



**An Coimisiún um  
Chosaint Sonraí**  
Data Protection  
Commission

# Data Protection Commission Audit and Risk Committee

## Charter / Terms of Reference

January 2020

## Contents

---

1. Establishment of the DPC Audit and Risk Committee .....	3
2. Purpose of the Committee.....	3
3. Membership.....	3
4. Committee Responsibilities .....	4
5. Committee Secretary .....	4
6. Committee Work Programme.....	5
7. Support and Training.....	5
8. Meetings .....	6
9. Expertise and Access.....	6
10. Procedure for Conflicts of interest.....	6
11. Reporting.....	7
12. Annual Review and Appraisal Process .....	7
Appendix 1: Relevant External Documents .....	8
Appendix 2: Relevant DPC Internal Documents .....	8
Appendix 3: Illustrative Agenda Items for Committee Meetings .....	9
Appendix 4: Annual Report of the Committee .....	9

## 1. Establishment of the DPC Audit and Risk Committee

---

- 1.1 Section 25 of the Data Protection Act 2018 ('the Act') requires that the Commissioner, or chairperson of the Commission, for Data Protection is the Accounting Officer in relation to the appropriation accounts of the Data Protection Commission (DPC), for the purpose of the Comptroller and Auditor General Acts 1866 to 1998.
- 1.2 In line with the Corporate Governance Standard for the Civil Service (2015)<sup>1</sup>, and also with regard to the Code of Practice for the Governance of State Bodies (2016)<sup>2</sup>, both issued by the Department of Public Expenditure and Reform (DPER), the DPC has established its own Audit and Risk Committee, as a Committee of the DPC, effective from January 2020.
- 1.3 These Terms of Reference take account of the Audit and Risk Committee Guidance (2016)<sup>3</sup>, which is part of the Code of Practice for the Governance of State Bodies, also issued by DPER.

## 2. Purpose of the Committee

---

- 2.1 The purpose of the DPC Audit and Risk Committee ('the Committee') is to:
  - Review the comprehensiveness of assurances on governance, risk management and the control environment in meeting the Accounting Officer's assurance needs;
  - Review the reliability and integrity of these assurances;
  - Review the integrity of the financial statements; and
  - Advise the Accounting Officer about how well assurances support her in decision-taking and in discharging accountability obligations.
- 2.2 The Committee acts independently of the management of the DPC by its own Senior Management Committee (SMC).
- 2.3 The Committee has the authority to investigate any matters within its Terms of Reference, as well as having access to the resources, information and outside professional advice it needs to do so.

## 3. Membership

---

- 3.1 The Members of the Committee are appointed by the Accounting Officer, in consultation with the Chairperson.
- 3.2 The current Members of the Committee are as follows.
  - Committee Chairperson
    - Mr. Conan McKenna (appointed 1 January 2020)
  - Committee Members - External to the DPC
    - Ms. Karen Kehily (appointed 1 January 2020)

---

<sup>1</sup> [Corporate Governance Standard for the Civil Service \(2015\)](#) issued by the Department of Public Expenditure and Reform (DPER).

<sup>2</sup> The *Corporate Governance Standard for the Civil Service* applies to the DPC as a vote-holding body. However, as that Standard does not provide detailed guidance on Audit and Risk Committees, the DPC also refers to the [Code of Practice for the Governance of State Bodies \(2016\)](#) issued by DPER, in its governance structures including its own Audit and Risk Committee.

<sup>3</sup> Code of Practice for the Governance of State Bodies - [Audit and Risk Committee Guidance \(2016\)](#) issued by DPER.

- Ms. Bride Rosney (appointed 1 January 2020)
- Mr. Michael Horgan (appointed 1 January 2020)
- Committee Member - DPC Staff Member
  - Mr. Graham Doyle (Deputy Commissioner Head of Corporate Affairs, Media and Communications) (appointed 1 January 2020)

3.3 Appointments to the Committee are for three years from the date of appointment. An appointment may be renewed by mutual agreement, for up to a further three years, to a maximum of six years in total.

## 4. Committee Responsibilities

---

4.1 The Committee advises the Accounting Officer on:

- The DPC's processes and assurance activities related to risk management, internal controls and governance;
- The DPC's financial policies and procedures, including the process for review of the financial statements prior to submission for audit;
- The planned activities, outputs and outcomes related to both internal and external audits;
- Adequacy of management responses to issues identified by audit activity.

4.2 The Chairperson of the Committee has particular responsibility for ensuring:

- The Committee is appropriately resourced;
- The Chairperson is involved in the appointment of new Committee Members;
- The Committee reviews Internal Audit Reports and management responses, and ensures that actions are followed up;
- Reports to the Accounting Officer contain relevant information and are provided at the right time and in an appropriate format;
- Absent Committee Members are briefed on meetings and attendance records are maintained and reviewed annually;
- Matters arising are reported on at each subsequent meeting.

## 5. Committee Secretary

---

5.1 The Committee is provided with secretariat support by the DPC Risk and Governance Unit. The Committee Secretary is the Head of the DPC Risk and Governance Unit, Ms. Anne Pickett.

5.2 The Committee Secretary's responsibilities and activities are as follows:

- Organising induction training and any further training for Committee Members;
- Scheduling and facilitating all Committee meetings;
- Preparing draft agendas and draft minutes, coordinating with DPC colleagues on collating information and meeting materials, and circulating meeting materials to Committee Members;
- Monitoring progress against agreed actions between Committee meetings;
- Keeping the Committee abreast of relevant developments and changes at the DPC;
- Supporting the Committee in preparing the Annual Work Programme and the Annual Report;

- Maintenance of Committee meeting attendance records, Register of Members' Interests and records of appointments.

## 6. Committee Work Programme

---

- 6.1 The Committee agrees its Annual Work Programme in advance. The Work Programme generally includes the following:
- Schedule of meetings for the year ahead;
  - Schedule for engagement with the DPC's external auditor, the Comptroller and Auditor General (C&AG);
  - Schedule for engagement with the Internal Audit service provider;
  - Programme of internal audit for the year ahead;
  - Process and schedule for reviewing the Statement of Internal Control.
- 6.2 The activities of the Committee can include, but may not be limited to, the following, in meeting its responsibilities in advising the Accounting Officer:
- Monitoring and reviewing the effectiveness of the DPC's internal audit activities<sup>4</sup>, the proposed scope of audit activities and the prioritisation of areas of risk, and the progress of internal audit against the annual schedule;
  - Reviewing management letters and letters of representations of the C&AG, reviewing the DPC responses, and engaging directly with the C&AG on at least an annual basis;
  - Reviewing draft financial statements before recommending their adoption by the Accounting Officer, including taking account of how policies have been applied to ensure proper recording, taking account of how processes have been executed to ensure regularity, probity and propriety have been achieved, assessing whether issues raised by the C&AG have been comprehensively and appropriately dealt with, and assessing whether financial statements present the financial position of the DPC fairly;
  - Monitoring, reviewing and confirming the effectiveness of the DPC's system of internal controls and related policies and procedures, including in the areas of risk management, financial controls, and procurement controls to ensure value for money.
- 6.3 The Committee Work Programme is subject to the review and approval of the Accounting Officer.
- 6.4 The Committee Work Programme provides the basis for the Committee to monitor progress throughout the year.

## 7. Support and Training

---

- 7.1 Induction training is provided to Committee Members on their appointment. Further training is arranged by the Committee Secretary as required to ensure that Members keep up-to-date with best practice and developments in corporate governance.

---

<sup>4</sup> The Internal Audit service provider is expected to operate to the International Standards of the Institute of Internal Auditors or equivalent professional standards.

## 8. Meetings

---

- 8.1 The Committee meets at least four times a year. The Chairperson may convene additional meetings, if it is deemed necessary. The Accounting Officer may also ask the Chairperson to convene further meetings to discuss particular issues on which she seeks the Committee's advice.
- 8.2 A minimum of three Members of the Committee must be present for the meeting to be deemed quorate.
- 8.3 The Committee may request the attendance of non-members at specific Committee meetings, depending on the agenda, such as the Accounting Officer, the DPC Deputy Commissioner for Corporate Affairs & Communications, the DPC Head of Finance Unit, the Internal Audit provider, or a representative of the C&AG.
- 8.4 In advance of each meeting, the Secretary ensures that the Committee is provided with the following materials, if relevant for the preceding period, amongst others:
- A report summarising any significant changes to the DPC Risk Register and an up-to-date copy of the full DPC Risk Register;
  - A progress report from the Internal Audit service provider summarising work done, emerging issues, audit reports, management responses to audit recommendations, and changes to the internal audit schedule;
  - A progress report from the C&AG representative summarising work done, emerging issues, findings and management letter, and DPC management responses;
  - DPC governance, controls and assurance documents and reports;
  - Draft financial statements;
  - Proposals for tendering for internal audit services;
  - Amendments to DPC financial management, risk and governance policies and procedures, for example, such as the DPC Risk Management Policy, the DPC Corporate Governance Framework, and the DPC Finance Policies and Procedures.
- 8.5 The Committee seeks to ensure that a balance is struck during its meetings on dealing with matters on governance, risk management, internal control, and financial reporting.

## 9. Expertise and Access

---

- 9.1 The Committee may request the input of additional experts, if the need arises, to provide specialist skills and relevant experience, to assist the Committee on specific areas in meeting its responsibilities in advising the Accounting Officer. This may involve the procurement of specialist professional advice at the reasonable expense of the DPC, subject to the availability of budget to be approved by the Accounting Officer.
- 9.2 The Internal Audit service provider and the representative of the C&AG have free and confidential access to the Chairperson of the Committee.

## 10. Procedure for Conflicts of interest

---

- 10.1 The Committee Secretary maintains a Register of Members' Interests, as declared by Committee Members. This is formally reviewed at least once a year, as a Committee Meeting agenda item.

- 10.2 At the outset of each meeting, Committee Members should declare any potential conflict of interest with any of the business items on the agenda.
- 10.3 When a potential conflict of interest has been declared, the remaining Committee Members determine whether a conflict of interest arises or not. When it is determined that a conflict of interest does arise, the remaining Committee Members determine the most appropriate course of action to take in the circumstances. This may include, for example:
- The Member leaves the room for the duration of the discussion and does not take part in any decisions relating to the discussion; or
  - Similar arrangements applying in relation to meeting documentation, where such documentation is not made available to the Member.
- 10.4 Matters referred to above are noted in the minutes of meetings and, if appropriate, the Committee Secretary updates the Register of Members' Interests.

## 11. Reporting

---

- 11.1 The Committee reports formally in writing to the Accounting Officer, on a regular and timely basis, on its activities.
- 11.2 During the first quarter of each financial year, the Committee provides the Accounting Officer with an Annual Report for the previous year, timed to support finalisation of the DPC Annual Report and financial statements. Refer to Appendix 4 for illustrative contents of the Committee's Annual Report.

## 12. Annual Review and Appraisal Process

---

- 12.1 As part of the preparation of the Committee's Annual Report, the Committee undertakes an annual review of its own effectiveness, generally at a scheduled Committee meeting.
- 12.2 In completing the effectiveness review, the Committee Members consider the Checklist for the Effectiveness of the Audit and Risk Committee within the Audit and Risk Committee Guidance under the Code of Practice for the Governance of State Bodies.
- 12.3 The outcome of the review is included in the Committee's Annual Report for submission to the Accounting Officer.
- 12.4 The Committee also reviews its Terms of Reference on at least an annual basis and recommends any necessary changes to the Accounting Officer.
- 12.5 The Chairperson of the Committee ensures that Committee Members are provided with an appraisal of their performance as Committee Members.
- 12.6 The appraisal process as it relates to the Chairperson of the Committee is that the Accounting Officer meets with the Chairperson, generally following the Accounting Officer's consideration of the Committee's Annual Report. The Accounting Officer confirms the meeting format and topics with the Chairperson, in advance of each annual meeting.

## Appendix 1: Relevant External Documents

---

- i. **Corporate Governance Standard for the Civil Service** (DPER, 2015) – available at: <https://assets.gov.ie/5509/100119144712-73354f908b574c46b20623ecd0647087.pdf>;
- ii. **Code of Practice for the Governance of State Bodies 2016** (DPER, 2016) – available at: <https://govacc.per.gov.ie/wp-content/uploads/Code-of-Practice-for-the-Governance-of-State-Bodies.pdf>;
- iii. **Code of Practice for the Governance of State Bodies – Audit and Risk Committee Guidance** (DPER, 2016) – available at: <https://govacc.per.gov.ie/wp-content/uploads/Audit-and-Risk-Committee-Guidance.pdf>;
- iv. **The Role and Responsibilities of Accounting Officers – A Memorandum for Accounting Officers** (DPER, 2011) – available at: <https://govacc.per.gov.ie/wp-content/uploads/2014/06/Accounting-Officers-Memo.pdf>;
- v. **The Public Spending Code** (DPER, 2013) – available at: <https://publicspendingcode.per.gov.ie/>.

## Appendix 2: Relevant DPC Internal Documents

---

- i. DPC Corporate Governance Framework
- ii. Corporate Governance Agreement between the DPC and the Department of Justice and Equality (currently being prepared by the Department of Justice and Equality and the DPC)
- iii. DPC Finance Policies and Procedures
- iv. DPC Procurement Policies and Procedures
- v. DPC Risk Management Policy
- vi. DPC Risk Register
- vii. Internal Audit Service Level Agreement (currently being prepared by the Department of Justice and Equality and the DPC)



## Appendix 3: Illustrative Agenda Items for Committee Meetings

---

The agenda for each meeting of the Committee is prepared by the Committee Secretary, under the direction of the Chairperson, with input from the Members. Potential agenda items are set out as follows for illustration purposes only.

1. Approval of Minutes from previous meeting
2. Approval of Agenda for current meeting
3. Declarations of Interest
4. Update on Actions List
5. Internal Audit Reports and Work Programme Updates
6. External Audit / Comptroller and Auditor General (C&AG) Updates
7. Risk Management
8. Committee Training Programme
9. Review of Committee Annual Work Programme

## Appendix 4: Annual Report of the Committee

---

The Committee prepares its own Annual Report, with support from the Committee Secretary, aligned with the timetable for the preparation of the DPC Annual Report (under Section 24 of the Act) and Financial Statements. Potential sections of the Committee's Annual Report are set out as follows for illustration purposes only.

1. Introduction
2. Summary of the Committee's Terms of Reference
3. Report of Committee Meetings
4. Review of Audit and Risk Committee Activities
  - Committee Training Programme
  - Committee Work Programme
  - Internal Audit Reports and Recommendations
  - C&AG Audit and Engagement
  - Risk Management
  - Review of Financial Statements
  - Governance Matters
  - Statements of Internal Controls
  - Communications and Engagement
    - Engagement with Accounting Officer
    - Engagement with the DPC Senior Management Committee
    - Other Engagements (if required)
5. Conclusions of the Audit and Risk Committee
  - Adequacy of risk management and internal control systems
  - Adequacy of sources of assurance to the Accounting Officer
6. Committee's Review of its own Effectiveness
7. Recommendations