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 23th SEPTEMBER 2013 AT 9.30AM IN EQUALITY HOUSE, BELFAST

PRESENT:

MEMBERS: Gerard Campbell (Chair)
          Don Mackay
          Julie Erskine
          Breidge Gadd

APOLOGIES Claire Keatinge, Commissioner COPNI

IN ATTENDANCE Evelyn Hoy COPNI
                   Gerard McKeown (COPNI)
                   Christine Burns (NIAO)
                   Nicola Drennan (OFMDFM) (Left at 12 noon)
                   Pauline Poots (ASM Howarth)

<table>
<thead>
<tr>
<th>Agenda Item 1: Apologies</th>
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<tbody>
<tr>
<td>Claire Keatinge was unable to attend as she is meeting with Jnr Minister's regarding the Active Ageing Strategy and is receiving briefings from staff.</td>
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<tr>
<th>Agenda Item 2: Chair's Business</th>
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<tbody>
<tr>
<td>a) <strong>Conflict of Interests</strong></td>
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<tr>
<td>No conflicts of interests were reported in this period.</td>
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<td>b) <strong>Fraud</strong></td>
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<td>No incidents of fraud were reported in this period.</td>
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<td>c) <strong>Register of Gifts and Hospitality</strong></td>
<td>ACTION COPNI (ACT 1)</td>
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<tr>
<td>This had been reviewed and signed by the Chair. A current copy will be put on the COPNI website.</td>
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<tr>
<th>Agenda Item 3: Draft Minutes of the meeting of 17 JUNE 2013</th>
<th>ARAC 09/13/01</th>
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<td>The minutes of the last ARAC meeting were discussed and approved.</td>
<td>APPROVED</td>
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<td>A list of outstanding actions arising from ARAC meetings will be summarised, attached to the minutes as an Annex and reviewed during the following ARAC meeting.</td>
<td>ACTION COPNI (ACT 2)</td>
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<td>An ARAC member asked regarding the possibility of COPNI</td>
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providing ARAC with a summary of the key issues arising from reports from NIAO to the Public Accounts Committee (PAC) to advise on good practice. COPNI to research and report back at meeting on 5th December 2013.

**Agenda Item 4: Matters Arising not Already on Agenda**

Julie Erskine attended a meeting of Chairs of Audit and Risk Committees with OFMDFM senior officials. Julie was there in her capacity as the Chair of the NICCY ARC, but also represented COPNI Chair as he was unable to attend. The committee was updated on some of the issues that arose, these issue were:

- Length of time required to complete business cases process
- An ARAC member raised the development of standardisation of Internal Audits within government departments with a view to deliver greater value for money.
- The need to make risk registers manageable
- The need for chairs of ARAC committee’s to review the recent PAC report on its investigation into the NIHE.

The committee discussed the ALB’s Quarterly Assurance Performance report as a mechanism to report on COPNI performance to the ARAC. It was agreed that this report will now be shared with the committee.

**Agenda Item 5: Commissioner’s Business Update – Emerging Issues**

This update was given by the CEO.

**Travel** - The Commissioner returned this morning from a period of activity in Canada and the United States. The events attended include:

- Work, wellbeing and wealth – active ageing at work. Held Helsinki, Finland
- Age Friendly Cities – Quebec, Canada.
- Commission on the affairs of the Elderly – Boston

**Recruitment and Induction** -

The Committee acknowledged the appointment of Evelyn Hoy as Chief Executive and Stephanie Ingram as
PA/Commissioner & CEO since 2nd September. The Chair offered the committee’s congratulations and welcomed both members of staff.

CEO reported that the second Tranche of recruitment is in operation. Three posts have been advertised, the Engagement and Communications Manager, the Legal Officer and the Human Resources Manager.

The HR Manager competition attracted only two applications and one of those did not meet all of the essential criteria. On that basis the panel considered the need to conduct an interview, as the applicant was the internal candidate. Taking into account the risks and benefits the panel agreed to appoint the single eligible applicant. .

The ARAC expressed concerns regarding the appointment of an applicant without interview. These concerns included the risk of failure to adhere to the recruitment policy, the successful applicant holding the temporary post when the appointment was made and the perception that the process was in any way unfair could leave the COPNI open to reputational risks. The CEO gave the undertaking that the process of advertising, sifting and shortlisting was undertaken in accordance with the Recruitment policy But that she would review the process with the commissioner.

The ARAC recommended following:
- All future appointments will be made only after interview;
- The CEO will inform the Commissioner of the Committee’s concerns
- Relevant policies and procedures will be reviewed and updated;
- A careful consideration of risks to be made and mitigating actions to be taken.

The competitions for Legal Officer and Engagement Manager are going through shortlisting by the recruitment panels, and the interviews will take place w/c 07 October 2013. In each case there were a larger number of applicants. In the Engagement Manager competition there were 16, shortlisted to 9 for interview. In the legal competition there are 20+ applications and we intend to shortlist as robustly as possible.
Finance and Expenditure - Members attention was drawn to the relevant papers.

NIAO Audit – CEO reported that auditors from NIAO are drawing to the end of their fieldwork. Early indications are that there are no major issues. Some small elements of work have still to be completed but the timetable of activity and reporting to this committee remains on target. The NIAO representative outlined the draft points received from the field work on the basis that it had not been subject to review by NIAO yet, but agreed that no major issues had been recorded.

Accountability Meeting – The CEO apprised the Committee of the Commissioner’s first accountability meeting with Margaret Rose McNaughton (the new G5 officer with responsibility for the oversight of this body) has been completed. There are no outstanding issues of accountability with the Department except the ongoing discussions around the signing of the MOTO. COPNI explained the background and the impasse to which it has come with ECNI over the accommodation, and highlighted the view of this committee. OFMDFM colleagues will discuss directly with ECNI and report back in due course. COPNI will follow up with OFMDFM to discuss the outcome of those discussions.

Active Ageing Strategy process - CEO reported that the AAS is still under consideration by Ministers and that Jnr Minister’s are meeting the Advisory Group (chaired by the Commissioner) this afternoon to agree a final draft for consultation. The Commissioner was critical of the release of the latest draft very late on the previous working day. It is hoped that the final draft is acceptable to the Group.

The ARAC discussed progress surrounding the Active Ageing Strategy. ARAC noted that the time made available to the Commissioner between receiving the draft strategy and the appointment to table her draft response was unreasonably short.

Goods, Facilities and Services. (not on agenda) - CEO briefly outlined the stage of the legislative proposals for additional protections against discrimination on the basis of age. The policy position is still to be agreed between FM DFM parties and it is not clear what the heads of disagreement are, or the timescale for resolving these issues. The Committee briefly discussed the risks of this stasis, most importantly the risk that older people will remain
without these additional protections.

**Further training and development of the ARAC members** - Members of the committee were informed that they will receive notice shortly of dates for a proposed refresher of the training for ARAC members. The CEO and Finance Manager of COPNI will also attend the training.

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## Agenda Item 6: Update from OFMDFM

The Adjustments to Staffing Approvals business case is still working its way through OFMDFM’s review and approval process and has been prioritised.

The AARC wished to express its dissatisfaction in the strongest possible terms that approval of the COPNI 2013/2014 Business Plan and 2013/15 Corporate Plan remains outstanding.

The Committee asked the Chair to raise the issue of approval of business and corporate plans with the Department, although it was acknowledged that this situation of non-approval is common to all OFMDFMD ALBs.

The representative from OFMDFM said that she will discuss the efficiency of processing business cases with relevant colleagues within that department. OFMDFM will report back to the ARAC on her findings and proposals.

The Commissioner and her staff will consider the need for an annual formal meeting with departmental ministers.

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<td>ACTION – Chair (ACT 8)</td>
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<td>OFMDFM</td>
<td>ACTION OFMDFM (ACT 9)</td>
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<td>COPNI</td>
<td>ACTION - COPNI (ACT 10)</td>
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## Agenda Item 7: Draft Governance Statement

The document was reviewed by ARAC and welcomed.

The commissioner will review and update her statement for minor grammatical errors, typos or inconsistencies. The reviewed, approved version should be sent to NIAO for consideration with the other Annual Accounts papers.

The Terms of Reference (Annex 3) will be forwarded to ARAC members.

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<td>ARAC</td>
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<td>COPNI</td>
<td>ACTION COPNI (ACT 11)</td>
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<td>ACTION COPNI (ACT 12)</td>
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## Agenda Item 8: Draft Management Response to Internal Audit

The ARAC reviewed the internal audit reports. The only amendment to be made is to the Financial Reporting and

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<td>Internal Audit</td>
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<td>Internal Audit</td>
<td>ACTION Internal Audit (ACT 13)</td>
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Budgeting report; recommendation C6 was raised from a Priority 3 to a Priory 2 risk level.

The ARAC had a discussion regarding the only Priority 1 issue raised, i.e. no Business Continuity Plan (BCP) in place. The ARAC confirmed that it would review and approve the draft BCP when it meets on the 9th December 2013.

The ARAC endorsed the four internal audit reports. The internal auditor tabled the Annual Internal Audit Assurance Report to ARAC. The opinion given within the report was that the overall level of assurance was satisfactory. The ARAC endorsed the Annual Internal Audit Assurance Report.

The ARAC asked the Chair to express their congratulations to COPNI by writing to the Commissioner and Chief Executive. COPNI officers will provide a draft for the Chair.

The ARAC asked a COPNI staff member to express their congratulations to all of COPNI’s staff.

The CEO added her appreciation of the teams’ efforts to date and committed to passing on the ARAC’s appreciation to all staff.

A draft internal audit strategy was tabled by the Internal Auditor and reviewed by the ARAC. The internal auditor confirmed that she had met with the CEO and they had reconsidered the original strategy in light of the increased knowledge of the business and governance areas. The CEO and IA have agreed the draft amended strategy for 2013/14 onwards. The ARAC considered the redrafted Strategy and agreed the areas to be considered in the fieldwork for each of the years therein. They asked the IA to consider amending the time allocated to Reporting to the Audit Committee to allow more time if necessary.

During discussions surrounding internal audit an ARAC member raised the concern that the physical access arrangements within Equality House were excessive and that given the equality agenda of the occupants presented a reputational risk to COPNI. A COPNI staff member will raise this concern with the leaseholder through the tenancy meetings. The CEO confirmed that staff agreed the measures were excessive; however, they are operating adequately.
**Agenda Item 9: Risk Management Review of the Risk Register**

ARAC considered the redrafted risk register in the new format. It was decided that the document was of such significance and that the Committee wished to give it full consideration that the ARAC should reconvene for a specific meeting on the Risk Register.

Some amendments were recommended, i.e.:
- That Risk 5 is updated to reflect the risk presented by the increased staff turnover inherent in the employment of temporary staff.
- That the use of the term Inherent Risk was inconsistent with its definition within Internal Audit.

IA explained to the Committee that as part of its service to customers, the company could provide access to automated risk analysis software which makes the management of monitoring and reporting on risk easier and consistent. The CEO, IA and Finance Manager will meet separately to review the system and make a decision about its use.

COPNI will arrange a half day session of ARAC specifically to consider the Risk Register asap.

**Agenda Item 10: Update on DAO and DFD Guidance**

A COPNI staff member briefed the ARAC on recently issued DAO and DFD letters.

**Agenda Item 11: Any Other Business**

A COPNI staff member confirmed that there are no Single Tender Contracts or Direct Action Tenders outstanding at this time.

ARAC papers will be printed and hard copy posted to ARAC members five working days before each ARAC meeting.

The Internal Auditor will put a summary of the HM Treasury handbook on the agenda of the next meeting.

A COPNI staff member will circulate a copy of the HM Treasury handbook to the ARAC Chair.
Agenda Item 16: Date of Next Meeting/Schedule of Meetings
Next meeting with a full agenda scheduled for Tuesday 5th December.

A meeting will be schedule for late October to discuss the Corporate Risk Register.

Signed: [Signature]
Chairperson

Date: 9/12/13

ARAC 09/13/07
NOTED
ACTION COPNI (ACT 20)