

AUDIT and RISK ASSURANCE COMMITTEE MEETING

Thursday 2 June 2016, 10:00am at CJI offices

Attendees:

- Non-executive Chairperson: Eddie Simpson, (ES)
- Independent member: Sam Pollock, (SP)
- Independent member: Mairead McCafferty, (MMcC)
- DoJ Sponsor Division: Jane Holmes (JH)
- DoJ Internal Audit: Derek Anderson, (DA)
- RSMNI Richard Gardiner (RG)
- NIAO Declan Cooper (DC)
- FSD: Joanne Jamison, (JJ)
- CJI: Amanda Murray, (AM); Meloney
McVeigh, (MMcV);
James Corrigan, (JC); Brendan McGuigan (BMcG); and
Stephen Dolan, (SD)

Agenda

No. :

Description / Comments:

1 Introduction / acknowledgements

ES welcomed everyone to the Summer meeting, extending particular greeting to JH, RG and DC who were attending for the first time.

2 Apologies

Paula Bean Mhic Artáin, (PMA), CJI.

3 Declaration of interest / conflict of interest

Nil return.

4 Minutes of previous meeting – 14 April 2016, and matters arising

ES confirmed the requested amendment to the ARAC Terms of Reference to reflect the departure of Billy Jeffrey (formerly DoJ sponsor division) from CJI's ARAC, with effect from 31 May 2016, had been completed. ES continued to formally welcome JH who has taken over his responsibility for attending the Committee.

ES further added that comments from the ARAC meeting of 14 April 2016, were incorporated into the Governance Statement before the submission to draft Annual Report and Accounts on 29 April 2016.

Minutes of the meeting were signed and passed to AM.

5 Report summarising any significant changes to CJI's Risk Register

A copy of the Risk Register was provided to Committee members prior to meeting attendance.

MMcV advised that a revision was undertaken in May 2016 and highlighted the areas amended as follows:

1.1 Risk of fraud

- Enhanced counter measure noted.

2.1 CJI IT system collapses or network is unavailable

- Enhanced counter measure noted.

2.2 Loss of staff capacity including skills and knowledge

- Enhanced counter measure noted.

3.1 Breaches of accommodation and/or systems security

- Enhanced counter measure noted.

3.5 Risk of adverse finding following legal challenge

- Enhanced counter measure noted.
- 4.2 Recurring annual budget cuts together with in-year reductions undermines the range and depth of inspections
- Inherent risk figures revised downwards. Revised counter measure detail noted.
- 4.3 Inaccurate processing of staff salaries/payment/contribution errors
- Residual risk figures revised downwards (payments have been processed satisfactorily during previous six months).

The Committee agreed and noted MMcV comments, with MMcV providing a brief update on the progress of the Judicial Review at the request of MMcC.

6 Consideration of Internal Audit opinion for financial year 2015-16

ES advised this was presented and undertaken at Spring meeting. DA added that there was nothing further to report.

7 Discuss the implications of the result of the Accounting Officer's review of effectiveness of the system of control in relation to the Governance Statement

JC advised that no update was applicable.

8 Consider the (emerging) External Audit opinion (Audit Completion Report) for financial year 2015-16

RG provided an update to the Committee confirming that the accounts and supporting information had been updated, with the work on the remuneration report expected to be complete today with a clean, signed audit report available soon thereafter. Some points highlighted included that no recommendations arose from the audit with pleasing results, and that one minor error was flagged (but not changed / deemed trivial) due to an overstatement of an accrual.

ES congratulated CJI and JJ on a job well done.

9 Review and consider the accounts

ES thanked JJ for the covering note detailing the revised format of CJI's Annual Report and Accounts, a performance and an accountability report, a remuneration

and staff report, assembly accountability and audit report, financial statements and critical accounting estimates and key judgements.

The cover note also detailed four recommendations which invited the Committee to:

- note the comments of the draft Annual Report and Accounts submitted to RSMNI;
- consider if there are any final comments or further changes to be reflected in the draft document;
- note the timetable for completing the 2015-16 Accounts; and
- provide written confirmation to the CJI Accounting Officer that the ARAC is content for him to formally sign the Accounts.

10 Advise the Accounting Officer on signing the accounts and Governance Statement

ES formally noted all the above (point no. 9).

In relation to the fourth recommendation, ES continued that he was content, on the basis of no difficulties being identified with the remuneration report, to formally advise his confirmation for CJI's Accounting Officer to sign the Accounts. JJ accepted this confirmation.

ES concluded by thanking JJ and MMcV for their work undertaken on the Annual Report and Accounts.

11 Report from management on whistle blowing and fraud issues, if applicable

Nil return.

12 Report from management on any Direct Award Contracts during the period

Nil return.

13 Report summarising the expenses submitted by the Chief Inspector; and

the Deputy Chief Inspector

MMcV provided the relevant figures as undernoted.

Since the last meeting:

Government procurement card

CI: £26.00
DCI: ---
Total: £26.00

Travel and subsistence

CI: £68.15
DCI: £ 9.00
Total: £77.15

14 Review of CJI's gifts and hospitality register

MMcV confirmed to meeting attendees that no gifts or hospitality was received or extended.

15 AOB

SP commented that the ARAC feel secure in the leadership of CJI given the remit and budget of the Inspectorate, adding thanks to all staff for good house keeping and strategic performance.

ES concluded the meeting bidding a fond farewell to his role at ARAC Chair, a role which he said he was thankful for and enjoyed. Thanks was extended to BMcG, MMcV and all at CJI.

On behalf of CJI, BMcG also expressed sincere thanks to ES for the wisdom and understanding of CJI in his role as Chair to the ARAC and previously as an ARAC member which was very helpful.

16 Dates of next meetings

Autumn meeting – Thursday 20 October 2016, 10am;
Winter meeting – Thursday 26 January 2017, 10am;
Spring meeting – Thursday 20 April 2017, 10am; and

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16 Dates of next meetings

Autumn meeting – Thursday 20 October 2016, 10am;
Winter meeting – Thursday 26 January 2017, 10am;
Spring meeting – Thursday 20 April 2017, 10am; and
Summer meeting – Thursday 8 June 2017, 10am.

All located at CJI offices, Block I Knockview Buildings, Stormont Estate.

E. A. Simpson
Chairperson

Date

20 Oct 16

S. D. Paveck
Acting Chairperson