

CCEA

Minutes of the forty-seventh meeting of Audit & Risk Assurance Committee, held on Wednesday 29 April 2020 at 1.30 pm, via Dial In facilities.

Present: Dr L Caul (Chair) Mrs C Harpur
Mr C McKinney Mrs K O'Hare
Dr A Kerr Mr B Wilson

Mrs C McHugh (Moore NI)
Mr A Patton (ASM)

Mr J Edwards (Chief Executive)
Mrs L Scott (Director of Finance and Corporate Services)
Miss M Farragher (Director of Education)
Mr J Daly (Financial Services Manager)
Mr D Wilson (Business Assurance Manager)

Miss N Kennedy (Manager, Council Secretariat)

1 Apologies

Apologies were received from Dr G Byrne; and Mr S Dempster (DE).

2 Conflict of Interests

Members confirmed there were confirmed there were no conflict of interests on any of the agenda items.

3 Chair's Business

The Chair welcomed Mrs Catriona McHugh (Moore NI), Mr Andrew Allen (NIAO), and Mr Adrian Patton (ASM).

He advised that Mr John Daly (Financial Services Manager), and Mr David Wilson (Business Assurance) would speak to agenda items under Financial Risk Control and Assurance, and Corporate Risk and Assurance as required.

4 Minutes of the previous meeting held on 19 March 2020

Mr Allen drew attention to page 2 and asked that the sentence "*The Internal Audit (conducted by ASM) would be progressed remotely given the measures put in place.*" should be amended to read: "*The External Audit (conducted by ASM on behalf of the NIAO) would be progressed remotely given the measures put in place.*"

Subject to this amendment the minutes were proposed by Mrs Christine Harpur, and seconded by Dr Ana Kerr as a true and accurate record. A copy would be made available for the Chair to sign once normal business resumed.

Action Points

Members noted the status of the action points.

5 Financial Risk and Control

Risk Assurance in Awards and Purchases : March 2020

AUD/47/1

The Financial Services Manager (FM) drew attention to the detail provided in paper AUD/47/1, and advised that there were no unauthorised purchases during March 2020. He wished to place on record that there had been no unauthorised purchases over the 12 month period below £1,500.

A committee member commended the performance over the last 12 months and congratulated the budget holders on this achievement.

Direct Award Contracts

The FM confirmed 7 direct awards in relation to general purchases (Appendix 1). The overall summary was provided on page 3 of the paper.

A committee member sought clarification on whether there were protocols in place for the timeline of reporting period. The FM confirmed that there were no protocols and this was mainly to show progress and improvement in this area over the years.

The DoFCS was pleased to report good progress and the timeline would be reduced to report over a 2 year period.

The Chair was satisfied that good progress had been made in this area.

2019/20 Annual Report & Accounts Update

AUD/47/2

The DoFCS advised that the report outlined the current timelines for the production of the ARA 2019/20 and completion of the External Audit. The paper also reflected the current situation in regards to COVID-19, and as a result timelines may be disrupted. The DoFCS confirmed that CCEA staff would continue to work with the auditors to progress the ARA.

The Chair sought clarification on whether Mr Patton (ASM) anticipated any disruption to the process. Mr Patton advised that the overall approach to the audit was progressing well, however did expect some delay due to the completion of the field work via remote access. He confirmed that the work will commence in line with the timetable and assured members that ASM would continue to provide the service with remote working protocols in place. He thanked CCEA colleagues for their co-operation in providing the information requested.

The DoFCS concurred with this and advised that every effort would be made to achieve the timetable as outlined previously.

Mr Allen (NIAO) advised that despite experiencing delays, work continued on timetable as far as possible and hoped that the accounts would be certified within the agreed timeframe, via electronic certification.

The Chair thanked members for their input into the item.

6 Corporate Risk Management and Audit

For Consideration

2020/21 Corporate Risk Register (CRR) – April 2020

AUD/47/3

The DoFCS drew attention to the first draft of the 2020/21 CRR. She advised that the document was live, and would be continuously reviewed to ensure risks are identified and mitigated at the earliest opportunity.

She confirmed that management continually assess the risk environment to ensure appropriate action is taken to mitigate issues as they arise in the current situation.

The DoFCS provided an overview on the status of each of the corporate risks (CR1 – CR6) and assured members that all are being managed and reviewed on a regular basis.

The Director of Education advised that, in regards to CR2 the level of risk was extremely high as the issues arising in relation to the awarding for summer 2020 will have a knock on effect for 2021. She assured members that actions were being taken to alleviate pressure on resources where possible.

The Chair asked whether there were any issues in regards to manpower. The DoE advised that additional resources had been secured from NISRA to alleviate pressure on staff who are currently involved in designing the alternative awarding arrangements. Discussions are ongoing with other contractors for further support in this area.

She advised that, despite the challenging circumstances, staff within the Directorate continued to fulfil their responsibilities and commended the team spirit in working through new processes and arrangements at this time.

A Committee member sought clarification on whether a risk should be included on the provision of guidance on the delivery of the curriculum, given schools are currently closed, and no clarification has been provided on when schools will re-open and how they will operate. The Chief Executive outlined the structures that have been put in place internally and externally to deal with the wide range of activities and issues across the Education sector. He confirmed that the Department for Education had set up a Programme Board comprising of key stakeholders to deal with the high level risks.

The DoE advised that the Education Authority is responsible for schools support. CCEA resources were currently dedicated to the awarding arrangements, however once clarity has been provided by the Department of Education, consideration will be given to the type of curriculum and learning support required. She confirmed that there would be a risk that once schools re-open, with new protocols, the expectation would be that CCEA would be required to support the new arrangements. She agreed to include this in the Risk Register.

The Chair confirmed that the issue had been discussed at a previous Council meeting in regards to managing change and whilst we recognise that there is no clarity on future arrangements for curriculum and assessment provision once schools re-open, it would be sensible to include the support element as a risk.

Draft Annual Governance Statement 2019/20

AUD/47/4

The Chief Executive gave an overview of the main areas of the document and confirmed that a section on COVID-19 had been added. He confirmed that there were no issues of concern to report.

Members were content with the information provided.

COVID-19 Update & Mitigations

The Chief Executive advised that Ministerial Direction had been received on alternative arrangements for general qualifications. He confirmed that work awarding implementation for the General Qualifications continues at pace. This is detailed and complex work requiring a significant amount of technical capability. He advised that A2 is well informed and GCSE is underway. AS models are currently behind in development.

Ministerial instruction from the Department for the Economy (DfE) has also been received on how to proceed with Vocational Qualifications to provide calculated grades, including Essential Skills.

The Minister for Education has also provided instruction on how to proceed in regards to Occupational Studies.

Corporate

The Chief Executive commended the IT team for their deployment of over 200 laptops within 72 hours to enable the business to operate remotely. Despite some delays, he was pleased to report that this has been hugely successful in terms of business continuity.

The CCEA contingency group (GOLD Team), meets daily and the Chief Executive updates both DE and DfE on a range of mitigations and processes at regular intervals, seeking support where required.

Finance : an additional bid for COVID-19 funding has been submitted, however no response has been received to date.

HR : sickness absence has reduced and continues to decline. A range of health and well-being initiatives continue to be offered to staff.

Estates : the Clarendon site remains open manned by a skeleton staff.

He concluded that overall the business is performing albeit under significant strain.

The Chair sought clarification on planning for coming out of COVID-19, how significant issues are dealt with in terms of easing the lockdown restrictions; re-opening of schools and staff preparing for returning to work.

The Chief Executive provided an overview on the following :

- 1 Corporate/Buildings : reactivating parts of the building and how this will operate once clarity is provided on relaxing/lifting restrictions.
- 2 Examinations : long term effect of current decisions taken in regards to the awarding arrangements, and the close out of current issues to gain a better understanding of what is required for future years.
- 3 Curriculum : clarity is required from DE in order for CCEA to provide a range of options for teaching the curriculum following relaxation or lifting restrictions.

A Committee member raised the issue of the risk around possible disadvantages for those learners taking Vocational Qualifications that rely on a number of hours in the workplace to complete their assessment components and what measures would be put in place to ensure fairness in regards to awarding.

The Chief Executive confirmed that instruction had been received from the Minister for the Department for the Economy (DfE) instructing that calculated grades should be used to award Vocational Qualifications where possible, however the two instances where solutions are still being considered are :

- Licence to Practice or for Health and Safety Regulations where it is not possible, or safe to do so; and

- Late start courses (for adult learners) where there would be little or no evidence on which to base the calculated grades.

He confirmed that there was also a significant challenge in reaching consistency across the significant number of Awarding Organisations offering Vocational Qualifications. He assured members that he continued to work with DfE towards a satisfactory way forward.

The Chair thanked the Chief Executive for the clarification provided.

Internal Audit Activity

AUD/47/5

The Chair invited Mrs C McHugh (Moore NI) to the present the papers.

Internal Audit Report : Contracted for Service : Satisfactory Rating

AUD/47/5a

Mrs McHugh drew attention to the information provided, and gave a detailed overview of the scope of the audit. She confirmed a satisfactory assurance rating with 2 priority 2 recommendations identified. (These were accepted by Management and will be implemented).

Internal Audit Report : Exam Paper Production : Satisfactory Rating

AUD/47/5b

Mrs McHugh drew attention to the information provided, and gave a detailed overview of the scope of the audit. She confirmed a satisfactory assurance rating with 1 priority 2 recommendation identified. (This was accepted by Management).

She recognised the significantly detailed processes adhered to in this area and was content with the continuous reviewing of quality assurance.

Review of 2018/19 Prior Year Recommendations

AUD/47/5c

Mrs McHugh drew attention to the recommendations and was pleased to report that all had been addressed and successfully implemented.

She advised that out of the 15 recommendations identified, 14 had been fully addressed with 1 to be completed in relation to the disposal of documents schedule which requires NI Executive approval.

Members were satisfied with the information provided.

Internal Audit Annual Report and Assurance Statement

AUD/47/5d

Mrs McHugh drew attention to the detail of the report and advised that the organisation had received a satisfactory assurance level for the 2019/20 year.

She was pleased to confirm that all audits had been completed, with the exception of 1 on Cyber Security which has halted due to the COVID-19 outbreak. Mrs McHugh advised that she was satisfied, given the research already completed on the audit, that CCEA had a significant amount of security in place.

Members were satisfied with the overall assurance rating.

Internal Audit Report : Malpractice : Satisfactory Rating

AUD/47/5e

Mrs McHugh advised on the scope of and mechanism used for conducting the audit. She was pleased to report a satisfactory assurance with

She recognised the sensitivities and complexities within this area and commended the competence of the staff for the provision of information to assist in the audit. She drew attention to the detail provided on page 11 of the report and said that this was an area that could become more prevalent due to the subject matter of this particular case. She suggested that CCEA should develop its own guidelines on managing mitigating circumstances of this nature to ensure clarity and consistency in handing down sanctions.

Mrs McHugh confirmed that this was her last meeting as the contract with Moore NI had come to an end. She wished to thank all officers and members for their professionalism and co-operation in all areas of her work and wished the organisation well moving forwards.

A Committee member wished to place on record her thanks to Mrs McHugh for her helpfulness, and for the clarity, detail and definition provided in her reports. The Chair concurred with this and added his thanks. CCEA has benefited from the advice and guidance provided by Mrs McHugh and it had been a pleasure working with her.

Mrs McHugh left the meeting at this point.

Updates

ASM

The ASM representative confirmed that there were no matters to report.

NIAO

The NIAO representative advised that the Chief Executive would be informed in the event of any delay in the external audit of the Annual Report and Accounts.

DE

As no representative from DE was present, there were no matters to report.

BREXIT

The Chief Executive confirmed that there had been no further communication in regards to BREXIT, however CCEA continued to maintain a watching brief and would inform the Committee and Council as appropriate.

7 Examinations

Statutory Assessment Engagement & Resulting Risks

AUD/47/6

The DoE provided a detailed overview of the current position in regards to the extent of engagement by schools with the statutory arrangements, and the particular risks associated with the closure of schools due to COVID-19.

She advised that the information had been shared with DE colleagues and confirmed that CCEA was waiting on a decision from DE in regards to the end of year assessment arrangements to allow C2K to take the appropriate action.

Members noted the information provided.

The DoE drew attention to the information provided at paper AUD/47/7 and confirmed that this issue had been discussed in detail under the Corporate Risk Register (AUD/47/3). She assured members that a substantial amount of work continued in preparation for the summer awarding, and commended staff for their willingness and support in adapting to the new working arrangements under these challenging circumstances.

She confirmed that extensive work is required as new processes are established and others are closed out.

Members noted that, due to the lockdown restrictions, certificates for the March 2020 series will be issued electronically with the appropriate log-in details allocated to allow students to access their information and results remotely.

Members were content with the information provided.

8 Any Other Business

None identified.

9 Date of Next Meeting

The Chair confirmed that the next meeting was scheduled for Thursday 18 June 2020. Arrangements for the meeting will be notified in due course.

ACTION POINTS FOR AUDIT AND RISK ASSURANCE COMMITTEE FOLLOW-UP

Title of Committee: AUDIT AND RISK ASSURANCE

Meeting No: 47 Date of Meeting: 29 APRIL 2020

Agenda Item No/Para	Action Agreed	Person(s) Involved in Taking Action	Status of Actions at 5 June 2020
4	Minutes of previous meeting : 19 March 2020 Amendment to the minutes to read <i>The external audit conducted by ASM on behalf of the NIAO</i> to be made before sign off.	N Kennedy	Completed.
6	Corporate Risk Register New Risk to be included on the support arrangements for schools once schools re-open.	M Farragher	Update at meeting