

**COMMISSIONER FOR OLDER PEOPLE FOR NORTHERN IRELAND (COPNI)**

**AUDIT AND RISK ASSURANCE COMMITTEE**

**MINUTES OF A MEETING OF THE AUDIT AND RISK ASSURANCE COMMITTEE  
held on Monday, 24<sup>th</sup> October 2022**

**PRESENT:**

**MEMBERS:** Professor Dolores O'Reilly (DO'R) (Chair)  
Joseph Campbell (JC)

**IN ATTENDANCE**

Sharron Russell (SR)	(Department for Communities)
Alison Stafford (AS)	(NIAO)
Paddy McClure(P McC)	(Moore NI)
Commissioner Eddie Lynch (EL)	(COPNI)
David Murray (DM)	(Interim Head of Corporate Services, COPNI)
Gary Carpendale (GC)	(Finance Officer, COPNI)

<p><b>Agenda Item 1: Apologies</b></p> <p>Apologies received from Evelyn Hoy, Chief Executive, COPNI, and Rosemary Peters Gallagher, Moore NI.</p>	<p align="center"><b>Noted</b></p>
<p><b>Agenda Item 2: Chair's Business</b></p> <p><b>a. <u>Conflicts of Interest</u></b> No conflicts of interest were declared.</p> <p><b>b. <u>Compliance Paper</u></b> The Committee noted this paper.</p> <p><b>c. <u>Register of Gifts and Hospitality</u></b> The Committee noted this paper.</p> <p><b>d. <u>Register of International Conferences and Events</u></b> It was noted that the Commissioner was invited, and attended, the funeral of Queen Elizabeth II in London.</p> <p><b>e. <u>Direct Award Contracts</u></b> DM advised that there had been an agreement between COPNI and a former agency worker, to provide financial support to COPNI on a self-employed basis. A comparison</p>	

<p>was undertaken at the time against agency rates the arrangement represented value for money. A DAC was not put in place at the time, as it was understood the price comparison represented procurement. CPD have confirmed by response was that they would have agreed to a DAC if submitted at the time, and so in interests of transparency, this represents a retrospective DAC.</p>	
<p><b>Agenda Item 3: Draft Minutes of Meeting and Action Tracker.</b></p> <p><b>a) Draft Minutes 30.09.2022</b></p> <p>JC stated that the minutes recorded that he wanted recruitment processes reviewed by Internal Audit. JC advised that this was not the case and asked that this reference be removed. What he proposed was that Internal Audit should review the implementation of the recommendations of the independent review.</p> <p>Those present accepted the accuracy of the minutes with the above change.</p> <p><b>b) Action Tracker</b></p> <p>AP221 DM confirmed that quarterly updates to Declaration of Interests are now requested from all staff. This action is now closed.</p> <p>AP222 A meeting was arranged on the 14.10.22 between COPNI, DfC and the Departmental economist to discuss outstanding matters within the Staffing Business case. This action is now closed.</p> <p>AP223 DM advised that after discussions with Equality House's the IT Manager did not recommend Dropbox as an option for sending papers and documentation to ARAC members. He recommended creating a group in Teams from which documents could be securely transferred. Equality House would devise a solution for this. This action remains open.</p> <p>AP224 A business case was submitted to DfC for the pay progression, back to April 2020. COPNI have since been advised by DfC that on advice from DoF two separate business cases were recommended, one from April 2020 and the other prior to April 2020. DM advised that these would be submitted shortly. A provision for a Contingency Liability in the Annual Accounts 2021/22 was made for any agreement on a pay award prior to April 2020. DM advised that this could not be funded from COPNI's current budget. This action remains open.</p>	<p><b>AP228</b></p>

<p>AP225 DM updated the Annual Report to acknowledge any outstanding issues from the Internal Governance Review.</p> <p>AP226 DM was in contact with PMcC and RPG regarding the first internal audit assignment of 2022/23. It was agreed that when the ARAC approved the Audit Plan 22/23, then the timing of the first audit assignment would be agreed. This action remains open.</p> <p>AP227 It was agreed a revised approach to the recruitment of a new ARAC would be agreed. Until a new panel is agreed, this action will remain open.</p>	
<p><b>Agenda Item 4: Matters arising not already on the agenda</b></p> <p>DM noted that the Internal Audit Plan for 2022/23 had not yet been approved and recommended the two assignments within the plan should proceed as planned. The Committee agreed to approve the plan in its current form.</p> <p>JC noted that Moore NI had undertaken a follow up review of HR which was reported at the June ARAC meeting. There were two outstanding recommendations from the follow-up review, and the importance that remaining recommendations were closed out.</p> <p>EL advised that a meeting between COPNI and DfC, to offer assurances and provide evidence of completion of outstanding recommendations of the Internal Review review, would be beneficial. SR agreed with this approach.</p>	<p><b>AP 229</b></p>
<p><b>Agenda Item 5: Commissioner's Update</b></p> <p><b>a. <u>Engagements</u></b></p> <p>The Commissioner gave an update on various groups with whom he had met recently.</p> <p>The Commissioner had attended an event held by Co-ownership as well as representatives from the charity sector and the property industry to discuss the need for more affordable, and suitable housing for NI's aging population. Representatives discussed the introduction of Co-Own for Over 55s – an affordable housing product recently launched by Co-Ownership and funded by DfC.</p>	

<p>The Commissioner had also spoken at the Northern Ireland Civil Service Pensioners Alliance AGM held on the 19<sup>th</sup> October 2022 on age related matters.</p> <p><b>b. <u>Accounting Officer Matters</u></b></p> <p>The Commissioner asked SR if there was any update on the ALB Review. SR advised that there had been some personnel changes in the sponsor team and the review would be brought forward in due course.</p>	
<p><b>Agenda Item 6: Chief Executive's Update</b></p> <p>The ARAC members wished the Chief Executive a quick recovery from illness.</p> <p><b>a) <u>Staffing issues</u></b></p> <p>DM reported in the Chief Executive's absence.</p> <p>The CEO has been on sick leave for the last two months. This has increased the workload of the SMT. SR stated that DfC will act to put in place a senior officer if the current situation continues.</p> <p>DM advised that a recruitment competition for the post of Legal Officer was run by COPNI. An agency member of staff already in post on a temporarily basis was successful but subsequently withdrew from the competition. The post has been offered to, and duly accepted by, a candidate from the merit list. This candidate is due to start at the end of November.</p> <p>The Finance Assistant, an agency member of staff, has tendered his resignation to take up a new role. It is unlikely that this role will be filled until the 2023/24 year to ensure the budget can balance.</p> <p>The job description for the Communications Officer post is in the process of been reviewed. The role is currently undertaken by an agency member of staff.</p> <p><b>b) <u>Senior Management Team</u></b></p> <p>DM advised that the SMT currently comprises all agency staff. The main focus of the discussions with the DfC economist will be to clarify any outstanding issues around the business case submitted to DfC. JC advised that it was important to get all outstanding issues resolved as it is a risk to COPNI having all SMT roles filled by agency staff.</p>	

SR advised that at present there are significant financial pressures on the DfC budget in this financial year. SR advised that it cannot be assumed that approval of the business case by DfC will ensure that the budget will subsequently follow. SR advised that at present only those roles identified as Business critical are granted approved by DfC. DM stated that COPNI is aware of the financial constraints on DfC, but in order for COPNI to function effectively and sustainably, approval and associated budgetary support was needed for SMT roles.

### **c) Finance and Expenditure**

DM advised that there were significant pressures on COPNI's budget. DM discussed the COVID-19 Inquiry, set up to examine the UK's response to and the impact of the COVID-19 pandemic. COPNI has been accepted as a Core Participant in Module 2c and will need additional financial resources to respond to requests from the Inquiry on the impact of the pandemic from an NI perspective. This will involve COPNI requesting additional budget from DfC as these costs cannot be covered within the current budget. SR advised that DfC are currently facing significant inescapable pressures, and anything any request which is not deemed inescapable could not be considered at this time. The Commissioner stated that it would reflect poorly if COPNI were not allocated additional finances towards the costs of the Public Inquiry into COVID-19 considering the work that it represented.

COPNI have received confirmation of its capital budget at the start of October. £170k was provided to cover the cost of COPNI's lease until July 2026. This was an accounting matter for COPNI, to comply with the requirement of accounting standards, specifically IFRS16. COPNI have not yet received an associated depreciation budget from DfC.

DM advised that COPNI also received a capital allocation of £55k for a new website. The procurement of the new website is expected to involve a three-month lead in time, with most of the work involving capital costs of design and implementation. The website will be advertised for open tender with the project completed before the end of March. JC raised the question if the website can be undertaken within the agreed financial envelope. DM confirmed it would be set out in the Specification that the assignment needed to be completed before the end of March 2023.

An additional £8k of capital had been allocated for equipment.

DM advised that there was £86k, relating to the 2021/22 year, that needs to be drawn down in 2022/23. Assurances were received in writing from DfC that COPNI could draw down this funding. DM advised that this funding was required.

<p><b>d) ) <u>Quarterly Performance Report</u></b></p> <p>Paper was noted by the Committee.</p> <p><b>e) ) <u>Quarterly Assurance Statement</u></b></p> <p>Paper was noted by the Committee.</p>	
<p><b>Agenda Item 7 : Annual Report and Accounts</b></p> <p>The Annual Audit Report and Accounts were presented to the ARAC along with the draft Report to those charged with governance. (RttCwG).</p> <p>AS advised that the audit ran smoothly and thanked DM and his team for their assistance in the audit. The Audit involved the testing of significant risks however the testing didn't raise any significant findings.</p> <p>AS highlighted that there were two Priority 3 Audit recommendations in the RttCwG which were issues of a minor nature, which represented best practice.</p> <p>DM advised that a management response would be issued to the NIAO recommendations.</p> <p>JC thanked AS and her team for the work undertaken on the Audit and welcomed the unqualified audit opinion. DO'R congratulated DM and his team for the successful completion of the Annual audit.</p> <p>Two amendments were requested to be made to the final draft of the Annual Report and Accounts. JC requested that a clarifying section was added in the 'Internal Control Divergences' to provide an update on the progress of implementation of recommendations, and that COPNI would meet with DfC to provide necessary assurances. SR also requested that her job title to corrected. With these two changes agreed, the accounts were approved by DO'R and seconded by JC.</p>	<p><b>AP 230</b></p> <p><b>AP231</b></p>
<p><b>Agenda Item 8: Risk matters</b></p> <p>DM presented the updated Risk Register, with two significant new risks emerging</p> <p>The CEO was currently on sick leave since the start of September with uncertainty over when she will return to work. SMT are</p>	

<p>currently sharing some of additional duties in the interim, until there is more clarity on the length of this absence.</p> <p>D O'R and JC have both tendered their resignation from COPNI's ARAC. A recruitment campaign for new ARAC members was recently run, with two applications received. A new competition will now be required to recruit for all three vacant positions. SR asked that DfC be involved in the process. It was envisaged that new ARAC members will be in place for January's meeting.</p> <p>COPNI staff continue to work both from home and in the office on a hybrid basis all IT services are provided to staff remotely via the cloud. Equality House as COPNI's shared service IT provider have controls in place to mitigate the risks of cyber-attacks or loss of data. In addition to ensure compliance with COPNI's GDPR requirements.</p> <p>Covid 19-Public Inquiries there are several modules applicable to COPNI for the COVID-19 Public Inquiry. Engagement with the inquiry would involve a substantial increase in COPNI's workload there is a risk that COPNI does not receive adequate funding for this increase in workload.</p>	<b>AP 232</b>
<p><b>Agenda Item 9: Comment from Department for Communities.</b></p> <p>SR offered support to COPNI in the absence of the CEO, and the Commissioner confirmed he would keep this offer under consideration.</p>	
<p><b>Agenda Item 10: Update from Internal Audit</b></p> <p>P McC advised that Moore NI planned to undertake an Internal Audit of Corporate and Business Planning prior to the Christmas break.</p>	
<p><b>Agenda Item 11: Update from External Audit</b></p> <p>AS advised that there was nothing further to add from her comments on the Annual Report and Accounts.</p>	
<p><b>Agenda Item 12: Audit Recommendation Tracker</b></p> <p>Paper was noted by the Committee.</p>	
<p><b>Agenda Item 13: Accountability and Financial Management Guidance Update</b></p> <p>Paper was noted by the Committee.</p>	

<p><b>Agenda Item 14: Schedule of meetings for coming year.</b></p> <p>The Committee accepted this proposal.</p>	
<p><b>Agenda item 15: AOB:</b></p> <p>JC and DO'R stated that they had enjoyed working with COPNI and wished the Commissioner and COPNI their best wishes for the future.</p> <p>The Commissioner thanked JC and DO'R for their support and advice over the last 5 and a half years.</p>	
<p><b>Date of Next Meeting</b></p> <p>DM confirmed that the next ARAC meeting would be held on Monday 23<sup>rd</sup> January at 10.30.</p>	

**Signed:** \_\_\_\_\_  
**Chairperson**

**Date:** \_\_\_\_\_