

MINUTES OF THE COMMUNITY RELATIONS COUNCIL'S

52nd AUDIT & RISK ASSURANCE COMMITTEE HELD ON THURSDAY 16th MARCH 2017 @ 9.30AM IN COMMUNITY RELATIONS COUNCIL, EQUALITY HOUSE, 7-9 SHAFTESBURY SQUARE, BELFAST BT2 7DP.

Present: Mr R Campbell (Chair), Mr D Mackay

Internal Attendees: Ms J Irwin (CEO), Mr G McKeown (DFAP Director), Ms T Wilson (Finance Officer),

External Attendees: Ms D Park (NIAO), Mr C Haugh (ASM), Ms E Allen (The Executive Office), Mr K Doherty (The Executive Office)

Apologies: none

Minutes [Appendix 1]

Minutes were taken as read.

Matters Arising:

Mr G McKeown advised members that he would be tabling a draft Fraud Prevention Policy and Fraud Response Plan, which would be discussed under AOB.

Internal investigations into funded groups [Appendix 2]

Group 1 - Ms J Irwin updated members in respect of this group. FIOG had considered the matter, are keeping a watching brief and advised of no further action for CRC. In respect of the accrual held on CRC's books, TEO to clarify on the treatment for CRC. CRC are to keep the group on the ARAC agenda pending any further correspondence from FIOG.

Group 2 – A discussion was had on the practical points of this matter. Ms Irwin advised members that CRC are in regular contact with the administrator of the organisation. The Chair agreed that the position of the organisation should be monitored.

Risk Register [Appendix 3]

Members received the Risk Register containing red and amber risks only in the papers for this meeting.

A discussion took place on the amber status of the political and resources risks and should they be escalated to red given the current political and economic situation. Ms J Irwin brought the risk register 3x3 matrix to the attention of members and after a discussion on

measuring the impact and likelihood of the political risk it was agreed that the risks could be escalated to red, highlighting the concern of moving into a new financial year without an agreed Business Plan or budget and with the outstanding staffing review and the SIB report yet to be agreed by Ministers.

The members agreed to leave the New Policies risk at amber.

Mr G McKeown updated members on the ongoing progress with the pension business plan.

The Committee agreed that the Board would be advised of the revision to red of the Political and Resource risks with the New Policies risk remaining at amber.

Internal Audit Plan for 2017/18 [Appendix 4]

Mr C Haugh of ASM discussed the 2017/18 internal audit plan contents and highlighted the inclusion of the review of IT General Controls including Data Protection and Security Risk Management Overview in the 2017/18 plan. Mr C Haugh reminded members that the review of IT had previously been included in the 2016/17 Internal Audit Plan but due to ongoing discussions between TEO and CRC on the IT Business Case, the review on the area of IT was moved to the 2017/18 plan. An internal audit of accounting for grants was scheduled for the end of March 2017 to absorb the hours remaining on the 2016/17 Internal Audit Plan. Mr R Campbell asked that the internal audit on the area of IT take into account the May 2018 General Data Protection Regulations.

Register of Audit (Internal and External) Recommendations [Appendix 5]

Mr G McKeown took members through the paper and specifically those recommendations which were not yet complete. Mr McKeown referred members to the NIAO 15/16 recommendation number 10 on Board members completing Register of Interest forms and highlighted that one return remained outstanding. Mr R Campbell advised that he has been trying to get in contact with the Board member but has not made contact yet.

In relation to the outstanding point on the number of delegated limits to approve grant applications which arose from the DFP Review of Grants Process, Mr R Campbell asked whether this point needed to be considered by the present Board given the delay in appointment of a new Board. Ms E Allen said she would discuss the item with the Grade 5 in The Executive Office.

AFMD Guidance [Appendix 6]

Ms T Wilson advised members of the two Finance Director letters issued by DoF since January 2017 – FD(DoF) 01/17 Government Financial Reporting Manual (FReM) 2016/17 and FD(DoF) 02/17 Fraud Alert – Spam email, and gave a brief summary of both.

Direct Awards

None.

Small purchases without price check

Ms T Wilson drew member's attention to the small purchases without a price check and gave a short summary on each.

AOB:

Fraud Prevention Policy and Fraud Response Plan

Mr G McKeown circulated this paper to the Board on 9th March and presented members with a summary of amendments to the policy and plan which now incorporates the updates that The Executive Office have recently made to their Fraud Prevention Policy and Response Plan. Mr McKeown asked members if they would be content to recommend the revised policy and plan to the Board and if all was agreed then the policy and plan would be shared with staff and CRC would undertake a Fraud Risk Assessment. The Committee agreed.

Date of next meeting

Thursday 13th April at 11am.