



**Minutes of Audit and Risk Committee
4 July 2024**

Attendance

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| Committee: | Paul Dempsey (Chair), Emily Logan and James O'Boyle |
| Secretary: | Pauline Byrne |
| Management/Staff: | Aileen Healy (Director of Administration), Amanda McLoughlin (Head of Finance), Peter Hogan (Principal Officer of Administration), Mark O'Loughlin (Project Manager, Transition) (item 4), Ellen Kenny (Data & Governance). |
| Visitor: | Sheila McClelland Robert Burke (Mazars) (item 6) |
| Apologies: | Joanne O'Donohue (Chief Risk Officer) Peter Whelan (Director of Operations) |

1. Committee Chair Opening Statement

The Chairman welcomed Sheila McClelland who will shortly take position of CEO Designate of Fiosrú in the run up to the commencement of the legislation as an observer of the meeting.

The agenda was approved and no conflicts of interest were declared.

2. Minutes and Matters Arising

The minutes of the ARC meeting on 28 March 2024 were approved.

3. Administration Update

The Director of Administration briefed the Committee on the main developments since the last meeting, including:

GSOC continues to focus on its transition to Fiosrú, in particular those actions that are essential for the commencement of the Act, including:

- Recruitment for the Senior Management posts has been completed by PAS under the auspices of the Department of Justice (DoJ). The positions of Police Ombudsman and designate Chief Executive Officer have now been filled. As the competition for the position

of Deputy Ombudsman resulted in no suitable candidate being identified DoJ have decided that a new competition will be undertaken, however this is not considered to be a day one essential.

- Fiosrú's commencement date has been deferred until late 2024. The DoJ have indicated a potential commencement date of 31 October 2024.
- There is ongoing engagement with the DoJ on key issues, which impact on Fiosrú processes including the preparation of Garda Conduct Regulations.
- DoJ have indicated that Fiosrú's Vote will commence on 1 January 2025. Financial Shared Services (FSS) in the DoJ will manage the budget for payroll accounting until the commencement of the Vote.
- The audit of the 2023 Financial Statements has been completed, the accounts finalised and submitted to the Office of the Comptroller and Auditor General (OCAG). The OCAG Management letter, which will set out the findings and recommendations arising from the audit will be forwarded in due course. It was agreed that a representative of the OCAG be invited to meet with the ARC at its next meeting.
- The 2023 Annual Report has been submitted to the Minister of Justice and it is due to be laid before the Oireachtas.
- GSOC current staffing levels are 168. There are 25 vacancies, at various stages of being filled.
- Work is continuing between GSOC's ICT unit and the appointed service provider in Information Security Management Services, which includes ICT security, cybersecurity and penetration testing. It was noted that this assessment will be measured against baseline standards and in line with the introduction of NICS 2 in October 2024.
- Work is continuing on the new Case Management System (CMS) project. Work is also continuing on an interim solution which will work alongside the existing CMS and will be a two-phase solution. Phase 1 will mirror the current CMS and Phase 2 will incorporate the new legislation. The interim CMS is a day one essential.

The Activity Report was noted.

The ARC was updated on recent media coverage concerning the response issued to a data access request from a journalist and concerns regarding journalistic privilege. The ARC was provided with a briefing in relation to processes in place in GSOC for an application for telecom data to ensure that the law is complied with in seeking authorisation to obtain such data. It was noted that, on approval by the Commission, GSOC seeks judicial approval in the form of a preservation and production order in the event that access to records is required, a Single Point of Contact (SPOC) system is in place with telecom applications, in addition an oversight system is in place whereby an independent High Court Judge conducts an annual examination of requests. The Committee was also briefed in relation to how Data Access requests in relation to such matters are dealt with under the Law Enforcement Directive.

4. Transition

The Programme Manager briefed the Committee on the Fiosrú Transformation Programme. In particular, it was noted that:

- There are challenges in scheduling the work to be undertaken in Phase 2 (pre-Day 1) against a moving commencement date and uncertainty about when the legislation will be commenced. In the absence of a definitive date the plan is being re-baselined to assume commencement at end September.
- In parallel, there has been reprioritisation of a number of projects which have been ongoing in parallel, with impacts on the availability of resources to meet priority tasks. The PSCS Transition Project is Priority 1, the interim CMS Priority 2 and new CMS Priority 3. The lack of capability required for these projects, particularly in the area of programme and project management was noted, as was the siloed nature of the projects to date. This necessitates that they all be pulled together under a single governance structure with clarity across all workstream which will assist in align the work and the scheduling of tasks. Where appropriate, tasks which are not essential for commencement will be rescheduled to a post Day 1 Phase 3 of the Transformation project.
- Significant progress has been made in the management of online forms, template letters and processes and each workstream is progressing towards the new baseline date. Work has commenced and gaps identified to pull all the programmes under one clear and unified governance structure.
- The Committee noted the delay with secondary legislation and the challenges this presents to the finalisation of some operational processes.
- With regard to resourcing, despite the allocation of an additional budget of €1.3 million in 2024, there is a difficulty recruiting additional staff with the required skills and this is exacerbated by high staff turnover. There was also discussion about skills and capabilities gaps and how these can be addressed.
- The Committee were briefed on the progress of the new CMS project and GSOC's interaction and management of the vendor. The Committee discussed the challenges currently being faced in some detail and the actions which are underway to address the issues. The difficulty with having disparate governance arrangements in place was noted and the need for a single overarching governance structure to resolve conflicts and to provide strong vendor management was emphasised.

The Committee emphasised that the establishment of a new organisation provides an opportunity to focus on, and radically change, the culture of the organisation. There was a discussion that a culture audit would be beneficial, defining culture and setting a desired culture within the organisation.

5. Governance

5.1 Performance Management – Key Performance Indicators

The Principal Officer in Administration briefed the Committee on the work undertaken to develop a system of KPI's for Fiosrú. In presenting a discussion paper on the approach to be taken, he also noted some of the challenges to the development and implementation of a performance metric system, not least the availability of data to underpin the metrics identified. The Committee noted the intention to establish a working group to assist in the development of KPI's for the organisation, noting that this may be challenging with current resources.

There was a discussion on the benchmarking review with other agencies, which included police oversight agencies in other jurisdictions and similar organisations in Ireland. The Committee noted that GSOC as an organisation does not appear to be focused on timeliness and focuses on the presentation of statistics rather than performance levels. It was noted that benchmarked agencies have a focus on timely processing and investigation of complaints. The Committee emphasised the critical importance of timeliness metrics as a priority from the establishment of Fiosrú and the design of the new CMS with the capability to provide data and reports which will support the production of quality and timeliness indicators. The importance of public attitudes surveys and other mechanisms for getting feedback on external perceptions of the organisation's performance e.g. from Fiosrú's clients and stakeholders was highlighted to determine areas of performance that need to be measured and to measure public confidence in the effectiveness and independence of Fiosrú.

There was a discussion on prioritising KPIs on the timeliness of investigations, which is part of Fiosrú statutory obligations. However, it was acknowledged that while timeliness is important, it should be balanced with maintaining quality. Consideration should also be given to engaging with staff and stakeholders in the development of KPIs. It was acknowledged that KPIs should be evolving and a good measure of how an organisation is performing. The Committee noted that further scoping and benchmarking will be conducted to identify other potential data sources and processes which may assist with establishing of administration KPIs.

5.2 Anti- Fraud Policy

The Head of Finance briefed the Committee on GSOC's Draft Anti-Fraud Policy. The Committee acknowledged that the report was comprehensible and would be updated to Fiosrú. The Committee noted that reporting of a Protected Disclosure is set out in a separate policy.

The Committee made a few minor recommendations regarding a number of additional matters that need to be included in the policy, noting that, when finalised, the policy would sit under Fiosrú's Code of Ethics. It was agreed that on completion the policy would be submitted to Internal Audit.

6. Audit

6.1 Risk Management Review

The Committee welcomed the representative from Mazars for discussion on the findings and recommendations of their internal audit on GSOC's Risk Management Review.

The auditor outlined the Terms of Reference and the finding of the audit. He noted that there was a good framework, policy and structure in place for risk management but that the system is immature at an operational level and needs to move to the next level by embedding it across the organisation and aligning it with strategic and business planning.

No high-level priority finding was identified and four medium priority findings were identified. The Committee noted the recommendations made on the finding and management acceptance of those recommendations. The auditor confirmed that overall there is an adequate and effective system of governance, risk management and internal control.

The importance of regular Risk Management training for staff, involving third party expertise, was highlighted and it was noted that GSOC would endeavour to implement Risk Management training in 2024 and to continue with its roll out in 2025.

With regards to the risk appetite statement, it was noted that further clarity was required regarding how medium and low risks are defined and that this needs to be aligned with the policy and it was suggested that it would be useful to define appetite for each risk category. It was agreed that the Risk Appetite Statement would be reviewed and updated in conjunction with risk management training and staff workshops.

With regard to reporting of risks, it was noted that, despite having mitigating factors in place, the rating of some risks remains unchanged, suggesting that either the mitigation actions were not being implemented or that controls were not being re-evaluated to reflect increased effectiveness on the implementation of mitigations and resulting lower rating. It was recommended that the frequency of the Risk Management meeting should be increased and that the group should ensure ownership of the mitigating actions, actively follow up on whether actions are being implemented and provide oversight to ensure that the framework is operating effectively in practice. The role of the ARC in challenging risk reports and asking questions when risk ratings are not falling was also discussed.

The Committee acknowledged the significant work and progress that has been made over the past 18 months and the huge amount of work on reducing the number of risks on the Risk Register. It was agreed that the Risk Register should continue to evolve and that the implementation of the recommendations of the audit would be instrumental in achieving this.

6.2 Audit Plan

There was a discussion with the Mazars representative on the 2024 Audit Plan. The Committee noted that two of the four audits scheduled for 2024 have now been completed. It was noted that the 2024 Internal Audit Plan included an audit of Cyber Security. However, Mazars noted that work is ongoing with an external contractor on Data security in line with the baseline standard (5 Pillar Standard – identify, protect, detect, recover and respond). Rather than duplicate this work, it was agreed that Mazars would conduct a follow-up review of their 2021 ICT Performance Service Delivery Report as part of the 2024 Internal Audit Plan and will review the work on Data Security in due course. An audit of the operational case file management is due to be undertaken in Q3.

6.3 Fleet Management

The Head of Finance briefed the Committee on the progress of implementing the new fleet management system, noting that the Departmental Council has agreed in principle to the introduction of the system, subject to clarification on a number of minor issues

7. Data Protection

The Data Protection Officer (DPO) briefed the Committee on the current statistics for GSOC's Data Protection Unit. It was noted that both Subject Access Requests (SARs) and Data Advice Queries had increased by 20%. There was a decrease in the number of data breach notifications to the DPO and complaints from the Data Protection Commission (DPC) had also decreased by 29%. Data Protection Training was provided to GSOC's Operations Staff and GSOC's Casework Staff with further training to be scheduled for GSOC's Administration and Legal Units. It was acknowledged that the recent training has contributed to the increase in the number of queries and requests for advice submitted to the DPO.

8. Code of Ethics

The Committee was updated on an initial work to prepare a Code of Ethics for Fiosrú. The conceptual framework which has been developed was discussed and the Committee agreed that this was a good starting point and made some further suggestions. The importance of training to ensure staff awareness when the Code of Ethics is introduced was emphasised and it was agreed that the Code would be developed in partnership with staff so as to broaden understanding and awareness.

9. AOB

The next ARC meeting is scheduled for 24 September 2024.