**Minutes of the Audit & Risk Assurance Committee on 23 September 2020**

**Meeting held by Webex**

Present: P O’Doherty, D Baxter, G Cameron, J Wilkinson, A Andrews, R Beggs, S Parlour, T Salmon.

Apologies: None

In attendance: S Gallaher (CEO), G Devlin (SEO), M Matthews (F&CM), T McCavigan (DE), G Fair (DE), C Shaw (DE), A Boyd (DE), A Allen (NIAO), L Dickson (PA)

1. **Apologies**

There were no apologies given.

1. **Declarations of Interest**

No declarations were submitted. Members were advised that they could make these during the course of the meeting.

1. **Election of Chair**

The CEO took this item and asked for nominations for the post of Chair.

GC nominated PO’D

RB nominated SP based on long experience and fits criteria.

AB joined the meeting.

The CEO asked for a vote.

RB said that whoever was elected Chair was required to communicate with the Chair of Council and he understood PO’D does not communicate with the Chair of Council by email, letter or telephone and asked PO’D how he would take Committee concerns to the Council Chair. GC advised that this was a valid nomination under the Standing Orders.

RB advised that no one had seconded the nominations and that this was a valid question to ask and quoted from the rules of in terms of HM Cabinet Office and Treasury as to how a public body is set up and as to how an ARA Committee is set up and said that a correct line of communication is needed.

The CEO said there was a danger of being pedantic, but there is an issue with communication within Council, there have been previous problems with this and the matter still needs to be discussed and agreed. He said he thought that whoever was elected as Chair of this Council would communicate with the Chair. He added that this relates to other members of Council as well, proper procedures need to be put in place but it is not appropriate to discuss this at this time.

DB disagreed said we are the ARAC and are entitled to audit GTCNI and that this is a reasonable request from RB.

PO’D said that RB had made an important point. He asked if there was a seconder for his nomination from GC and A Andrews said she would second. PO’D said that in relation to communications he believed in corporate responsibility and would report to Council the views of the committee fully. He advised that he was open to communications with Council and would welcome communications from the Chair of Council. The means by which he does it is irrelevant.

The CEO said that in terms of SP being nominated by RB. He asked for a seconder.

Seconded by DB.

A And asked if she could ask the SP the same question and SP said she had no issues whatsoever.

RB enquired if PO’D and SP could confirm that their appointments to Council are legitimate and if PO’D could confirm that CCMS appointed him as there is no indication from CCMS at Board Meetings that he had been appointed. PO’D said that as far as he was aware he was appointed by CCMS and any concerns should be addressed to CCMS. RB added that there was no indication published by CCMS board meetings that PO’D had been appointed by the Board or that your appointment was ratified by the Board.

The CEO advised that the Council had went through a selection process and accepted the nominations as being valid and there is no evidence to the contrary and it was his view to now take a vote for Chair. Two nominations had been received PO’D and SP. Firstly he asked for support for SP. There was a show of 2 hands (RB & DB) received for SP. Then he asked for a show of hands for PO’D. There were 3 votes (A And, GC, TS).

JW said that he was sorry he was not in a position to vote as he did not know anything about the people proposed so therefore was abstaining.

TS said he was supporting PO’D and added that this debate is symptomatic of what is wrong with the Council.

The CEO advised that 3 votes had been received for PO’D and 2 votes for SP so therefore PO’D was deemed elected Chair of ARAC. The vote was confirmed again for RB.

RB asked for it to be noted in the minutes that he said that it would appear that the appointed person had limited expertise contrary to HR advice and the Cabinet Office in the appointment of ARAC Chairpersons to public bodies.

The CEO asked RB if he wanted this put in the writing for the Council and RB said it was in the minutes so would be public record.

The Chair advised members that there were 2 versions of the agenda for today’s meeting and wished to consult colleagues as to which to adopt. He said that item 6 had been removed from the original agenda as the Chair had received complaints and asked if anyone would like to share any concerns.

RB added that the Chair and Vice-Chair were involved in an ongoing investigation and had asked ARAC to set aside this item until this was completed and then brought back to ARAC.

The Chair enquired if anyone else was in favour of removing this and A And said she had not read the agenda.

The CEO advised that she would have received it on Monday and that a member of Council had raised a complaint re the validity of a discussion at the last meeting. The Chair is investigating and has sent a letter to say he was removing an item from the Agenda. RB added that it was his understanding that there were plural complaints.

GF enquired is this not largely an item for noting as it seems that Council will consider this at the October meeting.

The Chair said that his difficulty was that he was reluctant that the Chair of Council decides the Agenda for ARAC. He said he thought it was a matter for the Committee to decide what goes on the Agenda, but was content to follow the directions of the Committee. It was a request from the Chair of Council that we don’t deal with it but that he was happy to deal with it and wanted Committee’s views. He asked DB for his views. DB said he would support the Chair that it should not be discussed. SP said she did not think it should be discussed. GC said it should be dealt with. SP said it could not be put on under Standing Orders. Needs to be discussed at beginning of the meeting. The motions were just announced at the Committees. A And said that it was a very important subject and needs airing and action. It was a legitimately placed on the agenda for discussion and recommendations which she would support. It is important that procedures have to be followed. The business of Council could be stymied and the business of this committee today. It could be noted today and passed to Council.

RB asked if it could be confirmed that ARAC cannot make motions to Council as you allowed a motion, 2 motions, to be passed from ARAC to Council. We must be an independent body. It is our job to scrutinize, not to recommend motions to Council and if the Chair understood his role he would know that.

The Chair asked for the views of all members.

The Chair asked JW if he had an opinion whether the item should remain on the agenda or not.

JW said that his fears of joining this Committee had been reinforced. Regarding procedures the Committee should continue with the agreed agenda. Did not believe in the Chair intervening in determining the agenda of any Committee. Things should be done to the best of the ARAC ability.

TS said there was a massive division of Committee and Council as to whether these particular motions were legitimate or not. Position needs clarified. He said that some legal advice should have been taken and until we have clarity we cannot take forward.

DB said that the last meeting was uncomfortable and quoted from Item 16.

PO’D said he was gauging views of what was on the agenda and that a breach of Standing Orders were a separate issue.

The Chair said that 4 members wish not to have it on the agenda.

Against DB, RB, SP and TS

For PO’D, AAnd, GC and JW

The Chair said he would have preferred it to be on the agenda but four were against so the item was struck from the agenda on his casting vote and asked if this is acceptable to the Committee.

Committee agreed.

TS said that he as neither for or against but simply wanted clarification on whether ARAC raised 2 motions and forwarded these to Council and all committees needed clarification.

The Chair said he would go with the revised agenda.

1. **Minutes (ARAC/Min/20/15 &Sp**)

The Chair directed members to the Minutes which were received this morning.

The CEO apologised and said there were 3 sets of minutes, the draft, the revised minutes and then the final revised minutes by the CEO. What went out was the original draft. The final draft was sent out this morning but there were no significant differences.

RB enquired if the Chair had any role in formatting these minutes. The Chair confirmed he had no role in the Minutes.

The CEO said that it was agreed at Council on 5 March that minutes would be prepared by the secretariat.

The Chair said he had read the minutes and was happy to bring these forward and asked members to consider.

RB enquired if members had got a chance to read these minutes and said he had just viewed his email now. He asked if members could not take the original minutes and take forward.

The Chair said he regretted that members had not had a chance to read the minutes and asked which version members wished to consider. RB requested that the original minutes be taken and any amendments can be made. The CEO said there were no major differences.

The Chair took members through the minutes for accuracy.

GF said that on the 5th para on page 6 for the last sentence to be removed. But thought it had been removed in the final minutes.

The Chair moved on to Page 7.

GF asked for Point 17 5th para to be reworded and asked that it be changed to ‘had been suggested’. At Para 9 he said he would like it to read ‘reiterated that it might be helpful for a paper to go to Council highlighting any significant risks’.

TMcC asked for a change at 5th para to say ‘Not fit for purpose’.

Also later in the paragraph it should read ‘Progress since 2018/19 resulted in non-acceptable opinion being awarded.’

‘If some progression was made it may move to limited but it will remain until it’s fully operational it will not be a satisfactory opinion.’

Page 9 TMcC second last para ‘Internal Audit could only complete a compliance check on this’

Page 10/Pg 11

GF second para regarding residual risk ratings the removal of the sentence ‘GF indicated that issues’

Pg 12 GF clarify or remove paragraph.

TMcC to send in amendments to secretariat.

The Chair said that the GF para in both versions is the easiest to strike out.

The Chair said he will accept the minutes as accurate.

RB said he would abstain.

The Chair advised RB that we had gone through the original minutes and not the revised ones and GF said this had been agreed.

The Chair enquired again if members were content.

GC said yes and there was no disagreement from members.

The CEO said that LD would complete amendments.

*Action: LD to complete amendments on minutes.*

The Chair advised that it was normal practice for the Committee to consider the *In Committee* minutes but did not know if this could be addressed today in relation to the Standing Orders and asked for views.

GC said that she thought that we should stick to the amended agenda and leave the *In Committee* minutes. The Chair asked if there was any disagreements. The Committee was in agreement.

1. Matters Arising

The Chair said that matters arising would follow through as the meeting progressed and asked the F&CM to take members through the 2018/19 accounts for clarity.

No sound

The F&CM advised that the Letter of Representation (LoR) had been received from NIAO and said that the 2018/19 Accounts to gether with the LoR would be sent back to A Allen for the insertion of the C&AG’s audit certificate. Therafter they would be sent to DE/DoF for laying. It was advised that ther recent delay was caused by the NIAO’s request for written approval from DE/DoF as to the appropriateness of the previous vice Chair co-signing the Accounts with the CEO. It was advised that this had been received and accepted by the NIAO.

The Chair thanked the F&CM for her work and discussed a point made at the last meeting about the foreword from the Chair. He advised that the Chair of Council had asked him to do this and to sign the accounts. He said that he had thought it inappropriate but he agreed to write the foreword and to sign these Account and this was taken through Council.

JW said he was happy with this.

The Chair then asked the F&CM about the 2019/20 Accounts and the pension liability.

The F&CM advised the 2019/20 Accounts had been submitted to the Audit Office. An outline Audit Plan had been agreed and the audit would commence at the end of October/early November. She indicated that NIAO would normally have the accounts cleared before Christmas but due to current circumstances the Audit Office have indicated that it is likely to be after Christmas before they are cleared

Regarding the pension liability, NIAO are to carry out further work but there is indications that there will be no change to the liability and that this therefore will have to be reflected in our accounts. In relation to the 2019/20 Accounts there is no information to suggest that the Accounts will changed.

The Chair enquired if there had been discussion at F&GP regarding the Accounts. The F&CM advised members that it was touched on in the context of reserves and future viability. If £1.2m were to be earmarked for Pensions and £0.5m for a new registration system we would have no reserves left and would be likely to run into difficulties in a couple of years. This had been outlined to F&GP and she advised that a strategic review of income was suggested.

The CEO said we needed to take the pensions liability and consider the impact on reserves. He discussed restricted reserves. He added that the Council had no means of replenishing its reserves and said there is a need to address the income situation in general It was his view that a small task and finish group of Council was needed to be set up to take forward work in this area.. He reminded members that this is an underlying risk.

The Chair said in reporting to Council this is an emerging risk and will need referenced for all Council members and the need to plan into the Corporate Strategy.

GF said that he had spoken to the CEO after the last meeting and had provided assurance that the liability would be covered by the Department. They had a discussion around future plans and that this was not a particular concern.

TS added that he did not think there was an immediate need for panic. He informed members that NILGOSC carry out a valuation every 3 years and these valuations change but because of the Covid position it has possibly worsened. It would only become an emergency or critical if the deficit crystallised for example, if the GTCNI wanted to leave the scheme it could become immediately payable but that members just needed to be aware of the situation.

1. **Anti-Fraud, Bribery and Whistleblowing (AC/20/17/P01)**

The F&CM advised members that there had been no reported incidents and advised members that the recent NIPSA survey was being addressed by the HR Committee.

1. **NIAO Audit Strategy (AC/20/17/P02)**

AA took members through this paper highlighting its two purposes – Audit approval and production of accounts. He said he did not anticipate any significant audit risks. On Page 4 he advised that the charge for the audit fee remains unchanged. He said it was part of the work of the Audit Committee to assess that the NIAO statements are complete. On Page 7, under Risk Factors, he highlighted the Unacceptable internal audit reports. He said he had liaised with GTC for a form of words for the Audit Assurance. He added that it will be in the New Year when the accounts will be certified but that a draft RTTCWG will be issued before Christmas. He said he would not have the drafts for November but this would go to the February ARAC meeting. On Page 9 he highlighted the NIAO audit team.

Regarding the Pension Liability he advised that NIAO were looking at an AON report and their own actuarial team would be looking at this. He added that it was unlikely the valuation would change and is consistent across other bodies.

TS said the approach would be the same as previous years. AA agreed and said there was consistency between the Annual Report and any issues raised. TS said he was happy with the approach which was the standard approach and thought the Committee could accept this with confidence.

The Chair thanked AA and TMcC for their work.

TS said that we do need to address sitting with an unfavourable internal audit opinion and we cannot be comfortable and need to determine our future actions to a better position.

The Chair indicated this this would be covered later in the agenda.

1. **Direct Award Contracts (AC/20/17/P03)**

The F&CM advised members that there was no change in position and that the Council had only one DAC with Millar which is up to March 2022 for maintenance to the existing database.

JW asked for reassurance that all necessary controls have been made to those above us. The F&CM indicated that CPD had been liaised with throughout, a business case had been sent to DE, DSO advice had been sought and that CPD oversaw the award to Millar.

1. **Registration System Projects Report (AC/20/17/P04)**

The F&CM informed members that this item had gone to the F&GP Committee and outlined the main issues. The cost of the existing system, business continuity issues and the upgrade to the existing system with £187,000 needed to cover costs until March 2022. She indicated that user acceptance testing was being carried out, which would be followed by systems penetration testing. She advised that the current version of the Business Objects reporting software had caused problems in terms of compatibility with the upgraded registration system. ThA procurement to upgrade the software and migrate reports took place in June but failed. A possible solution had now been identified which is to work with GTCS who previously had found themselves in a similar situation. GTCS has confirmed they will offer help which would reduce the requirement for additional spend. This will take place over the next couple of weeks. Members were advised that this problem could have a knock on effect on the invoicing of 4,000 teachers which cannot go ahead until we know by which method fees will be paid. Consequently, the invoicing will be delayed until November or possibly the end of the year when the upgrade is fully tested and complete is tested. She advised that work is continuing on a Business Case for a permanent replacement registration system and should be ready for submission to DE at the end September/beginning of October. Members were advised that a pre-market engagement had also taken place with a good response rate. The F&CM outlined the range of costs identified from this engagement Members were advised that discussions had also taken place with GTCS and that there is the possibility of using their system. It was advised that this could save money for the council as both our requirements were closely aligned and the procurement route would be much more straightforward. Finally an update on the status of the procurement of a Manager was given. Members were advised that the procurement was underway and that we are presently responding to a number of clarification questions. Procurement is scheduled for completion in November.

Members were informed that the Project Board was re-established on 11 September and presently consists of the chair of the fFGP, members of CPD, DE and with technical input from IT Assist. The risk is the resource staff available and the failure to procure a Project Manager which would make a longer timeline.

The Chair thanked the F&CM and commended staff for progression in this area. He added that we might have difficulty in going to market and there may be further hurdles. He said he was delighted with the GTCS contact and potential replacement system. He emphasised the difficulty of the timescale but said he was pleased that staff were working diligently to meet this timescale.

The CEO added that BCS had also spoken to the EA but felt there was no value in pursuing them as an option. He commented that GTCS appear to offer some mileage and he outlined the two options by which this might be progressed .

The Chair said that a Project Manager would be a helpful enhancement to the overall organisation.

GF enquired when the Business Case was ready, when would it reach DE and the CEO said hopefully mid-October as they were awaiting costings from GTCS.

1. **Recent Issues (AC/20/17/P05)**

The CEO advised that there were some important issues that the Committee should be aware of.

RB enquired why this report was withheld from the Committee until yesterday and the CEO replied that there had been some difficult circumstances. RB said that reports should be provided to the Committee 7 days prior to the meeting. The CEO said he would leave this to the Committee but that there were important issues to be raised.

SP said that papers should be with the Committee 7 days prior to the meeting as per Standing Orders.

The CEO said that we aimed to do this but we are operating in challenging circumstances and it is for the Committee to decide as this was highlighting a risk.

RB said that Standing Orders require 7 days.

The Chair asked for order in the discussion and said that 2 members had raised a question of papers coming forward. If the item needs to be drawn to the attention and if these need to be addressed the item is notified on the agenda and the paper has appeared then he was unsure if this contradicts Standing Orders. If it does not say on Standing Orders not to be tabled then the paper is in order.

RB informed members that they should be aware that Council has rejected papers outside the limit previously. This Committee has adjourned previously. The Committee needs to scrutinise as one of these items appears to have occurred within the 7 days and he enquired why there was a delay from the CEO.

The Chair asked RB where it stated in the Standing Orders why this cannot be considered.

RB quoted from No 8 in the Standing Orders.

The CEO said that it had been indicated on the agenda that papers were to follow.

GC advised that members were trying to get their heads round this and the item was on the agenda and then sent out. It serves no purpose and is a poor way to conduct the meeting.

SP indicated that members were not properly notified and that she had received this paper at 15.09 yesterday. There were high level allegations in the paper and said that members should have received this 7 days prior to the meeting.

GF indicated that in general practice it was one week in advance, but would agree with GC that this was wasting time and asked members if they could decide or move on.

The Chair asked if anyone did not want to discuss the paper could they raise their hands.

2 members of Committee raised their hands.

JW said he was concerned and asked if this was about this document only. He said he agreed with GC and said there should be a vote on this paper.

The Chair asked if anyone else objected and DB also objected.

DB said he understood GC but it is too late and members needed time to read this and he would like time to consider. It would be a practical decision to give time to consider and the Committee cannot be in contravention of the Standing Orders.

The Chair said he could not find the version of the Standing Orders which RB had.

TS said he had read the paper and was aware of the issues. He indicated that he did not think there was a need to discuss at this time and highlighted that this was one of the many things wrong with this organisation.

The Chair indicated that there was a need to bring governance issues to Council. He said there were two issues – the Chair and Vice-Chair of Council and a paper on another member of Council and their actions. He indicated that members would return to this matter under AOB so that the meeting can move on.

GF said that if there is any potential emerging risk within the Committee then there is concern in moving on.

The Chair said members would return to the item after they had heard the IA Report then the matter could be resolved. If members are content then we can return. There were no objections.

1. **Internal Audit (AC/20/17/P06a & 6b)**

TMcC took members through the report advising that the 20/21 Audit Plan would not be progressed until later this year to allow time for controls to be improved. She said that the CEO and F&CM were to discuss timing of reviews and discussed the unacceptable rating. She said there is to be a proper revision to the Audit Plan in terms of regulation and would propose to incorporate this into 4 reviews.

She highlighted Annex 1, the Audit Plan which was tabled and asked for any questions.

TS said it was an issue concerning the unfavourable Audit Opinion and would like to get back to a point of confidence with the secretariat and members of ARAC to deliver an action plan as there is no evidence of action.

The CEO advised that at the last meeting a workshop was mentioned. He indicated that there was a very small team of people within the GTC and that they are trying to move forward and make progress. He discussed how to do a workshop in the current circumstances with Council and welcomed TS suggestions. He said it would be worthwhile to have a small group and prioritise key areas to report back to the Committee or Council before Christmas.

The Chair indicated this would be useful and would value TMcC’s input. One difficulty we would face is the need to point out to Council the action that it and the Committees need to take. There are strains on staff and resources and they will need the support of the Council and said it might be helpful to come back to this discussion after the Risk Register.

TS said he could probably make some comments on the Risk Register and it would take a workshop to get to grips with all of this. We need to make progress and set targets with evidence to show what we are addressing.

GF said he would endorse this and the Executive Team need a steer from Council especially on key risks and would suggest a workshop to address the key areas.

The Chair asked members if they wanted to take TS suggestion regarding a Working Group and he suggested that TS should be one of the group to work with the CEO and TMcC to explore and make recommendations to the Committee and Council.

RB warned of caution as ARAC have a clear term of reference to report risks to Council. The Committee cannot make decisions and can simply report back to Council. He would not suggest that members of this Committee be involved.

The Chair indicated that he hoped a working group would clarify issues coming out of ARAC and inform Council and give them a steer. It would provide practical assistance to this Committee and Council and in that spirit he was suggesting this. He added that maybe we could identify any roadblocks in the way. He asked TMcC for her comments.

TMcC advised that all reports have the potential to give a steer for the committee but it needs a lot of work from the organisation to progress.

The CEO indicated that it would be a challenge in the present circumstances. He discussed the work of on project management and said that we could be working like this beyond Christmas.

TS said that he suggested to take this offline and discuss with key members of Council and this Committee to map out a plan for the way forward.

The Chair enquired if there were any other issues from Internal Audit and TMcC said there were not.

The CEO highlighted the issue of the renewal of the IA contract. He advised that the Business Case will end in March and it is our recommendation that the Council continue with the current service. He advised that we can end this arrangement at any time but given issues it would be prudent to stay with the current IA provider and would recommend this to Council.

The Chair asked members if they were content.

All agreed.

1. **Risk Register – Action Plan Update (AC/20/17/P07)**

RB enquired if paper 7b had been covered and the CEO advised that it had been circulated to the ARAC on 26 June.

TMcC indicated that this is not normally circulated and would go just to the Chair. It will go to Council and the information breach is for Council to decide how to deal with.

The CEO said he had sent correspondence to staff to remind them of confidentiality of information and that any breach would be investigated.

The Chair asked RB if he had anything to add and RB said he just saw that it had been missed.

The Chair said that the meeting would come back to the issue of confidentiality and there were concerns within GTCNI staff and Council Members and said it was a worrying issue in terms of good governance. He said it is an ongoing problem and would have to be addressed with the Chair of Council.

1. Corporate Risk Register – Q2 (AC/20/17/P08)

The CEO highlighted the report on Risk Management and the Plan update. He said this is the one that covers all risks.

He advised that all members have had their attention drawn to the risks relative to their committees. (Members noted the title should have been changed from F&GP). The CEO indicated that this paper is a summary of actions and asked for questions.

The Chair asked if there were any queries on Paper 8.

The CEO indicated Risk 3 on business continuity and said that the upgrade to the Registration System will reduce the residual risk.

Information Management and Governance are to be progressed and a programme of work is to be undertaken.

No comments were forthcoming so the Chair moved on to Paper 9.

The CEO advised that this was updated in September. It is updated every quarter and will be looked at again.

The F&CM advised that it would be useful to look at the Risk Register and Action Plan together. She indicated that there had been some movement on two risks since the last ARAC. It was advised that the risk regarding Business Continuity arrangements had reduced from red to orange but still remained “High” and Risk 5 relating to regulation had increased to its highest level reflecting recent NICCY correspondence

Members were advised that F&GP had considered the6 risks within their remit and would like some training on risk management and the Risk Register before decisions were made.

This is to be addressed.

The CEO highlighted that training is to be facilitated and the Chair asked for comments or questions.

RB asked the CEO where the highlighted risks were on the register and the CEO said that the Registration System was Risk 8.

The Chair highlighted that the risks referred to by the CEO may impact on other risks.

The CEO said that Risks 3, 8, and 9 relate to the Registration System and Risk 10 related to the restructure, Governance risks are numbers 1 and 2 and Information Governance is risk number 4.

RB said that everyone on the Committee is concerned with the red risks and asked how the other Committees dealt with these.

The CEO said that HR had noted their risks and discussed how to progress issues. F&GP had discussed their risks and asked for training and PRRC discussed regulation. So they are all monitoring progress.

RB asked if there was a need among Council members to be trained as to how to read a risk register.

The CEO spoke regarding the Risk Workshop and how to achieve this during present circumstances. He said we may utilise external people to progress this and that it had been discussed at the Management Meeting.

RB advised that this Committee should emphasise to Council the need for training for members and he recognised the difficulty in training in the current circumstances. There is a need to highlight the urgent need for this as soon as possible as we are in Special Measured.

The Chair indicated that the HR Committee do not seem to be dealing with HR issues within their remit for example grievances. He enquired what progress HR had made on standing grievances made by staff.

The CEO advised that there was a difficulty in taking these forward in the present circumstances. He discussed membership of the panel to take things forward and advised that the HR Committee had contacted those who have submitted grievances. He indicated that there is one grievance at present but that Tribunals are not sitting at the moment. He advised that there had been little engagement with the HR providers.

The Chair said that he would not be happy to have a staff member with a grievance or a disciplinary issue and it not being progressed. The purpose is to heal grievances and the committee should be taking action to progress.

The CEO said that the Chair of the HR Committee had written to the individual to give an update but there was no sense of a clear timetable.

The Chair indicated there was concern that procedures should go forward to get these resolved as people cannot be left in limbo. This does nothing for staff morale. He indicated the other risks including the follow up staff survey by a third party and asked was his agreed by Council and what were the costs. He was not aware.

The CEO advised that there was to be some form of measurement of staff satisfaction post structure and that HR was to take forward and bring to Council. Action will be further down the line and 2 members of Council could run a survey with staff.

The Chair said that if this had not been agreed it should not be in the register. It should be removed until an approved action for Council.

RB indicated his support that staff grievances should be brought forward. He asked that the minutes of the monthly GAR meetings be made available.

The CEO added that one of the actions picked up with the Chair of Council was on how they are reported back and that is for the Chair to decide and report to Council.

The Chair added that the Chair of Council should be asked for feedback of risks and if there are additional risks then these should be brought to Council. The CEO said that matters discussed are all reflected in the Risk Register.

AAnd said that RB was looking for complete sharing so it was broader than that and she would agree. The CEO said he was happy to convey this on as it was reasonable that Council are informed.

1. **Internal Audit Progress Report & Recommendations (AC/20/17/P09)**

TMcC advised that the Internal Audit Progress Report had already been covered.

The F&CM spoke to the paper. She indicated that there were 23 outstanding internal audit recommendations on the list with 5 partially completed and 18 to be completed. 13 relate to information governance. A Project Initiation Document has been drafted scoping out the work and the resource requirement and is to be progressed. She asked TMcC for details of prioritisation of the information governance findings. The F&CM indicated that no real progress had been made over the last while.

The Chair asked for comments.

JW said it was a useful report which can be utilised by Council and would agree with RB that it is not the job of this Committee to fix things. The Council owns the Risk Register and should be aware of audit recommendations and it is up to them to plan forward to improve the organisation and fulfil its statutory function. He commended the report and said the action plan is devised to push the organisation forward.

TS said there is frustration in the inability to get forward movement and there is a need to impress on Council for action to move forward.

1. **AOB**

The Chair then directed members to return to the item on the agenda on Recent Issues and said that tension exists within Committees and Council and there were concerns raised by the CEO..

The CEO said he felt the situation also predates his appointment and demonstrates traits relevant to this organisation in the way it operates. The environment is challenging at the minute on a number of levels. There is a small team trying to move the business forward and he was bringing these matters of to the attention of the Committee as they create risk.. He indicated that presently he was dealing with 2 FOI’s which are quite complex and is taking legal advice on one of these. Considering the timing and content of these and the recent NICCY correspondence, he had a sense that they were not coincidental and reflect a concerted programme of activity to tie up and frustrate the organisation. The details being sought showed a level of insight beyond that which could be gleaned from published minutes of Council. Confidentiality, would appear to be an serious issue for the organisation and had been highlighted to the Chair at the recent GAR meeting.

The CEO stated that another trait was members of Council acting outside of what would be deemed the normal conventions and processes of how a Board operates. He highlighted that he had recently been contacted by a member of Committee who stated that they wished to undertake a “value for money” review of the Council’s contract with their HR provider and requested detailed informationbe provided. When the person was directed to the proper process for addressing such requests, they reverted immediately to submitting FOI requests. This matter subsequently escalated to involve the Chair of the F&GP Committee and the Chair of Council all seeking detailed information on a matter with no defined scope or reason. The information eventually was provided to the Chair of Council in confidence.

The CEO emphasised that this form of unorthodox behaviour appeared to be a characteristic of this Board and that there is a proper way for a Council to operate. All such matters are time consuming and a distraction for staff and the CEO from the important things we should be dealing with. The CEO stated this presents risk and the Committee should be aware. He advised that potentially there were at present a number of people pouring over invoices and timesheets relating to the HR provider for no defined reason and thought that this was appalling. The Council is in Special Measures largely because members tend to want to conduct internal Council matters outside of Council and in the public domain.

SP indicated that she got her paper at 15.09 and asked when were these people consulted and brought to light and asked if these were just the CEO’s concerns.

The CEO said he had expressed his concerns to the SEO but it does not change the fact that such things are happening.

SP indicated that these are serious allegations and the CEO replied that these are not allegations just facts on matters we are presently dealing with.

The Chair said he wished to discuss confidentiality and was concerned it was a risk to the reputation of the whole Council and was subject to Internal Audit. He enquired if we needed to highlight Committee concerns to the Chair of Council.

RB asked that the CEO said there were people pouring over HR invoices.

The Chair said he would want to discuss confidentiality first and asked the Committee if it wanted to emphasise to the Chair the risk to Council and concerns to be addressed.

RB asked if the CEO could provide evidence and highlight. The CEO said when he looks at the content of recent FOIs the level of detail could not have been gleaned from our published documents

The Chair said that the Permanent Secretary had been informed of the breaches. The Chair of Council has accepted these breaches and some are not available to Council staff and have gone to DE directly. The CEO said the Council has a confidentiality issue.

GC indicated that she was delighted that the CEO’s paper was putting down the concerns of the Committee. She said that people should be reminded of confidentiality as it is good governance.

RB asked for an explanation to provide evidence from the CEO. GC said that had been established. RB disagreed.

The CEO advised that the Internal Audit report said there had been a breach. Clearly this was a confidentiality issue and clearly the communications issue across council grew out of confidentiality issues.

RB asked if the CEO could confirm if he had permission to publish this document extract from the draft of the meeting.

The CEO said it was not a breach of confidence to raise it and take note. RB asked if the CEO could confirm that the PS and Chair of Council had given him permission to publish this document.

GF indicated that this information is not being published but was just for this Committee.

RB advised that it could become part of an FOI and GF advised that it could be withheld.

The Chair said that the discussion was not progressing and RB said that Committee members should have answers. The Chair advised that he assumed the PS had not been consulted, that there was a concern on confidentiality issues and this should be reinforced to the Chair of Council.

The Chair indicated that another cause of concern is the VFM exercise and he was not aware of Council agreeing to this as this could be subjected to audit. He said he was unaware of who was conducting this. The CEO added that it appearse that some members of Council think they can act unilaterally.

RB said that regarding this matter he had asked the CEO for a copy of the invoice from Heads Together as this Committee had been given a figure of £44,000 cost to GTCNI and he had been concerned about the figure. An Audit Committee had been presented with a cost of £71,000 and at that time there was no Chair to raise this with. RB said he had asked to see this document. He said that he had been assured that any Committee member asked for information regarding the spending of money then it should be readily available to them. RB said that he had been refused and had to request this through an FOI. This request was made in June and this is September and he still had not received it.

The Chair enquired from RB if this was a VFM exercise?

RB answered absolutely and said he would report back to this Committee if there is a risk or no risk.

The Chair indicated that the governance of this Council was coming into question concerning the actions of individuals. There is a failure to understand legal requirements. He said he would like to put this on for the next meeting of Council as Corporate Governance and the Role of the Chair and Vice-Chair and other members. Actions are detrimental to the functioning of Council. It needs a proper structure and approach. He said he would like an agenda item on Council on Corporate Governance to deal with this issue.

RB enquired if the Chair was suggesting that a member of Council could not ask the CEO for information.

The Chair added that he wanted on record that he wanted Council to agree a proper protocol and procedure regarding corporate responsibility rather than individual responsibility. He advised that he would like a Council discussion and decision and that people have exceeded their authority.

RB indicated that Council members have individual responsibility to scrutinise how the Council works.

The Chair asked members to agree for the agenda item to go forward. Members agreed.

RB informed members that a member had attended the F&GP Committee and that everyone is entitled to attend. He indicated that 5 items were taken under AOB that day. He advised that the CEO had advised in writing and quoted the letter “I will not be acting on your request”. RB said there was no collusion going on between Committee members and that he was implying collusion.

The CEO said this was disingenuous and that RB said he was going to undertake VFM and it is the general principle that is important. He said there were conventions and ways in which boards operate and how members concerns are dealt with. He said the information was provided to the Chair in confidence.

The Chair indicated that he had tried to allow discussion and wanted comments kept brief to bring the meeting to a conclusion.

RB asked that he be allowed to finish. He indicated his major concern. He said that the CEO had instructed him to bring this to the F&GP Committee and now he is saying he was not aware of it. The Chair of that Committee has been denied that information. The Chair of Council has been denied that information and had to go to the head of the Internal Audit Team before the CEO provided the information. RB said that the CEO had stated that a number of people were pouring over the HR invoices and that is slander. It is abnormal in the functioning of a Board.

GC indicated that she was time limited and would have to leave the meeting soon.

RB added that it was inconceivable that when requests are made that the CEO would deny information.

TS said that the suggestion to put to Council is a good suggestion and this meeting needs to be brought to a conclusion.

RB said that this attacked him personally.

The Chair asked DB for his views

DB asked about the disparity between £44,000 and £70,000.

The CEO indicated that the previous Council had commissioned additional work from HTG in this was commissioned and settled by the Department on the Council’s behalf with GTCNI’s budget for the year being reduced by the cost of this work. The total expenditure was confirmed as circa £70k and the CEO stated that it was all legitimate Council expenses.

The Chair suggested drawing the meeting to a conclusion, adding that not all issues had been resolved but good progress had been made.

He thanked staff and attendees.

1. D**ate of Next Meeting**

November 2020