



**AUDIT AND RISK MANAGEMENT COMMITTEE
MINUTES OF THE MEETING HELD AT 10AM ON WEDNESDAY 6
DECEMBER 2017 IN THE OFFICES OF THE NORTHERN IRELAND
HUMAN RIGHTS COMMISSION, TEMPLE COURT, 39 NORTH STREET,
BELFAST, BT1 1NA**

Present: Joe McKnight, Chairperson
Helen Ferguson
Eddie Rooney
Graham Shields

In attendance: David Russell, Chief Executive
Colin Caughey, Director (Legal, Research and
Investigations, and Advice to Government)
Lorraine Hamill, Director (Finance, Personnel &
Corporate Affairs)
Claire Martin, Director (Communications, Information
and Education, Public and Political Affairs)
Rebecca Magee, Personal Assistant
Anthony McKibbin, Grant Thornton
Andrew Scholes, Policy Advisor, Northern Ireland Office
Leanda Thompson, Deputy Head of Finance, Northern
Ireland Office (conference call)
Paul Oliffe, Director, National Audit Office (conference
call)

1.0 Welcome and apologies

The Chairperson welcomed everyone to the meeting.

Apologies: Simon Burrows, NIO
Bilal Zahid, NIO
Neil Taylor, Grant Thornton

2.0 Conflicts of Interest

There were no conflicts of interest.

3.0 Chairperson's Business

There was no Chairperson's Business to report.

4.0 Minutes of the meeting held on 12 October 2017

The minutes of the Audit and Risk Management Committee meeting held on 12 October 2017 were agreed as an accurate record.

5.0 Matters arising from 12 October 2017 minutes

- 5.1 *Financial Procedures Manual* – on the agenda at item 12.1.
- 5.2 *Budget* – an update was provided on the November monitoring round, which was submitted to the Northern Ireland Office (NIO) (item 6.1.2 of the last minutes refers).
- 5.3 *Recruitment* – The Chief Executive reported that the recruitment exercise was complete. He also reported that a Staff Officer (SO) grade has been added to the legal functions side and that recruitment would take place in due course for an Executive Officer (EO1). The Chief Executive reported that a business case for additional funding to create a permanent Deputy Principal (DP) post to support the work of the Joint Committee is currently with the NIO. It was anticipated that recruitment for the both posts will take place at the same time before the end of the financial year (item 6.4 of the last minutes refers).
- 5.4 *Communications* - Commissioners confirmed that they are content to receive the Daily Digest as they find it very useful (item 7.1.2 of the last minutes refers).
- 5.5 *Legal Services* - the process for consideration of legal applications for assistance will be presented at the January or February Commission meeting (item 7.1.2 of the last minutes refers).
- 5.6 *Risk register* – Commissioners now receive a further detailed paper at the board meeting. Commissioners found the Trend Report to be useful and have requested that the same risk register reports are

made available at the Audit and Risk Management Committee meetings (item 9.3 of the last meeting refers).

Action: Trend report to be added to the Risk Register papers for the Audit and Risk Management Committee meetings.

- 5.7 *Gifts and Hospitality register* – More detail has been added to this paper and will be reflected in the paper presented to the next meeting (item 12.2 of the last meeting refers).
- 5.8 *Code of Governance* – A timetable for review has begun and will be reflected in the Business Plan (item 13.1 of the last minutes refers).

6.0 Director (Finance, Personnel & Corporate Affairs) Report

6.1 Financial Expenditure as at 31 October 2017

- 6.1.1 The Director (Finance, Personnel & Corporate Affairs) provided a detailed overview of the financial report, including opening and closing accruals and prepayments, commitments to the end of the financial year and provided information on any variances in expenditure.
- 6.1.2 The Chief Executive reported on office premises and recent correspondence received from the Commission's landlord regarding the regeneration project in North Street and the request for vacant possession of the premises. Meetings are ongoing with the current landlord in regards to new premises and compensations. Engagement is also taking place with other agents in an effort to find suitable alternative office space. This has been added to the Risk Register.

6.2 High Value Purchases as at 31 October 2017

- 6.2.1 The Committee noted the High Value Purchases to 31 October 2017.
- 6.2.2 The Committee noted that there was a single tender action for the Human Rights Festival, which had been approved at a Commission Board meeting, with support to maximum of £5,000. The Commission will be taking part in a number of events over the Festival. The Chief Executive stated that this was a good opportunity to promote the work of the Commission and that an evaluation will be completed post event by festival organisers.

6.3 Absence Statistics as at 31 October 2017

6.3.1 The absence statistics as at 31 October 2017 were reviewed and it was noted that sick absence was lower than for the same period last year.

7.0 Internal Audit

7.1 Draft Internal Audit Strategy

7.1.1 Anthony McKibbin presented the Draft Two Year Internal Audit Strategy 2017/18-2018/19 to the Committee.

7.1.2 The Committee reviewed and approved the Draft Internal Audit Strategy.

7.2 Draft Annual Audit Plan 2017/18

7.2.1 It was noted that in year one, the role of the internal auditors would be to conduct an advisory review of paperless policies and procedures and allocations of roles and responsibilities as part of the audit on financial and human resource systems. A follow-up review of recommendations made by Capita (the previous internal auditors) would also take place. Reports on the internal audit would be presented to management and the Audit and Risk Management Committee for review and comment.

7.2.2 The Chief Executive stated that the internal auditors would conduct an audit on the overview of the Commission's statutory remit/operations (under the NI Act).

7.2.3 The Committee approved the Draft Annual Audit Plan for 2017/18.

7.3 Draft Internal Audit Charter

7.3.1 The Draft Internal Audit Charter was approved by the Committee.

8.0 National Audit Office Audit Planning Report on the 2017/18 Annual Report and Accounts

8.1 The Committee noted the report of the National Audit Office (NAO), and in particular, the Executive Summary, which detailed an assessment of the risk of material misstatement to the financial statements and the audit, plan to address those risks.

8.2 The NAO stated that they would align auditing timelines with the Commission and the NIO.

9.0 Corporate Risk Register 2017-18

9.1 The Chief Executive highlighted to the committee any changes to the Corporate Risk Register from the last meeting, these were:

- Failure to operate within budget – this risk was increased. Current score 13, target is 6. Increase due to the issue with the premises and the notice received from the landlord that the Commission may have to leave Temple Court.
- Staffing capacity – this risk has increased due to the limited number of staff and the reduced resources available. There is also no staffing capacity to support the Joint Secretariat with the Irish Human Rights and Equality Commission, for which the Commission is awaiting approval of the business case by the NIO.

10.0 Expenses of the Chief Commissioner and Chief Executive

10.1 The Committee reviewed the expenses of the Chief Commissioner and Chief Executive and approved the claims.

10.2 It was agreed that the forms would be typed moving forward to make them clearer to approve.

Action: Expense claim forms to be typed for ease of approval

11.0 Mid-Year Stewardship Statement

11.1 The Mid-Year Stewardship Statement was presented and the Committee noted that everything was on target.

11.2 It was noted that that the financial risk to the Commission is not reflected in the Mid-Year Stewardship Statement.

12.0 Corporate Policies

12.1 Revised Draft Financial Procedures Manual

12.1.1 The Committee noted the amount of work that has gone into the document and acknowledged that changes are still to be made regarding the transfer of banking facilities. It was noted that

amendments needed to be made to some of the wording and the number of signatories.

Action: Potential contentious, major or novel... to be changed.

Action: Signatories to be updated to include the Chief Executive and the three Directors.

12.1.2 The Committee accepted the reported.

Action: note to be added on the version control to confirm that the report was reviewed by the Audit and Risk Management Committee and the date of the review.

12.2 Revised Business Continuity Plan

12.2.1 The Director (Finance, Personnel & Corporate Affairs) reported that details of the Business Continuity Plan had been shared with staff involved as the staff structure had changed. A test with all staff and Commissioners will be carried out before the next meeting.

Action: BCP test to be carried out with staff and Commissioners.

13.0 Review of Audit and Risk Management Committee Terms of Reference

13.1 The Committee accepted the Terms of Reference.

14.0 Any Other Business

14.1 Draft Expression of Interest for a Guide on UNGPs for NHRIs

14.1.1 The Chief Executive reported on a Draft Expressions of Interest for a Guide on a United Nations Guiding Principles on Business and Human Rights for National Human Rights Institutions, NHRIs). As Chair of the Commonwealth Forum of NHRIs, there is a commitment to produce this Guide. The Chief Executive seeks approval to issue a single tender action as this is a specialised piece of work and the Institute of Business and Human Rights in London are the best placed to do the research. It was confirmed that ownership of the final report would be the Commission.

14.1.2 The Committee approved the request for a single tender action to take place.

15.0 Date of next meeting

15.1 Wednesday 14 March 2018 at 10.00am