

NERC Audit and Risk Assurance Committee Meeting

Summary of discussions - 23rd February 2017 (Medical Research Council, London)

Members present:	Mr Nick Folland (Chair), Mr Richard Gledhill, Professor Ian Poll, Mr Steve Turner
Executive Attendees:	Mrs Claire Turner (Director, Finance), Mr Paul Fox (Chief Operating Officer), Professor Duncan Wingham (Chief Executive)
Auditors	Mr Rod Viggers (AASG), Mr Andrew Hamer (NAO)
Attending:	Professor Tim Wheeler (Director, Science and Innovation) - item 4 Mr Paul Hayden (Chair of NBOSAAG) – items 5 and 6 Captain Tim Stockings (Operations Director, BAS) – items 5 and 6
Participating by teleconference:	Ms Alison Robinson (Director, Corporate Affairs) - item 8 Mrs Carol Exton (Head of Head Office operations) – item 9
Secretary:	Mrs Sam Gooch
Apologies:	Professor Paul Monks (ARAC Member), Miss Nicola Probert (Risk and Assurance Manager, Counter Fraud Officer).

Key issues discussed

Official Development Assistance (ODA) funding update

Professor Wheeler updated ARAC on ODA funding and the controls implemented by NERC to maintain balance across current activity and expenditure. Members also noted that NERC had sought advice from an external ODA expert and that workshops had been organised for Head Office and NERC Centre staff in order to increase internal expertise.

Whilst discussing NERC's approach to ODA funding, Professor Wheeler explained that there was a Research Council International Network (RCIN) and ARAC suggested that NERC should use this forum to share good practice.

Professor Wheeler took an action to provide a progress update at the June 2017 meeting, when the impact of ODA funding on the science community should be clearer.

NERC/BAS Operations and Safety Assurance/Advisory Board(NBOSAAG) update

Mr Hayden provided an interim report on progress against NBOSAAG's objectives. ARAC discussed the group's membership and was reminded that this consisted of a small core of members with the option to co-opt additional expertise as required. Mr Hayden added that at the next NBOSAAG meeting, the group should be in a position to sign off actions from 2016/17 and agree the work programme and membership for 2017/18. It was confirmed that NBOSAAG's full annual report would be discussed at the June 2017 ARAC meeting.

Health and Safety update: BAS aircraft

As part of its programme of routine reviews of Health & Safety management in operating environments, ARAC received an update on BAS aircraft from Captain Tim Stockings (Operations Director, BAS) including how the aircraft are regulated and the different types of assurance activity.

ARAC noted that BAS aircraft are externally regulated by the International Standard for Business Aircraft Operations (IS-BAO), who work closely with the Civil Aviation Authority (CAA) to oversee operational safety. Captain Stockings agreed to provide a diagram setting out the various layers of regulation, auditing regime and accountable managers for BAS aircraft operations.

NERC Annual report and Governance Statement 2016/17 (early drafts)

As agreed in previous financial years, ARAC reviewed early drafts of the Annual report and Governance Statement 2016/17, allowing time for members' input to be incorporated into final versions.

Ms Alison Robinson (Director, Corporate Affairs) highlighted that the main purpose of the annual report was to provide a strong, factual narrative around NERC's science investments, infrastructure, innovation and engagement. ARAC commented on the structure of the report, key issues and context to be added.

Mrs Turner highlighted that the Governance Statement document had been revised to harmonise with the other Research Councils/BEIS and ARAC gave positive feedback on the revised structure. In terms of content, members suggested a number of issues to be added or emphasised and noted that they would need to approve the final version before submission to BEIS in May.

NERC Head Office Staff Survey 2016 – Outcomes and response

ARAC was reminded that NERC Head Office (along with five other Research Councils) had participated in the Civil Service People Survey for the first time in 2016 in order to benefit from improved benchmarking and collaboration across common activities.

ARAC noted the high engagement score of 70% and that there had been considerable similarities between Investors in People (IiP) feedback and results from the People Survey. Mrs Exton (Head of Head Office Operations) explained that the resulting action plan - incorporating feedback from both exercises - was shorter and more focussed than in previous years and reflected feedback from the Head Office Employee Engagement Group (EEG). The committee discussed a number of the key findings and actions.

ARAC self-assessment action plan

Members discussed the action plan produced by NAO following ARAC's self-assessment discussion in December 2016. They reviewed each of the actions and commented on issues such as the quorum for the Committee, location of upcoming meetings and issues to be added to the rolling programme of business, e.g. a discussion about the transition into UKRI.

Next meeting

The date of the next meeting was confirmed as 6th June in London.