

## **VMD AUDIT & RISK ASSURANCE COMMITTEE**

### **Minutes of meeting held on 5 December 2019**

#### **Members**

David Corner (Chair)  
Julia Drown  
David Catlow

#### **Present**

Peter Borriello - VMD  
Abigail Seager - VMD  
Mike Griffiths – VMD  
Linda Simmons – VMD  
Nick Stokell - Defra  
Emma Parkinson – NAO  
Peter Morland – NAO

Natalie Sweeny – VMD (observer)  
Chris Abbott – VMD (note taker)

#### **1. Announcements and apologies for absence**

1.1 Apologies were received from Paul Green, Christine Middlemiss and David Kennedy. Natalie Sweeny, the Directors' office manager, was welcomed as an observer.

#### **2. Declarations of interest in the matters to be discussed**

2.1 None.

#### **3. Minutes of the meeting held on 26 September 2019 VMD ARC 19/46**

3.1 The minutes were agreed.

#### **4. Matters Arising/Actions VMD ARC 19/47**

4.1 VMD said that the lack of access to People Finder remains a critical issue and would be raised with the head of DDTS.

##### **ACTION**

4.2 Following the discussion about international traveller safety at the last meeting, Members asked that VMD look in to providing a single out of hours telephone number and internet contact point in case of emergency for the staff member travelling and their emergency contact.

##### **ACTION**

#### **Financial Year 2019/20**

#### **5. Internal Audit**

5.1 The Defra Internal auditor apologised for not having any finished reports ready for review in time for the meeting. The Chair noted that this was not the standard

of service the committee had received from the previous auditor and it meant that four reports would have to be reviewed at the March meeting. It was agreed that the reports would be circulated to members for comments when they are completed. The draft audit plan for the following year would be brought to the meeting as well for review. They also assured the committee that the later reports would not impact on the timing of forming a final opinion on this year's accounts.

## **6. External Audit**

### **VMD ARC 19/48 & VMD ARC 19/49**

- 6.1 The External Audit plan for 2019/20 was presented and reviewed. Members agreed the plan subject to some minor amendments to the wording. The rising costs were discussed. The first increase had been due to the new finance system being introduced and the second due to EU Exit meaning that more checking was required. The Committee noted that as both of these were non-recurring events it would be expected that the costs would fall in future years though there may be some increase for inflation.
- 6.2 In discussing the risks of the VMD it was agreed that the property would be noted as on a specialised site rather than being a specialised building. On international work it was noted that the VMD cannot now be a leader within the EU for veterinary medicines work though it is a leader in the field in terms of its skills and expertise.
- 6.3 The Committee noted the report of wider work the NAO is involved in including water management.

## **7. VMD Finance/Other**

### **7.1 Draft Governance Statement**

#### **VMD ARC 19/50**

7.1.1 Members reviewed the draft Governance Statement and requested some minor amendments.

### **7.2 Year-End timetable**

#### **VMD ARC 19/51**

7.2.1 The ARAC meeting planned for 19 May will need to be rescheduled as NAO will not have completed their work by then. VMD will circulate alternative dates in late June/early July for agreement.

7.3 Members noted that there were no outstanding actions from previous audits.

## **Audit & Risk Committee Procedural Items**

### **8. Papers circulated to the Committee since the last meeting**

8.1 EU Exit SRO monthly reports had been circulated.

### **9. Risk and Assurance**

#### **9.1 Risk Register**

#### **VMD ARC 19/52 & VMD ARC 19/53**

9.1.1 The Committee reviewed the Risk Register and noted that adequacy of IT services had moved from a medium to high risk. The on-going problems with emails was a concern for the Committee. The lack of an SLA with Defra for IT services was noted and members recommended that this be pursued.

9.1.2 The Committee reviewed the revised Risk Register in the Defra format which was presented and agreed it could be used at future meetings provided the format was simplified and made easier to read.

**10. Update on data handling, fraud and corruption issues VMD ARC 19/54**

10.1 The Committee noted that SSCL had not correctly processed the notification provided for a staff leaver and the consequent salary overpayment had been recovered. Members noted with concern that Budget Managers would not be able to easily spot overpayments, meaning the reliance on SSCL was heavier than might normally be expected. This made the issue of a service level agreement for SSCL more crucial.

**11. Audit Committee work plan VMD ARC 19/55**

11.1 It was agreed that there would be no focus topic at the March meeting. The Risk Assurance Map would be reviewed at the following meeting.

**12. Any Other Business**

12.1 There was no other business.

**13. Dates of future meetings**

13.1 2020: 19 March, June/July - TBC, 24 September, 8 December