



Garda
Ombudsman
INQUIRY INDEPENDENCE IMPARTIALITY

Audit & Risk Committee

Annual Report 2023

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Statement from the Chair of the Audit and Risk Committee

I am pleased to present the second Annual Report of the Audit and Risk Committee (ARC) for the Garda Síochána Ombudsman Commission (GSOC). This Annual Report covers the second full year of the ARC's operation.

The ARC was established by the Ombudsman Commission in January 2022. Under the Policing Security and Community Safety Act 2024, GSOC is moving towards becoming a new organisation and a Vote holding body and an ARC is a requirement for a Vote holding body under the Civil Service Corporate Governance Standard.

The ARC was established to provide independent and objective advice on the adequacy of systems of governance, internal control and risk management to the Ombudsman Commission, including, through oversight of the internal and external audit functions. Our role is advisory rather than supervisory. We provide an independent view of the financial reporting process, governance systems and procedures, risk management systems, internal control and audit functions to the Ombudsman Commission.

For GSOC, 2023 was a busy and challenging period, as the Commission continues in a transitional period both in terms of business operations and the preparation and challenges faced with the restructuring of the organisation, and its processes, in line with the implementation of the new legislation.

Likewise, the ARC continued to review the existing governance structures within GSOC, with particular emphasis on the revised Risk Management Framework, the Risk Register and the Risk Management Policy.

In 2023, GSOC appointed Mazars as their Internal Audit provider and an agreed internal audit plan was put in place, with priority given to key risks that would be relevant in the new organisation, Fiosrú, the Office of the Police Ombudsman. Mazars have undertaken three audits in 2023. The Committee is satisfied that the internal audit service provided by Mazars has made a valuable contribution to the overall control environment and the Ombudsman Commission can rely on the assurances provided and that its recommendations are appropriately addressed by management. In addition, the ARC followed up the review of the status of previous internal audit recommendations.

Based on its considerations during the past year, the Audit and Risk Committee are satisfied that GSOC has a solid control environment in place.

The external auditor provided a similar level of assurance from the audit of the 2022 financial accounts.

The ARC is satisfied with:

- the assurances provided by the external and internal audit;
- the Committee's own work in the review of financial, internal control, risk and governance matters; and
- engagement with management during 2023.

The ARC is assured that there were adequate risk management and internal control systems in place in GSOC for 2023 which can be relied on to give assurances to the Ombudsman Commission.

The Committee recognises and extends its thanks for the extensive work and support provided by the Executive.

Mr Paul Dempsey
Chair of the Audit and Risk Committee
Xx February 2024

1. Introduction

The Audit and Risk Committee (ARC) Annual Report of the Garda Síochána Ombudsman Commission for 2023 is prepared in accordance with the Audit and Risk Committee Charter and the requirements of the Code of Practice for the Governance of State Bodies (the Code).

2. Membership, Meetings and Support

The members of the ARC are:

Member	Position	Meeting attended in 2023
Mr Paul Dempsey	Chair – External member	6
Ms Emily Logan	Internal Member	5
Mr James O’Boyle	External Member	6

The ARC held six meetings in 2023, on the following dates;

- 1 February 2023,
- 29 March 2023,
- 5 April 2023,
- 28 June 2023,
- 21 September 2023, and
- 6 December 2023.

The Committee was supported by the Director of Administration, the Head of Finance and Corporate Services and the Chief Risk Officer. Ms Pauline Byrne was Secretary to the Committee in 2023.

3. Role and Functions of the Audit and Risk Committee

The ARC is part of GSOC’s control environment, tasked with providing independent advice to the Ombudsman Commission and supporting them in their responsibilities for issues of risk, internal control, and governance. In doing so, the ARC will review the comprehensiveness, reliability, and integrity of assurances to the Ombudsman Commission, including the suitability and robustness of the organisation’s internal control, internal audit, risk management and governance systems and procedures. The ARC may make recommendations to GSOC and the Ombudsman Commission it deems appropriate on any area within its remit where action or improvement is needed.

The main functions of the ARC are set out in the Audit and Risk Committee Charter and cover the following areas:

- Internal Controls and Risk Management Systems
- Financial Reporting
- Governance and Compliance
- Internal Audit
- External audit
- Protected Disclosures
- Data Protection

4. Audit and Risk Charter

The Audit and Risk Committee Charter was put in place by the Committee in 2022, with the approval of the Ombudsman Commission. In accordance with the Charter, the Committee confirms that the following have been carried out:

- the functions outlined in the Charter; and
- a review of the Committee's performance.

5. Work of the Audit and Risk Committee in 2023

The following matters were considered by the Committee as part of its work plan in 2023:

- In line with Code of Practice and Governance of State Bodies, considered the Review of the System internal Controls Report conducted by internal audit and provided assurance to the Chairperson;
- The GSOC Organisation Review Report conducted by Grant Thornton and met with a representative of Grant Thornton;
- The Committee met with GSOC's Transition team, who provided a detailed overview of the work being conducted and the governance arrangements in place for the transition to the new organisation;
- Monitoring of the governance arrangements in place for the transition to the new organisation;
- The report undertaken by the Internal Audit team (Mazars), Statement of Internal Controls 2022 and met with representatives of the internal audit team;
- The report from the Department of Justice (DOJ) Internal Audit in relation to their follow up review of audit recommendations;
- The report undertaken by the Internal Audit team (Mazars), Strategic Implementation and Performance Management Audit and met with representatives of the internal audit team;

- The Corporate Procurement Plan. The Committee met with GSOC's Head of Finance;
- The outcome of the audit of the 2022 financial accounts and Management letter from the Office of the Comptroller and Auditor General (OCAG);
- The Committee met with a Senior Auditor from the OCAG, who discussed the report of the audit;
- The ICT Service Delivery Model Audit. The Committee met with GSOC's Head of ICT to discuss the follow-up actions taken as a result of an externally commissioned report;
- GSOC's risk management process, with particular emphasis on the Risk Register. The Committee met with the Chief Risk Officer;
- Monitoring of risks identified and contained in GSOC's Risk Register and the ongoing monitoring of risk;
- Reviewed the risk register and met with the Chief Risk Officer (CRO) and management to discuss risks;
- The Committee met with GSOC's Data Protection Officer and discussed data breaches and GSOC's mitigating processes and policies.

The approved minutes of meetings are circulated to the Commission and are published on GSOC's website. In addition, the Committee retains a log of actions arising from its meeting and the status of these actions is updated on an ongoing basis.

6. Director Updates

The Director of Administration updated the Committee at each of its meetings in relation to GSOC's main activities and its operating environment. Regular updates on the status of the new legislation and GSOC's preparation for transition to implement the requirements of the legislation were noted. The Committee were also briefed in relation to the financial position of GSOC and other matters.

7. Financial Matters

The Committee reviewed GSOC's financial reports for 2022 and examined expenditure against budgets allocated. The budget estimates for 2024 were discussed and noted that additional funding was allocated to enable GSOC to progress the essential activities required to commence the Policing Security and Community Safety (PSCS) legislation and establish the new organisation, Fiosrú.

The Committee acknowledged the extensive work undertaken by GSOC's Finance Unit in preparation and establishment of GSOC becoming a Vote holding body.

8. Internal Audit

The appointed Internal Audit provider developed a risk-based value audit plan for a three-year period, in addition, the development of an Audit Universe and systems general control review, which was approved by the Committee.

In line with the audit work plan, the following audits were undertaken by the internal auditors throughout 2023:

- The Review of Internal Controls 2022, were considered by the Committee. Internal audit confirmed that they were satisfied that:
 - recommendations made were implemented;
 - GSOC has effective internal controls systems in place.
- GSOC's Strategic Implementation and Performance Management Audit. The Committee discussed the finding of this audit and it was noted that management accepted the findings.
- The third audit which commenced in Q.4 of 2023 in relation to complaints processes. The finding and recommendations of this audit will be discussed in 2024.

9. External Audit

The Office of the Comptroller and Auditor General (OCAG) conducted an audit of GSOC's 2022 financial accounts. The OCAG Senior Auditor presented the findings of the Audit to the Committee at the December 2023 meeting. The Committee noted that the finding of the OCAG Audit Report was a positive reflection on GSOC's control environment.

The Committee discussed the risks associated with the transition to a new Vote. The OCAG Senior Auditor referred to the strong internal controls in place in GSOC and didn't consider there were any significant financial control risks associated with the transition.

10. Implementation of Audit Recommendations

GSOC maintains a register of audit recommendations from all internal and external audits and the status of the implementation of these recommendations is regularly updated and reviewed by the Committee.

11. Risk Management

GSOC has put a Risk Management Framework in place including a Risk Management Policy, a Risk Appetite Statement and a Risk Register, and established a Risk Monitoring Group. This system, which is monitored regularly by the Committee, includes regular ongoing identification, assessment, mitigation and management of risk by GSOC.

The Risk Register is regularly updated to reflect observations by the Risk Monitoring Group, including where appropriate to add new risks, remove or modify risks, consider the ranking and mitigation of risks and to escalate particular risks in light of changing circumstances.

The Committee reviews the Risk Register at each meeting and advises in relation to the identification, ranking and mitigation of risks. Risk Management is a standing agenda item at ARC meeting when risks are reviewed and discussed with the Chief Risk Officer.

12. Self-Evaluation of Audit and Risk Committee Effectiveness

The Committee carried out an assessment of its effectiveness during Quarter 1 2024. The Committee completed the questionnaire in the Code of Practice for the Governance of State Bodies to assess its effectiveness and compliance with the requirements of the Code.

- The membership and skills mix of the Committee was considered and no gaps were identified;
- The skills, knowledge and experience of members are used to good effect and all meetings are open and constructive.

13. Priorities for 2024

During 2024 the Committee will continue with the areas of business undertaken in 2023 to provide oversight of the governance, financial, audit and risk management arrangements in place in GSOC with a view to providing assurance to the Ombudsman Commission with respect to the adequacy of and compliance with the system of internal control. Particular attention will be given to the following areas of work as GSOC continues to prepare for the transition into a new organisation:

- Engagement with the internal auditors and a detailed review of audits undertaken in 2024;
- Monitoring of the Risk Management Framework and practice and a detailed review of the revised Risk Register, including operational areas;
- Monitoring of key risks for GSOC, including, but not limited to the transition project;
- Monitor the development of new business planning and performance management processes, including the Case Management System in advance of the establishment of Fiosrú;
- Monitoring of the Governance Framework in regards to the transition from GSOC to Fiosrú;
- Monitoring of Data Protection practice, to include the controls in place to mitigate data breaches;
- Monitoring the development of Code of Ethics for Fiosrú;

- Meeting with the new CEO Designate, when appointed; and
- Engagement with Comptroller and Auditor General.