

## CJI Audit and Risk Assurance Committee (ARAC) Meeting Outputs

Thursday 5 October 2023 in Knockview Buildings

### Attendees:

<b>Independent member: (Acting Chair)</b>	Derek Anderson (DA)
<b>Independent Member:</b>	Mandy Kilpatrick (MK)
<b>DoJ Sponsor Division:</b>	Claire Robinson (CR)
<b>DoJ Internal Audit:</b>	Amanda Oliver (AO) Elaine Dempster (ED)
<b>NIAO:</b>	Garry Currie (GC)
<b>Criminal Justice Inspection (CJI):</b>	Jacqui Durkin (JD) James Corrigan (JC) Meloney McVeigh (MMcV) David MacAnulty (DMacA) Isabel Faggioli (IF)
<b>ARAC Secretary:</b>	Linda Boal (LB) CJI

<b>Agenda No</b>	<b>Description / Comments</b>
<b>1</b>	<b>Introduction / acknowledgements.</b> <ul style="list-style-type: none"><li>● DA welcomed everyone to the meeting.</li></ul>
<b>2</b>	<b>Apologies.</b> Lynsey Forsythe (NIAO) and Michael Rafferty (FSD).
<b>3</b>	<b>Declaration of interest/Conflict of interest.</b> <ul style="list-style-type: none"><li>● None.</li></ul>
<b>4</b>	<b>Minutes of previous meeting – 7 June 2023 and matters arising.</b> The minutes of the previous meeting were agreed and signed. <b>Matters arising:</b>

- All actioned.

**5 Consider any residual actions arising from the previous year's work of both Internal and External Audit (RTTCWG).**

- GC spoke to the RTTCWG, which had been distributed to members in advance.
- There were no issues, misstatements or irregular expenses to report.
- GC thanked everyone involved in obtaining a clean audit certificate.
- DA stated he was delighted with the report outcome and commended all the work involved to have the report finalised on time.
- MK fully endorsed DA's comments.
- JC welcomed the report on behalf of CJI and thanked MMcV, MR and LB for their work and JD endorsed those comments.
- GC advised that the contract with Deloitte has now ended and the new Accountants going forward will be FPM Accountants Limited.
- MMcV asked when the introductory meeting would take place and the strategy be available.
- GC assumed it would be the same timetable as previous years.

**6 Internal Audit.**

- The following papers were shared with members:
  - GIAFIS Future Direction Note.
  - NICS Internal Audit Services Strategy.
  - Group Internal Audit Services IQA Report.
  - Memo from Group Head to Accounting Officers.
  - Memo from Group Head to DARAC – IQA Report.
- DA commented that the Future Direction Note sets out the strategy and is a useful piece of information. It doesn't appear to make any change to the service CJI will receive. It was good to see a thematic on raising concerns and whistleblowing.
- DA asked if JD or JC had any comments and they both welcomed the document. JD agreed it was good to see the importance of whistleblowing and raising concerns highlighted.
- AO added that it will make the process clearer and more consistent. It is important to have signposting to decide what was a complaint, a concern, a grievance or was whistleblowing.
- MK added that the strategy was good at providing a focus on IA's purpose and that qualifying the remit on handling concerns would be particularly helpful.
- The Group Internal Audit Quality Assessment was shared and an internal quality assessment will be carried out prior to the Group Quality Assessment.
- DA stated this was an important pre-requisite and welcomed the work.

**7 Report summarising any significant changes to CJI's Risk Register.**

- The CJI Risk Register had been updated in May following a review by CJI staff and distributed to members in advance. It was also shared with Sponsor Department at the recent Quarterly Oversight meeting.

## PROTECT



- The three main risks remain as Quality of inspection product; CJI's Relevance to/within the CJS and the Resilience and Sustainability of CJI.
- MMcV gave an overview of the Risk Register, highlighting the changes since the previous meeting which were:
- Risk 1 – Insufficient funding to deliver a quality inspection product with independence at its core. The impact on the quality of response from organisations to the implementation of inspection recommendations declines due to resource and financial pressures. Key controls added were the Review of the CJI Freedom of Information Policy and Procedures and records management policies.
- Risk 2 – Availability of requested data, management information and personnel led to a delay in drafting inspection reports. The risks around insufficient budget to deliver the approved inspection programme and no oversight or engagement with a NI Executive and Committee for Justice was noted. The impacts included CJI fails to fulfil its statutory responsibility to inspect prisons, inspected organisations decline to adequately engage and support the inspection programme, NPM responsibilities are not met, funding uncertain regarding a new CJI website and security of CJI website compromised when site is unsupported. Key controls added were engagement with sponsor division and DoJ Financial Service Division on the need for adequate funding for the website and required external inspection support.
- Risk 3 – Inescapable inflationary costs lead to a reduction in budget for external support, lack of satisfactory public sector pay settlement impacting staff morale and delay in the progression of recommendations made in the DoJ 2023 review of CJI. The impact includes a lack of clarity on corporate governance and financial commitments and the procurement of HR policy advice and support being paused due to insufficient budget.
- JD commented that proportionality must be considered and the impact of a reduced budget. Having a secure website and the ability to carry out prison inspections isn't an unreasonable ask. CJI have very limited discretionary spend and will be unable to carry out its statutory responsibilities to adequately inspect prisons without sufficient budget.
- DA agreed the impact was disproportionate.
- JD commented on the timescale to progress and implement the Review of CJI report recommendations that had been finalised in May 2023. She believes work should be advanced and made ready for a Ministerial decision if one is needed. Advice from Sponsor Team is that the recommendation regarding a Chief Inspector appointment or reappointment will be actioned. However, there are other recommendations that could also be progressed that related to the remuneration of ARAC Non-Executives and Chief Inspector (CI) payscale and progression. JD declared an interest and suggested she leave the meeting if there was any discussion on this.
- CR noted that decisions on public appointments were normally taken by a Minister and that in the absence of a Minister any decisions which changed the terms and conditions would be subject to a public interest test.

- DA suggested that discussion around the CI competition should be a point on a future agenda and that it was right that JD should exclude herself from it. JC may also exclude himself too.
- MMcV stated that the issue of payment of Non-Executive Audit Committee Members was discussed with Sponsor Department and that a framework and precedent existed but that CJI don't have the budget for this. This may be an issue when DA's term of office ends next year.
- JD stated that CJI was out of step with other DoJ ALBs and agencies and will need someone with governance experience and it would be challenging to get the right person with no payment.
- Everyone agreed that this was an important issue.
- CR stated Sponsor Department were trying to do what they could and work on a CI competition was planned to commence in November, decisions relating to following up the Review recommendations would normally be taken by a Minister and that her team was currently under resourced.
- MK queried the decision to proceed with the recommendation to run a competition to replace the outgoing Chief Inspector, but not to proceed with the others and asked if there was a concern that other recommendations were likely to be challenged.
- CR replied that she hadn't had a chance to look at this yet as she was now working alone.
- JD suggested that clarity around the Chief Inspector pay scale would be needed before the competition proceeded.
- JC agreed and stated that in terms of budget planning, the CI future salary will cause a further budget pressure that he was being asked to plan for now.
- DA asked for this to be added to the next agenda.
- **Action: LB**
- DA and MK noted that the risks facing CJINI primarily related to funding and that they were content that all reasonable controls and actions had been identified.

**8 An update on the six-month set of accounts.**

- MMcV advised that work was underway and there were no issues to report.

**9 Report from management on whistle blowing, matters of concern and fraud issues.**

- MMcV reported a nil return.

**10 Report from management on any direct award contracts.**

- MMcV reported a nil return.

**11 Report summarising the expenses submitted by the Chief Inspector, the Deputy Chief Inspector and all other CJI Staff.**

- The report, which detailed expenses incurred by the CI and Deputy CI was noted by all members.

**12 Review of CJI's gifts and hospitality register.**

- The reported information was noted by all members.

**13 AOB**

- The Remuneration of Chairpersons and Members of Public Bodies was shared for information.
- MK registered a conflict of interest should the paper be tabled for discussion and that she would preclude herself from that part of any meeting.
- DA attended the Audit Chair meeting where the current financial situation was discussed. There was a presentation from the Comptroller and Auditor General and the Northern Ireland Audit Office. There was a discussion around Risk Registers and if there was sufficient time allocated to reviewing them. Thematic reviews by the Northern Ireland Audit Office, DoJ pressures and issues around the timeliness of Accounts was also discussed. The preparation of six- and nine-month accounts was to continue with a focus on annual accounts. DA is happy with where CJI sit in relation to all these points.

**14 Dates of next meeting.**

The dates of the next meetings are as follows:

Winter – Thursday 18 January 2024 at 10am;

Spring – Thursday 11 April 2024 at 10am;

Summer – Thursday 6 June 2024 at 10am.

Location: Knockview Buildings, Stormont Estate, Belfast BT4 3SJ



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**Derek Anderson**  
**Acting Chairperson**

18 January 2024  
**Date:**