



Northern Ireland Social Care Council  
4<sup>th</sup> Floor James House  
2 Cromac Avenue  
Belfast | BT7 2JA

Tel: 02895362600  
Web: [www.niscc.info](http://www.niscc.info)

**Audit and Risk Assurance Committee**  
**Unconfirmed minutes**  
**Wednesday 4<sup>th</sup> October 2023 at 10:30am**  
**Via Zoom**

**Present**

Gerry Guckian, Chair, Northern Ireland Social Care Council Board Member  
Lesley Mitchell, Audit and Risk Assurance Committee Member

**In Attendance**

Declan McAllister, Director of Registration and Corporate Services  
Patricia Higgins, Chief Executive  
Jennifer McCaw, BSO Internal Audit  
Marian O'Rourke, Director of Regulations and Standards  
Rachel Porter OBO Stephen Knox, NIAO  
Zyrus Johan Bati, Deloitte  
Hollie Bishop, Secretariat

**Observer**

None

**Apologies**

Sandra Stranaghan, Head of Business Services  
Ian Kelsall, Deloitte  
Jacqui McGarvey, Northern Ireland Social Care Council Board Member

| Item               | Agenda   | Action |
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| <b>Formalities</b> |  |        |
| <b>1.</b>          | <b>Welcome and Apologies</b>   |        |
| 1.1                | The Chair welcomed members to the meeting. He noted that Rachel Porter was attending on behalf of Northern Ireland Audit Office today. |        |
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| <b>2.</b>          | <b>Conflicts of Interest</b>   |        |
| 2.1                | No conflicts of interest were declared.  |        |
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| <b>3.</b>          | <b>Chairs Business</b>   |        |

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| 3.1        | The Chair advised that he will be attending the Department of Health ALB Audit and Risk Committee Chair's Forum on the 17 <sup>th</sup> October 2023. He informed members that no agenda has been released to date, but asked if there are any concerns or queries to be brought to the forum can they be emailed directly to him ahead of the 17 <sup>th</sup> October.   |                    |
| 3.2        | The Chair noted an apology from Board Member, Jacqui McGarvey and advised that the meeting is still quorum and able to proceed today with himself and Lesley Mitchell present.   |                    |
| 3.3        | The Chair advised that the vacant post for a member with financial expertise for the Social Care Council Board and Audit and Risk Assurance Committee has now gone to the Public Appointments Unit and hopefully the position will be appointed soon.  |                    |
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| <b>4.</b>  | <b>Minutes of the Previous Meeting of 14<sup>th</sup> June 2023 – Paper A</b>  |                    |
| 4.1        | Audit and Risk Assurance Committee member, Lesley Mitchell, highlighted a small typo at item 6.1.1, the word remuneration needs to be corrected.   | <b>Secretariat</b> |
| 4.2        | Members agreed to approve the minutes as a true and accurate record once the above amendment is made.  |                    |
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| <b>5.</b>  | <b>Matters Arising</b>   |                    |
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| <b>5.1</b> | <b><u>Climate Change</u></b>   |                    |
| 5.1.1      | <p>The Chair advised that at the previous meeting of 14<sup>th</sup> June, Audit and Risk Assurance Committee member, Lesley Mitchell, had raised the issue of Climate Change and it was agreed a Board Strategic workshop would be convened to discuss this matter. The Director of Registration and Corporate Services informed members that the plan was to bring this onto the agenda of a Board Strategic session and extend the invitation to Lesley Mitchell to attend this workshop for discussion. He advised that the Climate Change Act for Northern Ireland received royal assent in June 2022 and requires the development and publication of a 5-year climate action plan. These plans are the key delivery vehicle for meeting carbon neutral budgets and green agenda for the upcoming years.</p> <p><b>ACTION:</b> Secretariat to share the details of the Strategic Session reviewing climate change with Lesley Mitchell.</p> | <b>Secretariat</b> |
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| <b>5.2</b> | <b><u>BSO Confirmation of Acceptance of Recommendations</u></b>  |                    |
| 5.2.1      | The Director of Registration and Corporate Services reported that the formal letter of confirmation from BSO of acceptance of  |                    |

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| 5.2.2      | <p>recommendations following Lesley Mitchell's report on Deferred Income Accounting has been received, dated 16<sup>th</sup> June. Emma Thompson, Assistant Director of Finance, has confirmed that all recommendations relating to BSO will be supported and implemented.</p> <p>Members noted the BSO confirmation of acceptance of recommendations.</p>  |  |
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|            | <b>External Audit</b>   |  |
| <b>6.0</b> | <b>Report to Those Charged with Governance – Paper B</b>  |  |
| 6.1        | <p>External Auditor, Zyrus Johan Bati, spoke to the Report to Those Charged with Governance with the following key points:</p> <ul style="list-style-type: none"> <li>• No significant changes from the last review at the Audit Committee on 14<sup>th</sup> June</li> <li>• The Comptroller and Auditor General certified the 2022-23 financial statements with an unqualified audit opinion, without modification.</li> <li>• There are no adjusted misstatements during the course of the audit identified.</li> <li>• No irregular expenditure has been found as the £20k uncorrected misstatement was discussed in length at the previous Audit Committee and it was agreed this would remain unadjusted.</li> <li>• No audit findings for review.</li> </ul>   |  |
| 6.2        | <p>Members noted the Report to Those Charged with Governance and commended the Social Care Council on obtaining an unqualified audit opinion and no audit findings.</p>   |  |
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|            | <b>Internal Audit</b>   |  |
| <b>7.1</b> | <b>Internal Audit Progress Report - Paper C</b>   |  |
| 7.1.1      | <p>Internal Auditor, Jennifer McCaw, provided an overview of the Internal Audit Progress report with the following key points:</p> <ul style="list-style-type: none"> <li>• 24% of the SLA audit days as of now. The rest of the audit plan has been agreed with the Chief Executive and Director of Registration and Corporate Services to the year-end to ensure all work is completed.</li> <li>• Two reports in the pack today: Risk Management and Mid-Year Follow-Up Report.</li> <li>• In relation to Risk Management; <ul style="list-style-type: none"> <li>○ Satisfactory assurance has been given provided on the basis that the principle risks to the Council and the corporate objectives are considered through the corporate risk register and the assurance framework document.</li> </ul> </li> </ul> |  |

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|       | <ul style="list-style-type: none"> <li>○ The operational risks and composite register are all taken through the appropriate governance structures with the Senior Leadership Team, Risk Management Committee and the Audit and Risk Committee.</li> <li>○ The strategy provides details of the Council's appetite for risk to assist decision makers approach to risk management.</li> <li>○ There were a number of areas identified in the audit that would add improvement to the system.</li> <li>○ In review of the composite departmental risk register and corporate risk register, reports identified:</li> <li>○ The assurances listed under the Corporate Oversight and Operational Control, are generally embedded within the 'controls' column on the risk register rather than listed as assurance sources. Some risks do not have any identified assurance sources.</li> <li>○ Each risk is recorded on Decision Time and the owner is required to RAG rate the control effectiveness for each identified control. The RAG rating is not visible on the risk register reports that are provided to the Audit and Risk Assurance Committee and Internal Audit believes this information would be particularly useful to members.</li> <li>○ Other findings: 54 (93%) of 58 staff have not refreshed their risk management training annually as required and training is not completed by the non-executive directors.</li> <li>○ The Risk Management Procedure needs to be reviewed. The Strategy was last updated in June 2023 and requires approval by the Audit and Risk Assurance Committee.</li> </ul> |  |
| 7.1.2 | <p>Discussion took place regarding the benefits and potential disadvantages of including a RAG rating for each identified control in the risk reports produced to Audit and Risk Assurance Committee members as the overall risk RAG rating is visible. Members expressed concerns that an additional control RAG rating may lead to confusion and agreed to the amendments with the request that any significant changes to RAG ratings are flagged for Audit members in a brief summary at the beginning of the report.</p>   |  |
| 7.1.3 | <p>Internal Auditor, Jennifer McCaw, agreed with members that it is acceptable to extend risk register training to be renewed every three-years. She also advised that in some organisations training is delivered on an ad hoc basis with those sitting as risk owners taking training annually and other colleagues with less interaction with risks taking the training every three-years. The Director of Registration and Corporate Services informed members that a</p>   |  |

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|            | <p>two-day risk register training workshop was run in 2018 for all Board Members with an independent trainer. Since then, there has been ongoing engagement around risk, however there has not been a separate event of formal risk training. He advised that the new online risk management programme will allow for more efficient training and greater monitoring of training statuses for all non-executives.</p>   |  |
| 7.1.4      | <p>Internal Auditor, Jennifer McCaw, spoke to the BSO Shared Services Report with the following highlights:</p> <ul style="list-style-type: none"> <li>• Two reports in the Shared Services environment: The Accounts Receivable which was given a satisfactory assurance on the basis that are adequate processes which are operating across the range of their responsibilities. The Accounts Payable received satisfactory assurance and no deterioration in the controls has been noted since the last audit. Although it is noted that whilst satisfactory assurance has been provided there are a large number of findings reported and would encourage management to fully address the recommendations. In particular, the need to strengthen the Business Continuity Plan in a number of areas.</li> <li>• It is anticipated that there will be significant impact on both of the Shared Service environments over the current and next financial year due to the demands of the Equip programme and careful planning will be necessary to manage the anticipated increased demands.</li> </ul> |  |
| 7.1.5      | <p>Members discussed the anticipated impact of the integration of the new Equip system and what steps the Social Care Council can take to prevent any increased risk. The Director of Registration and Corporate Services reassured members that he sits on the DHCNI Board and will be prepared to react as necessary to any arising issues with the Equip programme rollout.</p>  |  |
| <b>7.2</b> | <b>Mid-Year Follow Up on Internal Audit Recommendations – Paper D</b>   |  |
| 7.2.1      | <p>Internal Auditor, Jennifer McCaw, presented the Mid-Year follow up on Internal Audit Recommendations with the following key points:</p> <ul style="list-style-type: none"> <li>• 28 (78%) of the 36 recommendations examined are now fully implemented</li> <li>• 8 (22%) are partially implemented</li> <li>• 4 of the reports are now at 100% implemented, including the Complaints Report.</li> </ul>   |  |
| 7.2.2      | <p>Audit and Risk Assurance Committee member, Lesley Mitchell, noted that a number of older recommendations from 2018/19 are being progressed and are projected to be fully implemented by</p>  |  |

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|            | <p>December 2023. She advised that the IT Audit Data Flow Mapping recommendation does not have a date identified. The Director of Registration and Corporate Services reported that this recommendation is anticipated to be completed by December 2023 but may run on slightly later. He informed members that the Social Care Council has now connected into the Government survey system which holds all the relevant data flow mapping, however the documentation has not yet been obtained and brought across to the Council systems.</p>  |  |
| 7.2.3      | <p>The Director of Registration and Corporate Services advised members that password management and the creation of single sign on are not within the control of the Social Care Council but rather sit with BSO ITS. However, Internal Audit Assistant Director Catherine McKeown has requested that this remain as an action on all ALB Audit Recommendations. Internal Auditor, Jennifer McCaw advised that this is because the risk lies with Social Care Council and not BSO ITS even if the control does not.</p>   |  |
| <b>7.3</b> | <b>Internal Auditor Mid-Year Assurance Statement - Paper E</b>  |  |
| 7.3.1      | <p>Internal Auditor, Jennifer McCaw, presented the Internal Auditor Mid-Year Assurance Statement for noting and approval to the Audit and Risk Assurance Committee.</p>   |  |
| 7.3.2      | <p>Members noted and approved the statement with no additional comment.</p>   |  |
| <b>7.4</b> | <b>Internal Audit General Annual Report 2022/23 -Paper F</b>  |  |
| 7.4.1      | <p>Internal Auditor, Jennifer McCaw, spoke to the Internal Audit General Annual Report with the following points:</p> <ul style="list-style-type: none"> <li>• Report provides the summary of the spread of assignments across HSC where 49% of the audit assurance reports provided has satisfactory assurance provided and 14% were either split satisfactory or limited assurance provided and the remaining had a small number of unacceptable.</li> <li>• In total 58% of the assurances provided in 2022/23 were considered above the line; either satisfactory or mainly satisfactory which left 42% as below the line.</li> <li>• In 2022/23 82% of recommendations were fully implemented across the sector with 16% being partially implemented. This is the highest percentage of implementations across all organisations.</li> <li>• There has been a downward trend in the percentage of wholly satisfactory assurances across the HSC. In 2022/23 is the first year this percentage has dropped below 50%.</li> <li>• If the downward trend continues there is a potential that BSO Internal Audit will need to overall limit assurances within organisations. There needs to be a renewed focus on</li> </ul> |  |

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|            | staff training and the key processes and controls as well as a reduction in the number of outstanding recommendations to assist in reducing this downward trend in satisfactory assurances.   |  |
| 7.4.2      | Audit and Risk Assurance Committee member, Lesley Mitchell, commended the service that Internal Audit provides, recognising the breadth of information and services reviewed.   |  |
| <b>7.5</b> | <b>Internal Audit Charter – Paper G</b>   |  |
| 7.5.1      | Internal Auditor, Jennifer McCaw, presented the Internal Audit, Audit Charter with the following key points: <ul style="list-style-type: none"> <li>• The Charter defines internal audit's activities, purpose, authority and responsibilities and is reviewed by Senior Management and Audit Committee's every two years. It is reviewed against the Public Sector internal audit requirements.</li> <li>• There are no substantial changes to the content there is some extended commentary in certain sections.</li> </ul> |  |
| 7.5.2      | Members discussed the recent resourcing issue faced by Internal Audit and whether the Audit Charter provides reassurance that there has been a stabilisation of resourcing to delivery fully. Internal Auditor, Jennifer McCaw, reassured members that significant headway has been made with resourcing issues and there are no anticipated issues in delivering what is outlined within the charter.  |  |
| <b>8.0</b> | <b>Social Care Council Mid-Year Assurance Statement – Paper H</b>   |  |
| 8.1        | The Chief Executive presented the Social Care Council Mid-Year Assurance Statement with the following key points: <ul style="list-style-type: none"> <li>• One divergence has been identified – the dilapidations cost for Millennium House was projected to cost £138k which was accrued in anticipation. However, it has been identified that the decant from Millennium House will result in dilapidation costs of £438k as a result of the landlords request to fully strip out the premises.</li> </ul>                  |  |
| 8.2        | Members agreed to review the Millennium House Dilapidations paper (Paper L) at this time to better inform discussions.  |  |
| 8.3        | The Director of Registration and Corporate Services provided an overview of the Millennium House Dilapidations report with the following key points: <ul style="list-style-type: none"> <li>• An initial assessment of dilapidations by the Department of Health Estates 2016 estimated a dilapidation cost of £138k</li> </ul>   |  |



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|                           | <p>and a follow-up assessment by an independent assessor estimated a figure of £117k in March 2023.</p> <ul style="list-style-type: none"> <li>• In negotiations the landlord presented a figure of £468k highlighting a right within the lease by which the landlord could choose to seek reparations to take the internal refurbishment completed by the Social Care Council in 2001 back to the building shell. The independent assessors were able to reduce this figure to £438k through negotiation but legal advice was that the sum was indeed payable.</li> <li>• The Social Care Council has further obtained assurance from the Department of Health that the estates independent assessors' opinion of £438k is appropriate and costs have been agreed with the Director of Estates in the Department of Health. Additionally, legal cover has been provided by the Social Care Council's solicitor and a deed is being drawn up to arrange for costs to be paid.</li> <li>• The Director of Finance at the Department of Health have agreed to review the financial position of the Council in December/January to try and reduce the £300k pressure, however if by January 2024 no additional surplus can be produced by the Social Care Council then a release of up to £300k of non-recurrent funding would be provisioned by the Department to cover this cost.</li> </ul> |  |
| 8.4                       | <p>Discussion took place regarding the original projected dilapidations costs and why the possibility of an increased figure was not presented earlier to the Social Care Council. The Director of Registration and Corporate Services advised members that the copy of original lease signed in 2005 by the Department of Health and held by the Social Care Council is incomplete and did not include an annex outlining the dilapidations clause allowing the landlord to request that the internal refurbishment be returned to its original building shell. Furthermore, a review of the lease in 2016 by the Department of Health Estates Division identified dilapidation costs as £138k. There was no reason why the Council would have questioned this cost at that time. . The Social Care Council obtained access to the original lease in full with the annex included, through the independent assessor's investigations that was presented by the Landlord in June 2023.</p>  |  |
| 8.5                       | <p>Members approved the Social Care Council Mid-Year Assurance Statement and noted the report on the Dilapidations position.</p>  |  |
| <b>Governance Matters</b> |   |  |
| 9.1                       | <b>Risk Progress Report at September 2023 – Paper I</b>   |  |
| 9.1.1                     | <p>The Director of Registration and Corporate Services presented the Risk Progress Report with the following highlights:</p> <ul style="list-style-type: none"> <li>• This is the first risk report following the identification of the risks aligned to the Strategic Plan.</li> <li>• 9 strategic risks have been identified by the Board aligned to the Strategic Plan. 3 of these are assessed as high risk,</li> </ul>   |  |



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|            | <p>6 are assessed as medium risk and there are currently no extreme or low strategic risks.</p> <ul style="list-style-type: none"> <li>• The Fitness to Practise Function risk is currently assessed as high level with a score of 8 however it is only assessed as high due to the risk impact and not the likelihood. The risk is currently managed to the lowest likelihood possible as good resources are in place to manage the business of Fitness to practise and meet KPIs.</li> <li>• Resourcing of development of the Social Care Workforce is assessed as high level 16. This risk has been reworded and is now focused on developing capability through educations, training, support and career profile work to support the workforce.</li> <li>• The key high-level risk facing the organisation at present is the Management of Financial Resources with a current level of assessment: high level at a score of 15. This risk includes the dilapidations position which is currently projected to result in a deficit from October 2023 until the money is reimbursed by the Department of Health in January 2024.</li> </ul> |  |
| 9.1.2      | Discussion took place regarding the commitment to delivering on the actions outlined in the existing strategic risks with a particular focus on the development of the Social Care Workforce.   |  |
| 9.1.3      | The Director of Registration and Corporate Services informed members that the Horizon Scanning document should include reference to the cost of living crisis following previous discussions at Audit and Risk Assurance Committee. The document will be amended to reflect this.   |  |
| 9.1.4      | Members noted and approved the Risk Progress Report and the Horizon Scanning document.  |  |
| <b>9.2</b> | <b>Risk Management Committee Minutes – Paper J</b>  |  |
|            | Members noted the Risk Management Committee minutes.  |  |
| <b>9.3</b> | <b>Information Governance Assurance Report – Paper K</b>  |  |
| 9.3.1      | <p>The Director of Registration and Corporate Services provided an overview of the Information Governance Assurance Report with the following key points:</p> <ul style="list-style-type: none"> <li>• Report covers the period June 2022 – July 2023</li> <li>• Report was presented and provided by BSO who deliver the Information Governance shared services</li> <li>• There were 7 Freedom of Information Requests and 7 Subject Access Requests received during the period of this report. Of these 3 FOI's and 2 SAR's were answered outside of the timeframe.</li> </ul>   |  |

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|            | <ul style="list-style-type: none"> <li>• There were 2 data breaches however these were not at a level which required reporting to the Information Commissioners Office.</li> <li>• The Information Governance Report now includes complaints – 3 complaints were received in the period of this report, 2 were not upheld and 1 was upheld in part.</li> </ul>  |  |
| 9.3.2      | Discussion took place regarding whether complaints should have a standalone report or sit within the Information Governance report as presented today. Members agreed that Information Governance and Complaints would be presented to the Audit and Risk Assurance Committee as a two-part report rather than separate documents given the proportionality of complaints received.   |  |
| 9.3.4      | Members noted the Information Governance Assurance Report   |  |
| <b>9.4</b> | <b>Millennium House Dilapidations - Paper L</b>   |  |
|            | Item discussed under agenda item 8.0  |  |
| <b>9.5</b> | <b>Risk Management Strategy and Procedures – Paper M</b>  |  |
| 9.5.1      | <p>The Director of Registration and Corporate Services provided an overview of the Risk Management Strategy and Procedures paper with the following key points:</p> <ul style="list-style-type: none"> <li>• The Risk strategy was reviewed in June 2023 on the back of the new Strategic Plan 2023-2027</li> <li>• Risk Management Strategy will be formally reviewed once every 3 years</li> <li>• Reflects new strategic themes in the Strategic Plan 2023-27</li> <li>• Risk Management Procedures have been amended to reflect that risk management training for all staff has moved from annual to once every 3 years.</li> <li>• Management of training compliance will now be managed through the Learning Management System and not be business support</li> <li>• Membership of the Risk Management Committee has been updated to include job title only, not individual names</li> </ul> |  |
| 9.5.2      | <p>Audit and Risk Assurance Member, Lesley Mitchell, commended the Director of Registration and Corporate services on a well-prepared document with the following comments:</p> <ul style="list-style-type: none"> <li>• Under item 3.2 in the Risk Strategy it may strengthen the strategic plan if it is recognised that training is mandatory for all staff</li> <li>• Under item 6.4 of the risk strategy, there is reference to five strategic themes when it should be four.</li> </ul>   |  |

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| 9.5.3                      | Discussion took place regarding the Risk Management Procedures and who these are written for. Members highlighted that a significant portion of the procedures are quite repetitive of the Risk Strategy and could be streamlined.   |  |
| 9.5.4                      | Members agreed the Risk Management Strategy. The Director of Registration and Corporate Services agreed to review the Risk Management Procedure document and present it to the Audit and Risk Assurance Committee at their next meeting in February 2024.  |  |
| <b>10.0</b>                | <b>Complaints Audit Progress Paper – Paper N</b>   |  |
| 10.1                       | <p>The Director of Registration and Corporate Services provided an overview of the Complaints Audit Progress paper with the following key points:</p> <ul style="list-style-type: none"> <li>• This report provides an update on the progress to implement the recommendations arising from the Internal Audit Report on Complaints Management from May 2023.</li> <li>• From July 2023, a monthly business report has been presented to the Senior Leadership Team and includes reporting of complaints received in the organisation.</li> <li>• The Senior Leadership team are also provided with a complaints pro-forma which is completed by the investigating officer and includes anonymised information regarding the complaint.</li> <li>• Complaints processes are now in place outlining the appropriate procedure of investigation and escalation for all complaints received.</li> </ul> |  |
| 10.2                       | Members commended the speed with which the Social Care Council have responded to the Internal Audit recommendations and implemented processes to fulfil these. Members agreed that a complaints report will be presented at a minimum annually to the Audit and Risk Assurance Committee unless there is a significant surge in complaints received in which case it would be moved to a 6-month review.   |  |
| 10.3                       | The Director of Registration and Corporate Services noted that the Head of Business Services completed much of the work outlined in the Complaints Audit Progress paper, although she is unable to attend today to present.  |  |
| 10.4                       | Members noted the Complaints Audit Progress paper and thanked the Head of Business Services for the work.  |  |
| <b>Closing Formalities</b> |  |  |
| <b>11.</b>                 | <b>Any Other Business</b>  |  |
| 11.1                       | No other business.   |  |

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| <b>12.</b> | <b>Date of Next Meeting</b>  |  |
| 12.1       | <ul style="list-style-type: none"><li>• Wednesday 7<sup>th</sup> February 2024</li></ul> |  |