

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, 27th March 2023**

PRESENT:

MEMBERS: Alan Walker (AW) (Chair)
Lee Wilson (LW)
JP O'Doherty (JP O'D)

IN ATTENDANCE

Sharron Russell (SR) (Department for Communities)
Valerie McCloskey (V McC) (Department for Communities)
Barry Mitchell (BM) (NIAO)
Caitlin Toye (CT) (NIAO)
Rosemary Peters Gallagher (RPG) (Moore NI)
Commissioner Eddie Lynch (EL) (Commissioner, COPNI)
David Murray (DM) (Interim Head of Corporate Services, COPNI)
Gary Carpendale (GC) (Finance Officer, COPNI)

<p>Agenda Item 1: Apologies</p> <p>Apologies received from Evelyn Hoy, Chief Executive, COPNI.</p>	<p>Noted</p>
<p>Agenda Item 2: Chair's Business</p> <p>a. <u>Conflicts of Interest</u> LW advised that he was a member of the Labour Relations Agency Board but has no operational input in individual cases. This was noted by the Committee, and no conflict of interests was deemed to have arisen.</p> <p>b. <u>Compliance Paper</u> The Committee noted this paper.</p> <p>c. <u>Register of Gifts and Hospitality</u> The Committee noted this paper.</p> <p>d. <u>Register of International Conferences and Events</u> The Committee noted there were no items for this period.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>

<p>e. <u>Direct Award Contracts</u> 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. There was a lack of availability of financial support at the time and the agency worker agreed to provide this support on a self-employed basis. This represented value for money compared to agency rates for this grade. A retrospective DAC was initially approved but is now with the Permanent Secretary for final sign off.</p>	<p>Noted</p>
<p>Agenda Item 3: Draft Minutes of Meeting and Action Tracker.</p> <p>a) Draft Minutes 24.10.2022</p> <p>SR asked that the minutes be amended for Agenda item 9, to note that DfC had offered to provide support to COPNI in the absence of the CEO.</p> <p>Those present accepted the accuracy of the minutes with the above change.</p> <p>b) Action Tracker</p> <p>DM discussed actions within the Action Tracker and confirmed all had been progressed and could now be closed.</p>	<p>AP 233</p>
<p>Agenda Item 4: Matters arising not already on the agenda</p> <p>There were no matters arising not already on the agenda.</p>	
<p>Agenda Item 5: Commissioner's Update</p> <p>a. <u>Engagements</u></p> <p>The Commissioner stated that he had undertaken an increasing number of engagements over the last few months.</p> <p>The Commissioner had meet with the Division of Clinical Psychology to discuss the impact of the pandemic on older people. A number of areas of concern were discussed namely the impact of the pandemic on the physical and mental health of older people, as well as the need to progress a strategy to address loneliness experienced by older people.</p>	

The Commissioner advised that there were plans underway to cut community transport services this was going to have a huge impact on older people in many communities.

The Commissioner had met with representatives from advice organisations across Northern Ireland to discuss the roll out of the £600 Energy Bill support scheme. The Commissioner confirmed the £600 fuel allowance was a good outcome for older people and feedback on the implementation of the scheme had been positive.

The Commissioner advised that there has been positive feedback from Councils on community support which was available for older people. Warm spaces were provided for older people during the winter months in churches and community centres.

The Commissioner noted that there were significant pressures on hospitals during the winter months, with an average of 12-16 hour waiting times to be assessed by a consultant. Staff shortages in domiciliary care have also eliminated some services provision for older people. The Commissioner was arranging meetings with the Department of Health, and Health and Social Care trusts to discuss these issues.

The Commissioner confirmed COPNI has been granted core participation status as part of COVID-19 public inquiry. The Commissioner's role in the Inquiry represents an important voice for older people in NI affected by the COVID-19 pandemic. The COPNI Legal team were heading up the Commissioner's participation on the inquiry. The Commissioner advised that COPNI did not have any budget for the additional work which needed to be undertaken to be part of the Inquiry. In order for the Commissioner to have a voice in the Inquiry, additional financial resources needed to be provided. SR advised that a formal request needed to be sent to DfC from the Commissioner, in respect of Inquiry funding. SR advised at present in the absence of an assembly no budget had been agreed for NI for 2023/24.

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b. Accounting Officer Matters

The Commissioner advised that the budget position for COPNI for 2023/24 was unclear at present.

The staff pay progression business case was still not approved and the Commissioner had hoped that this would have been agreed and paid to staff.

<p>An Internal Governance review of COPNI was currently being undertaken by a representative appointed by DfC, to provide additional assurances to DfC over governance arrangements within COPNI.</p> <p>The Commissioner advised that the CEO was on sick leave and had been for a considerable time. This has put additional pressure on the SMT. The CEO is due to return to work within the next two weeks but the Commissioner confirmed he will approach the Department for support if the period of absence is extended beyond the short-term.</p> <p>The Commissioner advised that all members of the SMT were agency staff, filling temporary posts. The Head of Policy had tendered her resignation and was due to leave at the end of March, owing to uncertainty over the budget allocation for 2023/24. The Commissioner confirmed that the SMT are key personnel and if they were to leave it would leave a very significant gap of knowledge and expertise within COPNI. The Strategic Review of Future Needs business case is currently with DfC, with only the Evaluation of the Pilot to be completed by COPNI. In the absence of the CEO, DM agreed that the COPNI HR Manager and the Commissioner would complete this document, as both had knowledge of the situation prior to the staffing pilot and would be best placed to assess the impact of the temporary roles over the past 12-18 months. The lack of permanent staff in SMT roles now represents a very significant risk to COPNI, as highlighted in the Risk Register.</p>	AP 235
<p>Agenda Item 6: Chief Executive's Update</p> <p>The ARAC members wished the Chief Executive a quick recovery from illness.</p> <p>a) <u>Staffing issues</u></p> <p>DM reported in the Chief Executive's absence.</p> <p>The recruitment of a new legal officer to a permanent post had been undertaken before Christmas. In addition, a temporary legal officer was recruited from an agency to cover a period of sickness absence for another member of staff.</p> <p>The Finance Assistant left in October to take up a new role and has not been replaced due to budgetary pressures. A Policy Officer has left COPNI in March to take up a new role elsewhere, and with the resignation of the Head of Policy, two of the four positions in the policy team are now vacant.</p> <p>b) <u>Senior Management Team</u></p>	

DM advised that the Head of Legal is a new post within the staffing pilot. This post was previously covered by one member of staff who acted as both the Head of Legal and Head of Policy, but it was not deemed practical to recruit one person to cover two different disciplines, and specialists were needed in both positions. The Head of Corporate Services is also a temporary role in the staffing pilot. The permanent inclusion of these roles within the COPNI organisational structure is subject to approval of the Strategic Review of Future Needs business case.

c) Finance and Expenditure

DM advised that there were significant pressures on COPNI's budget, despite demonstrating an underspend to the end of February of just over £1.5k. As previously discussed 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. A significant volume of work is to be undertaken in March in order to meet Inquiry deadlines, over which COPNI has no control. COPNI have submitted a bid for an additional £15k to cover the costs of this work, which has not been approved at the time of the meeting, and COPNI require clarity on the status of this bid.

AP 236

DM confirmed that 80% of COPNI's budget allocation is used to cover salary costs. Any significant budget cuts in the 2023/24 financial year will disproportionately impact COPNI and the Commissioners ability to operate effectively. SR advised that budget cuts were inevitable in the current funding climate.

LW asked that the overhead expenditure line could be further expanded into areas of significant expenditure. This would give the ARAC greater visibility over COPNI accounts.

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The question was raised regarding the capital expenditure figure of £170k. DM explained that due to a change in accounting standards COPNI had to account for the full rental liaise liability contracted with ECNI which was for 5 years.

d)) Quarterly Performance Report

DM discussed COPNI's Hybrid working approach and confirmed that staff continue to work mainly from home. It is though mandatory for each team to work one day a week from the office. DM confirmed staff could also work from the office more regularly if they wanted to, with no restrictions on the maximum number of days staff can spend in the office. With the 6-month hybrid working pilot now coming to an end, the policy would be

<p>reviewed and lessons learned in consultation with staff to ensure an appropriate permanent approach is put in place.</p> <p>e) <u>Quarterly Assurance Statement</u></p> <p>Paper was noted by the Committee.</p>	NOTED
<p>Agenda Item 7 : Business Plan</p> <p>The Corporate Plan priorities and main areas of work were highlighted on page 5 of the plan.</p> <p>The Commissioner outlined the key priorities of the Business Plan</p> <p>COPNI are a key participant in the Covid-19 Inquiry. COPNI's participation ensures the inquiry examines the NI response to and impact of the pandemic on older people in NI.</p> <p>Loneliness and isolation has become more prevalent amongst older people. This has increased as a result of the pandemic and a variety of reasons including fear of catching covid. There is a sizeable minority of elderly people who do not venture out or engage with relatives and friends to the same level as before the pandemic. This was having a health impact on older people. The impact that COVID-19 has had on the lives of older people will be a key focus on the Commission's work in the coming year.</p> <p>The Commissioner is examining the potential for further partnership working with the PSNI, Department of Justice and other organisations to raise awareness of scams targeted at older people. BY sharing of information through social media and through the organisational website, COPNI hope to raise awareness amongst older people of how to identify and protect themselves from scams.</p> <p>The Commissioner advised that as a result of the cost of living crises and the increase in the cost of oil and fuel older people were at a greater risk of theft of fuel and oil. The Commissioner was raising awareness of this issue and how older people can protect themselves from such thefts.</p> <p>The Commissioner was working with a number of other organisations to see how staffing shortages in domiciliary care could be addressed. The poor wages, and terms and conditions have meant a reduction in the number of people working in the sector.</p>	

<p>DM presented the proposed budget for 2023/24 as outlined on page 27 of the Business Plan. The total projected expenditure for 2023/24 excluding depreciation and capital was projected at £1,493k. The projected expenditure included the costs of the pilot SMT arrangements in terms of staffing.</p> <p>AW expressed concerns on the effects on staffing of any budget cuts. COPNI was one of the smallest ALB's in terms of budget and any cuts would have a significant impact on staffing and a subsequent impact on the work which the Commissioner could undertake for the coming year.</p> <p>SR advised that due to the difficult funding position in 2023-24 there was likely to be funding cuts of potentially 10% on the previous year's budgets. Letters would be issued shortly to all ALB's advising them of their indicative funding allocation for the coming year.</p> <p>The Commissioner advised that any funding cuts and subsequent effects on staffing would have a reputational risk to COPNI as it would impact on the capacity required to carry out its statutory remit. LW confirmed that this risk should be added to the risk register as a standalone risk.</p> <p>It was agreed that the Commissioner would write a letter of concern to DfC highlighting the concerns on any funding cuts to COPNI and its impact on staffing and the subsequent effect of its capacity to undertake the requirements of the organisation's statutory responsibilities.</p> <p>AW asked what the options were to deal with the funding cuts and any subsequent effects on staffing. DM advised that the SMT would be involved in scenario planning based on the allocation provided, to establish what could be achieved within the new constraints.</p>	<p>AP 238</p> <p>AP 239</p>
<p>Agenda Item 8: Risk matters</p> <p>DM presented the updated Risk Register.</p> <p>The CEO was currently on sick leave there was some uncertainty over when she will return to work. SMT are currently sharing some of the additional duties in the interim, until there is more clarity on the length of this absence.</p> <p>It was noted that the ARAC were due to meet with a representative appointed by DfC to discuss the ongoing review of COPNI.</p>	

<p>There were currently two posts which were vacant, the Finance Assistant and Policy Officer posts.</p> <p>The Commissioner advised that the issue of Pay Progression has been ongoing for a number of years. All clarifications and queries had been responded to by COPNI. This was having an impact on staff morale. V McC advised that that the Departmental Solicitors Office (DSO) had raised a query in respect of two members staff who were on the top of their pay scales at April 2020.</p> <p>LW asked for clarity on the assessment of risk in terms of how the Impact and likelihood of risk is assessed. DM advised that the revised Risk Register for April's meeting would set out this assessment more clearly.</p>	AP 240
<p>Agenda Item 9: Comment from Department for Communities.</p> <p>SR advised that interviews for the post of Children's Commissioner had been completed. An appointment had yet to be made.</p>	
<p>Agenda Item 10: Update from Internal Audit</p> <p>RPG advised that the Internal Audit of Corporate and Business Planning had been completed and the report was with the Audit papers. There were three priority three recommendations. The level of assurance was satisfactory. The ARAC accepted the findings and recommendations of the report on Corporate and Business Planning.</p> <p>The next internal audit report, which was due to be completed shortly and the final report issued, is in respect of Data Protection and Information Governance.</p>	
<p>Agenda Item 11: Update from External Audit</p> <p>BM advised that on page 3 of the Audit Strategy there were a list of actions for the Audit Committee which should be discussed by the Committee in relation to material misstatements and fraud.</p> <p>BM advised on P4 was the NIAO bases for materiality which was 2% which was £23,325.</p> <p>Page 6 dealt with changes to financial reporting guidance specifically IFRS 16</p>	

BM detailed the significant risks outlined in the strategy.	
Agenda Item 12: Audit Recommendation Tracker Paper was noted by the Committee.	NOTED
Agenda Item 13: Accountability and Financial Management Guidance Update Paper was noted by the Committee.	NOTED
Agenda Item 14: Schedule of meetings for coming year. The Committee accepted this proposal.	ACCEPTED
Agenda item 15: AOB: Dates for the ARAC training were discussed, and a date agreed.	AP 241
Date of Next Meeting DM confirmed that the next ARAC meeting would be held on Monday 24 th April at 1.30pm.	

Signed: Alan Walker
Chairperson

Date: 21/08/2023