



Coimisiún Thithe
an Oireachtais
Houses of the
Oireachtas Commission

AUDIT COMMITTEE

First Meeting 33rd Dáil/26th Seanad [2020]

Monday 21st September 2020 at 3pm [MS Teams]

MINUTES

Members of Audit Committee Present

Mr Pat McLoughlin (Chair)
Deputy Francis Noel Duffy TD
Senator Victor Boyhan
Deputy Mairéad Farrell TD
Deputy Emer Higgins TD
Mr Cyril Maybury
Ms Noreen Fahy
Mr Charles Hearne

Also, in attendance were:

Bernard Barron, Partner, Mazers; Ciaran Smith, Principal Officer, and Stephen Mooney, Assistant Principal of Member Services;

Máirín Devlin, Head of Internal Audit & Chief Risk Officer; Catherine Kiernan, Internal Auditor; Aisling Byrne, Business & Policy Analyst and Declan Bale, AP Office of the Commission & Secretary General.

The meeting convened at 3pm.

The Chair welcomed the members to the first meeting of the newly appointed Audit Committee of the Houses of the Oireachtas Commission for the 33rd Dáil/ 26th Seanad.

1. Conflict of Interest

Charles Hearne declared a conflict of interest in relation to *Item 3: Program of Internal Audit Q4 2019 and 2021* that included audits of IT areas, because of his former role as Head of the Service's ICT Unit.

2. Minutes of previous meeting and matters arising

The minutes of the meeting of 4th December 2019 were agreed.

Máirín Devlin, Head of Internal Audit, gave an update on the policy and procedures in place for dealing with amounts due from Estates arising from Ciste Pinsean overpayments as requested by the Committee at its meeting on 4th December 2019. The Audit Committee noted the update.

The Committee were also informed that the *Review of the system for recording attendance*, is being carried out by an independent reviewer and is at consultation phase. As agreed at its last meeting, the Audit Committee will consider the report as an agenda item once concluded.

3. Audit Committee Annual Report 2019

The Committee noted that the Annual Report of its activities in 2019, which incorporated feedback received from the Audit Committee, was published.

The Committee noted that it had been agreed to review the format and detail presented in the Annual Report and that it was proposed that the Committee would do this in preparation for the 2020 Annual Report.

4. External Audit of the Public Representative Allowance (PRA) Payment 2018

Bernard Barron, Partner, Mazers presented the Audit Report to the Committee. Ciaran Smith and Stephen Mooney of Members' Services also attended for this item.

The Audit Committee discussed and noted the following:

- The audit report, the audit findings, the audit opinion and the auditor's recommendations;
- The audit approach and purpose;
- The size of the sample (random 10% of members). The Committee noted that the regulations state at least 10%;
- That the audit recommendations have been incorporated into the guidelines that govern PRA payments and that the updated Guidelines have been published and provided to members;
- That supports are in place to assist first-time members who are drawing down the allowance for the first time following their election to the Dáil and Seanad.

Following discussion, the Audit Committee noted the Audit of PRA Payments 2018 Report; noted the overall opinion of the auditor; noted the four recommendations that have been incorporated into the PRA Guidelines; agreed to the publication of the report to the Oireachtas website, and agreed to keep the size of the audit sample under review every year.

5.1 Internal Audit: Report of the Houses of the Oireachtas Staff Salaries & Overtime Payments.

The Audit Committee noted and welcomed the appointment of an in-house audit professional, Catherine Kiernan, to the Oireachtas Service as recommended by the *Internal Audit External Quality Assessment (EQA) Report 2019*.

Catherine Kieran presented the *Internal Audit Report of the Oireachtas Staff Salaries & Overtime Payments* for two business areas. The Committee noted that KOSI Corporation was engaged to conduct the audit on behalf on Internal Audit.

The Audit Committee discussed the following:

- the audit findings, assurance level, recommendations and management response;

- the need of overtime to support Oireachtas sitting hours;
- the overtime claims approval processes;
- ensuring fair opportunity and means of distributing overtime hours to those who want and can do overtime, when available;
- the timelines for putting those staff who are not on an electronic system for recording attendance onto a system, and associated constraints and concerns about the timelines to achieve this, and
- issues around the impact of remote working (COVID-19) on the management of attendance hours, including ensuring compliance with Working Time Act obligations, supporting staff health and safety, and managing probation of new staff who are working remotely.

Following discussion, the Audit Committee approved the *Internal Audit Report of the Houses of the Oireachtas Staff Salaries & Overtime Payments* and asked to be kept advised on the implementation of the report's recommendations.

5.2 Internal Audit: Review of implementation of Audit Recommendations

Catherine Kieran, Internal Auditor presented the summary report on the implementation of internal audit recommendations.

The Committee noted that the Internal Auditor worked with the business owners' during the past few months to follow up on audit recommendations regarding their business areas. Arising from that exercise, 57 Internal Audit Recommendations were being submitted to the Audit Committee for closure due to the, (i) implementation of the recommendation, or (ii) the recommendation being superseded by new processes and/or systems, or (iii) the recommendations being no longer valid.

Following discussion, the Audit Committee agreed to close 56 of the 57 recommendations with one recommendation held open awaiting further clarification being provided to the Audit Committee.

The Audit Committee welcomed the revised format of the recommendations tracking summary report.

5.3 Internal Audit: Programme of Internal Audit Q4 2020 - 2021

The Audit Committee considered the risk based draft work programme of Internal Audit for Q4 2020 and 2021 that the Secretary General submitted to the Committee for consideration.

The Committee noted that the Internal Audit Work Plan for Q4 2020 and 2021 lists a total of six areas for audit review, ICT, Finance Unit, and Office of the Commission and Secretary General (OCSG) business areas and on Business Continuity Planning that spans all business areas.

The Committee noted that independent audits are also carried out annually on the Public Representative Allowance (PRA), An Ciste Pinsean and on the Bar and Restaurant Account.

The Committee commented on the ambition of the plan within the time period and noted that Internal Audit will develop a detailed schedule for the work plan, including risk, scope, and start and finish timelines, based on available resources, internal and external.

The Committee welcomed the inclusion of an audit of ICT security on the plan and noted that external expertise in information technology auditing should be made available to

support this audit review. The Committee noted that cyber security is identified as a strategic risk under the Government's National Risk Assessment framework.

Following discussion, the Audit Committee agreed the Internal Audit Work Program for Q4 2019 and 2021 subject to review as circumstances or any changes in the organisations business, risks, operations, programs, systems and controls.

6. Risk Management Strategy and Framework

Máirin Devlin, Chief Risk Officer presented the following items to the Committee. Aisling Byrne, Business & Policy Analyst OCSG also attended for this item.

- (i) Risk Management Strategy and Framework
- (ii) Risk Management Report Q2 2020
- (iii) Review of the Risk Management Process – March 2020

The Audit Committee noted the reports and noted that further updates on risk would be provided at the next Audit Committee meeting.

7. Schedule of meetings

It was agreed to schedule two meetings before end 2020.

8. AOB

No item was raised

9. Adjournment

The meeting was adjourned at 5.25pm



Pat McLoughlin
Chair, Audit Committee
2nd November 2020