summary, and other internal communications.   * **Assembly Support**   The C&AG briefed members on the Public Accounts Committee meeting held on 17 June 2020. |
| **7.** | **Annual Assurances**   * **Anti-fraud, Whistleblowing and Complaints statement**   This statement is prepared to assist ARAC in the completion of its 2019-20 assurance considerations. SMT endorsed the paper.   * **Senior Management/NED Expenses and Hospitality** This report is drafted for inclusion on the NIAO website, R Allen asked members to review the content of the report and feedback any comments to him before the ARAC papers issue for the meeting scheduled for 21 July 2020. * **ISQC1 Monitoring and Transparency Reports**   Suzanne Walsh briefed members on the content of the reports. Both reports were endorsed by SMT. The Monitoring Report will be presented to ARAC and the Transparency Report will be published on the NIAO website.   * **Public Reporting – Quality Review Panel**   A summary paper on the composition, remit and findings of the VFM External Panel was presented to provide assurance on the quality review procedure. SMT endorsed the report for presentation to ARAC on 21 July 2020. |
| **8.** | **Draft Annual Report and Accounts and Governance Statement**  Rodney Allen updated members on progress of the Annual Report and Accounts, he advised a delay of approximately three weeks to the ‘normal’ timetable. Members will receive a draft copy of the report before the end of June to consider and provide feedback to the team. ARAC has been rescheduled to 21 July 2020 to facilitate this delay. |
| **9.** | **Draft ARAC Annual Report**  Rodney Allen advised that a draft of the ARAC Annual Report will be available alongside the completion of the Annual Report and Accounts. The draft ARAC Annual Report will be considered by SMT before it is presented to ARAC on 21 July 2020. |
| **10.** | **Technical Update**  Suzanne Walsh provided an update on the following key technical matters:   * APC 05/20 – Paperless Certification was issued to staff on 15 June 2020. * Audit Certificates have been issued. * Work in progress on a circular re Audit Evidence. * Meeting being scheduled re bank confirmation letters next week. |
| **11.** | **COVID 19 – Transitional Arrangements**  A draft paper detailing transitional arrangements for a potential phased return to office based working for staff was shared with members and Pamela McCreedy provided an overview of the content. Following discussion an option was agreed in principle, subject to minor modifications. A redrafted version of the paper will be circulated to SMT and TUS before being communicated to staff on the way forward.  SMT noted the excellent response by staff to the homeworking challenge to date and the associated work that has been delivered and impacts made by the Office in the past three months. |
| **12.** | **European Agricultural Fund (EAF) – Contractual arrangements going forward**  Neil Gray provided an update on EAF for 2019, 2020 and 2021.   * **EAF 2019**   The EU has cleared the audit and published its decisions on 27 May 2020.   * **EAF 2020**   Work is progressing on the 2020 audit under EU audit guidelines. The majority of the audit work will be completed and the final draft report issued by January 2021.   * **EAF 2021**   The status of agricultural funding after 31 December 2020 has now become clearer. The National Audit Office (NAO) has agreed to a request from the UK Coordinating Body to continue the current audit arrangements and has consequently requested NIAO to undertake the NI audit in 2021 and 2022. Members were asked to consider the implications for the Office. After discussion SMT agreed the NAO proposal, Neil will communicate the outcome to NAO and progress to the next steps in the process of the audit.  Rodney Allen emphasised the importance of obtaining clarity on the financial implications for NIAO budgeting. |
| **14.** | **Papers noted - Draft Advisory Board minutes of meeting 26 May 2020** |
| **15.** | **AOB**   * **Next meeting 21 July 2020** |