



## Audit and Risk Committee Meeting Minutes

### IPC ARC Meeting No. 17

Wednesday 24 September 2014, 2.30pm

#### 1. Attendance

<u>Members:</u>	Ms Carolyn Walsh (Chair) (CW), Ms Lyn Baker (LB), Mr Paul Crombie (PC)
<u>In attendance:</u>	Ms Elizabeth Tydd (ET), Ms Meredith Claremont (MC) (Chief Audit Executive), Ms Vandana Nand (VN), Ms Anwen Rowe (AR), Mr Clive Gough (O'Connor Marsden), Ms Somaiya Ahmed (Audit Office),
<u>Apologies:</u>	Ms Pamela Robertson-Gregg (O'Connor Marsden),
<u>Minute Secretary:</u>	Ms Anwen Rowe (AR)

CW welcomed Paul Crombie to the IPC Audit and Risk Committee.

#### 2. Appointments

The Committee **noted** the reappointment of the Chair, Ms Carolyn Walsh for a further 1 year, and Ms Lyn Baker for a further 3 years. The Committee also **noted** the recent appointment of Mr Paul Crombie for an initial period of 3 years.

The Committee discussed the circulated IPC Code of Conduct and ARC Charter and **noted** the Charter is to be updated with the correct Treasury policy, 09-05.

*Action item 1: The Committee agreed to provide comments on the ARC Charter out of session.*

*Action item 2: The ARC Charter is to be updated in line with feedback from members.*

#### 3. Declarations of interest

No additional declarations of interest were made.

The meeting **noted** this advice.

#### 4. Minutes of previous meeting and Rolling Action Report

Minutes of meeting 15 and meeting 16 were **approved** and **adopted** by the Committee, and members **acknowledged** these minutes would be proactively released on the IPC's website.

The Committee acknowledged the minutes as a thorough and helpful record of meetings.

*Action item 3: Publish minutes of 20 June 2014 and 22 September 2014 on the IPC website.*

The Committee **noted** the Rolling Action Report, and the fact that all matters were either complete or on the agenda.

#### 5a. Update from Information Commissioner

ET provided an update on her current priorities, and provided an overview of the implementation of the Government Sector Employment Act (GSE). The IPC high level implementation plan was included with the Department of Justice's submission and was submitted to the Public Service Commission by the due date of 24 August. ET informed the Committee of the change in Executive staff numbers from 2012-2014 and stated the current position descriptions have been updated to role descriptions in line with GSE Act requirements.

ET informed the Committee of the training program implemented within IPC, focussing on values, foundations training, high level outputs, and performance management.

ET also confirmed the Stakeholder engagement strategy would be circulated to members out of session. ET stated there is a strong focus on the Practitioner Forum and Information and Privacy Advisory Committee members to utilise skills and partner with these stakeholders.

The Committee discussed the IPC Code of Conduct, specifically how it relates to post employment and the possibility of introducing a post-employment clause regarding information being shared post-employment.

The Committee **noted** the Information Commissioner's oral report.

#### **5b. Update from the Chair**

CW confirmed the appointments, welcomed PC and congratulated LB on her re-appointment for a further 3 years.

CW also informed the Committee she participated in the IPC Business Planning session on 1 September.

#### **6. 2013/2014 Financial Statements**

CW thanked the IPC staff and Committee members for the action taken to complete the review of the Financial Statements. The Committee **approved** and **adopted** the minutes of the meeting held on 22 September to review the Financial Statements.

The Committee discussed the internal controls within the Department of Justice and suggested IPC seek written assurances from the Dept. in this regard.

The Committee also requested OCM provide confirmation of their internal controls.

The Committee discussed the Chair seeking the Department of Justice perspective on the hold up to finalising the SLA, including requesting an expected timeframe for finalisation.

*Action item 4: The Chair to write to the Secretary of the Department of Justice seeking comment on the delay in finalising the SLA.*

*Action item 5: IPC to seek assurances from the Department of Justice regarding controls.*

*Action item 6: OCM to provide confirmation of internal controls.*

#### **7. S37 Report - comment**

The Committee discussed the s37 report and provided background information regarding the report to PC. CW stated she was impressed with the report content and structure.

ET acknowledged Dianne Patenall and staff of the IPC in terms of extracting the data.

ET informed the Committee work was underway for the 2014 report, and staff are looking at case studies and best practice.

CW congratulated ET and staff on a very solid first report.

#### **8. Review 2013-14**

##### Report on activity 2013-14

The Committee discussed the Report on activity for the 2013-14 year, and **noted** the report and suggested two minor amendments. Under key outputs, the first dot point approved should be endorsed and project should be plan.

The Committee suggested the Business Continuity Plan should also be added under Key Outputs.

Subject to the amendments, the Committee **endorsed** the report on activity for 2013-14.

*Action item 7: Amend the Report on activity for 2013-14 in line with comments from the Committee.*

#### Compliance register

The Committee discussed the updated register and suggested a number of amendments. Specifically the columns that are blank should be updated and an additional column for comments could be added.

The Committee discussed ensuring that external audit and performance management were covered in the register.

PC shared a document with members of external controls to use for a comparative analysis.

The Committee **noted** the reviewed Compliance Register.

*Action item 8: Update the Compliance register incorporating initial feedback from committee.*

#### Attestation letter

The Committee formally **noted** they believe IPC is compliant with Treasury Policy and **endorsed** the CEO to sign the attestation.

Committee members congratulated the IPC team for their ongoing commitment to the Committee and to Audit and Risk work.

*Action item 9: Update the Draft Attestation letter for CEO signature. CEO to sign attestation letter.*

### **9. ARC work 2013-14**

#### Business Plan for 2014-15

The Committee discussed the finalised Business Plan for 2014-15 and the approach to addressing the ambitious plan. ET informed members she will be looking at casework and working with the Privacy Commissioner to ensure business requirements are met.

ET confirmed the Executive team will meet to review the progress with the plan.

The Committee **noted** the Business plan for 2014-15.

#### Risk Register

The updated risk register is linked to the actions in the Business Plan. New projects should reduce the residual risk as implementation of actions occurs.

A question was raised about introducing other mitigation actions to lower the risk.

OCM informed members of an approach used by other agencies, whereby a graph with a dotted line indicates where you would like the risk to go.

The Committee **noted** the risk register and discussed opportunities to further the understanding.

*Action item 10: Update the register incorporating feedback from members.*

#### Internal Audit Plan for 2014-15

The Committee discussed the updated Internal Audit Plan for 2014-15 and discussed the risks in the corporate services arrangements from the service provider.

The Chair suggested seeking confirmation from the Department of Justice by way of attestations regarding Fraud and Risk. The Committee discussed the mechanism to achieve appropriate certification in Fraud, IT, Personnel and finance areas.

OCM advised they were comfortable with the 3 year forward plan. The Committee discussed the review process of the proposed plan.

The Committee **endorsed** the proposed Internal Audit Plan, and congratulated the team on the process of risk between the Strategic Plan, Business Plan and Risk Register.

## 10. Internal Audit

### Progress on implementation of audits 2013-14

The Committee discussed the status of implementation of recommendations and **noted** the need for transparency with the actions requiring Department input, or that are outside of IPC's control.

The Committee **agreed** to review the outcomes at the next scheduled ARC meeting.

ET informed members she is currently undertaking negotiations with Resolve for enhancements.

The Committee **noted** the Business Continuity and Disaster Recovery Plans were completed and these documents will be provided to the Committee out of session.

OCM advised the need to be clear in the recommendations and the ability to manage carefully.

The Committee **noted** the report on implementation and **noted** an update will be provided at the next scheduled meeting.

*Action item 11: Update on implementation of recommendations to be provided at the December meeting.*

*Action item 12: Circulate Business Continuity and Disaster Recovery plans to members out of session.*

### Website post-implementation review

The Committee discussed the current review of the project. ET advised she has requested an evaluation of the project to gain a set of recommendations that will assist with future projects.

OCM advised no date had been confirmed for the 2<sup>nd</sup> phase of the review, with a possible timeframe of early 2015.

MC identified her dual role as CAE and the Manager in aspects of the review and the Committee **noted** this advice for disclosure purposes.

The Committee is to confirm the budget for Internal Audit at the next scheduled meeting.

The Committee **noted** the terms of reference and noted the completion of the Disaster Recovery and Business Continuity Plans.

*Action item 13: Committee to confirm budget for Internal Audit at the December meeting.*

## 11. ARC self-assessment

The Committee acknowledged they are due to complete the annual self-assessment process, and **noted** the questionnaire will be circulated to members for completion prior to the next scheduled meeting. Results will be compiled and discussed at the next meeting.

The Committee **noted** the process to be undertaken.

*Action item 14: Circulate the self-assessment questionnaire and collate response for tabling at the December meeting.*

## 12. Legislative Compliance Register

The Committee discussed the Legislative Compliance Register and raised questions regarding how Management would like to use the register and the responsibilities of staff and managers.

The Committee suggested highlighting the core responsibilities and high risk items.

The Committee **noted** the Legislative Compliance Register.

### **13. Review of ARC calendar items – quarter 3**

The Committee discussed the review of calendar items, specifically items 5.3, 5.4 and 7.3 and **noted** the actions addressed in the meeting, noting item 7.3 as completed.

The Committee **noted** the review of calendar items.

#### **Other business**

The Committee **noted** the remaining meeting date for 2014:  
*Wednesday 3 December 2014*

The Committee **agreed** the proposed meeting dates for 2015 and noted these dates would be confirmed at the meeting scheduled for 3 December 2014.

The meeting concluded at 5.00pm