

**Minutes of Audit and Risk Assurance Committee (ARAC)
Meeting Wednesday 28 January at 11.30am**

Members Present: Noel Hyndman (Chair)
Marie Mallon
John Turkington

In Attendance: Martin Pitt (Chair Advisory Board - at the invitation of the Chair of ARAC)
Pamela McCreedy (Chief Operating Officer)
Rodney Allen (Director)
Colette Kane (Director) –agenda item 4
Brian McFetridge – External Audit
Lee Glover – Internal Audit (via telephone)
Louise Donnelly (Committee Secretary)

<p>Lee Glover joined the meeting via telephone. The Chair welcomed members to the meeting.</p>
<p>1. Apologies No apologies were noted.</p>
<p>2. Declaration of Conflicts of Interest There were no issues declared by Committee members or attendees.</p>
<p>3. Minutes of Meeting held on 24 September 2019 and Matters Arising Minutes of the meeting held on 24 September 2019 were agreed. The Matters Arising were noted as updated.</p>
<p>4. Risk Management Corporate Risk Register Colette Kane briefed members on the Corporate Risk Register. The revised register had previously been considered by the Senior Management Team (SMT) at their meeting on 10 January 2020, at this meeting SMT agreed the Risk Register needed further review to recognise any potential issues arising from the reinstatement of The Assembly. All revisions made were highlighted in red for members’ convenience.</p> <p>John Turkington queried how the restoration of The Assembly had impacted on the work of the Office. Pamela McCreedy advised that an Assembly Support Team had been established and resourced with staff training scheduled for the coming weeks. Members of the Advisory Board will be briefed on the reinstatement of The Assembly and the Public Accounts Committee (PAC) at their meeting scheduled for 11 February 2020.</p> <p>Colette Kane advised the Corporate Risk Register Working Group (CRRWG) would consider an updated risk for Assembly alongside horizon scanning at their next meeting.</p>
<p>5. External Audit External Audit Plan Brian McFetridge presented the External Audit Plan to ARAC for consideration and he briefed members on the content of the Plan. In noting the audit strategy, members discussed the audits and the potential for value for money audit work.</p>

6. Internal Audit

General Activity

Lee Glover briefed members on progress to date and assured them that the internal audit annual report and strategy would be available for ARAC to consider at their next meeting scheduled for 5 May 2020.

ISQCI Review

Lee Glover summarised the two elements of the review to be undertaken:

- 1) Assurance element; review of NIAO compliance with current internal processes. This will be performed by Internal Audit (IA) with work scheduled to be undertaken in March 2020.
- 2) Advisory element; to provide advice on any additional steps NIAO should consider. This element of the review will be undertaken by a partner firm associated to the Internal Auditors.

IA will provide management with a detailed scoping document on the review.

Martin Pitt highlighted the need for continued communication with Internal Audit to ensure all reports are as timely as possible within the annual cycle.

Martin Pitt drew members' attention to the importance of undertaking a board effectiveness review in the months before completion of the annual report and accounts.

Lee Glover left the meeting.

7. NIAO Report Tracking Implementation of Audit Recommendations

Members were updated on NIAO progress on the implementation of audit recommendations. It was agreed to include the RAG (Red, Amber Green) status definition on the report going forward for ease of reference by members.

8. Fraud Whistleblowing and Complaints Report

Rodney Allen briefed members on the fraud, whistleblowing and complaints activity in the period since September 2019 with no new fraud or whistleblowing cases arising in the period. One new complaint received has now been closed.

Martin Pitt updated members on two matters that had been investigated in accordance with the whistleblowing procedures. The Committee noted that a response had been received from both individuals who had raised concerns to the outcome of the investigation. Martin Pitt (the Chairman to whom the initial complaint was made), undertook to respond noting the Committee's position.

9. ARAC Annual Programme of Work

A draft programme of work for 2020-21 was considered and agreed by members. ARAC will meet four times this year: January; May; June; and September. The September meeting will facilitate a workshop.

10. Paper to Note – Chartered Institute of Internal Auditors – Harnessing the power of Internal Audit Risk in Focus 2020

Members welcomed the paper stating they found it informative and well presented.

11. AOB

- No items listed/raised.

12. Dates of Next Meetings:

- 5 May 2020 @ 11.30am
- 23 June 2020 @ 11.30am
- 23 September 2020 @ 11.30am

13. The Committee met with External Audit for private discussions.