



Meeting of the Audit and Risk Assurance Committee held on

05 December 2022 at 10.00am

Room 2.8, James House Head Office

- Present:** Deirdre Fitzpatrick (Chair)
Clare Duffield
Michelle McGinley
Daire Murphy
Lee Wilson
Kevin McCabe
- In attendance:** Mark McAllister (Acting Chief Executive)
Paul Lowe (Director of Corporate Services)
Christine Hagan (ASM)
Stephen Brannigan (NIAO)
Sarah Davidson (NIAO)
Thomas Allen (Ross Boyd Chartered Accountants)
Michael Crozier (Department for the Economy)
Christine Magill (Boardroom Apprentice)
Oliver Murray (Executive Assistant)
- Apologies:** Don Leeson (Chief Executive)
Barry McLeod (Department for the Economy)
Wendy Carberry (Department for the Economy)
Karen Costley (NIAO)

Members of the Audit and Risk Assurance Committee (ARAC) met 'in-camera' before the meeting formally commenced. They were joined by representatives from NIAO, Ross Boyd Chartered Accountants and ASM. This was the first meeting of the Audit and Risk Assurance Committee in the LRA's new head office located in James House, Cromac Avenue, Belfast. All were invited to visit the Agency's offices on the 4th Floor after the meeting.

Special welcome was extended to Mark McAllister attending his first ARAC in his role as acting Chief Executive and Accounting Officer. The Committee also sent its best wishes to Don Leeson for a speedy recovery.

Declarations of interest: no conflicts of interest were declared. The Chair advised attendees of the need to raise any conflicts that may arise during the meeting.

1. Minutes of the Last Meeting

- 1.1 The minutes of the Audit and Risk Assurance Committee meeting held on 5 October 2022 (paper ARAC 01-12/22) were agreed as an accurate record.

2. Matters Arising from the Last Meeting

- 2.1 The Director of Corporate Services noted that the relocation to James House is now well underway, with the official move-in taking place tomorrow, and the lease on Gordon Street due to finish at the end of February. The staff involved with the move were thanked for their work to date (paragraph 2.1 of the minutes of the last meeting refers).
- 2.2 The Director of Corporate Services noted that the draft policy which has been prepared on hybrid working will now be formally piloted in James House (paragraph 2.2 of the minutes of the last meeting refers).
- 2.3 The Director of Corporate Services reported that funding of the additional costs associated with the extension of the Gordon Street lease have subsequently been clarified (paragraph 3.1 of the minutes of the last meeting refers).

3. Chief Executive's Business

- 3.1 The Senior Leadership Team met with Department Officials in November as part of the Oversight and Liaison arrangements.
- 3.2 It was noted that the Partnership Agreement between the Agency and DfE remains pending.
- 3.3 The Staff conference held on 24 November was well received amongst staff. Multi-disciplinary teams and coaching as part of organisational transformation plans were topics of focus during the day.
- 3.4 An ad-hoc virtual meeting of the NI Engagement Forum took place on 28 November at request of Jayne Brady. Gordon Milligan chaired the meeting and Jayne Brady provided a walk through in respect of the budget and powers resting with respective Departments and Permanent Secretaries.

4 Internal Audit Matters

- 4.1 NIAO will present audit strategy at next ARAC meeting and set out plan. ASM are currently carrying out a review of Procurement, which will be presented to the March 2023 ARAC meeting.
- 4.2 Review of IT system controls to start in January, with Follow-Up review planned to take place the following month.

5 External Audit Matters

- 5.1 NIAO will present audit strategy for the 2022-23 Annual Report and Accounts along with the associated audit plan to the March ARAC meeting.

6 Risk Management

- 6.1 The Director of Corporate Services presented the Corporate Risk Register as at December 2022 (paper ARAC 02-12/22).
- 6.2 The DCS reported that the IS Managed Services issue is no longer assessed as 'Extreme' and has returned to a 'High' risk category. This is a direct consequence of the external contractor agreeing to honour terms of contract until 31 August 2023. Plans are progressing to appoint another IS Manager.
- 6.3 It was noted that the 2022-23 Budget does not currently present as a risk in that the Agency has the required level of funding.

7 Raising Concerns/Whistleblowing

- 7.1 An issue was discussed during the in-camera meeting. This has been resolved at Board level and is not deemed to be a risk to the organisation.

8 Any Other Business

8.1 Direct Award Contracts

The Director of Corporate Services confirmed that there have been no Direct Award Contracts since the last meeting.

8.2 It was noted that the annual ISO27001 assessment exercise has been completed and the Agency is awaiting confirmation of the outcome.

8.3 External Guidance Documents Received (paper ARAC 03-12/22)

The Committee noted the list of relevant external guidance documents received by the Agency since the last meeting.

9 Record of Any Matters Arising from the in-camera session

[See Item 7 above]

10 Date of Next Meeting

The next ARAC meeting is scheduled for 6 March 2023.