

PROTECT

Criminal Justice Inspection
Northern Ireland
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AUDIT and RISK ASSURANCE COMMITTEE MEETING

Thursday 4 June 2015, 10:00am at CJI offices

Attendees:

- Non-executive Chairperson: Eddie Simpson (**ES**)
- Independent member: Sam Pollock (**SP**)
- NIAO: Finula Magowan (**FM**)
- KPMG: Phillip Marshall (**PM**)
- DoJ Sponsor Division: Andy McKnight (**AMcK**)
- DoJ Internal Audit: Derek Anderson (**DA**)
- FSD: Joanne Jamison (**JJ**)
- CJI: Paula Mhic Artain (**PMA**)
Brendan McGuigan (**BMcG**)
Meloney McVeigh (**MMcV**)
James Corrigan (**JC**)

Agenda

No.: Description / Comments:

- 1 **Introduction / acknowledgement**

ES welcomed everyone to the meeting and introduced AMcK who was representing DOJ Sponsor Division on behalf of WJ.
- 2 **Apologies**
William Jeffrey (**WJ**), DOJ Sponsor Division; and
Stephen Dolan (**SD**), CJI.



3 Declaration of interest / conflict of interest

Nil Return

4 Minutes of previous meeting – 23 April 2015 and Matters Arising

The minutes of the previous meeting were circulated and agreed.
ES signed the minutes and passed to PMA.

Matters arising Item 10

. MMcV confirmed all amendments requested had been made to the Governance Statement before inclusion in the draft Annual Report & Accounts.

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

ES said risks and scores remain the same since the Spring meeting with minor amendments made to the wording of some counter measures.

6 Consider Internal Audit's opinion for the financial year just finished

DA gave an overview of the Internal Audit and was happy to confirm that CJI had retained the highest overall rating of 'substantial' assurance. DA confirmed that CJI had implemented all Internal and External Audit recommendations. DA said he was happy to answer any questions from the Committee.

ES congratulated CJI staff for retaining the highest level of Internal Audit opinion rating.

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.

This was discussed under item 4 of the agenda.

8 Review and consider the accounts.

MMcV confirmed comments made by KPMG and NIAO were implemented and the draft Annual Report & Accounts had been submitted to External Audit on first of May.

SP asked why there was a reduction in salaries from the previous financial year. MMcV said the reduction on salaries was due to two staff members being out on maternity leave, staff members reducing their contractual working hours and no back

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filling of posts. BMcG said CJI were trying to accommodate members of staff with young families and staff approaching retirement age.

SP asked if CJI had any concerns with staff capacity. JC said CJI had taken steps to reduce existing pressures such as lengthening the current inspection programme from 12 months to 18 months. JC said CJI had developed new links with the local universities to allow post graduate students to carry out research for inspections and CJI would be looking at secondment opportunities from the wider NICS/Criminal Justice family.

JC said he would be carrying out an internal workforce planning exercise over the summer months. JC said a further reduction of staff levels would impact on the delivery of the inspection programme.

JC said he had received a letter from Nick Perry informing CJI to expect significant in-year cuts and to halt for any discretionary spending. BMcG said in-year cuts would impact on the delivery of the inspection programme.

ES said budget cuts should remain a high priority on the risk register. MMcV confirmed risk 4.2 covered budget cuts and currently the Inherent Risk was at the highest level it could be.

9

Consider the (emerging) External Audit opinion (Audit Completion Report) for the financial year just finished.

PM gave a high level summary of the Report To Those Charged With Governance (RTTCWG) findings. PM said overall it was a good clean set of accounts and he was happy with management's response to the audit recommendation. PM said he was happy to answer any questions from the Committee.

ES welcomed the proposed clean audit opinion and management's response to the audit recommendation. SP congratulation CJI on achieving a positive report from NIAO. PM thanked all CJI staff involved in supporting the External Audit. ES asked the Committee to consider and approve the signing and submitting of the Annual Report and Accounts by the Accounting Officer.

The signing and submitting of the Annual Report and Accounts was considered and agreed by the Committee.



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

This was discussed under item 9 of the agenda.

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

MMcV said CJI had one short term temporary DAC for secure shredding. The DAC was for four months at a total cost of £100. **MMcV** said the DAC had now ceased and CJI was availing of the NICS Disposal of Protectively Marked Paper Contract.

The DAC was noted and agreed by the Committee

13 Report summarising the expenses submitted:

- the Chief Inspector; and
- the Deputy Chief Inspector

MMcV provided the relevant figures.

Since the last meeting –

CI: £124.60

DCI: £23.30

Total: £147.90 (travel and subs)

In the past 12 months –

CI: Nil

DCI: £67.49

Total: £67.49 (procurement card)

14 Review of CJI's gifts and hospitality register

MMcV – provided the relevant figures. There were as follows:

Hospitality given £122.50

Hospitality received £35.00

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15 AOB

Three issues were raised under AOB. They were:

ARAC Terms of Reference

ES signed the updated Terms of Reference.

Promote Assurance Mapping

DA said The Treasury had issued guidance on assurance framework which promoted organisations to develop an assurance map. The map would be a diagram presented on one page. DA said he was happy to help CJI to develop an assurance map.

Action DA & MMcV.

Letter to Accounting Officer from HR Connect.

JC said he received a response to his letter dated 16th April 2015 from Michael Matthews Head of Internal Audit for Departmental Finance & Personnel (DFP), on the 6th May 2015. The letter stated that he was aware of the issues CJI had faced with HR Connect and confirmed that a sample of CJI staff salaries would be included in the next audit.

16 Dates of next meeting

Thursday 22 October, 10.00am



E. A. Simpson
Chairperson



Date

