

CCEA

Audit & Risk Assurance Committee

Minutes of the fifty-fourth meeting of the Audit & Risk Assurance Committee held on Tuesday 7 September 2021 at 11 am via MS Teams.

Present : Mr R Smyth (Chair) Mr T O'Reilly
Mrs C Fitzsimons Miss M Corrigan
Professor P Hanna Mrs S Sellars

Mr B Clerkin (ASM)
Ms F Magowan (NIAO)
Mr S Dempster (DE)
Miss E Patton (KPMG)

Miss M Farragher (Interim Chief Executive)
Mrs L Scott (Director of Finance & Corporate Services)
Ms A Swann (Temporary Director of Examinations)
Mrs C Latham (Interim Director Curriculum & Assessment)
Mr J Daly (Financial Services Manager)
Mr D Wilson (Business Assurance Manager)

Miss N Kennedy (Manager, Council Secretariat)

Ms C Greenwood (Boardroom Apprentice)

Introduction

The Chair welcomed members and officers to the meeting, in particular Clare Greenwood (Boardroom Apprentice) and Corrine Latham (Interim Director of Curriculum & Assessment). He confirmed protocols for participation.

1 Apologies

Apologies were received from Mrs Carol Fitzsimons; Mrs Paula Leitch; Mrs Donna O'Connor; Mr Andrew Allen (NIAO) and Mr John Poole (KPMG).

2 Conflict of Interests

One member registered a possible Conflict of Interest. The Chair confirmed this would be managed at the appropriate item.

3 Chair's Business

The Chair welcomed Mrs Emma Patton (KPMG); Mr Brian Clerkin (ASM); Ms Finula Magowan (NIAO) and Mr Sam Dempster (DE).

He confirmed that Mr John Daly (Financial Services Manager) and Mr David Wilson (Business Assurance Manager) were in attendance to provide clarification on various agenda items.

Condolences

The Chair, on behalf of members of the committee, expressed his condolences to Mrs Paula Leitch on her recent bereavement.

4 Ratification of minutes of previous meeting held on 15 June 2021

The minutes of the previous meeting held on Tuesday 15 June 2021 were proposed by Mrs Sarah Sellars and seconded Professor Philip Hanna.

Action Points

The Director of Finance and Corporate Services (DoFCS) confirmed that the majority of the action points had been completed. She updated members on those in progress, in particular the timeframe for the production of the Annual Report and Accounts, and the holistic review of the Risk Management process.

Member were content with the information provided.

5 Financial Risk Control and Assurance

Risk and Assurance in Awards and Purchases

AUD/54/1

The Financial Services Manager (FM) referred to the information provided in paper AUD/54/1. He was pleased to confirm that no unauthorised purchases had been reported during the period June – July 2021.

Direct Award Contracts

The FM confirmed 4 direct awards in relation to general purchases (Appendix 1) during this period. The overall summary was provided on page 2 of the paper.

Clarification was sought and received on the timeframe for the DAC. The FM suggested that an additional column be added to Appendix 1 setting out the timeframe for completion. The Chair asked that this be taken on board.

Members were content with the information provided.

Final Annual Report & Accounts and Report to those Charged with Governance (RttCwG) 2020/21

AUD/54/2

The DoFCS presented the final Annual Report & Accounts 2020/21 to members and confirmed the documentation had been laid before the NI Assembly at the beginning of July 2021. She drew attention to the draft management responses (pages 2-4 paper AUD/54/2) for members' information.

The final documents would be published on the CCEA website.

Mr Clerkin (ASM) advised that the final RttCwG incorporating management comments had been issued to the Interim Chief Executive from the NIAO on 6 September 2021. The process was now complete.

Members noted the information provided.

National Fraud Initiative (NFI) Exercise

AUD/54/3

The FM referred to paper AUD/54/3. He confirmed that the process for 2020/21 was now completed. He advised that all matches had been investigated and no incidents of fraud identified.

Members were content with the information provided.

6 Corporate Risk Management and Audit

Corporate Risk Register – August 2021

AUD/54/4

The DoFCS outlined the work undertaken on the CRR since the last meeting. She confirmed that the August CRR reflected the corporate risks at this time and advised that the organisation continued to operate within a high-risk environment.

The DoFCS drew attention to the summary was pleased to advise of a decrease in the risks at CR1a and CR6 however these would remain on the CRR until all issues have been dealt with and closed out. Members acknowledged the reduction in risks as a result of the actions taken over the last 12 months.

Clarification was sought and received on a range of issues across the corporate risks, in particular, the status of the risk in relation to CR1a and a further understanding of CR7 – what the risk factors are around this and how the NI curriculum supports our learners.

The interim Director of Curriculum & Assessment summarised the number of factors outside CCEA's control which impacted on this risk, including the evolving educational landscape and the range of projects identified by DE for CCEA to progress. The Interim Chief Executive outlined the challenges faced in delivering the 'normal' pieces of work and also the responsibilities of fulfilling the statutory requirements to support the SEN and Irish Medium sectors. She assured members that every effort continues to be made to reduce this risk, however the work continued to be managed within a tight budget allocation and limited resources.

The DoFCS referred to the important and challenging risk management process which continues to be demanding in terms of delivering an operational plan within the present circumstances. She advised that CCEA would continue to identify risks and plan mitigations. She concurred with the Interim Chief Executive about CCEA's limited resources.

The Chair of Council sought clarification on the process for reviewing the CRR taking into account the emerging pressures and ensuring a comprehensive review of risks is included over the next 12 months. The DoFCS confirmed the CRR would be reviewed on a bi-monthly basis (October and December) taking account of emerging contingencies during this period. The CRR will be presented to the ARAC committee in January.

Council will also review the CRR at its away day sessions in advance of discussion at the ARAC in January 2022.

The Chair sought and received confirmation that CR1b would be focussed on 2022. He said it was important to continue to work towards bringing more balance to the risks both within CCEA and DE. The Interim Chief Executive concurred with this way forward.

A Committee member wished to recognise the positive communications experience the public has had of CCEA and was pleased that this has impacted positively on CR1 and CR6. The DoFCS agreed that communication and engagement was a key part of the successful delivery of the alternative arrangements for 2021 and this would be built upon and enhanced for 2022 (including some aspects of CR7).

Internal Audit Activity

AUD/54/5

Internal Audit Charter 2021/22

AUD/54/5a

Mrs Patton (KPMG) referred to the document and outlined the purpose of the IA Charter. She highlighted the revisions which had been taken on board following discussion at the previous meeting on 15 June 2021.

Members were content that the document reflected the changes requested and were content to recommend the document to Council for approval.

Formally proposed by Mr Tommy O'Reilly and seconded by Mrs Sarah Sellars.

Internal Audit Schedule 2021/22

AUD/54/5b

Mrs Patton referred to the schedule and outlined the range of Internal Audit Reviews which would be conducted during the 2021/22 year. She confirmed that reports would be brought forward as appropriate to future meetings of the committee.

Members were content with the information provided.

Updates

NIAO

The NIAO representative confirmed there were no further matters to report.

ASM

The ASM represented confirmed there were no further matters to report.

DE

The DE representative confirmed there were no further matters to report.

BREXIT

The DoFCS advised that the situation continued to be monitored and updates would be provided as appropriate.

7 Examinations

Risk Management Report – 2021 Examinations Series and Awarding for Summer 2022 *(to include Risks from Curriculum & Assessment)*

AUD/54/6

The temporary Director of Examinations commended the examinations and corporate teams across the organisation involved in the extensive work carried out to achieve a successful examinations series. She recognised that the success of the series was due to effective engagement and bringing stakeholders and sectors with CCEA.

She updated members on the number of priority appeals completed before the UCAS deadline. One appeal case was the subject of a Judicial Review. The case was not upheld.

Summer 2022

The temporary Director of Examinations referred to the paper AUD/54/6 and gave an overview of the risks identified for Summer 2022:

- Adaptations for GCSE Mathematics and GCE Languages (further advice has been requested).
- Potential change to issue of results date with the proposal to bring forward dates for issue in the same week.

She highlighted the additional risk of reduced time for marking and awarding and the monitoring of the quality of marking (due to no examinations for 2 years). To date no decision has been made.

- The significant amount of engagement required to retain markers.
- The scale of IT changes required on the grading system, satellite systems and business processes to manage the adaptations. (significant testing was underway in these areas).
- Staff – moving away from crisis mode to guard against burn out moving forward, following the significant workload on a range of staff during over an 18-month period.

Clarification was sought and received on a small number of matters and members were content with the information provided.

Curriculum & Assessment

The Interim Chief Executive advised that the range of risks outlined in the area of Curriculum and Assessment had been discussed under the Corporate Risk Register (Paper AUD/54/4). She suggested that, if required, a separate paper be considered for a future ARAC meeting. The Chair agreed to this suggestion.

8 Regulation

The Chair referred to the paper and advised that in addition to it being considered at this meeting the information would also go forward to the Regulation Committee for its October meeting.

For Consideration

Regulation Risk Environment and Potential Divergence in 3-Country approaches to Awarding and Standards for 2022 ***AUD/54/7***

General Qualifications

The Head of Regulation (HoR) drew attention to the detail of the paper and outlined the main issues in relation to divergence across the 3 jurisdictions (England, Wales and Northern Ireland). She referred to the challenges of Northern Ireland (NI) operating in an open market where NI students are able to take qualifications from other UK awarding bodies. She advised that whilst NI maintained close alignment with England and Wales this challenge was becoming increasingly difficult because of divergence.

The HoR updated members on the challenges in relation to the 2022 standards (in the context of an open qualifications market) where due influence is brought to bear for the appropriate standards are agreed to ensure fairness for all NI learners.

A member expressed concern at the possible confusion the open market will have for learners and outcomes and sought clarification on whether there would be an opportunity for CCEA to influence decisions to ensure appropriate outcomes. The HoR updated members on discussions with the Regulators and confirmed that opportunities had been taken to influence decisions as much as possible.

Following discussion, it was recognised that preparation for a break in the Brand was required, and how CCEA would plan ahead for the changes in the market including what the qualifications offerings would be in Northern Ireland. The Interim Chief Executive concurred with preparing for divergence and assured members that discussions continued with DE and DfE, however stressed the importance of having sufficient resources in Regulation to take forward future work.

The Interim Chief Executive suggested that further discussions take place in terms of strategy and priorities at full Council and its development sessions, to enable matters to progress with DE (GAR) and DfE as appropriate. A Committee member recognised the highly complex nature of these issues and concurred that a full Council discussion would be beneficial.

Vocational and Technical Qualifications

The HoR outlined the main risks identified in relation to the supply of Vocational and Technical Qualifications in Northern Ireland, given the heavy reliance on the English Awarding Organisations to supply the qualifications for NI learners. She outlined the main challenges for CCEA and said there was a clear need for NI to rethink its offering, given the potential/real risk of English AOs withdrawing their qualifications from the NI market.

A member stated the need for CCEA Awarding Organisation to ensure it had the appropriate resources available to produce, deliver and award new qualifications, and escalate the high risk this will have if it is not realised to both DE and DfE.

The Interim Chief Executive concurred and updated members on principals' concerns about BTECs and introduction of T-Levels. She confirmed that CCEA AO was prepared to assist in the translation of qualifications into Irish pending approval from DE.

She confirmed that that DfE will hold a workshop with principals in terms of policy development on the future of vocational qualifications work to prepare an action plan and a way forward for Northern Ireland students. CCEA will participate in the workshop. She expressed concern as significant time was required to develop qualifications, and clarity was required from DfE to allow adequate provision to be put in place, however assured members that representations would continue to be made to DfE colleagues.

9 Any Other Business

None identified.

10 Date of Next Meeting

The Chair confirmed the date of the next meeting was scheduled for Tuesday 11 January 2022 at 11 am.

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