

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 7 DECEMBER 2015 AT 9.30AM IN EQUALITY HOUSE, BELFAST**

PRESENT:**MEMBERS**

Gerard Campbell (Chair)
Julie Erskine
Don Mackay
Breidge Gadd

IN ATTENDANCE

Evelyn Hoy (Chief Executive, COPNI)
Christine Burns (Northern Ireland Audit Office)
Emma Bolton (Northern Ireland Audit Office)
Amanda McMaw (ASM – Internal Audit)
Richard Hynds (ASM – Internal Audit)
Nicola Drennan (OFMDFM)
Gerard McKeown (Finance and Governance Manager, COPNI)
Fionnula Torney (Office Manager, COPNI)

<p>Agenda Item 1: Apologies</p> <p>G Campbell welcomed everyone. There were no apologies.</p>	<p align="center">NOTED</p>
<p>Agenda Item 2: Chair's Business</p> <p>a) <u>Conflict of Interests</u> No conflicts of interests were declared.</p> <p>b) <u>Declaration of Interests</u> No new interests were reported in this period.</p> <p>c) <u>Declaration of Interests - Process Paper</u></p> <p>E Hoy explained the Declaration of Interest procedure and that it was updated twice per year in January and June. J Erskine stated that it was important that members keep it up to date and that it is available for inspection on request.</p> <p>d) <u>Fraud</u> No incidents of fraud were reported in this period.</p>	<p align="center">NOTED</p> <p align="center">NOTED</p> <p align="center">ARAC 12/15/1a NOTED</p> <p align="center">NOTED</p>
<p>e) <u>Register of Gifts and Hospitality</u> There were two new entries on the register and these were noted and signed by the Chair. There was a discussion regarding the (Given) Gifts and Hospitality Register. It was agreed that all gifts</p>	<p align="center">ARAC 12/15/1b NOTED (ACT 108)</p>

<p>and hospitality should be included in one Gifts and Hospitality Register clearing identifying 'Offered To'. G McKeown confirmed that the minimum threshold for inclusion in the register was £20.00.</p>	
<p>f) <u>Register of International Conferences & Events</u> E Hoy confirmed this new register has been developed following discussion during the June 15/16 ARAC meeting and that attendance by COPNI at conferences and events outside the UK and Ireland would be recorded. The Register of International Conferences & Events would now be a standing agenda item.</p>	<p>ARAC 12/15/1c NOTED</p>
<p>g) <u>Direct Award Contracts</u> The record of direct award contracts during the period was noted, and G McKeown explained each of the items.</p>	<p>NOTED</p>
<p>h) <u>COPNI ARAC Work Plan</u> The Chair and Members noted the proposed Work Plan for 2016/17 listed standard agenda items, ad hoc and special items for ARAC meetings throughout the year.</p>	<p>NOTED</p>
<p>Gerry Campbell indicated that the Meeting with Auditors should be moved from March to December.</p>	<p>NOTED (ACT 109)</p>
<p>The Chair requested that after consideration of the first draft of the 2016/17 COPNI Business Plan (BP) at the December meeting, that the final draft be submitted to the Committee during the next meeting.</p>	<p>NOTED (Act 110)</p>
<p>E Hoy informed the Committee that work has begun on the development of a draft Corporate Plan for 2016-2020. She explained that all Corporate Plan development is being carried out in the absence of a new Commissioner and any draft would be subject to potentially extensive changes depending on the focus a new Commissioner may wish to bring to it.</p>	<p>NOTED</p>
<p>Whistleblowing was discussed and it was agreed that this should be a separate item on the Agenda</p>	<p>NOTED (ACT 111)</p>
<p>The Chair advised that Annual Performance Assessments have been completed with Members.</p>	<p>NOTED</p>

<p>Agenda Item 3: Draft Minutes of the Meeting of 21 September 2015</p> <p>The minutes of the last ARAC meeting were approved by Members subject to one minor amendment on page 8.</p> <p>The minutes were then signed by the Chair and a copy will be published on the COPNI website.</p>	<p>ARAC 12/15/2</p> <p>NOTED</p>
<p>Agenda Item 4: Matters Arising not already on the Agenda</p> <p>a) <u>Actions arising from ARAC Meeting 21 September 2015</u> All 11 actions were reported as complete by the date of the meeting.</p>	<p>NOTED</p>
<p>Agenda Item 5: Commissioner's Update – Emerging Issues</p> <p>a) <u>Engagement</u></p> <p>E Hoy gave an update on the current issues; including the transition of Claire's end of term, publication of the Domiciliary Report and the closing of Four Seasons Nursing Homes including media briefings. E Hoy confirmed that there was an increase in those contacting COPNI following the announcement of the closures.</p> <p>b) <u>Recruitment and Induction</u></p> <p>E Hoy advised that Marie Mullan, Human Resources Manager and Ashleigh Simpson, Communications and Engagement Manager will be taking up their new roles on 4th January 2016. E Hoy reminded the Committee that two other positions has been vacant since Oct 2014; i.e. Policy Officer and Administration Officer due to a lack of available budget.</p> <p>c) <u>2015/2016 Post October Monitoring Round Budget</u></p> <p>G McKeown confirmed that savings arising from the Commissioner's Office being vacant are being used for two pieces of commissioned research; i.e. Crime Clearance and Older People, and a prevalence study of the Financial Abuse of Older People. The remainder of the money will be allocated for programme spend training. N Drennan confirmed that it would be prudent to allocate one month's salary for new Commissioner starting on 1st March 2016.</p>	<p>NOTED</p> <p>NOTED</p> <p>ARAC 12/15/3a</p> <p>NOTED</p> <p>(Act 112)</p>

d) 2015/16 Finance and Expenditure

G McKeown gave a summary of the budget and the accompanying variance analysis. G McKeown confirmed through the January Monitoring Round COPNI had made a bid to virement £4K from Resource to Capital; principally to fund the purchase of software licenses related to COPNI record management project.

**ARAC 12/15/3b
NOTED**

D Mackay queried the HR Recruitment costs and felt that it was high. G McKeown explained that this was due to recruitment and training. G Campbell enquired why 3 newspapers advertisements were used for recruitment when one would suffice. E Hoy explained that it was an equality issue and that it would of be unethical not to use all local newspapers. G McKeown to send an email to all members to include all recruitment and training costs.

**ACTION
G MCK EMAIL**

(Act 113)

G McKeown discussed the management accounts and J Erskine suggested another column on the report to clearly indicate the variances. G McKeown to provide another paper to clearly indicate the variances in the 2016/17 Management Reports.

(Act 114)

e) Quarterly Performance Report

G McKeown presented the report.

**ARAC 12/15/3c
NOTED**

In relation to Financial Management on pages 6 and 7. G Campbell asked about movements to the budget between the Opening Allocation Q2. G McKeown explained that this was due to the allocation of £12K to fund Employer Pension Contributions.

G Campbell enquired the headcount of 12.8 and G McKeown explained that 1 member of staff does not work full time.

f) Accountability Meeting

E Hoy reported that the focus is on the budget, the monitoring round and cuts next year, stating that COPNI have an excellent working relationship with the Department. N Drennan agreed that the meetings are positive and all relevant matters are addressed.

NOTED

The transition plan for the Commissioner was successful and E Hoy took legal advice from David McMillen QC regarding interim powers and duties.

<p>g) <u>Senior Management Team</u></p> <p>E Hoy confirmed that since the Commissioner Office became vacant E Hoy and E Boyle have had one SMT Meeting discussing policy issues, corporate strategy, divisional and corporate risks, financial management and HR issues.</p> <p>h) <u>Complaints</u></p> <p>EH confirmed that there has been no follow up from Mr McConnell and that there have been no other complaints.</p> <p>ASM are to look at our policy regarding complaints.</p> <p>i) <u>Transition Plan: Change of Commissioner 2015/16</u></p> <p>The Chair asked N Drennan for an update regarding the appointment of a new Commissioner. N Drennan confirmed that there had been significant interest in the role and that a sifting will take place on 15 December. The interviews will take place over 3 days - 14, 15 and 18 January 2016.</p> <p>E Hoy confirmed that she would be the Accounting Officer in the interim.</p> <p>j) <u>Draft 2016/17 Business Plan</u></p> <p>E Hoy presented the Draft Business Plan for 2016/17. E Hoy confirmed that the Business Plan will submitted to OMDFM by 31 January 2016 as required by COPNIs MSFM.</p> <p>k) <u>Draft Corporate Plan</u></p> <p>E Hoy confirmed that she and the COPNI management team were drafting a short list of project options for the new Commissioner to consider after appointment.</p>	<p>NOTED</p> <p>NOTED</p> <p>(Act 115)</p>
<p>Agenda Item 6: Update from OFMDFM</p> <p>N Drennan reported all updates from OFMDFM were covered by the agenda.</p>	<p>NOTED</p>

<p>Agenda Item 7: Update from NIAO</p> <p>a) Annual Report and Financial Statements for the year ended 31/03/15</p> <p>C Burns confirmed that the timetable finalising the Annual Report and Financial Statements was brought forward to 12 November 2015. G McKeown confirmed that Annual Report and Financial Statements had been laid before the Assembly on 24 November 2015. The Chair thanked everyone who assisted in the Audit.</p> <p>b) Report to those Charged with Governance</p> <p>C Burns presented the Report to Those Charged with Governance highlighting Priority 1 and Priority 2 observations.</p> <p>C Burns explained the Resource Budget overspend of £847.00 (Priority 1); and that no tolerance is built in for any overspend. D Mackay enquired why this was a Priority 1 and C Burns explained that this was due to an increasing focus on budget management.</p> <p>C Burns explained the misstatement of Holiday Pay Accruals (Priority 2) which was due to errors with annual leave records E Hoy stated that COPNI will learn from the error and put in place procedures to prevent it from happening again.</p> <p>C Burns explained that an adjustment resulted from depreciation due to the timing the related capital items became available for use (Priority 2). G McKeown confirmed that COPNI would ensure that judgements would be supported by documented reference to International Accounting Standards and International Financial Reporting Standards as required by FReM.</p>	<p>ARAC 12/15/4</p> <p>ARAC 12/15/5</p>
<p>Agenda Item 9: Update from Internal Audit</p> <p>A McMaw presented the Follow Up Review report. A McMaw reported that the audit reviewed 30 recommendations made in the five internal audit reports issued during 2014/15 business year.</p> <p>A McMaw reported that of the 30 recommendation; 16 were implemented, 4 were partially implemented, 1 was not implemented and the remainder could not be tested.</p> <p>G McKeown confirmed that 3 of the 4 partially implemented and one not implemented had now been completed with the 4th being implemented in early January 2016.</p> <p>Of the nine recommendations 7 will be carried forwarded next Year; and the following 2 are Service Level Agreements and Gifts and Hospitality were there were no events to test.</p>	<p>NOTED ARAC 12/15/6</p>

<p>Agenda Item 10: Audit Recommendations</p> <p>The Committee noted the progress in implementing audit recommendations.</p> <p>A discussion was had around if evidence should be provided to the Committee of recommendations having been implemented. It was decided that if management report that implementation has been evidence then that evidence should be provided otherwise it should be reported.</p>	<p>NOTED ARAC 12/15/7</p> <p>NOTED <i>(Act 116)</i></p>
<p>Agenda Item 11: Risk Matters</p> <p>a) <u>Corporate Risk Register 2015/16 Quarter 2</u></p> <p>The Chair noted that all risks had been covered within the agenda. A Member noted how clear the summary page is and that it works well. E Hoy noted that COPNI's main concern remains around the capacity of work that can be carried out due to financial constraints.</p> <p>E Hoy confirmed that now that the Commissioner's exit has been managed this significantly reduces the related risk however the Chair, G Campbell stated that we now move into uncertainties created by the position being vacant.</p> <p>J Erskine thanked everyone for their work in preparing the Risk Register.</p>	<p>NOTED ARAC 12/15/8</p>
<p>Agenda Item 12: Update on Business Continuity Plan</p> <p>G McKeown confirmed that the Disaster Recovery Plan was successfully tested on 21st November.</p> <p>G McKeown confirmed that the Business Continuity Plan would be revised during Q4 2015/16 following the recruitment of the Communications and Engagement Manager, and the Human Resource Manager.</p>	<p>NOTED</p>
<p>Agenda Item 13: Update on DAO and DFD Guidance</p> <p>The report was noted.</p>	<p>ARAC 12/15/9 NOTED</p>
<p>Agenda Item 14: Summary of Key Issues from Public Accounts Committee Reports</p> <p>There were no issues applicable to COPNI during the period.</p>	<p>ARAC 12/15/10 NOTED</p>

<p>Agenda Item 15: Any Other Business</p> <p>G Campbell gave an update to the Committee -</p> <ul style="list-style-type: none"> • Unlikely to be another Monitoring Round during 2015/16 • Prepare for 5%-10% budget reductions in 2016/17 • New Departments will be established after the election on 5 May 2016. • Transfer of Functions to follow through 2017 – 2021; 4 year Comprehensive Spending Review. • Move towards centralised internal audit function. • Quicker Business Cases processing 	<p>NOTED</p>
<p>Agenda Item 16: Dates of Next Meeting</p> <p>a) <u>Monday 7 March 2016 @ 9.30am</u></p> <p>The meeting ended at 1:15pm.</p>	<p>NOTED</p> <p>12/15/11</p>

Signed:
Chairperson



Date:

7/3/16