

Audit Committee Report for Board Information 16 March 2017

The Audit Committee (AC) met on 2 March, 2017

Key Items to note

1. Internal Audit Programme

Mazars have confirmed that all areas were on track with no major concerns. There was a proposed audit on Risk and Governance.

Three internal audit reports were received:

- HR payroll processes – three Priority 2 and five Priority 3 recommendations were reported, however this was changed following a discussion with management as this was felt to be unfair
- Fee income model – overall assurance level was given as substantial on fee income and they reported one Priority 2 and three Priority 3 recommendations, one of which was also raised in the 2015/16 audit
- Fees review – the report provided substantial assurance with no recommendations to report.

The Committee noted there were no major concerns reported and adequate assurance was received overall.

Forward plan - The Committee also considered the draft internal audit plan for 2017/18. This will be finalised at the May meeting.

2. External Audit

The interim audit has been completed and minor issues raised have now been addressed. The external auditor confirmed that the timescales for the audit were on track.

3. Governance and Policy

Risk Management update – the Head of PMO presented proposed changes to the Risk Framework and the Corporate Risk Register. The Committee welcomed the proposed changes, confirming they agreed it was a thorough paper and made suggestions that would further enhance the register. The Board assurance paper needs further development and both will return to a future meeting.

Future risk deep dive sessions for the next year were agreed, these will be Anti-money laundering, Cyber Security and Enforcement.

4. Audit Committee Forward Look

The forward look for the next three meetings was agreed with the addition of standing items, Whistleblowing and Fraud. A list of Commission policies will be brought to the next meeting for discussion to ensure a plan for appropriate ongoing review.

5. Annual Report and Accounts

The Head of Communications outlined the plans for the Annual Report timetable and asked the Committee to note the potential date issues caused with the change of the June Board meeting date. AC will now meet on the original meeting date to ensure that AC can recommend accounts for approval. The sign-off of the Annual Report may need to be delegated to the Chair of the Commission and Chair of the AC to meet with NAO timescales.

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