

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 4 JUNE 2018 AT 1.30PM  
IN EQUALITY HOUSE, BELFAST

PRESENT:

MEMBERS

Joseph Campbell (in the Chair)  
Professor Dolores O'Reilly

IN ATTENDANCE

Eddie Lynch (Commissioner, COPNI)  
Evelyn Hoy (Chief Executive, COPNI)  
Ciaran Cunningham (Department for Communities) *to item 15*  
Martin Walker (Department for Communities) *to item 15*  
Laura McCullagh (Northern Ireland Audit Office) *to item 11*  
Zara O'Neill (Northern Ireland Audit Office) *to item 11*  
Brian Clerkin (ASM – Internal Audit) *to item 9*  
Helen Gault (Finance and Governance Manager, COPNI) *to item 17*  
Eloise Gilmour (Office Manager, COPNI) *to item 17*

<p><b>Agenda Item 1: Apologies</b></p> <p>Apologies were received from Gerard Campbell (Chair) and Peter O'Sullivan (NIAO). It was agreed J Campbell would chair the meeting in the absence of G Campbell.</p>	<p><b>NOTED</b></p>
<p><b>Agenda Item 2: Chair's Business</b></p> <p><b>a) <u>Conflicts of Interest</u></b></p> <p>J Campbell reminded the Committee he was a Non Executive Director of the Western Health and Social Care Trust, in relation to item 7(b) 'Dunmurry Manor Investigation Risk Register'.</p> <p>B Clerkin indicated he would leave the meeting prior to item 17 'Internal Audit Contract Procurement'.</p>	<p><b>NOTED</b></p>
<p><b>b) <u>Fraud</u></b></p> <p>No incidents were reported in this period.</p>	<p><b>NOTED</b></p>
<p><b>c) <u>Register of Gifts and Hospitality</u></b></p> <p>The 6 items were noted and it was signed by J Campbell.</p>	<p><b>ARAC 06/18/2c NOTED</b></p>

<p><b>d) <u>Register of International Conferences &amp; Events</u></b></p> <p>There were no items for this period.</p> <p><b>e) <u>Direct Award Contracts</u></b></p> <p>There were no items for this period.</p> <p><b>f) <u>Whistleblowing</u></b></p> <p>No incidents were reported in this period.</p>	<p><b>NOTED</b></p> <p><b>NOTED</b></p> <p><b>NOTED</b></p>
<p><b>Agenda Item 3: Draft Minutes of Meetings &amp; Action Tracker</b></p> <p><b>a) <u>Draft Minutes of 5<sup>th</sup> March 2018</u></b></p> <p>Those present accepted the accuracy of the minutes, and J Campbell signed the minutes.</p> <p><b>b) <u>Action Tracker for 5<sup>th</sup> March 2018</u></b></p> <p>The five actions were noted as complete.</p> <p>E Hoy highlighted the implementation of the General Data Protection Regulation (GDPR) had taken place on 25 May, and COPNI had prepared well. It is seeking advice from the Information Commissioner's Office (ICO) regarding the matter of independence in the role of Data Protection Officer within COPNI.</p> <p>B Clerkin confirmed that the Communications and Engagement function had not been subject to a specific internal audit since 2012/13. E Hoy replied that several other internal audits have examined this function over the period of the current internal audit strategy, including project management and procurement.</p>	<p><b>ARAC 06/18/3</b></p> <p><b>ARAC 06/18/3a</b> <b>NOTED</b></p> <p><b>ARAC 06/18/3b</b> <b>NOTED</b></p>
<p><b>Agenda Item 4: Matters Arising not already on the Agenda</b></p> <p>There were no matters arising.</p>	<p><b>NOTED</b></p>
<p><b>Agenda Item 5: Commissioner's Update</b></p> <p><b>a) <u>Engagement</u></b></p> <p>The Commissioner gave a brief overview of his recent engagements. In March he met with the High Sheriff of Belfast about making Belfast a dementia friendly city. He spoke at the Utility Regulator Consumer Conference in April. In May he chaired a session at the Northern Health and Social Care Trust's conference 'Dementia – Transforming the Journey'. He participated in video recordings for the NI Probation Board</p>	<p><b>ARAC 06/18/5</b></p> <p><b>NOTED</b></p>

regarding the impact of crime on older people, and also for the PSNI about the First Responder scheme. He met Councilman Jim Shulman, Executive Director, Tennessee Commission on Aging and Disability, and COPNI had since begun to share ideas with his office.

The Commissioner attended a meeting about the 'Keep Me Posted' campaign, which wants businesses to keep sending hard copy information to customers when required. He met with the British Dental Association about dental care issues for older people and particularly those in care homes. He also gave several talks throughout Northern Ireland and listened to older people's concerns.

**b) Accountability Meeting**

**NOTED**

An Accountability Meeting with DfC was held on 15 May 2018. This was a useful meeting with the new DfC sponsorship team. DfC is considering COPNI's two in-year bids, and understood the challenges of the current budget. COPNI expressed appreciation for the confirmation of DfC's approval of £25,000 to complete the investigation into Dunmurry Manor Care Home.

COPNI had queried its starting budget for 2018/19 of £754,000 which, if implemented, would result in an 8% cut on the 2016/17 budget. There was an immediate pressure as of 1 April 2018 of £72,000 due to the original cut of 4% (£41,000) and this year's 4% cut (£31,000). This caused an immediate pressure on salaries, and COPNI has no reserves. COPNI has also bid for £111,000 for programme activities.

The Commissioner has had his annual review meeting with Ian Snowden (DfC) and the issue of the baseline budget was discussed.

**c) Budget 2018/19**

**NOTED**

J Campbell highlighted COPNI was already in a potential deficit situation if the 8% cut was fully implemented, and asked how the Commissioner as Accounting Officer viewed this. The Commissioner responded COPNI was reliant on the in-year bids being successful and this caused uncertainty. The Commissioner confirmed that there are no further efficiencies that can be made and the pressures are acute. E Hoy said that the only remaining flexibility for savings is to reduce headcount, however the staffing complement is already carrying two permanent vacancies and each team is carrying heavy workloads. She also affirmed that COPNI has no reserve funding to permit redundancies and any such reduction in workforce would significantly impact on services provided directly to older people.

J Campbell concluded by commenting that £72,000 represented a significant cut on an already insufficient budget and this was an unsustainable position if not addressed by DfC.

C Cunningham indicated Ian Snowden (DfC) would hold a Planning Meeting with Arm's Length Bodies on 11 June, and COPNI had been invited. DfC was not able to provide a timescale for the approval of in-year bids but said the officials would continue to pursue confirmation of approval and would contact COPNI as soon as possible.

**d) Corporate Plan**

**NOTED**

The Commissioner indicated the Corporate Plan had been approved by Leo O'Reilly, Permanent Secretary, DfC. It was unclear how it would be funded. Leo O'Reilly has also approved the 2017/18 and 2018/19 Business Plans. The 2018/19 business plan was drafted at £785,000 and demonstrated an immediate pressure of £41,000. The Business Plan would only be achievable if the in-year bids are approved.

COPNI received an additional £5,000 in 2017/18 for the Older Victims of Crime research to be updated, and the report will be published this year.

E Hoy confirmed some activity from the 2017/18 Business Plan had been deferred to 2018/19, however this was now unaffordable without the in-year bid funding. COPNI will revisit the Business Plan after the meeting with DfC on 11 June.

E Lynch outlined the First Responder pilot to assist older victims of crime, which is in partnership with the PSNI, and involves volunteers from St John's Ambulance and Order of Malta. This was the result of a piece of research by COPNI on the experiences of older people as victims of crime.

**Agenda Item 6: Chief Executive's Update – Emerging Issues**

**ARAC 06/18/6**

**a) Staffing Issues**

**NOTED**

A Legal Officer left her post at the beginning of May. COPNI used a merit order list from the Legal Officer competition in 2017, and Sinead Mallon started her new post last week.

The Communications and Engagement Administration Officer will leave her post on 14 June. This post will be advertised and shortlisting for the Policy & Research Officer will be done after the investigation is completed.

One member of staff remains on long-term sick leave.

D O'Reilly asked about staff morale in light of staff leaving their posts. E Hoy confirmed that two staff have moved on to significantly promoted grades in other organisations. She went on to say that three staff members who had been trained in investigatory skills during the investigation have now left the organisation. There is no budget for training new staff in this skill set. COPNI carried out an annual skills

audit however it is now not affordable to provide professional training to relevant staff.

**b) Senior Management Team**

The Team continued to meet monthly and focused on the investigation, the budget and management accounts, and the management of risk, both at corporate level and regarding the DMCH investigation.

**c) Finance and Expenditure 2017/18**

The draft Management Accounts for the period to 31<sup>st</sup> March 2018 showed expenditure of £885,480 with an under-spend of £54,519. Of that figure, approximately £46,000 related to funding for the DMCH investigation that DfC had already been advised would not be spent by 31<sup>st</sup> March. Approximately £30,000 of that figure related to the contingency for expenses arising from Oral Hearings, which were not required.

The financial statements will be brought to the September meeting. J Campbell indicated the outturn financial position declared in the management accounts represented a good result.

**d) Finance and Expenditure 2018/19**

The opening budget was notified at £754,000 with a projected spend of £845,000. £25,000 had been approved by DfC for the investigation.

J Campbell indicated COPNI should highlight its minimum requirements to meet its remit at the meeting with DfC on 11 June.

**e) Investigation Expenditure Summary**

DfC has approved an additional £25,000 to conclude the DMCH investigation. This will be used for the print and design of the report, the expert panel fees, media training and the press event including audio and video footage. E Hoy said she expected some costs to rise regarding the launch of the report on the basis of advice from the media consultants about the recording, editing and dissemination of footage of the press conference. The total expenditure on the investigation to April 2018 was £72,042.

**f) Quarterly Performance Report January – March 2018**

The majority of the staff team had good attendance however the long-term absence of one member of staff had greatly affected the absence percentages. Budget pressures had already been highlighted during the meeting.

**NOTED**

**ARAC 06/18/6c  
NOTED**

**ARAC 06/18/6d  
NOTED**

**ARAC 06/18/6e  
NOTED**

**ARAC 06/18/6f  
NOTED**

<p><b>g) <u>Quarterly Assurance Statement January – March 2018</u></b></p> <p>The report was noted.</p> <p><b>h) <u>Business Plan 2018/19 – Progress on Objectives</u></b></p> <p>The 12 items were noted as being on target. Adjustments may be required following the launch of the investigation report.</p> <p><b>i) <u>Complaints</u></b></p> <p>No new complaints were received in this period.</p>	<p><b>ARAC 06/18/6g NOTED</b></p> <p><b>ARAC 06/18/6h NOTED</b></p> <p><b>NOTED</b></p>
<p><b>Agenda Item 7: Risk Matters</b></p> <p><b>a) <u>Corporate Risk Register Quarter 1 2018/19</u></b></p> <p>E Hoy highlighted Risk 1 'Constraints to exercising statutory duties due to insufficient resources (budget)' was rated as extreme. The risk had been highlighted to DfC.</p> <p>Risk 2 'Proposed Corporate Plan will require increased baseline funding' was rated as high. While the Corporate Plan had been approved, there was no certainty around funding.</p> <p>Risk 3 'Reputational damage due to not exercising statutory duties' was rated as medium. COPNI was prioritising casework and managing the expectations of clients.</p> <p>E Hoy gave an overview of Risks 4 to 9.</p> <p><b>b) <u>Dunmurry Manor Investigation Risk Register</u></b></p> <p>E Hoy tabled this document which was discussed and changes to key risks were noted. Due to the sensitive nature of the content, Members and Attendees were not permitted to retain a copy of this paper.</p> <p>The investigation was now in its final stages, and the report would be published on 13 June. COPNI will feedback to DfC on learnings from the use of his legislation and powers following the report. In the absence (due to suspension of devolved government) of an Executive Committee, the report will be submitted to the Secretary of State for Northern Ireland and the Head of the Northern Ireland Civil Service, in his capacity as Secretary to the Executive Committee.</p> <p>At least a further year of work is anticipated to monitor the implementation of the recommendations contained in the investigation report.</p>	<p><b>ARAC 06/18/7</b></p> <p><b>ARAC 06/18/7a NOTED</b></p> <p><b>ARAC 06/18/7b NOTED</b></p>

<p>J Campbell and D O'Reilly commended the work of the investigation team and wished them well for the launch of the report.</p>	
<p><b>Agenda Item 8: Update from Internal Audit</b></p> <p>a) <b><u>Audit Plan 2018/19</u></b></p> <p>The Audit Plan had been brought to the previous meeting. It focused on Programme and Project Management, Business Planning and Follow Up Review.</p> <p>HG highlighted that, following new guidance from the Department, all procurement over £5,000 must now be processed through the Central Procurement Directorate, Department of Finance.</p> <p>b) <b><u>Internal Audit Annual Assurance Report</u></b></p> <p>The report summarised the work done during 2017/18. There had been no priority 1 or 2 recommendations. COPNI's systems in relation to risk management, control and governance provided satisfactory assurance.</p> <p>J Campbell congratulated the staff team on achieving a satisfactory internal audit opinion.</p>	<p><b>ARAC 06/18/10</b></p> <p><b>ARAC 06/18/10a NOTED</b></p> <p><b>ARAC 06/18/10b NOTED</b></p>
<p><b>Agenda Item 9: Audit Recommendations – Progress to date</b></p> <p>It was noted all the recommendations were either on target or complete.</p> <p>B Clerkin left the meeting.</p>	<p><b>ARAC 06/18/11 NOTED</b></p>
<p><b>Agenda Item 10: Update from Department for Communities</b></p> <p>C Cunningham indicated the Accountability Meeting on 15 May had been useful. DfC had been glad to assist with funding the investigation. The Northern Ireland Civil Service pay reviews have come through. E Hoy indicated the removal of the bottom of each scale up to Staff Officer would create increased salary pressure but that COPNI will assess the quantum of this and submit a Pay Remit business case to DfC.</p> <p>C Cunningham confirmed Ian Snowden (DfC) was aware of COPNI's funding concerns. He referred to the ALB Planning meeting on 11 June.</p>	<p><b>NOTED</b></p>
<p><b>Agenda Item 11: Update from Northern Ireland Audit Office</b></p> <p>L McCullagh indicated NIAO had carried out fieldwork for the interim audit during April and there were no issues to discuss. The work will be completed in September. COPNI will submit the draft annual report and financial statements to NIAO on 7 September.</p> <p>L McCullagh and Z O'Neill left the meeting.</p>	<p><b>NOTED</b></p>

<p><b>Agenda Item 12: Revised Secretariat Procedures</b></p> <p>HG highlighted minor changes had been made in relation to the workplan and expenses claim form.</p> <p>The procedures were approved. J Campbell and D O'Reilly indicated they were very impressed with the secretariat support to the Committee.</p> <p>E Hoy thanked Members for their positive remarks and gave credit to the work of Eloise Gilmour and Helen Gault.</p>	<p><b>ARAC 06/18/12 APPROVED</b></p>
<p><b>Agenda Item 13: Accountability and Financial Management Guidance Update</b></p> <p>The five items in the report were noted.</p>	<p><b>ARAC 06/18/13 NOTED</b></p>
<p><b>Agenda Item 14: COPNI Updated Policies</b></p> <p>The eight policies listed in the report were noted.</p>	<p><b>ARAC 06/18/14 NOTED</b></p>
<p><b>Agenda Item 15: Any Other Business</b></p> <p>D O'Reilly indicated she had attended the DfC Audit and Risk Assurance Committee Chairs' Forum 13 March, on behalf of G Campbell.</p> <p>C Cunningham and M Walker left the meeting.</p>	<p><b>NOTED</b></p>
<p><b>Agenda Item 16: Date of next meeting</b></p> <p>The next meeting will be held on Monday 3<sup>rd</sup> September 2018 at 1.30pm.</p>	<p><b>NOTED</b></p>
<p><b>Agenda Item 17: Internal Audit Contract Procurement</b></p> <p>This document had not been circulated to ASM.</p> <p>E Hoy indicated ASM had been COPNI's internal auditor since April 2015 and there had been no issues with the service. This current year is the extension year of the contract. COPNI currently has 18 days per year allocated to internal audit. All business areas have been audited at least once during the past four years. They all received satisfactory assurance and all recommendations were priority 2 or 3.</p> <p>It was proposed to reduce the number of days for internal audit to 9.5 days in the new contract 2019/20 to 2022/23. This would be appropriate for this size and performance of the organisation. The contract would include the option to have ad hoc audits, and would be reviewed three years into the contract.</p>	<p><b>ARAC 06/18/17 APPROVED</b></p>



<p>E Hoy said that G Campbell had indicated that he was content with the proposal, and it reflected the progress of the organisation over the last four years.</p> <p>The number of days required in a new contract period was discussed. J Campbell highlighted that internal audit was an important independent assurance for the Committee. It was agreed to reduce the number of days for internal audit to 10 days for the contract from 2019/20 to 2022/23. This could be adjusted by a day more or less as necessary.</p> <p>The draft tender documentation will be brought to the Committee in due course.</p> <p>H Gault and E Gilmour left the meeting at 3.40pm.</p>	
<p><b>Agenda Item 18: Private Briefing on Dunmurry Manor Investigation</b></p> <p>E Lynch and E Hoy provided a private briefing to J Campbell and D O'Reilly on the investigation report.</p> <p>The meeting closed at 4.30pm.</p>	

Signed:  
Chairperson

J. Lynch

Date:

3/9/2018

