

Concise Minutes – National Assembly for Wales

Commission Audit and Risk Assurance Committee

Meeting Venue:

Conference Room 4B – Tŷ Hywel

Meeting date: Monday, 11 July 2016

Meeting time: 11:30–13:00

Attendance

| Category | Names |
|-------------------|--|
| Assembly Members: | Eric Gregory (Chair) Keith Baldwin Suzy Davies AM and Commissioner |
| Officials: | Claire Clancy, Chief Executive and Clerk, and Accounting Officer Dave Tosh, Director of Resources Nia Morgan, Head of Financial Services Ann-Marie Harkin, Wales Audit Office (WAO) Matthew Coe, Wales Audit Office (WAO) Buddug Saer, Deputy Committee Clerk |
| Apologies: | Hugh Widdis, Independent Committee Member Gareth Watts, Head of Internal Audit Kathryn Hughes, Committee Clerk |

1 Introductions, apologies and declaration of interests



- 1.1 The Chair welcomed Suzy Davies to her first meeting of the Committee and noted three apologies.
- 1.2 The Chair declared that he was a Non-Executive Director on the Cabinet Office Modern Electoral Registration Programme.
- 1.3 No other interests were declared.

2 Minutes of 13 June, actions and matters arising

ACARAC (04-16) Paper 1 – Minutes 13 June

ACARAC (04-16) Paper 2 – Summary of actions

- 2.1 The minutes of the meeting on 13 June 2016 were agreed and the updates on actions, captured in paper 2, were noted.
- 2.2 Following a discussion on the significant issues which had previously been discussed by the Committee, and other important reference materials, the Secretariat agreed to prepare a pack of papers for Suzy Davies to ensure she was fully informed of the Committee's work to date.
- 2.3 The Chair asked Dave Tosh to update the Committee on the Commission's work on Cyber Security. Dave confirmed that although this was not a risk on the corporate risks register, a presentation was scheduled for the July Management Board.
- 2.4 Dave described his responsibilities as Senior Information Risk Owner (SIRO) and agreed to provide the Committee with a paper highlighting his programme of work over the coming months.
- 2.5 Claire Clancy informed the Committee that following a recent recruitment exercise to appoint a new Director of Finance, they had been unable to appoint a suitable candidate. She assured the Committee that she had no concerns regarding the management of Assembly funds and that other arrangements were being put in place.

Actions

- *Secretariat to prepare a pack of papers for Suzy Davies AM on the significant issues that have been considered by the Committee and other reference material.*
- *SIRO to provide his on-going programme of work to the Committee. Secretariat to add this to the FWP.*

3 Annual Report and Accounts

4 External Audit update

ACARAC (04-16) Paper 5 – ISA 260

- 4.1 Nia Morgan presented the Committee with the final financial statements for 2015-16, which formed part of the Assembly Commission Annual Report. She was extremely pleased with the process and thanked her team, especially Donna Davies and Lisa Bowkett for their work. She also thanked the Wales Audit Office for the on-going dialogue during the audit period, especially when trying to resolve any outstanding issues.
- 4.2 Committee members praised the professional approach taken to this year's report. The review undertaken last year had helped to improve communications and processes.
- 4.3 Ann-Marie Harkin and Matthew Coe presented the ISA 260 to the Committee. This document summarised the conclusion to the 2015-16 audit and was required in accordance with statutory auditing standards. Ann-Marie confirmed that her review of the accounts was complete and she would recommend that the Auditor General for Wales issues an unqualified report. She commented on the high quality documentation presented to her team, thanked the Finance team for their hard work and also expressed her thanks to Ian Summers.
- 4.4 Claire thanked the WAO for their open and honest communication, especially on the issues raised last year. The change in personnel, for both the Assembly Commission and the WAO could have proved detrimental to the audit process, but everyone worked extremely hard to ensure the process was smooth and successful.
- 4.5 She also wanted to formally thank Gareth Watts for his superb internal audit work and Chris Warner for drafting such a comprehensive Annual Report.
- 4.6 Finally, Claire wanted to thank and congratulate Nia and her team for achieving such an outstanding ISA 260 report. In all her years of being the Accounting Officer, she reflected that this was the best yet.
- 4.7 From an independent perspective, the Chair was extremely pleased and urged officials and the WAO to build on this progress by looking at ways to make further improvements for next year.

Action

- *The WAO and Assembly Finance team to review the 2015-16 audit process to look at ways to continuously improve on the audit process.*

5 Business Efficiency review

ACARAC (04-16) Paper 6 – Business Efficiency Review – Additional Information
ACARAC (04-16) Paper 7 – Review of the Assembly Commission’s Approach to Organisational Efficiency and Effectiveness (previously circulated in May)

- 5.1 The Chair welcomed these papers, especially the quantitative analysis presented to the Committee.
- 5.2 Dave described the impressive levels of savings as a result of insourcing ICT services and the on-going work across the organisation to continuously look for opportunities to change and improve processes. Although the papers primarily captured savings realised within the Resources Directorate, any good practice would be shared across the organisation.
- 5.3 He then described the capacity planning round that was due to be conducted by Management Board. This piece of work, as well as scenario planning and the Assembly Members survey, would all feed into future efficiency and effectiveness work.
- 5.4 The Committee encouraged Dave to take a holistic and challenging view of business efficiency, and to consider measuring the saving/efficiencies through corporate key performance indicators. They were pleased that this approach would be shared with other Directorates.
- 5.5 Claire described her role in giving evidence to the Finance Committee that resources were being used wisely. She believed that combining these Business Efficiency Review papers would demonstrate, in a tangible way, how the Commission is achieving its goal of driving for efficiency, whilst delivering excellent customer services.
- 5.6 Dave agreed to combine both papers as a briefing paper for Claire and the Commissioner in time for the Finance and Public Accounts Committee meetings in the autumn. This would also be shared with ACARAC members for comment.

Action

- *Dave to combine both papers in preparation for the Public Accounts and Finance Committees in the autumn, and to canvass the views of ACARAC members.*

6 Forward Work Programme

ACARAC (04-16) Paper 8 – Forward Work Programme

- 6.1 The Secretariat agreed to add the items captured during the meeting to the forward work programme and to consider the Commission's new strategy.
- 6.2 They would also arrange meetings for Suzy Davies with the following:
- Chair of ACARAC
 - Head of Internal Audit
 - Ann Marie Harkin (WAO)

Action

- *Committee to consider the Assembly Commission's strategy (yet to be agreed).*

Next meeting is scheduled for 21 November 2016.