



**Audit and Risk Committee Meeting Minutes**  
**IPC ARC Meeting No. 26**

Wednesday 15 June 2016, 3pm to 5pm

**1. Attendance**

<u>Members:</u>	Ms Lyn Baker (Chair), (LB), Mr Paul Crombie (PC), Mr Malcolm Clinch (MC)
<u>In attendance:</u>	Ms Elizabeth Tydd (ET), Ms Samara Dobbins (SD), Ms Roxane Marcelle-Shaw (RMS) (Chief Audit Executive), Ms Anwen Rowe (AR), Ms Pamela Robertson-Gregg (O'Connor Marsden), Mr David Daniels (Audit Office), Mr Robert Hayek (Audit Office)
<u>Apologies:</u>	Mr Ashley Hawkins (Department of Justice)
<u>Minute Secretary:</u>	Ms Anwen Rowe (AR)

**2. Declarations of interest**

Paul Crombie informed the Committee he has been appointed to the Audit and Risk Committee for the NSW Crime Commission.

No additional declarations of interest were made.

The meeting **noted** this advice.

**3. Minutes of previous meeting and Rolling Action Report**

Minutes of meeting 24, 23 March 2016 were **approved** and **adopted** by the Committee.

Minutes of the extraordinary meeting on 27 April 2016 were **approved** and **adopted** by the Committee.

Members discussed an outstanding action arising from the meeting on 27 April regarding arrangements by the Audit Office to conduct an audit of the separate (temporary) privacy office. The Audit Office confirmed an examination of the controls in place with the relocated Privacy Commissioner would be undertaken, however as the IPC remains as a single entity, the audit will be business as usual. The Committee discussed options regarding seeking attestation from the Department of Justice (DoJ) about the financial oversight and management controls of privacy processes given that the Department had agreed to fund any budget overrun by the Privacy Commissioner. Committee members supported the management response provided by the IPC to the Secretary's questionnaire and supported its inclusion in the notes to the IPC's financial accounts.

Providing an attestation is provided, members **noted** they could review attestation to identify potential assurance issues and management letter findings.

Members **acknowledged** these minutes would be proactively released on the Information and Privacy Commission's (IPC) website.

Members **noted** the revised ARC Charter and recommended approval by the CEO in accordance with the process established under the Charter.

*Action item 1: Publish minutes of 23 March 2016 and 27 April 2016 on the IPC website.*

*Action item 2: CEO and Chair to sign the revised ARC Charter.*

*Action item 3: ET to seek certification from DoJ as the responsible service entity regarding financial reporting in accordance with TPP 14-05 for the IPC and include privacy related budget for the period of the privacy temporary relocation overseen by the Department.*

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

#### **4a. Update from the Chair**

No further update provided.

#### **4b. Update from CEO/Information Commissioner**

ET informed the Committee of a quarterly reporting framework, including quarterly meetings with the Office of the Attorney General and the Secretary of the Department of Justice. ET updated members on her recent meeting with the Office of the Attorney General including positive feedback received on the progress of work completed and work underway. ET informed members she has a scheduled meeting with the Secretary DoJ later this week.

ET informed the Committee that business planning for 2016/17 was undertaken on 6 June with all staff participating. A draft is in progress and the final version will be shared with members. The Committee discussed the items that were unable to be progressed in the 2015/16 business plan due to the circumstances arising with the temporary relocation of the Privacy Commissioner. These items will now be pursued for information access only. ET informed members that the Regulatory Framework will also proceed excluding Privacy in the interim.

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

#### **4c. Update from Director Business Improvement**

SD provided an update on the monthly dashboard report and informed members that going forward the dashboard would take a balanced score card approach with data visualisation. IPC staff have worked with OCM to review the KPI's and these would be reflected in the new approach.

Members discussed the dashboard data and RMS provided an update of new policies being developed to guide officers and support our work within the proactive regulatory environment.

Regarding implementation of the GSE Act, SD informed members' staff had recently completed ethics and decision making training on 8 April and that overall implementation was on track.

The Committee **noted** the Director Business Improvement's report.

### **5. Agency Planning and Reporting**

#### IPC Business Plan

Members were informed that the IPC is on track to deliver all outstanding actions on the current 2015/16 plan. SD informed members of a new approach to business planning for 2016/17 with a revised format in line with the Regulatory Framework. SD also confirmed any work undertaken will be purely within corporate and information access.

The Committee **noted** the report on Agency Planning and Reporting.

### **6. Risk Management 2015-16**

#### Risk Register

Members' discussed the current status of the 2015/16 Risk Register. RMS informed members that the register would be refreshed following the recent business planning undertaken on 6 June. The enterprise risk framework would also be reviewed.

RMS confirmed that the mitigations within the risk register remain in place for the previously identified risks.

The Committee discussed the arrangements currently in place with the temporary relocation of the Privacy Commissioner, and discussed the outstanding risks particularly around oversight of the separate office and the controls in place. Members commented that the Committee may have difficulty discharging their functions under the ARC Charter as they have no visibility over the separate office.

Members discussed an option of seeking assurance from the Secretary DoJ who has oversight of the current arrangements of the relocation of the Privacy Commissioner.

The Committee **noted** the register and the elevated risks in light of the current operating environment.

## 7. Internal Audit

### Progress on implementation of internal audits

The Committee discussed the progress on the implementation of internal audits.

Members discussed the proposal to close the IPC Scholarship Project Governance audit and **agreed** with this action **noting** this remains in a holding pattern until December 2016.

Members also requested aligning the terminology within the CMS internal audit register with the terminology within the risk register.

The Committee discussed and **noted** the progress for the Leave Management, Sponsorship Management and Contract Register compliance with the GIPA Act internal audits.

The Committee discussed the internal audit plan for 2016/17 **noting** this will be refreshed following the recent business planning and revision of the risk register. A refreshed audit plan will be provided at the August 2016 ARC meeting.

The Committee **noted** the actions accepted and underway for the internal audits.

## 8. External Audit

The Committee discussed the correspondence regarding 'observations on early close procedures performed by the Information and Privacy Commission prior to 30 June 2016'. Members **noted** the potential for comments around accounting treatment by the Department in the observation letter.

Members requested receiving a quarterly or previous month balance sheet/statement of comprehensive income going forward to assist with their oversight.

The Committee discussed the revised cash management policy and its impact on 'going concern' assessment. Members discussed an email to the Audit Office around disclosure may assist.

The Committee **noted** the update on External Audit.

*Action item 4: Re-circulate email to Committee regarding the impact of the cash management policy reforms and 'going concern' for consideration and input.*

*Action item 5: IPC will liaise with DoJ to provide Committee members with a quarterly or previous month balance sheet/statement of comprehensive income.*

## 9. Legislative Compliance Register

Members were informed the register has been revised incorporating feedback received from members. The request for attestation of compliance from relevant staff will be addressed under item 4.1 within the ARC Annual Calendar. RMS also informed the Committee the exercise to refresh the risk register will have regard to the compliance register.

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

## 10. Review of ARC calendar items – Quarter 4

Members discussed the calendar of items for Quarter 4.

The Committee **noted** the review of calendar items for Quarter 4 **noting** all items due for review are acquitted.

## Other business

Meeting closed at 4.45pm.