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 5 MARCH 2018 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)
Ciaran Cunningham (Department for Communities)
Martin Walker (Department for Communities)
Jonathan Buick (ASM – Internal Audit) from item 4
Peter O’Sullivan (Northern Ireland Audit Office)
Helen Gault (Finance and Governance Manager, COPNI)
Eloise Gilmour (Office Manager, COPNI)

Agenda Item 1: Apologies

There were no apologies.

The Chair welcomed C Cunningham and M Walker from the new DfC sponsorship team to their first meeting of the Committee. All those present introduced themselves.

Agenda Item 2: Chair’s Business

a) Conflicts of Interest

There were no conflicts of interest.

b) Fraud

No incidents were reported in this period.

c) Register of Gifts and Hospitality

The 11 items were noted and it was signed by the Chair.

d) Register of International Conferences & Events

There were no items for this period.
**e) Direct Award Contracts**

The three items were noted.

**f) Whistleblowing**

No incidents were reported in this period.

**Agenda Item 3: Draft Minutes of Meetings & Action Tracker**

**a) Draft Minutes of 4th December 2017**

Those present accepted the accuracy of the minutes, and the Chair signed the minutes.

**b) Action Tracker for 4th December 2017**

The five actions were noted as complete.

**Agenda Item 4: Matters Arising not already on the Agenda**

J Buick joined the meeting.

There were no matters arising.

**Agenda Item 5: Commissioner’s Update**

**a) Engagement**

The Commissioner gave a brief overview of his recent engagements. He attended an event on the transformation of the Health Service, a Roundtable on Adult Social Care and Human Rights, and a Symposium on the Social Care Workforce. He spoke at a NI Housing Executive event for senior staff on older people’s issues, and also at RUC George Cross, U3A Carrickfergus, Groomsport Tuesday Club and Parkinson’s UK events. He met with the Commissioner for Victims and Survivors, and attended a two day conference on dementia at Stirling University.

**b) Accountability Meeting**

An Accountability Meeting with the DfC was held on 31 January 2018, and there have been changes in the DfC’s sponsorship branch. Bernie Rooney has taken over responsibility for sponsorship from David Malcolm. Ciaran Cunningham and Martin Walker have joined Bebhinn Ni Bhriain’s team, and she is the head of the Active Ageing Branch. Noel Griffin and Janet Smyth have transferred to other duties.
c) **Update on Arms’ Length Bodies Governance Report**

The Commissioner gave a brief overview of the DfC’s Arms Length Bodies Governance Report compiled by Gerry O’Neill. He indicated that he would share the report with Members and Auditors. It was generally a positive report on governance in COPNI and NICCY.

There was a discussion on one of the recommendations of the report to redesignate the role of the Accounting Officer from the Commissioner to the Chief Executive and the implications of such a change. The Commissioner confirmed that this and any other changes would be a decision for the DfC, and that no timetable for such changes has been discussed.

J Campbell declared he was also a member of the Audit and Risk Assurance Committee of NICCY.

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<th>Agenda Item 6: Chief Executive’s Update – Emerging Issues</th>
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<tr>
<td>a) <strong>Staffing Issues</strong></td>
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<td>One member of staff continued to be on long-term sick leave. The vacant Policy &amp; Research Officer post will be advertised this month.</td>
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<td>b) <strong>Senior Management Team</strong></td>
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<td>The Team continued to meet monthly and discussion included the investigation into Dunmurry Manor Care Home, and policy work which included financial abuse and the Cash at Home project.</td>
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<td>COPNI had commissioned updated research on older victims of crime. The report should be launched in June or July 2018, depending on when the investigation is completed.</td>
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<td>c) <strong>Finance and Expenditure 2017/18</strong></td>
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<td>The Management Accounts for the period to 31 January 2018 showed an underspend of £15,547 due mainly to lower expert panel fees and legal advice as no oral hearings have taken place to date. Confirmation of the in year budget allocation has been received from the DfC. This was £10,000 for resource and £10,000 for capital, and £104,000 for the investigation. The projected budget for the year to 31 March 2018 was now £940,000.</td>
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<td>If there are no oral hearings as part of the investigation, a total of £48,000 will be handed back to the DfC at year end, the majority of which relates to funding ring-fenced for the investigation. COPNI will bid for £20,000 to complete the investigation at the start of the 2018/19 year.</td>
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The DfC confirmed they were content with communication from COPNI regarding the investigation budget.

P O'Sullivan confirmed the NIAO was content with how the budget was being managed around year end.

J Campbell indicated COPNI would need a prompt decision from the DfC at the start of the new financial year regarding money for the investigation. M Walker confirmed this would be done.

H Gault explained that part of the Communications and Engagement budget covered some investigation costs e.g. publication of the report, and also reprinting of other reports.

E Hoy highlighted COPNI would start the 2018/19 year with an immediate pressure of £40,000 regarding salaries and overheads including a rent increase, and the DfC was aware of this. The Chair indicated COPNI had a tight budget which had been well managed all year. J Campbell noted that the baseline budget of £785,000 for 2018/19 was insufficient to meet all the overheads of COPNI. E Hoy confirmed that, as in the current financial year, COPNI will have no programme money. She also advised that yearly budgets do not allow for the nature of some of COPNI's work e.g. research with a long lead-time which crosses over financial years and that this increased the difficulty of planning work and delivering the Commissioner's proposed Corporate Plan. COPNI has submitted an addendum to the 2018/19 Business Plan indicating a need for additional budget allocation of £111,000 to undertake programme activity.

D O'Reilly expressed a concern regarding the morale of staff. E Hoy praised the efforts of the staff team and her appreciation for their ongoing good will. She acknowledged the extreme pressures the investigation has put on the whole team. She also explained that staff and management are currently in a pay dispute and staff have requested a job evaluation process which has been postponed until after the investigation is complete.

d) **Investigation Expenditure Summary**

E Hoy detailed recent investigation activity. The total expenditure to 31 January 2018 was £49,594, from a total budget of £117,554.

e) **Quarterly Performance Report October - December 2017**

The approval of in year bids had been received from the DfC after this report was submitted.

E Hoy highlighted the long-term absence of a member of staff had significantly affected the absence statistics. It was noted the target for
consideration to be given to the staffing structure in COPNI’ should be amended to ongoing.

COPNI is well advanced in the planning and implementation targets for the introduction of the General Data Protection Regulation (GDPR) in May 2018. H Gault indicated she would circulate a copy of the plan to Members for their information.

f) Quarterly Assurance Statement October - December 2017

The report was noted.

g) Business Plan 2017/18 – Progress on Objectives

The 11 objectives were noted as being on target. The DfC was notified last September of amendments to the Business Plan that addressed the pressure of the investigation and that some activity would be diverted into the 2018/19 Business Plan.

h) Complaints

No new complaints were received in this period.

Agenda Item 7: Risk Matters

a) Corporate Risk Register Quarter 4 2017/18

E Hoy indicated the register had been amended in light of comments from David Malcolm (DfC) on the previous quarter’s register. It was noted that this version of the COPNI Risk Register was missing the statement of risk appetite. This appears to have been an administrative error and the paragraph will be included again in the next version. H Gault indicated she would circulate to Members the Corporate Risk Strategy which includes the organisation’s risk appetite.

The Chair highlighted the significant financial pressures which would have a knock-on effect on all other risks, and COPNI was reliant on the DfC for funding. It was acknowledged that public sector bodies were in an unprecedented situation, however it was also acknowledged that the budget allocation for COPNI is unsustainable. J Campbell indicated COPNI was in a worse financial position than last year as the 4% cut will apply to 2018/19. E Hoy indicated the only efficiency left would be to make redundancies however COPNI did not have the resources to make redundancy payments. COPNI could not rely on in year funding to meet the needs of older people. Members highlighted the extreme significance of the situation and how staff morale may be affected.

E Hoy indicated the draft Corporate Plan submitted to the DfC was ambitious as regards COPNI’s capacity. It was further acknowledged that the work arising from the publication of the investigation report is
difficult to predict and plan for, particularly in the absence of any financial flexibility. The Commissioner’s profile and expectation of the services provided by him are likely to increase following the publication of the investigation report. J Campbell highlighted the risk in delivering the Corporate Plan with such extreme financial constraints.

It was agreed to increase Risk 8 ‘Staffing Issues’ from medium to high, and to include staff retention and equal pay claims in the register.

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<th>Agenda Item 8: Update from Department for Communities</th>
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<td>M Walker indicated that he had listened to all the discussions relating to the financial position and that there was nothing further to report from the DfC. He said that the settlement of an NI budget is required in order for the Department to provide certainty of financial allocations for 2018/19, but that officials will move as quickly as possible to make the position clear.</td>
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<th>Agenda Item 9: Update from Northern Ireland Audit Office</th>
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<td><strong>a) External Audit Strategy for 2018/19</strong></td>
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<td>P O’Sullivan indicated no significant audit risks had been identified in the Audit Strategy meeting. He had met with E Hoy and H Gault recently to discuss the Strategy and preliminary field work would begin early in the new financial year.</td>
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The Chair confirmed a short meeting of the Committee will be held in October, to include a private session for Members and the Auditors. The Report To Those Charged With Governance will be considered.

Members reviewed the Actions for the Audit Committee, and approved the Strategy.

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<th>Agenda Item 10: Update from Internal Audit</th>
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<td><strong>a) Internal Audit Strategy for 2018/19</strong></td>
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<td>J Bulick noted the cooperation between ASM and the NIAO before the plan would commence. The Annual Assurance Report would be brought to the June meeting. He had recently met with E Hoy and H Gault to discuss the IA Strategy for 2018/19. There was a discussion on whether days should be allocated to Communications and Engagement as it appeared on the Audit Plan that this area of work had not been reviewed.</td>
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E Hoy confirmed she was content there should not be a standalone audit as Communications and Engagement functions had been covered in several previous audits, such as project management, procurement, financial controls etc.

J Buick indicated he would clarify at the June meeting whether Communications and Engagement had been audited previously, and would note in the plan that elements of this function are audited within other audits. Members approved the Strategy with this caveat.

### Agenda Item 11: Audit Recommendations – Progress to date

It was noted all the recommendations were either on target or complete.

**ACT 162**

### Agenda Item 12: Accountability and Financial Management Guidance Update

The five items in the report were noted.

**ARAC 03/18/11 NOTED**

### Agenda Item 13: Business Continuity Plan

a) **Business Continuity Plan Review December 2017**

The Review was noted and Members were reassured that COPNI viewed the Business Continuity Plan as a serious issue for the organisation and noted that this remained an important business matter.

**ARAC 03/18/13 NOTED**

b) **Business Continuity Plan (19/12/17)**

The Plan was noted.

**ARAC 03/18/13a NOTED**

### Agenda Item 14: COPNI Updated Policies

The 13 policies listed in the report were noted.

**ARAC 03/18/14 NOTED**

### Agenda Item 15: Schedule of ARAC Meetings for 2018/19

The schedule of meetings was approved. The draft Annual Report 2017/18 will be brought to the September meeting.

**ARAC 03/18/15 APPROVED**

### Agenda Item 16: Any Other Business

The Chair thanked J Campbell and D O'Reilly for their service during their first year on the Committee.

It was noted D O'Reilly will attend the DfC's Audit and Risk Assurance Committee Chairs' Forum on 13 March, in the Chair's absence.

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<th>Agenda Item 17: Date of next meeting</th>
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<td>The next meeting will be held on Monday 4th June 2018 at 1.30pm.</td>
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<td>The meeting closed at 4.00pm.</td>
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Signed: [Signature]

Chairperson

Date: 4/6/18