

Audit and Risk Assurance Committee Meeting Outputs

Thursday 23 January 2020, 10:00am at CJI offices

Attendees:

Independent member: (Acting Chair)	Derek Anderson (DA)
Independent member:	Mairead McCafferty (MMcC)
DoJ Sponsor Division:	Claire Robinson (CR) Adrienne Neill (AN)
DoJ Internal Audit:	Leona Kerr (LK)
NIAO:	Pamela Dugdale (PD) NIAO
External Audit:	Dawn Johnston (DJ) Deloitte Ciara Currie (CC) Deloitte
FSD:	Joanne Jamison (JJ) FSD
Criminal Justice Inspection (CJI):	Jacqui Durkin, (JD) James Corrigan (JC) Meloney McVeigh (MMcV) Ian Cameron (IC)
A&RAC Secretary:	Linda Boal (LB) CJI

Agenda **Description / Comments**
No

1 **Introduction / acknowledgements**

DA welcomed everyone to the meeting and congratulated Jacqui Durkin on her appointment as Chief Inspector of Criminal Justice.

2 **Apologies**

Garry Currie (GC) NIAO.
Amanda Oliver (AO) Internal Audit.

3 **Declaration of interest / Conflict of interest**

- None.

4 Minutes of previous meeting – 17 October 2019 and matters arising

The minutes of the previous meeting were agreed and signed.

Matters arising:

Covered in the agenda.

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

- MMcV advised that the Risk Register had been reviewed by all staff at the December General Staff Meeting with a few minor changes to report.
- DA agreed that reputation and the capacity to deliver reports are the greatest risks to CJI. The risks are not overly high and are well managed. He suggested the addition of target dates to the last column.

Action: MMcV

- MMcC confirmed she was satisfied with the Risk as outlined in the Register, noted a few 'typo' issues and complimented the format.
- JD raised her concern about the level of resources in CJI and advised she is engaging with Sponsor Department on this as CJI needs the right level of resources and structure of workforce. Staffing levels have reduced by approx. 28% in recent years.
- DA agreed and added that this matter has been discussed at previous A&RAC meetings and that it does have an impact on the scope and speed of work the Inspectorate was able to do.
- JD stated that lack of resources could affect the quality of the product and that next year's inspection programme was high on her agenda with consultation ongoing.
- DA suggested that this was an issue which needed to be kept under review.
- JD added that CJI currently don't have a social media presence and that would need to be resourced.

6 Internal Audit Plan for 2020-21 (for noting).

- LK spoke to the Internal Audit Plan which had been distributed to members in advance of the meeting. This has now moved from a four year strategy to a one year plan for the period 2020-21 when a five day audit of Finance Support is planned.
- The audits of HR and IT areas are currently ongoing.
- MMcC enquired if the Priority 3 areas of low risk had been agreed with CJI and MMcV confirmed this was the case.
- DA commented he was aware that the level of financial control provided by the Department was excellent and that the plan seemed about right with the level of overview appropriate.
- JC agreed and the plan was agreed by the Committee and noted.

7 Consider the External Audit strategy proposed in respect of the current year's accounts (2019-20).

- DJ presented the External Audit strategy.
- The paper had been prepared following a meeting with MMcV and JJ, with the format unchanged. It detailed the Key Messages, Materiality, Audit Approach, Timetable, Fees and Staffing. DJ advised that Materiality would only be revised if it was significantly different.
- CC gave an overview of what the audit will involve and the areas which will be inspected.
- DJ confirmed that the timetable has been agreed with MMcV and JJ.
- DA enquired as to when the report would be available and MMcV advised the draft was usually available for the June A&RAC meeting.
- A discussion took place around the audit fee and the proportionality of the work involved for such a small organisation. DJ explained the audit requirements and cited the focus around public perceptions and use of public money.
- DA found the explanation useful and looks forward to the product being made available.

8 Review the overall CJI Assurance Framework.

- DA complimented the document which had been distributed to members in advance of the meeting.
- MMcC added her approval and thanked MMcV for the work done on the paper.
- The contents were agreed and noted by all members.

9 Consider the Committee's own effectiveness in its work.

- DA stated that the checklist contained in the Handbook showed the Audit and Risk Assurance Committee are meeting the main principles and asked for any further queries or comments.
- MMcC added that the self-assessment checklist was very useful in ensuring standards were maintained.
- The contents were agreed and noted by all members of the Committee.

10 An update on the nine-month set of accounts.

- JJ confirmed that the nine month accounts had been prepared and would be shared with Richard Logan (FSD) for review.
- The accounts will be made available in February for the audit.
- DA agreed that preparing a nine-month set of accounts is good practice and was encouraged nothing of significance has been reported.

11 CJI Anti-Fraud and Bribery Policy and Response Plan.

- Members reviewed the paper. DA commented it contained all the correct points with responsibility assigned. He added it was important that all staff were aware of the policy.

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- MMcV confirmed that the policy is reviewed on an annual basis and is available to all staff via the Quality Management System process map. It is also included in staff inductions.
- MMcC confirmed the Plan was robust and comprehensive.
- The contents were agreed and noted by all members of the Committee.

12 Update on JEGS.

- JC confirmed that following advice from the Departmental Solicitor's Office, it is more prudent to continue with the existing bespoke CJI Inspector pay scale. Sponsor Department have given verbal assurance they are content with that. The JEGS process is therefore concluded.
- In terms of Inspector recruitment, the Business Case sent to the Department in relation to the pay scale is still awaiting approval from DoF. Approval of the changes to the pay scale is required in order to proceed with the recruitment exercise.
- A part-time Inspector retired at the end of December 2019 and CJI intend to immediately recruit with the preferred option to appoint one full-time Inspector.
- DA asked what impact the JEGS exercise had on staff.
- JC advised that there was a lot of concern amongst Inspectors around the process with the view being JEGS didn't adequately reflect the nature of the role. The outcome created uncertainty but morale was reasonably good.
- CR advised that DoF are currently carrying out a review of pay and conditions and won't look at the CJI Inspector Pay Scale Business Case until that exercise is completed.
- JD asked if the review was in relation to NICS staff as opposed to NDPBs.
- CR confirmed this was the case, but it would also impact on NDPBs.
- MMcC queried if the business case remained outstanding for several weeks, whether it would impact on the delivery of the CJI Inspection Programme.
- JD said that there would be a certain amount of work CJI would not be able to carry out and doesn't want to proceed with Inspector recruitment until the pay scale is confirmed.
- CR stated that she was unable to give any indication as to a timescale.
- JD asked if it would be worthwhile to highlight that the delay in the business case is stalling recruitment and could DoF give an indication of response times? This delay has an impact on work load and contractual arrangements as an external partner has been identified to carry out the recruitment exercise. JD asked if it would help if CJI wrote to DoF.
- CR will enquire and come back to JD on that.
Action: CR.

13 Proportionate Autonomy for Arm's Length Bodies (ALBs).

- DA confirmed that members have been aware of this for some time and all ALBs are interested in the proposal. There is still work to be done as to what

this would look like and how the relationship between CJI and DoJ will be influenced.

- DA and MMcV agreed that independence must be maintained.
- The template for the Partnership Agreement reflects a lot of what is already in place.
- MMcV advised members that CJI have a Management Statement and Financial Memorandum in place. Discussions around the new proposals will start in the new financial year around the scope and content to be agreed by both partners. This will be discussed at the quarterly oversight meetings.
- DA is in favour of this approach and proportionate autonomy may result in lesser scrutiny based on the analysis of existing assurances.
- JC agreed that CJI may benefit from the new guidelines and it was good to see that it is an initiative of Treasury and Finance, where the critical decisions could reduce the burdens on NDPBs.
- MMcC informed she was involved at the start of this process 'Innovation Lab' and reiterated the point that independence could not be compromised. The intention is to develop better working relationships between sponsor departments and their ALBs and aims to be an improvement on MSFMs based on trust and earned or as it's become proportionate autonomy.
- JD agrees with the points around proportionality but this has to work for both Sponsors and organisations. The significant delay in getting access to resources impacts on the ability to deliver an Inspection Programme.
- JD questioned why CJI need a business case to replace an existing resource and the level of autonomy on how to spend the budget and a way needed to be found that works for everyone and looks forward to receiving guidance for Corporation Sole.
- MMcV added that it is important Sponsor Departments reflect the legislation that set up organisations in considering this.
- DA suggested this was a good start and is in the right direction.

14 Report from management on whistle blowing and fraud issues.

- MMcV advised of a nil return.

15 Report from management on any direct award contracts

- MMcV advised of a nil return.

16 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 – CI and DCI:***

**Government Procurement
Card**

Travel & Subs

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CI*	£51.40	CI	£147.20
DCI	£227.65	DCI	£74.60

**Expenditure by the Chief Inspector relates to the former and current post holder.*

Note: the retirement reception held in November for the outgoing Chief Inspector was fully funded by Brendan McGuigan.

17 Review of CJI's gifts and hospitality register

Since the last meeting (October, November & December):

the following gifts and hospitality have been received;

- £30 Amazon vouchers received from QUB School of Law for assistance with research which were donated to the charity Christmas raffle.

the following gifts and hospitality has been extended;

- Nil return

18 AOB

- There were no further points for discussion.

19 Dates of next meetings

The meeting dates for meeting for the next financial year were agreed as follows:

Spring - Thursday 9 April 2020 at 10am

Summer - Thursday 4 June 2020 at 10am.

All meetings will be held in Block I Knockview Buildings, Stormont Estate.



9 April 2020

Mairead McCafferty
Acting Chairperson

Date