[redacted]

From: FOI
Sent: 16 August 2023 08:19
To: [redacted]
Subject: FOI 097-23 - Response
Attachments: ARC minutes 20 Sep 2022.pdf; ARC minutes 6 Dec 2022.pdf; ARC minutes 21 Feb 2023.pdf

Dear [redacted],

Our Ref: FOI-097-23

Thank you for your email to the Electoral Commission dated 19 July 2023.

The Commission aims to respond to requests for information promptly and has done so within the statutory timeframe of twenty working days.

Your request is shown below followed by our response.

1) The meeting minutes from Audit, Risk and Assurance Committee over the past 12 months (July 2022-2023)

2) The full membership details of the Audit, Risk and Assurance Committee

Our response is as follows:

We hold some of the information you have requested.

The membership of the Audit and Risk Assurance Committee between July 2022 – July 2023 comprises of:

Susan Bruce – Chair

Elan Closs Stephens

Stephen Gilbert

We are releasing to you minutes from the Audit and Risk Assurance Committee for the following meetings:

20 September 2022

6 December 2022

21 February 2023

We do not yet have final approved minutes for the following meetings:

19 June 2023

30 June 2023

You should resubmit your request for the minutes of the June meeting after 25 September.

You will notice that we have redacted the names of some staff the names of external attendees. This is in line with the section 40 exemption of the Freedom of Information (FOI) Act which provides for an exemption where the information requested constitutes personal data as defined by the Data Protection Act 2018 (DPA), and where release of the information requested would breach one of the data protection principles. Some of the information contained in the requested information falls within the description of personal data as defined by the DPA because the information relates directly to an identifiable living individual. This includes names and contact details of individuals in some instances. The individuals in some cases are junior staff members, and external attendees to the meeting, who would not reasonably expect their information to be released.
The Commission strives to be an open, transparent authority and I trust that this information satisfies your request.

If you are not satisfied with this response, please note that the Commission operates a review procedure, details of which can be found on the Commission website at: https://www.electoralcommission.org.uk/freedom-information/make-a-freedom-information-request.

Please also note that if you have exhausted all internal Commission review procedures and you are still not satisfied you have the right to appeal to the Information Commissioner. Details of this procedure can be found on the ICO website: https://ico.org.uk/.

Yours sincerely

Information Officer
FOI@electoralcommission.org.uk

The Electoral Commission
electoralcommission.org.uk

The Electoral Commission

Agenda item 3

Audit and Risk Committee minutes

Date: Tuesday 20 September 2022, 2.00pm

Location: Video conference

Present:

Sue Bruce	Chair
Elan Closs Stephens	
Stephen Gilbert	

In attendance:

Shaun McNally	Chief Executive
Kieran Rix	Director, Finance and Corporate Services
Binnie Goh	General Counsel
[Name Redacted]	Senior Adviser, Governance
David Bailey	Head, Strategic Planning and Performance
Tracey Blackman	Head of Finance and Procurement
Carol Sweetenham	Head of Projects [items 13 and 17]
[Name Redacted]	Senior Adviser, Performance and Insight [item 18]
Paul Redfern	Independent Adviser to the Committee
[Name Redacted]	RSM
Alex Attwood	Commissioner, observing

Agenda items

1. Apologies and introductions

1.1 The Chair welcomed all to the meeting noting that Commissioner Alex Attwood would be attending as an observer.

1.2 Apologies were received from [Name Redacted] and [Name Redacted], NAO, and [Name Redacted], RSM.

2. Declarations of interest

The Committee noted no new declarations of interests.

3. Minutes (ECARC 91/22)

Resolved: That the minutes of the EC Audit and Risk Committee meeting on 20 June 2022 be agreed.

4. Committee action tracker (ECARC 92/22)

4.1 The Committee received the action tracker requesting that the deep dive on quality assurance be programmed onto the forward plan of committee business.

Resolved: That the Committee noted the report.

5. Forward Plan of Committee business (ECARC 93/22

5.1 The Committee discussed topics to be planned into the forward plan for committee business such as allocation on spend.

5.2 The Committee noted that the report on Board and Committee meeting dates for 2023/24 would be circulated to the Board for their meeting in September for agreeing. Once dates have been agreed, business items for the committee would be allocated to meeting dates.

Resolved: That the Committee noted the report.

6. Internal audit service (ECARC 94/22)

6.1 The internal auditor was asked to recuse himself for this item only.

6.2 The Director, Finance and Corporate Services introduced the report, advising that the Commission's existing internal audit contract expires at the end of March 2023, with contractual scope extension.

6.3 It was noted that in order to maintain an effective internal audit service and ensure that the Board and Accounting Officer have adequate independent assurance, we propose to retender for 2023/24 and following years.

6.4 The Committee discussed tendering options, scope of contract in terms of its value and how we manage our performance and risk.

Resolved: That the Committee agreed the following recommendations:

- That the range of services should be broadly consistent with the existing scope as detailed within the report
- That the contract be for three years with the option to extend for up to two one-year extensions as detailed within the report
- That the number of days should be maintained for 2023/24, for a total of 55 days each year as detailed within the report

- That the procurement should be by competition under the Crown Commercial Service (CCS) RM6188 Audit and Assurance Services (A&AS) Framework (Lot 1 – Internal Audit and Assurance)
- That the assessment criteria should include both quality factors and cost
- That the selection panel include the Chair of the Committee and the Independent Advisor to the Committee
- That RSM, the existing auditor, be included in the process and permitted to bid for this tender, but rotation would be required at the end of this contract

7. Internal audit reports:

Governance **(RSM 1.22.23)**

7.1 RSM introduced the report, providing the Committee with a review of Governance at the Commission in line with the approved 2022/23 Internal Audit Plan.

7.2 The Committee noted that the purpose of the review was to determine whether the Electoral Commission has in place governance structures to support delivery of its objectives.

7.3 The Committee discussed if the Committees name should be renamed to Audit, Risk and Assurance, as this would demonstrate that assurance is provided to the Accounting Officer.

Resolved: That the Committee agreed the internal audit report with a recommendation to the Commission Board to amend the Committees name to Audit and Risk Assurance.

Electoral Registration Officer (ERO) Performance **(RSM 2.22.23)**

7.4 RSM introduced the report, providing the Committee with a review of Electoral Registration Officer (ERO) Performance in line with the approved 2022/23 Internal Audit Plan.

7.5 The Committee noted that the objective of the review was to assess how the Commission supports, challenges and reports on ERO performance, including the advice, guidance and resources provided to EROs and how the standards are used to understand, improve, and report on performance.

7.6 The Committee noted that the Welsh performance standards should be built in the reporting structure.

Resolved: That the Committee agreed the internal audit report.

Internal audit progress report **(RSM 20.09.22)**

7.7 RSM introduced the report, providing an update on progress which summarises the results of work to date.

7.8 The Committee discussed the scope of an IT audit, as well as recruitment. Although we have established offices in regions, work is underway looking at recruiting from regions rather than just London, recognising that home working has become part of normal life.

Resolved: That the Committee noted the internal audit progress report.

8. National Audit Office (NAO) update (Oral)

8.1 The Committee received apologies from NAO, noting written commentary updates received prior to the meeting.

8.2 The Committee noted that work for 2021/22 was completed with the accounts laid and published before the parliamentary summer recess.

8.3 It was noted at the previous meeting, there were some delays to NAOs audit work due to a resourcing issue within the team. This required NAO to present a preliminary audit completion report to the Committee with a further report issued closer to the signing date by the Accounting Officer.

8.4 The Committee noted that the key issues for 2022/23 that will impact the accounts and NAOs audit are:

- Implementation of IFRS 16 leases accounting standard
- Implementation of revised auditing standards (ISA 315 and ISA 240)

8.5 It was advised that the immediate impact for 2022/23 is that NAO planning work will be more involved and more focussed on controls than in previous years. The NAO training programme on the new methodology begins late September and will discuss further with the finance team as part of the 2021/22 lessons learned and 2022/23 planning meeting. The NAOs audit planning report will also cover further information at the meeting in December.

Resolved: That the Committee noted the updates.

9. Operational risk registers (six monthly) (ECARC 98/22)

9.1 The Head of Strategic Planning and Performance introduced the report, advising the Committee on the internal audit on risk management, which found that we needed to improve our management of risk. One aspect of improvement identified was the consideration of our operational risks by the Committee on a six-monthly cycle.

9.2 The Committee were advised on our approach to the management of operational risks.

Resolved: That the Committee noted the report.

10. Organisational risk register (ECARC 99/22)

10.1 The Head of Strategic Planning and Performance introduced the report, advising the Committee on the Commission's organisational risk register which captures strategic risks and presented quarterly to the Audit and Risk Committee as part of our risk assurance.

10.2 It was not that the register has now been aligned with the new Corporate Plan for 2022/23 to 2026/27.

10.3 The Committee discussed the impact on risks on budgets, SPS and Voter ID, and how we retain talent in the organisation as well as delivering on learning and development.

Resolved: That the Committee noted the report.

11. Risk improvement plan (ECARC 100/22)

11.1 The Head of Strategic Planning and Performance introduced the report, advising that our internal auditors produced a Risk Maturity report evaluating the Commission's current risk management documents and processes, and recommending management actions.

11.2 It was noted that the risk improvement plan states the actions which Commission staff undertook in 2021/22 to implement those management actions. This update reports on the progress attained up to August 2022.

Resolved: That the Committee noted the report.

12. Commissioner risk workshop (Oral)

12.1 The Committee was provided with a presentation from the Independent Adviser to the Committee, on a review of risk attitudes noting a risk matrix, setting out the risk attitude for each strategic risk to help inform risk targets and tolerances.

12.2 It was noted that this would help aid the discussion at the Board meeting in November on the risk workshop item.

12.3 The Committee discussed that the matrix would enable Commissioners to debate each of the individual risks and tolerances.

Resolved: That the Committee noted the presentation and content with minor amends, before it is introduced to the Commission Board at its meeting in November.

13. Revised Government Functional Standard on Counter-Fraud (ECARC 101/22)

13.1 The Head of Projects introduced the report, advising the Committee that the Government has brought out a new version of the Government Functional Standard (GFS) on fraud.

13.2 It was noted that whilst we are not obliged to follow the Functional Standards, they provide a useful model of best practice against which to measure ourselves, to check how we are doing, and in line with the requirements of the Standard.

13.3 It was noted that we had also commissioned an external risk assessment by our internal auditors RSM. The paper presented the findings and sets out the proposed plan of action.

13.4 The Committee discussed the prioritisation of the actions list, online training for staff colleagues in fraud awareness alongside information security.

Resolved: That the Committee agreed with the content and findings in the risk assessment and the proposed action plan.

Resolved: That the Committee agreed that we have met the requirements of the GFS in a way that reflects our size and functions to carry out the actions.

Resolved: That the Committee agreed for an annual report on progress against the action plan to come to this Committee.

Resolved: That the Committee agreed that the next external risk assessment will be in 2025.

14. Update and review of whistleblowing policy (ECARC 102/22)

14.1 The General Counsel introduced the report, on the Commission's Whistleblowing Policy, which was due for its annual review by this Committee.

14.2 It was noted that this is a statutory policy, setting out the Commission's policy and procedures in dealing with a whistleblowing complaint.

14.3 The Committee noted minor amendments reflecting changes in the law and in response to recommendations from our internal and external auditors.

Resolved: That the Committee noted and agreed the changes with a recommendation that this report be scheduled at RemCo meetings annually.

15. Review of schedule of internal policies and codes (ECARC 103/22)

15.1 The General Counsel introduced the report, advising the Committee that in paragraph 4.6 of the Corporate Governance Framework, it states that the Commission should have a Schedule of Policies which sets out in table form our

key policies, whether statutory or discretionary, their purpose, the policy 'owner', and when each policy is due for review.

15.2 The Committee discussed the health and safety policy review date being overdue and that this one should be looked at as matter of urgency.

15.3 It was noted that a few policies were overdue for their review due to the pandemic and resourcing in those teams.

Resolved: That the Committee noted the report.

16. Annual review of Accounting Policies for 2022/23 (ECARC 104/22)

16.1 The Head of Finance and Procurement introduced the report, advising that the paper contained details of the proposed accounting policies for use in the preparation of the financial accounts 2022/23.

16.2 It was noted that under the terms of reference for the Audit and Risk Committee the accounting policies require annual consideration and endorsement.

16.3 The Committee noted that the external auditors provided some commentary for future planning on accounts production.

Resolved: That the Committee agreed the draft accounting policies for use in preparation of the financial accounts.

17. Annual review of business continuity planning (ECARC 105/22)

17.1 The Head of Projects introduced the report, providing a review which was carried out in the summer of 2020, of our initial response to the pandemic, with a light touch follow up review in July 2022.

17.2 It was noted that one of the key recommendations was that we should fundamentally review our business continuity planning, taking into account what we have learned through our response to Covid.

Resolved: That the Committee welcomed the report and noted progress, approach and proposed next steps.

18. Schedule of audit recommendations (ECARC 106/22)

18.1 The Head of Strategic Planning and Performance introduced the report, providing an update on the agreed internal and external audit recommendations.

Resolved: That the Committee reviewed and noted the updates from the responsible audit owners outlined in the schedule.

19. Registers of interests, gifts, donations and hospitality (ECARC 107/22)

19.1 The General Counsel introduced the report providing the Committee with the Commission's recent Registers of Interests, Donations, Gifts and Hospitality.

19.2 The Committee requested to review the complete registers annually.

Resolved: That the Committee noted the updated registers prior to them being published on the Commission's website.

Meeting ended at 4.40pm.

Date of next scheduled meeting: Tuesday 06 December 2022

---------- Chair

The Electoral Commission

Agenda item 3

Audit and Risk Committee minutes

Date: Tuesday 6 December 2022, 2.00pm

Location: Video conference

Present:

Sue Bruce	Chair
Elan Closs Stephens	
Stephen Gilbert	

In attendance:

Kieran Rix	Director, Finance and Corporate Services
Binnie Goh	General Counsel
Tracey Blackman	Head of Finance and Procurement
[Name Redacted]	Senior Adviser, Governance
[Name Redacted]	Planning and Performance Manager [items 11, 12 and 13]
[Name Redacted]	Senior Adviser, Planning and Performance [item 15]
[Name Redacted]	Legal Officer [meeting support]
[Name Redacted]	Senior Adviser, Governance [observing]
Paul Redfern	Independent Adviser to the Committee
[Name Redacted]	RSM
[Name Redacted]	National Audit Office (NAO)
Alex Attwood	Commissioner [observing]

Agenda items

1. Apologies and introductions

1.1 The Chair welcomed all to the meeting noting that Commissioner Alex Attwood would be attending as an observer.

1.2 Apologies were received from Shaun McNally, Chief Executive Officer, David Bailey, Head of Strategic Planning and Performance and, [Name Redacted], RSM.

2. Declarations of interest

Resolved: That the Committee noted no new declarations of interests.

3. Minutes (ECARC 108/22)

Resolved: That the minutes of the EC Audit and Risk Committee meeting on 20 September 2022 be agreed, subject to a minor amend.

4. Committee action tracker (ECARC 109/22)

4.1 The Committee received the action tracker noting that all actions have now been closed.

Resolved: That the Committee noted the report.

5. Forward Plan of Committee business (ECARC 110/22)

5.1 The Committee discussed topics to be planned into the forward plan for committee business, such as a discussion on voter registration and procurement and insurance issues.

5.2 The Committee agreed that it would be useful to invite the Independent Adviser to the Commission Board on Equality, Diversity, and Inclusion (EDI) to a future meeting on voter registration.

Resolved: That the Committee noted the report.

6. Internal audit service (ECARC 111/22)

6.1 The internal auditor was asked to recuse himself for this item only.

6.2 The Director, Finance and Corporate Services introduced the report, advising that the Commission's existing internal audit contract expires at the end of March 2023 and the Committee agreed at its last meeting to exercise our contractual option to extend by one year.

6.3 It was noted that this extension would allow sufficient time for the procurement of a new internal audit contract, whilst maintaining an effective internal audit service, ensuring that the Commission Board and Accounting officer have adequate independent assurance.

6.4 The Committee discussed sector understanding to include wider experience, audit quality and innovation, specification and key risks and issues.

6.5 The Committee discussed suggesting that the scope of individual audits, across the organisation, should be signed off by either the Chief Executive Officer or the Director, Finance and Corporate Services, to ensure transparency.

Resolved: That the Committee agreed the recommendations within the report.

7. National Audit Office (NAO) update (NAO 2022-23/22)

7.1 The NAO provided an update on the planning for the audit of the Electoral Commission's 2022/23 financial statements that was in progress.

7.2 The Committee noted there had been further details of the change in the audit methodology and expected changes to accounting standards, that will impact the 2022/23 financial statements, as well as the early reflections on audit risks. It was noted that the audit planning report, including the non-cash audit fee would be presented at the next meeting.

Resolved: That the Committee noted the report.

8. Internal audit plan progress report (RSM 2022-23/22)

8.1 RSM provided an update on progress against the internal audit plan for 2022/23, which was approved by the Committee at the February 2022 meeting. The report provided an update on progress against the plan and summarises the results of work to date.

8.2 The Committee discussed themes arising from control observations and noted that a full response on these would be circulated to the Committee.

Resolved: That the Committee noted the report.

9. Internal audit programme 2023/24 (ECARC 114/22)

9.1 The Director, Finance and Corporate Services introduced the report providing the Committee with information on areas where our internal auditors could provide assurance or advisory services in 2023/24 and thereafter. This would form the basis of RSM's internal audit operational plan for 2023/24.

9.2 The Committee discussed areas around the organisations accreditation scheme, occupancy plans, productivity, equality, diversity and inclusion, budget control and policy updates, to include write offs, penalties and legal costs.

9.3 The Committee further discussed receiving more robust reports to provide effective challenge to senior officers.

Resolved: That the Committee agreed the proposed internal audit programme for 2023/24.

10. Committee terms of reference (ECARC 115/22)

10.1 The Director, Finance and Corporate Services introduced the report providing the Committee with an opportunity to review further its terms of reference and to make recommendations to the Board for endorsing, in line with the annual review of the Corporate Governance Framework.

10.2 The Committee discussed a possibility of expanding the membership including balancing the membership to include nominated and non-nominated Commissioners.

10.3 There were also discussions around developing a performance dashboard to provide the Committee an opportunity to review overlap within the business.

10.4 It was noted that a revised terms of reference would be brought to the next meeting to agree amendments before recommending to the Commission Board for endorsement.

Resolved: That the Committee reviewed and noted further amendments to be brought back to the next meeting for agreeing, and then recommending to the Commission Board for endorsement.

11. Update on risk appetite session at Board (Oral)

11.1 The Committee noted that the Commission Board had a useful discussion at the November Board meeting on risk appetite, and that the risk appetite was greater than expected.

11.2 It was noted that the Board agreed for a risk register template to be developed, demonstrating the residual risk scores as agreed, and brought back to a future Board meeting.

Resolved: That the Committee noted the oral update.

12. Annual review of risk framework (ECARC 116/22)

12.1 The Director, Finance and Corporate Services introduced the report providing the Committee with the opportunity to review the Commission's risk management framework. Under the corporate governance framework, the Committee is required to review the framework annually.

12.2 The Committee discussed that there had been quite a bit of work that came out of the Commission Board risk appetite session in November, and as such staff colleagues were working through these to embed into the framework.

Resolved: That the Committee noted the contents within the report, and that a further updated framework would be scheduled to a future Committee meeting.

13. Review of organisational risk register (ECARC 117/22)

13.1 The Director, Finance and Corporate Services introduced the report, providing an update on the Commission's organisational risk register, which captured the strategic risks and is presented quarterly to the Audit and Risk Committee as part of our risk assurance.

It was noted that the register had been aligned with the new Corporate Plan for 2022/23 to 2026/27. It was further noted that this paper had been written before the Board's discussion on risk appetite in November 2022, which was also on the agenda for discussion at this meeting.

Resolved: That the Committee noted the report.

14. Update on the Committee's training and development needs (Oral)

14.1 The Committee noted an update on the Committees training needs, in that the Government Internal Audit Agency (GIAA) has offered to include the Commission in their training offer, which would provide the Commission with four sessions each year. Topics would include use of data analytics in internal audit, climate change risk, and cyber security, as well as updates on general developments in audit and accounting.

Resolved: That the Committee noted the update.

15. Schedule of audit recommendations (ECARC 118/22)

15.1 The Director, Finance and Corporate Services introduced the report, providing an update on the agreed internal and external audit recommendations.

15.2 The Committee discussed the process on staff induction during COVID-19 and the changes implemented since then, with additional resources in the Human Resources (HR) and Learning and Development (L&D) teams.

15.3 The Committee suggested a deep dive topic on the new processes and policies developed within the L&D team, inviting the L&D team to deliver these discussions at a future Committee meeting.

Resolved: That the Committee reviewed and noted the updates from the responsible audit owners outlined in the schedule.

16. Registers of interests, gifts, donations and hospitality

(ECARC 119/22)

Resolved: That the Committee noted the report, with minor edits and, further interests to be declared from the Independent Adviser to the Committee.

Meeting ended at 4.40pm.

Date of next scheduled meeting: Tuesday 21 February 2023

---------- Chair

The Electoral Commission

Agenda item 3

Audit and Risk Assurance Committee minutes

Date:	Tuesday 21 February 2023, 2.00pm	
Location:	Video conference	
Present:	Sue Bruce	Chair
	Elan Closs Stephens	
	Stephen Gilbert	
	In attendance:	
	Shaun McNally	Chief Executive
	Kieran Rix	Director, Finance and Corporate Services
	[Name Redacted]	Senior Adviser, Governance
	[Name Redacted]	Senior Adviser, Governance
	[Name Redacted]	Senior Adviser, Planning and Performance [item 12]
	[Name Redacted]	Legal Officer [meeting support]
	Paul Redfern	Independent Adviser to the Committee
	[Name Redacted]	RSM
	[Name Redacted]	National Audit Office (NAO)
	[Name Redacted]	National Audit Office (NAO)
	Alex Attwood	Commissioner [Observing]

Agenda items

1. Apologies and introductions

1.1 The Chair welcomed all to the meeting especially Charlotte Hill from the National Audit Office, at her first Electoral Commission Audit and Risk Committee meeting.

1.2 It was noted that Commissioner Alex Attwood would be attending as an observer.

1.3 Apologies were received from Binnie Goh, General Counsel.

2. Declarations of interest

Resolved: That the Committee noted no new declarations of interests.

3. Minutes (ECARC 120/23)

Resolved: That the minutes of the EC Audit and Risk Committee meeting on 6 December 2022 be agreed.

4. Committee action tracker (ECARC 121/23)

4.1 The Committee discussed items that are remaining on the action tracker and, requested that these be scheduled onto the forward plan of committee business.

Action: Director, Finance and Corporate Services to schedule outstanding topics onto the forward plan of committee business

Action owner: Kieran Rix, Director, Finance and Corporate Services

Resolved: That the Committee noted the report.

5. Forward Plan of Committee business (ECARC 122/23)

5.1 It was noted that the May and June 2023 meeting dates were recorded incorrectly onto the forward plan of committee business. These would be rectified and the new dates circulated to the Committee.

Action: The Committee meeting dates for May and June 2023 to be revisited and new dates circulated.

Action owner: Governance team

Resolved: That the Committee noted the report.

6. Internal audit specification (ECARC 123/23)

At this point the Committee Chair asked that Richard O'Conner from RSM recuse himself from this item.

6.1 The Director, Finance and Corporate Services introduced the report, which the Committee had previously discussed regarding retendering the Commission's outsourced internal audit function, with a view to improving the impact of internal audit on the organisation.

6.2 The Committee discussed some content within the response guidance and questionnaires appendix and on the substantial increase in the cost of retendering.

6.3 It was noted that due to inflation and aiming for the right level of quality and skills to get the right team in place, could mean that we prioritise our budgets to achieve that level of assurance.

6.4 It was further noted that discussions would be held with the Equality, Diversity and Inclusion (EDI) Adviser to the Commission Board, on ensuring that EDI is included throughout the guidance and questionnaires process.

6.5 The Committee discussed the make-up of the panel members who would be evaluating and scoring the potential providers, as there are some differences with the requirements for this retender and the previous one.

6.6 It was suggested that the Accounting Officer, Director, Finance and Corporate Services, Head of Finance and Procurement, Audit and Risk Assurance Committee Chair and the Independent Adviser to the Audit and Risk Assurance Committee, make up the panel to evaluate and score the providers, with the Audit and Risk Assurance Committee Chair as lead.

Resolved: That the Committee agreed the changes in the specification noting minor amends.

Resolved: That the Committee agreed on the panel members for evaluating and scoring providers, with the Committee Chair as lead.

Resolved: That the Committee agreed next steps as laid out in the report.

At this point Richard O'Conner from RSM was asked to join the meeting.

7. Internal audit reports:

Annual tracker survey review **(RSM 3.22/23)**

7.1 RSM introduced the report, providing the completed review of the annual tracker survey in line with the agreed scope of work.

7.2 It was noted that the objective of the review was to assess the effectiveness and efficiency of the end to end processes and key controls over the completion of the annual tracker survey.

7.3 The Committee discussed the approach on sharing survey results to the Executive Team earlier rather than receiving it on an annual basis.

7.4 It was noted that the Director, Finance and Corporate Services would consult with the Head of Research and Evaluation on a timetable to share the survey results with the Executive Team going forward.

7.5 The Committee requested that an update report come back to a future meeting to update the Committee on timetabling survey results to the Executive Team.

Resolved: That the Committee noted the report.

Core financial controls **(RSM 4.22.23)**

7.6 RSM introduced the report, providing an assessment of the effectiveness and efficiency of the core financial controls, that support the achievement of one of our operational objectives.

7.7 The Committee discussed the level of rigour needed to maintain record keeping. It was noted that mandatory finance training was being rolled out to staff colleagues annually to improve budget holders forecasting.

7.8 It was noted that reporting on underspend would be built back into the reporting process.

7.9 The Committee requested that an update report come back to a future meeting to update the Committee on various actions taken from this report.

Resolved: That the Committee agreed the internal audit.

Follow up **(RSM 05.22/23)**

7.10 RSM introduced the report, providing a review to follow up on progress made to implement the previously agreed management actions from previous audits.

7.11 RSM commented that the Commission should be commended for closing off a lot of actions by the due date.

7.12 It was noted that the Director, Finance and Corporate Services and the teams, have ensured that rigour was applied to ensure this work was completed in good time.

Resolved: That the Committee agreed the internal audit.

Progress report **(RSM 2022/23)**

7.13 RSM introduced the report, providing a summary of reports that have been finalised since the last meeting.

7.14 The Committee commented that there had been noticeable differences with the quality of audits recently.

Resolved: That the Committee noted the report.

8. Internal audit strategy 2023/26, (including audit plan 2023/24) (RSM 2022-23/22)

8.1 RSM provided the internal audit plan for 2023/24, working closely with management to produce an audit programme that remains relevant and agile to the changing risk profile of the Commission, and post Covid-19 challenges.

8.2 The Committee discussed allowing time for the work of the Equality, Diversity and Inclusion Adviser to the Commission Board, to start embedding the work being rolled out in the organisation along with the Learning and Development programme which has now been rolled out throughout the Commission.

8.3 The Committee also discussed the programme and timetabling specific audit work for 2023/24.

Resolved: That the Committee agreed in principal with further requirements as discussed to be factored in.

9. National Audit Office (NAO) update (NAO 2022/23)

9.1 The NAO provided a report, detailing the proposed approach for the audit of the 2022/23 financial statements. The reports set out how the NAO have built their assessment of risk, what they base materiality on, those risks expected to be significant and how they will respond to those risks.

9.2 The Committee discussed fraud risk around political party donations, declarations and the increase in auditors fees.

9.3 It was noted that discussions regarding the NAO audit timetable are ongoing due to resources and implications of new auditing standards.

Resolved: That the Committee noted the update.

10. Operational risk register (ECARC 130/23)

10.1 The Director, Finance and Corporate Services introduced the report, which captures operational risks to achieving the actions and activities within the strategic objectives in the corporate plan for 2022/23 to 2026/27.

10.2 The Committee noted that the register was quite lengthy, with minimal information on mitigations and timelines.

10.3 It was suggested for a deep dive topic to come back to a future meeting on operational risks.

Resolved: That the Committee noted the update within the report.

11. Committee terms of reference (ECARC 131/23)

11.1 The Committee received an updated terms of reference since it was last reviewed at its previous meeting, to further review and to make recommendations to the Board for endorsing in line with the annual review of the Corporate Governance Framework.

11.2 The Committee considered scheduling horizon scanning of urgent and non-urgent activities of critical issues that the Committee should be aware of.

Resolved: That the Committee agreed the changes as listed within the report.

12. Schedule of audit recommendations (ECARC 132/23)

12.1 The Director, Finance and Corporate Services introduced the report, providing an update on the agreed internal and external audit recommendations.

Resolved: That the Committee agreed to close completed recommendations.

Resolved: That the Committee noted sufficient progress being made with the remaining recommendations.

13. Registers of interests, gifts, donations and hospitality (ECARC 133/23)

Resolved: That the Committee noted the recent entries to the registers of interests, gifts, donations and hospitality.

Meeting ended at 4.15pm.

Date of next scheduled meeting: Monday 19 June 2023

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