

HOUSES OF THE OIREACHTAS COMMISSION

AUDIT COMMITTEE SECOND MEETING [2015]

Thursday 9th July, 2015 at 12 noon
Room G.12, Kildare House

MINUTES

Members Present

Mr Eddie Sullivan (Chairperson)
Mr Bryan O'Sullivan
Mr Cyril Maybury

Mr Sean Fleming TD
Mr Peter Mathews TD
Mr Charles Hearne

Apologies were received from John Browne TD.

Also in attendance were:

Ms Bridget Doody, Office of the Commission and Secretary General.
Ms Ita Ní Dhonnchadha, Internal Auditor.
Ms Karen Kehily, Accountant, Finance Unit for items 4, 5 & 6.
Ms Anne Marie O Regan, Finance Unit for items 4 & 5
Ms Margaret Crawley, Principal Officer, HR Services for item 6 & 7
Ms Yvonne Rowland, Assistant Principal, HR Member Services for item 7
Mr Ciaran Smith, Head of Member Services for item 8
Mr Stephen Mooney, AP Member Services for item 8

Ms Susan Moran, Secretary to the Committee.

1. Conflict of Interest

There were no conflicts of interest to declare.

2. Minutes of previous meeting

The minutes of the meeting of 16th April 2015 were agreed.

3. Matters arising from previous meeting

The Committee noted correspondence received from the Department of Public Expenditure and Reform, clarifying that the Department is satisfied with the format of the accounts in use by the Commission as set out in primary legislation under the Houses of the Oireachtas Commission Acts 2003 to 2013.

4. Reports from the Risk Management Committee

- **Draft Strategic Risk Register for the Oireachtas Service**

Ms Bridget Doody, Head of the Office of the Commission and Secretary General, presented the Draft Strategic Risk Register for the Service, noting it had been prepared in consultation with

the Service's Risk Management Committee, Mr Aidan Horan, Institute of Public Administration, and had been circulated to all Principal Officers for input.

She noted that the Service currently has an operational Risk Register where each individual section has identified the risks which may prevent the achievement of the section's objectives resulting in actual quantifiable loss to the Service. She advised that as part of the Service's Risk Management Framework, operational risks classified as "near misses" and "materialisation" are reported on to MAC on a monthly basis and to the Audit Committee on a quarterly basis.

The Committee discussed the Draft Strategic Register noting it identifies the primary risks to the successful delivery of three strategic objectives and the actions the Service is taking to mitigate those risks.

The Committee noted the report and noted that the strategic risks would be reported on a quarterly basis to the MAC and the Audit Committee.

- **Risk Management Policy**

Ms Karen Kehily, Accountant, Finance Unit, presented the Service's updated Risk Management Policy, noting the previous Policy was approved in 2011. The Risk Management policy sets out a risk management system which will provide more robust, measurable and effective risk management; which will act as an aid to planning and reviewing activities; and which will also provide a comprehensive review of BCP activities underway and required.

In noting the Policy, the Committee recommended that "Risk Appetite" be defined in page 10.

5. Risk Materialisation Report

Ms Karen Kehily, Accountant, Finance Unit, presented the Risk Materialisation Report for the period 1st March 2015 – 31st May 2015. The Committee again noted that there was a 100% response rate from sections which was a good reflection on work done in embedding a culture of risk management within the Service.

The Committee noted the report.

6. Update Report to Audit Committee on Review of the Service's practice and procedures for the hiring of contractors and their employment classification

Ms Margaret Crawley, Principal Officer HR, and Ms Karen Kehily, Accountant, presented an update to the Committee on the review of the Service's practice and procedures for the hiring of contractors and their employment classification.

The Committee noted the update.

7. Internal Audit Reports

Ms Ita Ní Dhonnchadha, Internal Auditor, presented details of the Internal Audit Report on the Processing of the Payroll for the Scheme for Secretarial Assistance.

There were eight procedural recommendations arising from the Audit, all of which have been accepted by management.

The Committee noted the report.

8. Update to Audit Committee on the process governing the payment of the Members' Travel and Accommodation Allowance (TAA)

Mr Ciaran Smith, Principal Officer, and Mr Stephen Mooney, Assistant Principal, Members' Services, briefed the Committee on the processes governing the payment of the Travel and Accommodation Allowance (TAA) to Oireachtas Members.

The Committee noted the update and were satisfied that the Service is operating in compliance with the statutory requirements governing the payment of the allowance.

The Committee further noted that any changes to the system for Members' allowances is a matter for the Department of Public Expenditure and Reform, being the regulatory authority in the matter.

9. Report on Status of Implementation of previous Internal Audit Recommendations

Ms Susan Moran, Internal Audit Unit, presented details of the review of implementation of Internal Audit Recommendations.

She noted the overall position in July 2015 is that of the 85 outstanding recommendations, 63 have been implemented; 20 recommendations are in the process of being implemented; and 2 will not be implemented as one has been overtaken by Public Service Reform initiatives and the other has been overtaken by the introduction of primary legislation.

The Committee noted the Report and asked that the next review again focus on the three historical recommendations outstanding for the period 2010-2012 setting out the reason for the delays in full implementation.

10. Any other business

Items for noting

- i) Information note on the Draft Corporate Governance Standard for Central Government Departments.
- ii) Information note on the Amended Code of Practice for the Governance of State Bodies.

The Committee noted the information note on the Draft Corporate Governance Standard for Central Government Departments and the information note on the Amended Code of Practice for the Governance of State Bodies.

The meeting was adjourned at 1.55 pm.



Eddie Sullivan

Chairman