

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 19 JUNE 2017 AT 1.30PM IN EQUALITY HOUSE, BELFAST**

PRESENT:

MEMBERS

Gerard Campbell (Chair)
Joseph Campbell
Professor Dolores O'Reilly

IN ATTENDANCE

Eddie Lynch (Commissioner, COPNI)
Evelyn Hoy (Chief Executive, COPNI)
Noel Griffin (Department for Communities)
Janet Smyth (Department for Communities)
Jonathan Buick (ASM – Internal Audit)
Peter O'Sullivan (Northern Ireland Audit Office)
Helen Gault (Finance and Governance Manager, COPNI)
Eloise Gilmour (Office Manager, COPNI)

<p>Agenda Item 1: Apologies</p> <p>There were no apologies.</p>	<p>NOTED</p>
<p>Agenda Item 2: Chair's Business</p> <p>a) <u>Welcome to the new Committee</u></p> <p>The Chair welcomed J Campbell and D O'Reilly as new members of the Committee. The new Committee was appointed in April 2017 for a four year term. The Chair indicated he was re-appointed as Chair and this is his final tenure. He found his previous five years as Chair to be rewarding and enjoyable. He highlighted how COPNI is a professional organisation operating in challenging financial circumstances.</p> <p>All those present introduced themselves to the meeting. J Campbell and D O'Reilly each gave an overview of their professional commitments.</p> <p>The Commissioner welcomed the new Members and congratulated the Chair on his re-appointment. He highlighted the importance of the Committee in guiding the organisation as a corporation sole.</p> <p>b) <u>Conflicts of Interest</u></p> <p>There were no conflicts of interest. E Hoy indicated Members had been asked to complete Declaration of Interest forms.</p>	<p>ARAC 06/17/2</p> <p>NOTED</p> <p>NOTED</p>

<p>c) <u>Fraud</u></p> <p>No incidents were reported in this period.</p> <p>d) <u>Register of Gifts and Hospitality</u></p> <p>The five items in the register were noted and it was signed by the Chair.</p> <p>e) <u>Register of International Conferences & Events</u></p> <p>There were no entries for this period.</p> <p>f) <u>Direct Award Contracts</u></p> <p>The nine items in the summary were noted. E Hoy explained that seven of the items were not technically Direct Award Contracts as their values were below £5,000, however COPNI is obliged to report any procurement from a sole supplier. N Griffin indicated COPNI must in future seek approval from the Department for Communities for all Direct Award Contracts over £5,000. E Hoy confirmed that if the final expenditure on expert panel members exceeds the amounts already accounted for and approved, either an addendum to the Business Case or a new Business Case will be done.</p> <p>g) <u>Whistleblowing</u></p> <p>No incidents were reported in this period.</p>	<p>NOTED</p> <p>ARAC 06/17/2d NOTED</p> <p>NOTED</p> <p>ARAC 06/17/2f NOTED</p> <p>NOTED</p>
<p>Agenda Item 3: Draft Minutes of Meetings & Action Tracker</p>	
<p>a) <u>6th March 2017</u></p> <p>The Chair acknowledged that he was the only Member present who had attended the meeting, and in his opinion the minutes were an accurate record.</p> <p>(i) J Smyth asked for an amendment to be made to page 4, item 4(c), first paragraph. The minute stated “The Department was aware that its £25,000 may not be spent by the end of March”. She indicated the Department was not aware at that point, as it received the Consumption Report after the ARAC meeting. E Hoy noted this, and highlighted the investigation commenced on 14 February 2017, and the Department now receives an update on the Dunmurry Manor Investigation expenditure and governance every four weeks.</p> <p>(ii) J Smyth asked for an amendment to be made to page 7, item 8, third paragraph regarding the Arms’ Length Body Review report.</p>	<p>ARAC 06/17/3a</p>

<p>She indicated the report was to be issued to David Malcolm by the end of March, and not to COPNI.</p> <p>(iii) It was noted the wording 'Action 137' on page 7 should have appeared on page 2.</p> <p>The Commissioner seconded the accuracy of the minutes, with the exception of the three amendments.</p> <p>It was agreed that the minutes would be amended then signed by the Chair after the meeting.</p> <p>b) <u>Action Tracker</u></p> <p>Three of the actions were marked as complete. Action 136 was awaiting a response from J Smyth.</p> <p>J Smyth referred to Action 136 regarding a request for a discussion between COPNI and the Department for Communities on how the Department could update COPNI on its Active Ageing Strategy 2016-2021. She indicated this was not appropriate to be recorded as an action point as the Department for Communities is not obliged to talk about a Ministerial document with COPNI. The Chair understood this, however he highlighted this was an important piece of work in relation to COPNI, if not the Committee. It was agreed to remove this as an action point, therefore closing this matter as regards ARAC's business.</p> <p>Under Action 137 N Griffin explained the guidance does not explicitly cover the issue of hospitality provided at engagement events. H Gault confirmed COPNI will continue to record such expenditure in its Gifts and Hospitality Register.</p> <p>Further to Action 138, H Gault agreed to circulate the Pay Remit guidance weblink to the two new Members for information.</p>	<p>ACT 139</p> <p>ARAC 06/17/3b</p> <p>ACT 140</p>
<p>Agenda Item 4: Matters Arising not already on the Agenda</p> <p>There were no matters arising.</p>	
<p>Agenda Item 5: Commissioner's Update</p> <p>a) <u>Engagement</u></p> <p>The Commissioner gave a brief overview of his recent engagements throughout Northern Ireland which have raised awareness of the work of COPNI, and he highlighted the positive feedback he has received from older people. He has also met with various authorities to call for specific support and improved services for older people.</p>	<p>ARAC 06/17/5 NOTED</p>

b) Accountability Meeting

NOTED

The meeting held on 4 May focused on COPNI's budget of £817,000 for 2017/18. COPNI has submitted a bid for £25,000 additional funding for the investigation of Dunmurry Manor. The Commissioner acknowledged the Department's support for the investigation.

In response to a query from J Campbell, the Commissioner explained COPNI has no contingency budget for carrying out the investigation as it is under resourced.

The Chair highlighted the need for openness between COPNI and the Department on investigation matters. He requested that as the Committee normally meets once a quarter, Members are kept informed of the investigation between meetings. The Commissioner confirmed this.

c) Budget 2017/18

NOTED

The Commissioner referred to the 4% budget cut which is to be applied to Arms' Length Bodies in 2017/18, and he had highlighted to the Department that this would not be sustainable for COPNI. N Griffin indicated the pressure to COPNI's budget will be met by the Department in year. The Chair welcomed this.

In response to a query from J Campbell about the risk to the delivery of the Corporate Plan, the Commissioner confirmed COPNI has to rely on in year bid funding for project work in the Corporate Plan.

d) Corporate Plan

NOTED

The Commissioner indicated the Corporate Plan is being written and will be finished by the end of the summer. The outcomes of the investigation and the current political talks may feed into the Corporate Plan.

It will be shared with the Committee before it is submitted to the Department. It may be launched in the early autumn, if a Minister for Communities is appointed by then.

Investigation of Dunmurry Manor

The Commissioner gave an overview of the progress of the investigation, which is taking longer than expected, and thanked staff for their efforts. It is anticipated a draft report will be ready after the summer.

<p>Agenda Item 6: Chief Executive's Update – Emerging Issues</p>	<p>ARAC 06/17/6</p>
<p>a) <u>Recruitment and Induction</u></p>	<p>NOTED</p>
<p>E Hoy reported COPNI will seek permission from the Department to carry out the recruitment of the DP grade Legal Officer post. The competition for the SO grade Communications and Engagement Manager post may run concurrently.</p>	
<p>An SO grade Policy Officer post and an AO Administration Officer post are still vacant as COPNI cannot afford to recruit for these. The AO post is being filled by agency staff. E Hoy highlighted COPNI has streamlined its recruitment process to achieve cost savings.</p>	
<p>b) <u>2016/17 Finance and Expenditure</u></p>	<p>ARAC 06/17/6b</p>
<p>The final projection was an underspend of £17,434.34 and this may increase by around £1,500 due to year end accruals. N Griffin advised the Department will clarify how ALBs should notify it about variances and cash balances. The document was discussed and noted.</p>	<p>NOTED</p>
<p><u>Budget for 2017/18</u></p>	
<p>E Hoy confirmed the budget for 2017-18 is £817,000. An additional £25,000 is expected to fund the investigation. A rent increase during 2017/18 is anticipated which will cause pressure. It was agreed H Gault will circulate the budget to the Committee for information.</p>	<p>ACT 141</p>
<p>c) <u>Quarterly Performance Report January – March 2017</u></p>	<p>ARAC 06/17/6c</p>
<p>E Hoy referred to the report which was noted.</p>	<p>NOTED</p>
<p>d) <u>Quarterly Assurance Statement January – March 2017</u></p>	<p>ARAC 06/17/6d</p>
<p>H Gault confirmed COPNI is working to the deadline for the submission of the 2016-17 Annual Report and Financial Statements and is on target. It was agreed the second item in section 10 'Internal and External Audit' should have had a green RAG indicator. The Department has already accepted the Performance Report and Assurance Statement at the previous Accountability Meeting.</p>	<p>NOTED</p>
<p>e) <u>Senior Management Team</u></p>	<p>NOTED</p>
<p>The Team meets monthly, with the majority of its current work being the investigation. E Hoy explained the cycle of COPNI's internal meetings to the new Members.</p>	

<p>f) <u>Business Plan – Progress on Objectives</u></p> <p>E Hoy explained the Business Plan is no longer achievable due to the investigation, and 2017/18 will be a difficult year. As the investigation takes priority during the summer, the Business Plan will be redrafted again in September. Some aspects of the Plan will not be affordable. It may be impacted by the representation process of the investigation as well as the outcomes of the political talks. The Department has seen the Business Plan, and N Griffin confirmed it will be discussed at the next Accountability meeting.</p> <p>The Chair highlighted the need to consider where the work of COPNI fits into the Programme for Government, and to demonstrate the impact of COPNI's work on the lives of older people.</p> <p>The Commissioner asked the Department representatives about the status of the Programme for Government should the Assembly be reinstated. J Smyth indicated it was not possible to comment as it will be for the Executive to decide.</p> <p>g) <u>Complaints</u></p> <p>No new complaints were received in this period.</p>	<p>ARAC 06/17/6f NOTED</p> <p>NOTED</p>
<p>Agenda Item 7: Risk Matters</p> <p>a) <u>Corporate Risk Register Quarter 1 2017/2018</u></p> <p>E Hoy explained COPNI's risk management processes to the new Members. She detailed the background to each risk and these were discussed. It was noted there was low staff morale due to the salary dispute and pay remit situations, and the limited budget for training.</p> <p>Members stated that the HR risk which was assessed as low risk should not disappear from the register immediately.</p> <p>D O'Reilly suggested including cyber security and the General Data Protection Regulation (GDPR) which will apply from May 2018 to the Risk Register. E Hoy explained COPNI has already gained assurance through its Service Level Agreement with the Equality Commission for Northern Ireland (ECNI) regarding its systems. In addition COPNI has recently upgraded its website including its security. It was agreed the letter of assurance from ECNI will be circulated to Members for information. It was agreed that management will consider whether the two items suggested should be included in the Risk Register.</p> <p>J Campbell suggested the budget risk should have a higher rating.</p>	<p>ARAC 06/17/7a NOTED</p> <p>ACT 142</p> <p>ACT 143</p> <p>ACT 144</p>

b) <u>Dunmurry Manor Investigation Risk Register</u>	ARAC 06/17/7b NOTED
<p>E Hoy tabled this document which was noted. Due to the sensitive nature of the content members and attendees handed the document back at the end of this item.</p>	
<p>It was noted that the Committee did not have adequate time to read and reflect on the Risk Register at the meeting in order to give an assurance. It was therefore agreed the Committee should meet with the Senior Management Team in July to receive a full briefing, and Members would be notified of the date.</p>	ACT 145
Agenda Item 8: Update from Department for Communities	NOTED
<p>There was nothing further to report.</p>	
Agenda Item 9: Update from Northern Ireland Audit Office	
a) <u>External Audit Strategy</u>	ARAC 06/17/9a NOTED
<p>P O'Sullivan highlighted the strategy's timetable in section 5. The Chair indicated the Committee will review the draft accounts at its meeting in September. He requested that a Committee meeting be scheduled for late October to consider the NIAO Report to Those Charged with Governance, and Members would be notified of the date. He also highlighted the good working relationship between the NIAO and COPNI. The Committee endorsed the strategy.</p>	ACT 146
Agenda Item 10: Update from Internal Audit	
a) <u>Internal Audit Annual Assurance Report</u>	ARAC 06/17/10a NOTED
<p>J Buick referred to the findings, the satisfactory assurance and ASM's key performance indicators. The Committee accepted the report.</p>	
b) <u>Internal Audit Strategy</u>	ARAC 06/17/10b NOTED
<p>J Buick highlighted the movement of a small number of days between 2017/18 and 2018/19 for two audits. The Commissioner and E Hoy confirmed they were content with their discussions with ASM on the strategy. It was agreed to include cyber security and GDPR within the strategy's allocated days. The strategy was approved by the Committee.</p>	
Agenda Item 11: Audit Recommendations – Progress to date	ARAC 06/17/11 NOTED
<p>E Hoy explained the audit recommendation from 2016/17 regarding an engagement plan was not implemented due to long-term staff sick leave. This will now be removed from recommendation tracker.</p>	

<p>Agenda Item 12: Accountability and Financial Management Guidance Update</p> <p>The report was noted.</p>	<p>ARAC 06/17/12 NOTED</p>
<p>Agenda Item 13: COPNI Updated Policies</p> <p>The Committee noted the list of five updated policies and that policies are being equality screened.</p>	<p>ARAC 06/17/13 NOTED</p>
<p>Agenda Item 14: Revised ARAC Secretariat Procedures</p> <p>The amendments in this version were noted, and the Chair highlighted he was content with the Secretariat Support provided to the previous Committee.</p> <p>E Hoy indicated the annual assessment of ARAC Members is normally carried out during the summer, however as this is a new Committee, the first annual assessments will take place during 2018. G Campbell stated that his assessment should be conducted in the summer.</p>	<p>ARAC 06/17/14 NOTED</p>
<p>Agenda Item 15: Any Other Business</p> <p>It was noted D O'Reilly recently attended refresher governance training.</p>	<p>NOTED</p>
<p>Agenda Item 16: Dates of next meetings</p> <p>The schedule of meetings for September and December 2017 and March 2018 were noted.</p> <p>The meeting closed at 4.15pm.</p>	<p>ARAC 06/17/16 NOTED</p>

Signed:
Chairperson



Date:

21/17.