

## **Audit Board**

### **Meeting 25 March 2022 via Skype for business**

In attendance: Seamus McCarthy (Chair), C&AG  
Colette Drinan, Secretary and Director of Audit  
Andy Harkness, Director of Audit  
Deirdre Quaid, Director of Audit  
Shane Carton, Deputy Director Central Services, secretary to the Audit Board

#### **1. Agreement of agenda**

The draft agenda was agreed as circulated.

#### **2. Noting of any conflicts of interest**

No conflicts of interest were reported in relation to the items scheduled for discussion at the meeting.

#### **3. Minutes of previous meeting, matters arising and action list**

The minutes of the meeting dated 5 November 2021 were agreed with minor edits and approved for publication on the Office intranet and website. The action list was agreed with an amendment to one of the target dates.

#### **4. Emerging risks**

The Board noted the general increase in cybersecurity risks associated with current events in Ukraine. The National Cyber Security Centre has issued an advisory highlighting the need for Irish entities to be vigilant to potential risks. The OGCIO has recently issued a reminder to all staff of the actions they should take in the event that they receive any suspicious or unusual emails. The agenda for the Office's annual conference in May 2022 includes a presentation from the OGCIO on cybersecurity. The next surveillance audit in respect of the Office's certification under the information security standard ISO 27001:2013 will take place in April 2022. The Office has engaged an external service provider to undertake a programme of internal audit reviews over a three-year period assessing conformity with that ISO.

#### **5. Reporting programme (paper A)**

The Board noted the paper which set out progress on the planned 24 chapters for the Report of the Accounts of the Public Services 2021 as well as 13 ongoing special reports. The Board also noted the addition of a chapter since the paper was submitted bringing the total projected chapter numbers to 25. The paper included updates on a number of reporting-related matters including the rollout of an e-learning tool, the production of a video relating to a published report and resourcing for the reporting function.

The Board had a short discussion on the level of resources allocated to the reporting function and the trend in that level over recent years. The table below sets out the resource allocation for reporting at the end of each of the last three years — the figures shown are as at a point in time so do not necessarily represent the resources that were available during each year.

Resources allocated to reporting	End 2019	End 2020	End 2021
Director	0.6	0.6	0.7
Deputy Director	3.1	3.1	3
Audit Manager	10.1	8.9	10.2
Auditor	6	8.8	8.9
Trainee	8	5	1.8
Total	27.8	26.4	24.6

## 6. Financial audit programme (paper B)

The Board noted the final outturn in terms of the financial audit performance indicators for 2021. It was noted that 97% (target 95%) of 2020 year of account audits, by turnover, and 66% (70% target) of audits, by number, were certified within nine months of the relevant accounting year-end. At the end of 2021, 14 audits for financial periods ending in 2020 remained to be certified — for one of those clients, audits of the financial periods ending in 2019 and 2018 were also uncertified.

The Board received a verbal update on progress in respect of the upgrade to Teammate+. While there have been some challenges, it is expected that the planned go-live date in Quarter 3 will be achieved.

The Board was also briefed on the results of recently completed cold reviews of a sample of audit files for financial periods ending in 2019. The main area for improvement identified by the reviewers was around the adequacy of documentation on audit files. The Quality and Standards Unit has put together an implementation plan that was discussed at the March meeting of the Management Board. One of the key actions will be to increase the frequency of future cold reviews to annual.

## 7. New/final audits (paper C)

The Board agreed one minor amendment to the table and noted the new audits of

- Land Development Agency
- Technological University of the Shannon: Midlands Midwest

The Board noted the quarterly legislative review paper. There followed a discussion in relation to procurement and in particular the varying interpretations being taken by clients to the issue of aggregated procurement. It was agreed that the Office should contact the Office of Government Procurement with a view to clarifying the rules in relation to procurement aggregation.

The Board discussed the potential implications for the Office relating to the role of a new Protected Disclosures Office envisaged under the Protected Disclosures (Amendment) Bill 2021. The Office has raised some concerns in respect of the Bill with the Attorney General. It was noted that the Office has requested its legal advisors to review a number of points.

## 8. Disclosures log (paper D)

The Secretary and Director of Audit explained that the disclosures log was being presented to the Board as required under the recently revised *Guidance and procedure on disclosures to the Office of the C&AG*. The paper included summary details of all disclosures received during 2021. The paper was noted by the Board.

Review of the disclosures log will be a standing agenda item for future Audit Board meetings. Future papers will only include disclosures with a status of open.

#### **9. International activity report 2021 (paper E)**

The Board noted the report which outlined the Office's engagement with international agencies during 2021.

The Board was updated on the matter of the Office's declared interest in chairing the Performance Audit Subcommittee of the INTOSAI Professional Standards Committee. The chairmanship is likely to be affirmed at INCOSAI XXIV in November 2022.

#### **10. Strategy progress report and client feedback survey (papers F and F1)**

The Board discussed the strategy update paper and noted the progress on strategic actions. It was agreed that the paper should come to the Board twice per year.

The Board welcomed the good response rate to the client feedback survey and noted the aggregate survey results which were largely positive. The Board noted the action plan which includes following up with the small number of clients who had expressed dissatisfaction in some areas in order to understand their concerns.

#### **11. Speak up policy review (papers G and H)**

The Board discussed and approved the revised *Speak Up Policy* for staff. The new policy will be communicated to staff in the coming weeks and there will be a related presentation at the Office's annual conference in May.

The Board also agreed to a proposal for the Office to become a member of the Integrity at Work programme run by Transparency International Ireland.

#### **12. Legislative summary database project (paper I)**

The Board noted the paper setting out progress to date on the project to develop a database of legislation for each of the accounts and bodies subject to audit by the Office. The recruitment process for a legal intern is ongoing. The Board noted the two critical stages for the project — developing an accurate and comprehensive database and implementing a review mechanism.

Progress on the project will be reported quarterly to the Board.

#### **13. Audit Board forward agenda (paper J)**

The Board approved the paper setting out a draft forward agenda for the remaining three scheduled meetings in 2022.

#### **14. AoB**

It was noted that the Report of the Monitoring and Ethics Director 2021 and the Office's Performance Report 2021 will be circulated for approval by written procedure in advance of the next Audit Board meeting.

The next meeting is scheduled for Friday 1 July 2022.