

Minutes of the VSS Audit and Risk Committee
Thursday, 18 October 2018, 2pm
Seatem House, Belfast

ARC Members Present:

Colm Doran (CD)	ARC Chair
Richard Solomon (RS)	Board Member
Bertha McDougall (BMcD)	Board Member
David Reid (DR)	ARC Member

VSS Officers in Attendance:

Andrew Walker (AW)	Head of Corporate Services
Tara Lewsley (TL)	Finance and Governance Manager
Lizzy Graham (LG)	Governance Officer (Minutes)

Other Officers in Attendance:

Colin Moffett (CM)	TEO
Marie Matthews (MM)	TEO
Pauline Poots (PP)	Ernst & Young (Internal Audit)

Apologies:

Kathy Doey (KD)	NIAO (External Audit)
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A Apologies

Apologies were received from KD shortly after the meeting.

Welcome and Introductions

CD welcomed David Reid to the ARC and introduced him to those present.

B Minutes of Previous Meeting

B1 The minutes of 14 August 2018 were agreed.

C Action Points

It was noted that most action points are now closed.

AW provided an update on the outstanding action points:

- TEO Corporate Governance Checklist: This will remain open pending an update from TEO.

D Conflict of Interest

All papers were noted by the Committee and no conflicts of interest were declared.

E Accounting Officer Update

The Committee requested an update on the following:-

E1 CEO Exception Report

AW provided an update on the key strategic areas, as follows:

- All Business Plan targets remain on track and fully achievable.
- The NIAO Legacy Consultation has now closed and, with input from the VSS Board, VSS has issued a formal response focusing around how VSS considers any proposed organisations should be set up and run.

CD complemented the VSS on providing a detailed and clear response to the NIAO Legacy Consultation.

AW provided an update on the focus areas for Quarter 3 including the finalisation of the Social Isolation and Volunteering framework, the Workforce Training programme, the Regional Trauma Network and the proposed application for addition funding under PEACE IV.

RS requested a presentation from VSS to provide a detailed update on the PIV project, to include feedback from those on the ground.

AW provided an update regarding the findings of the completed NIPSO investigation. VSS had queried some of the findings with NIPSO (providing additional information), however, these remained in the final report. The recommendations will now be actioned and staff training will be carried out regarding the recently updated policy.

VSS will issue a written response to NIPSO and produce a report detailing the lessons learnt.

RS proposed an independent appeals panel be implemented.

The Committee noted the NIPSO report and the Board acknowledgement issued to the complainant.

E2 Progress against Budget

TL provided an update regarding VSS progress against budget. The following key points were noted:

- The application for additional PIV funding and extended programme end date may alleviate any enduring cash flow concerns. In addition, any existing underspend will be rolled up and absorbed in the new application.
- An under allocation within the VSP budget has been identified which may be transferred into the INP budget.
- 92% of the budget has been committed to date. VSS remains confident that the balance will be committed by year-end.

E3 Strategic Risk Register

AW presented this paper, noting the following key item:

- STG46 – New risk added to recognise the risk associated with the maintenance of VSS Board and Committees in the absence of NI Ministers.

CM provided an update regarding the proposed Bill due to be considered in Westminster which should alleviate this risk and allow for future appointments / extensions.

The Committee noted that two risks were closed during the quarter.

F Quarterly Reports

F1 Quarterly ALB Report

The Committee noted this report.

It was acknowledged that the sickness absence figures had increased as a result of short-term illness affecting a number of staff in the Belfast office. In addition, two members of staff were out on long term sickness absence. Sickness absence within the office has since returned to normal.

It was noted that VSS is working to reduce usage of temporary staff.

F2 Quarterly Assurance Statement

The Committee noted this report.

It was noted that VSS is working to action the outstanding Internal Audit recommendations. In addition, it was noted that VSS aims to produce a report to review its options regarding the annual spot check and conduct a cost-benefit analysis for this process as to date findings have been immaterial.

F3 Quarterly M&E Report

AW presented this report, drawing attention to the following point:

- Two services, Social Isolation and Volunteering, are currently behind target. However, VSS is confident that these will be on track by year end.

DR complemented VSS on the content and structure of this report.

G Internal Audit Update

The Committee requested an update from the Internal Audit Representative.

G1 Internal Audit – 2018-19 Progress Update

PP confirmed that a schedule has been agreed for the remaining 2018-19 internal audits with reviews of PEACE IV Funding, HR and a Follow Up to commence in Quarter 4. One report has been finalised in the period for presentation to the Committee.

G2 Internal Audit Report – MI / M&E

PP presented this report noting that there had been no recommendations arising from the review. PP drew attention to the detailed scope, findings and conclusions of the review to assure the Committee of the extent of fieldwork carried out.

H External Audit Update

H1 2017-2018 Annual Report & Accounts

The 2017-18 Annual Report and Accounts were circulated to members.

H2 2017-2018 Audit Strategy

The Committee noted the 2017-18 External Audit Strategy

H3 2017-2018 Audit Progress Update

AW provided a verbal update regarding the progress of the External Audit.

I Standing Agenda Items

AW presented these papers.

I1 2017/18 ARC Self-Assessment Report and Action Plan

The Committee noted that all actions have been closed.

I2 ARC Training Update and Requirements

The Committee noted one upcoming training course which may be of interest to members.

I3 Gifts and Hospitality Update

The Committee noted the update. It was noted that a more high level report would be sufficient for future meetings.

I4 Compliance Update (tabled)

AW provided an updated on the suspected fraud cases. 7 cases remain open at 30 September 2018, as follows:

- One case is awaiting a CCNI Final Report.
- Three cases remain open with FOIG.
- One case awaiting outcome from GFIS referral. Committee noted that a report has now been received and this case can be closed.
- Two cases are awaiting outcome from PSNI referral.

The Committee noted that one VSP debtor remains. VSS have now made a request to TEO for a write off of this balance.

The Committee noted there were no new Whistleblowing cases, Ombudsman Complaints or Freedom of Information Requests during the period.

Call Handling is now being managed in house.

I5 Procurement Update

The Committee noted the update.

I6 Data Protection

The Committee noted the update.

J Any Other Business

J1 Terms of Reference Review – Oct 18

AW tabled the Audit and Risk Committee Terms of Reference for review. It was noted that members were content with this draft.

J2 Changes to Staffing within TEO

The Committee noted that CM is to be reallocated to a temporary assignment until at least December 2018. A letter will be issued to VSS to advise. MM will remain in post to provide continuity.

K Date of Next Meeting

The date of the next meeting is scheduled for Wednesday 5 December 2018.