

HOUSES OF THE OIREACHTAS COMMISSION

AUDIT COMMITTEE

THIRD MEETING [2018]

Thursday, 27th September, 2018 at 2:00 pm
Room 1.60, 5 Storey Block, Leinster House

MINUTES

Members Present

Mr Pat McLoughlin, Chair
Senator Victor Boyhan

Mr Cyril Maybury
Mr Charles Hearne

Senator Catherine Ardagh
Ms Noreen Fahy

Also in attendance were:

Ms Mellissa English, Head of Internal Audit and Parliamentary Legal Adviser.

Mr Jerome Flanagan, Internal Audit Unit, Secretary to the Committee.

Mr Paul O'Neill, Kosi Corporation; Mr Derek Dignam, Head of Communications and Mr Jason Kiernan, Communications Unit for Item 4.

Ms Karen Kehily, Accountant and Ms Anne-Marie O'Regan, Finance Unit for Item 5.

Mr Ciaran Smith, Principal Officer, Members' Services, International & Travel Services and Ms Erin Ó Seaghdha, Assistant Principal, Members' Services for Item 6(a).

Ms Caroline Pyers and Mr Cahal Crilly, Kosi Corporation; Ms Máirín Devlin, Principal Officer, Office of the Commission & Secretary General and Ms Karen Kehily, Accountant, Finance Unit; Mr Ciaran Smith, Principal Officer, Members' Services and International Division, Ms Erin Ó Séaghdha, Members Services (Catering) and Ms Anita Wolfe, Bookkeeper (Catering) for Item 6(b).

Mr John Crean, Deputy Director of Audit and Mr Dinos Christodoulides, Senior Auditor from the Office of the C&AG; Ms Máirín Devlin, Principal Officer, Office of the Commission & Secretary General and Mr Conor Morrison, Finance Officer for Item 7.

The meeting convened at 2:05 pm.

Apologies

Apologies were received from Senator Ned O'Sullivan.

1. Disclosure of Conflicts of Interest

No conflicts of interest were declared.

2. Minutes of previous meeting

The minutes of the meeting of 9 May 2018 were agreed.

3. Matters arising from the previous meeting

The investigation into the Committee's role and remit compared to the audit function of other public bodies is still ongoing. See Item 8.

4. Report on the Audit of Social Media Use

Mr Jerome Flanagan, Internal Audit together with Mr Paul O'Neill, Kosi Corporation presented this Report. The overall opinion given was of reasonable assurance – this is the highest level of assurance which can be given. The audit identified 10 recommendations – 1 significant, 2

important and 7 procedural. Mr Dignam noted that management would be implementing the recommendations of the Report.

The Committee agreed the Report.

5. Risk Materialisation Report

There were a total of eight risks reported on by Ms Kehily in the period 1 April 2018 to 30 June 2018. They were made up of the following – microphone switching in the Dáil Chamber; a PQ improperly appearing on the question paper; email database access; an ICT outage that affected Lotus Notes (email); lift in Merrion Building out of order for a week; ICT server shutdown due to human error; email database access problem on one server; and delays for members and staff accessing email remotely.

Members of the Committee commented that some of the explanations provided in relation to the IT risks were difficult to understand. The Committee suggested that, going forward, IT language be fully explained in risk reports so that they are understandable for all.

The Committee noted the Report.

6. (a) Update on implementation of credit arrangements in catering facilities for Members

Mr Smith updated the Committee on the position of the new protocol that had been introduced as of 23 April 2018 and which were approved by the Houses of the Oireachtas Commission last December. Mr Smith noted that by end of July 2018, there were approximately 70 Members signed up to either to the Bar or Restaurant credit facility and 65 to both. Mr Smith pointed out that money was now being collected electronically.

The Committee noted that significant progress was being made and that the figures on debts were improving. The Committee endorsed Mr Smith's actions to date and agreed that he should continue with the approach outlined.

The Committee noted the report.

6. (b) Report on the Audit of the Bar & Restaurant

Jerome Flanagan, Internal Audit Unit, together with Ms Caroline Pyers and Mr Cahal Crilly, Kosi Corporation presented this Report. There were two parts to this audit. The first part covered the internal controls in the Bar & Restaurant area while the second part centred on the financial controls in place. This audit used a different assurance system which has five levels – excellent, substantial, adequate, limited and poor. Both parts of the audit received 'Substantial' assurance.

The Audit Committee sought clarification from the internal auditors on the level of assurance given in respect of the internal controls element of the audit. This was provided in writing to the Audit Committee members who, in corporeally, agreed the assurance level provided.

The Committee adjourned discussion on this item on the day. Subsequently, the Audit Committee sought clarification from the internal auditors on the level of assurance given in respect of the internal controls element of the audit. This was provided in writing to the Audit Committee members who, in corporeally, agreed the assurance level provided and thereby agreed the audit report by emails dated 22 October 2018.

7. Comptroller & Auditor General Report 2017

Mr John Crean, Deputy Director of Audit and Mr Dinos Christodoulides, Senior Auditor from the OC&AG's Office presented the details of this Report. They noted that none of the recommendations they made rated 'High' and that the Houses of the Oireachtas had received a

clear certificate. The C&AG also noted that, while fully satisfied with the audit of the Bar & Restaurant's accounts, they recommended that, going forward, the Service engage an independent consultant (outside of the Internal Audit function) for independent verification purposes.

The Committee noted the report.

8. Decision to insert attendance figures into Annual Reports

Ms Mellissa English, Head of Internal Audit and Mr Jerome Flanagan, Internal Audit briefed the Committee on this item.

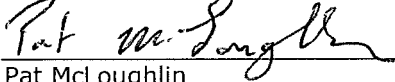
In relation to item 3 above, the Committee agreed to put this item on the agenda for the next meeting for an update pending review of the Internal Audit Charter, Terms of Reference and a comparative approach by similar bodies.

The Committee agreed to record attendance at meetings from 1 January 2019 in the form of a grid.

9. Any other business

There was no other business. The next meeting was set for Wednesday 5 December 2018.

The meeting was adjourned at 5:10 pm.

 5/12/2018

Pat McLoughlin

Chairman