

6 Financial Risk Control and Assurance

Risk and Assurance in Awards and Purchases

AUD/40/1

The Financial Services Manager (FM) drew attention to the information provided in paper AUD/40/1.

The Chair on behalf of the committee commended officers on the way in which this had been managed during this reporting period.

Director Awards

Members noted the information provided.

2017/18 Final Report to those Charged with Governance

AUD/40/2

The Director of Finance and Corporate Services (DoFCS) advised that the final report was received on 3 July 2018. She was pleased to report no significant issues, and the accounts were subsequently laid on 6 July 2018 as per timetable.

Members requested an update on risk highlighted regarding the matter of the pay remit for the Chief Executive.

The Chief Executive and Financial Services Manager left the meeting at this point.

Members discussed the issue in detail and agreed that due to its confidential nature and potential high risk to the organisation this was a matter for full Council to seek resolution. The Chair agreed to take this forward outside of the meeting.

The Chief Executive and Financial Services Manager returned to the meeting at this point.

National Fraud Initiative (NFI) Report 2016/17

AUD/40/3

Members noted the final 2016/17 National Fraud Initiative Report. This covers the fifth exercise undertaken in Northern Ireland.

National Fraud Initiative Exercise 2017/18

AUD/40/4

The Chair advised that this was a mandatory annual exercise.

The FM drew attention to paper AUD/40/4 and confirmed that information requested had been submitted on time. An update would be provided following completion of the matching exercise.

Members noted the information provided and the timelines for completion of matches.

7 Corporate Risk Management & Audit

Corporate Risk Register (CRR) : August 2018

AUD/40/5

The DoFCS introduced this item and presented the CRR for August 2018. She reported that the inclusion of T Level Qualifications, together with additional identified risks would be discussed at Item 7, paper AUD/40/10.

It was confirmed that CCEA's CRR was closely aligned to DE's Risk Register.

The Department of Education (DE) representative confirmed that the CRR was currently with DE for review and a response would be received in due course.

Members were content with the information provided.

Mid-Year Governance Statement 2018/19

AUD/40/6

The Chief Executive (CE) drew attention to the detail of the document provided, in particular the significant risks identified. These included :

- Increase in level of risk to staff through threat and harassment;
- Increasing pressure on resources in a difficult financial environment in the Education sector;
- The Change in England to 9 to 1 GCSE grading has required a review of CCEA GCSE grading.

He gave a detailed review of the remedial action taken to date. Members discussed in detail the issue of increased risk to staff through threat and harassment and sought and received assurances that all associated matters were being handled through appropriate channels, including the PSNI.

It was suggested that counselling be put offered for those staff affected. The Chief Executive confirmed that this had been offered and that CCEA had counselling services available to all staff on an ongoing basis.

A Committee member stated the importance of reinforcing to staff that matters are being dealt with within the parameters afforded to the Chief Executive.

Clarification was sought and received on the main impact of the changes in the GCSE grading. Members were content with the information received.

The Chair thanked the CE for his update.

Internal Audit Activity

AUD/40/7

Members noted the information provided.

Quarterly Update Report

AUD/40/7a

Mrs McHugh gave an overview of the work carried out to complete the audit assignments set out in the Annual Audit Plan for the period July to September 2018.

Internal Audit Report : Absence and Sickness Monitoring : Satisfactory Assurance Rating

AUD/40/7b

Mrs McHugh drew attention to the detail of the report and confirmed a satisfactory assurance rating with 4 priority 3 recommendations identified. She confirmed there were no areas of concern to report.

Internal Audit Report : Creditors Payments and Purchasing : Satisfactory Assurance Rating

AUD/40/7c

Mrs McHugh drew attention to the detail of the report and confirmed a satisfactory assurance rating with 2 priority 3 recommendations identified. She confirmed there were no areas of concern to report and commended the clear controls and segregation of duties apparent in this area.

Internal Audit Report : Financial Management Information : Satisfactory Assurance Rating

AUD/40/7d

Mrs McHugh drew attention to the detail of the report and confirmed a satisfactory assurance rating with no recommendations. She confirmed that there were no weaknesses identified during this audit.

The Chair and members congratulated officers on a clear audit and commended the significant amount of work completed to achieve this.

Internal Audit Report : General Conditions of Recognition (GCOR)

AUD/40/7e

Mrs McHugh drew attention to the detail of the report and advised that 30 conditions were reviewed in detail. She advised that 27 were compliant and 3 were not applicable to CCEA. Therefore overall CCEA was compliant with no major issues.

The Chief Executive confirmed that reviewing the GCOR was an essential process and was required to provide an assurance to the committee and Council that all areas are scrutinised and externally validated.

Members were satisfied with the information provided.

Updates

PWC Update

There were no matters to report.

NIAO Update

There were no matters to report.

DE Update

The DE representative sought clarification on when the Internal Audit Services contract was due for renewal. It was confirmed September 2019.

She advised that NICS internal audit are seeking to assume the audit role for all NDPBs and DE would welcome consideration of this moving forwards.

The CE sought and received confirmation that there would be a consultation with Arms' Lengths Bodies on this matter, as this was the first time that he was made aware. A Committee member outlined that they would expect the same value for money from a NICS internal services and that assurance would be required regarding the independence of any departmental audit service.

8 Examinations

Risk Management Report : Summer Examinations Series 2018

AUD/40/8

The Chief Executive drew attention to the information provided in paper AUD/40/8 and provided an overview of the following :

- Entry Profile
- Centre Operational Risks and Mitigations
- Examination Risks and Mitigations
- Materialised Risk

The Chair sought clarification on the categorisation of risk. The Chief Executive advised that a detailed Qualifications Log was available to members. The Chair suggested that it would be helpful to see the size of the resource required for this part of CCEA's business. The CE agreed to provide a paper for members' information at the next appropriate meeting.

Clarification was sought and received on a number of matters, in particular the continued move towards on-line marking to reduce instances of losing examination scripts.

Members discussed and sought assurances around the way in which safeguarding (ie ensuring the safety of a candidate) was managed. The Chief Executive confirmed that the responsibility lay with the centre, however, CCEA had robust processes in place to deal with this when instances arise.

A Committee member stated it was important to ensure a range of points of contact for each centre (ie contact numbers) were listed. The DoFCS advised that CCEA does maintain a list of child protection officers, however would seek to improve contacts to include holiday and out of hours procedure to cover every eventuality.

Members noted the information provided.

Operational Readiness for January 2019 Examination series

AUD/40/9

The Chief Executive drew attention to the information provided and confirmed that a copy of the Qualifications Log was available on requested.

He gave an overview of the mitigations in place to deal with matters as they arise, in particular legacy specifications which will cause cost pressures in terms of budgetary controls.

Members noted the information provided.

Risks Associated with T-Levels and Qualifications Reform in England

AUD/40/10

The Chair welcomed the Head of Regulation to the meeting.

The Chief Executive introduced this item and advised that Council had instructed him to write to the Department for the Economy, who have now recognised there could be significant risks. (Correspondence is included at Appendix 1 & Appendix 2).

The Head of Regulation drew attention to the detail provided in paper AUD/40/10 and outlined the main risks in relation to the change and potential changes in qualifications in other jurisdictions.

Members were concerned about the educational impact to centres and young people in Northern Ireland and discussed these matters in detail. The Chair advised that this was important and required full Council consideration. He suggested that the matters discussed be brought forward to the meeting on 3 October.

Members were content with the nature and scope of the risk register and agreed that this should be developed by CCEA as the qualifications regulator in Northern Ireland.

The Chair thanked members for their input.

9 Regulation

General Conditions of Recognition (GCOR) 2018

AUD/40/11

The Chief Executive drew attention to the detail of the information provided and advised that in addition to submitting CCEA's Statement of Compliance (Appendix A), statements for OfQual (Appendix B) and Qualifications Wales (Appendix C) were also required.

Members were content with the information provided and recommended the Statements of Compliance to go forward to Council for approval.

The Statements were formally proposed by Mrs Kathleen O'Hare and seconded by Mr Brian Wilson.

10 Any Other Business

None identified.

11 Date of Next Meeting

The Chair confirmed the date of the next meeting as Wednesday 16 January 2019 at 10 am.

He thanked members and officers for their contributions to the meeting.