



NORTHERN  
IRELAND  
HUMAN  
RIGHTS  
COMMISSION

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

### **MINUTES OF THE 2<sup>nd</sup> MEETING HELD ON MONDAY 19 JUNE 2006 AT 10.30AM AT THE NORTHERN IRELAND HUMAN RIGHTS COMMISSION, TEMPLE COURT, 39 NORTH STREET, BELFAST, BT1 1NA**

**Present:** Bill Smith, Chairperson  
Christine Eames  
Alan Henry  
Kevin McLaughlin

**In attendance:** Paddy Sloan, Chief Executive  
Don Leeson, Head of Corporate Services  
Lorraine Hamill, Administrative Officer (Finance)  
Catherine McCann, NIO (for agenda item 3)  
Karl Trueick, Helm (for agenda item 4)  
Brian Clerkin, ASM Howarth (for agenda items 4, 5 & 6)

**Apologies:** Geraldine Rice

Christine Eames was welcomed as a new member of the Audit and Risk Management Committee.

#### **1. Minutes of the last meeting (3 April 2006)**

1.1 The minutes of the last meeting were agreed as an accurate record.

#### **2. Matters arising**

2.1 A number of documents were finalised following discussions at the last Audit and Risk Management Committee meeting, including:

Terms of Reference for the Committee, Financial Procedures Manual and Risk Register. This will be sent to Committee members, along with the Commission's Strategic Plan for 2006-09 and Business Plan for 2006-07, which were published recently.

- 2.2 The skills audit of Committee members has not yet been undertaken (paragraph 2.2 of the minutes of the last meeting refers). The Head of Corporate Services will aim to complete this for the next meeting of the Committee.
- 2.3 The Head of Corporate Services agreed to contact CCEA with regard to providing a presentation on Risk Management to Commissioners and, if feasible, to open the presentation to the Equality Commission and NICCY. (Paragraph 2.4 of the minutes of the last meeting refers.)
- 2.4 The Commission has recently transferred its bank account to the Co-Operative Bank, which has facilities in respect of 'e-banking'. The Financial Procedures Manual requires updating in light of these changes. Proposed changes will be considered at the next Committee meeting.
- 2.5 The Chairperson reported on his attendance at the CIPFA 'On Board' training course and a seminar "Improving Governance in Public Sector Bodies" arranged by the Chief Executives Forum especially for Chairs of Audit Committees. Speakers had included the Head of the Civil Service and the Comptroller and Auditor General. The latter had indicated that it is good practice for the Chair of an Audit Committee to give a verbal report to every Board meetings, as well as the minutes of Committee meetings being tabled. (Paragraph 8.2 of the minutes of the last meeting refers.) The Chief Executive will clarify the Chairperson's attendance at Commission meetings. Committee members noted that NDPB Audit Committees' Chairs are encouraged to attend Audit Committee meetings of their sponsoring department.

*Catherine McCann joined the meeting*

### **3. Introduction to government finance**

- 3.1 Catherine McCann, Financial Services Division, Northern Ireland Office, gave a presentation to the Committee on the Commission's financial relationship with the NIO and the forthcoming Comprehensive Spending Review.

- 3.2 It was agreed that it may be useful to make the same presentation to the full Commission. This will be considered further by the Chief Executive and Head of Corporate Services.

*Catherine McCann left the meeting*

*Karl Trueick and Brian Clerkin joined the meeting*

#### **4. Accounts 2005-06**

- 4.1 The Accounts for 2005-06, including the Statement on Internal Control, were discussed and approved. The amended accounts will be tabled at the next Commission meeting on 24 July 2006 for final approval. The management commentary will be revised to include explanations of significant differences in expenditure from the previous financial year.

*Karl Trueick left the meeting*

#### **5. Annual Internal Audit Assurance Report**

- 5.1 The Committee noted the Annual Internal Audit Assurance Report and that the internal auditor has given the Commission a "reasonable" assurance rating, which is defined as the "system is basically sound, ie the majority of the controls required to address the key risks are present and operating effectively and the absence of, or ineffective application of control(s) does not create any material weaknesses that threaten the achievement of aims and objectives. Recommendations are made to address any control omissions and to enhance control".

#### **6. Internal Audit Plan 2006-07**

- 6.1 The Committee approved the Audit Plan for 2006-07 and noted that it has been synchronised with the Risk Register.
- 6.2 It was agreed that a contingency audit should be conducted on the Commission's new e-banking arrangements and controls on the use of credit cards.
- 6.3 Fieldwork for the next internal audit will commence on 23 October 2006.

*Brian Clerkin left the meeting*

## **7. Proposed new pay arrangements for Commission staff – the role of the Audit and Risk Management Committee**

- 7.1 The Chief Executive and Head of Corporate Services briefed the Committee on the proposed new pay arrangements for Commission staff.
- 7.2 It was agreed that the business case to the NIO will be scrutinised by the Audit and Risk Management Committee before submission to the Commission. It was hoped that this would be ready for the next Committee meeting.

## **8. Corporate Risk Management**

- 8.1 The Risk Register was reviewed in detail and noted.

## **9. Expenses of the Chief Commissioner and Chief Executive**

- 9.1 The Committee reviewed the expenses claimed by the Chief Commissioner and Chief Executive during 2005-06 to confirm their appropriateness.
- 9.2 Given the international dimension of the Commission's work, it was agreed that the Commission's travel policy should be reviewed and guidance produced, where appropriate, on types of hotel accommodation to be used, overseas travel arrangements etc.
- 9.3 It was also agreed that guidelines should be produced on the correct completion of forms, and a checklist for approving expense claims should be drawn up.
- 9.4 Kevin McLaughlin agreed to provide the Head of Corporate Services with a copy of a paper he had from OFCOM providing guidelines for making expense claims.

## **10. Related Party Transactions and Register of Interests**

- 10.1 The Committee noted the disclosures made by Commissioners, the Chairperson of the Audit and Risk Management Committee and the Chief Executive on Related Party Transactions during 2005-06 and the Register of Interests for 2006-07.
- 10.2 It was agreed that the Register of Interests should be forwarded to all Commissioners for them to check and to add any further information as appropriate.

## **11. Date of Next Meeting**

- 11.1 The next Committee meeting will be held on Monday 4 September 2006 at 10.30 am. [Note: this meeting was subsequently rescheduled to 23 October 2006.]