

## PROTECT

Criminal Justice Inspection  
Northern Ireland  
*a better justice system for all*



### AUDIT COMMITTEE MEETING

Thursday 7 February 2013, 10am at CJI offices

#### Attendees:

- Non-executive Chairperson: Willie McCarney (**WMcC**)
  - Independent Member: Eddie Simpson (**ES**)
  - ASM: Pauline Poots (**PP**)
  - NIAO: Finula Magowan (**FM**)
  - KPMG: Philip Marshall (**PM**)
- 
- DoJ: William Jeffrey (**WJ**)
  - FSD: Joanne Jamison (**JJ**)  
Billy Irvine (**BI**)
- 
- CJI: Brendan McGuigan (**BMcG**), Chief Inspector;  
James Corrigan (**JC**), Acting Deputy Chief Inspector;  
Meloney McVeigh (**MMcV**), Business and Communications Manager;  
and;  
Paula Bean Mhic Artáin (**PBMA**), CJI Administrative Support Officer.

#### Agenda

##### No.:

##### Description / Comments:

I

#### Introduction / acknowledgement

**WMcC** welcomed everyone to the meeting.

**WMcC** extended his congratulations to **BMcG** on his appointment as Chief Inspector. **WMcC** advised the Committee that the recruitment had commenced for the post of Deputy Chief Inspector and he wished **JC** good luck should he decide to apply.

**2 Apologies**

Stephen Dolan (**SD**) Inspector

**3 Minutes of meeting – 15 September 2012**

**WMcC** signed minutes and passed to **PBMA**.

**4 Matters arising**

- Relating to Point No. 13

**BMcG** said his meeting with Departmental HR was productive. Services available for HR training on mental health and wellbeing from a 'first aid' point of view could be made available to all staff. Not only will this benefit CJI employees but could assist with inspections especially those involving victims of crime.

**BMcG** said Derek Anderson (**DA**) head of internal audit with DOJ has not been in contact with CJI to date. **ES** said he had concerns that, due to the organisation's size, CJI may not be seen as a priority for DOJ Internal Audit. **ES** said CJI has experienced a high level of service from ASM and he did not want this quality of service to be lost when CJI's Internal Audit service provider changed to DOJ Internal Audit. **JC** said he would raise the matter with the Department and make contact with **DA**.

**Action JC**

**WJ** said he had emailed **WMcC** and **ES** regarding the Audit Forum meeting being held on 19 March 2013. **WJ** advised **WMcC** and **ES** to email him any items they would like added on to the agenda.

**Action WJ, WMcC & ES**

**PP**, arriving during this conversation, apologised for her late arrival, saying she was coming from another meeting. **PP** advised that ASM had approached **DA** and offered to provide a detailed handover to assist DOJ with the Internal Audit Strategies. **PP** said she understood that **DA** has been making his way around the DOJ family, has been attending other NDPB's Audit Committee meetings and is due make contact soon. **PP** said that she was happy to step outside the room whilst the conversation continued. The Committee did not feel that was necessary.

- Relating to Point No. 15

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The letter of appointment for the Audit Committee Chair was checked by **MMcV**. The expiry date of the appointment for the current Chair is March 31, 2014. **ES** said he received a letter from **BMcG** to extend his contract as an Independent Member for a further three years taking him up to 31 August 2015. **ES** is happy to accept this extension and believes it provides continuity for the Audit Committee.

The Committee raised no questions.

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

**WMcC** noted a few minor changes had been undertaken to CJI's Risk Register since the previous Audit Committee meeting.

**MMcV** provided a brief summary of those changes to the members in attendance. **MMcV** said that changes had occurred in the Countermeasures/Controls on risks 2.1, 2.2, 2.3 & 2.4. **MMcV** said that all risks had stayed at the same level since the previous Audit Committee meeting.

No additional queries were raised by the meeting attendees.

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

Nil return.

### 7 Report from management on any Direct Award Contracts during the period

**MMcV** said that there was one DAC to report, arising from an urgency of need and that CJI had approach DOJ for retrospective approval.

**MMcV** sought the Audit Committee's approval to ask the DOJ to introduce a delegated limit for DACs in line with the new DOJ policy as circulated in December 2012.

**MMcV** highlighted Page two, item six which states that the delegated limit would be up to ten thousand pounds.

**WMcC** said he had a concern over point eight on page two which seemed to counteract point six in stating that a DAC of over five thousand pounds will need to go through CPD. **BMcG** asked **FM** if the NIAO can advise. **FM** said that it is DOJ guidance and they should provide clarification.

**WJ** said that guidance can be sought by **AH's Directorate**. **BI** said he will take this forward.

**BI to action.**



**ES** said he attended a meeting for the Chairman of Audit Committees when the C&AG drew attention to the Departments procurement arrangements. **ES** said that at all times procurement guidelines should be followed.

**WJ** said the DOJ were disappointed to receive a retrospective DAC from CJI.

**WMcC** accepted **WJ** comments. He said there was a weakness in the old guidelines. The problem would not have arisen had the new guidelines been in place.

**BMcG** stressed the situation occurred due to urgent business needs and that following the adoption of the new guidance this will not happen again.

**MMcV** said that having a delegated limit will be good in terms of meeting organisational needs.

Meeting attendees agreed that CJI should go ahead and seek approval from DOJ to implement the delegated guidelines for DAC's.

## **8 Report summarising the expenses submitted by the previous Chief Inspector and now Acting Chief Inspector**

Details of expenditure were presented to the Committee by **MMcV**.

Meeting attendees agreed that the expenses included minimal spends.

## **9 Update from Internal Audit**

**WMcC** said that the Internal Audit field work was carried out the week prior to the Audit Committee meeting and that the report has not been completed. He advised members that the report will be circulated to all members once it is available.

### **Action MMcV**

**PP** said the Internal Audit plan had been reviewed and changed by management to reflect the changes CJI have faced with shared services. The fieldwork was carried out the week commencing the 28 January 2013. **PP** gave a high level summary to the attendees.

**PP** thanked **JJ** and **BI** for the assistance they provided to ASM and commended CJI and FSD with their good working relationship.

**PP** suggested that the SLA be reviewed by CJI and FSD to ensure clarity around the services and responsibilities of both parties.

### **Action PP**



## 10 Review of Audit Committee Terms of Reference

**WMcC** asked the committee if any changes needed to be made to the ToR. **MMcV** said terminology has changed from the 'Statement of Internal Control' to 'Corporate Governance Statement'. **WMcC** said the appropriate changes will be made throughout the document to reflect this. **ES** said the ToR has never been signed. **BMcG** said changes would be made to the ToR and then the ToR will be signed.

### Action WMcC

## 11 Report Summarising nine-month set of accounts.

**MMcV** presented the draft nine month set of accounts and thanked **JJ** and **BI** with the work they carried out to complete the account. **MMcV** said the information will assist with preparation of the final 12 months accounts which would be incorporated into the Annual Report and Accounts.

**BI** said that **JJ** and himself have worked on the sage accounts and the AccountNI system to produce the nine months set of accounts.

**BI** said the end-of-year accounts will be ready by the 3 May 2013 and will be forward to **MMcV**. **MMcV** is happy to meet NIAO agreed audit date.

### Action BI

**BMcG** said he was very happy with the level of professional service received to date from **JJ** and **BI**. **BMcG** said **BI** and **JJ** have attended MTM's and have provided financial information in an effective and timely manner. **BMcG** said the level of service from FSD was excellent and he would recommend other small NDPB's to follow suit.

**WMcC** asked how often **BI** and **JJ** can run reports on CJI accounts. **BI** said figures can be provided monthly, quarterly, 6 monthly or 9 monthly and year end. **WMcC** said that the 6 monthly, 9 monthly and year end accounts would be sufficient for the audit committee.

## 12 Progress report from management on implementation of NIAO and Internal Audit recommendations.

**MMcV** said there was nothing to report as previous internal and external recommendations had been implemented.

**13 Review of CJI's gifts and hospital register.**

**MMcV** summarised the gifts and hospitality register which was presented to the Audit Committee for review.

Meeting attendees agreed that the expense noted was minimal spend.

**14 A.O.B**

**PP** said she has circulated the Internal Audit Standards document to **MMcV**. **PP** gave assurance on the new standards and said that both she and Brian Clerkin (**BC**) will ensure that methodology will comply. **PP** said she will summarise the process and forward this to **BMcG** and **JC**. **PP** said that any questions can be raised at the next Audit Committee meeting.

**Action PP**

**PM** said the KPMG are sub contracted by the NIAO to do CJI external audit. **PM** said that the NIAO will have the final say.

**PM** presented the NIAO Audit Strategy for 12/13 and highlighted key areas of interest.

**PM** said page two, sections 2.9 -2.12 have stayed the same. **PM** said pages 3-5, Section 3, title Significant risk point 3.3, heading Migration of finance function to FSD is a new risk.

**PM** said Page 6 Section 4 shows the New Governance Statements and Section 5 gives the timetabled dates the 12/13 audit.

**ES** said that page 13 referred to Value For Money (VFM) studies. He said that when he chaired the Police Ombudsman Audit Committee A VFM study was undertaken into staff carparking.

**BMcG** said the second biggest spend for CJI next year would be sourcing new accommodation. **ES** said a VFM study should be carried out to assist in identifying suitable accommodation. The Audit Committee should be involved in this VFM study. **BMcG** said any recommendations from the VFM report will be useful when developing the business case which will need to go to DOJ for approval.

**BMcG** said that DOJ may have available office space which will also be considered.

**MMcV** said it would be helpful to have the Audit Committee support when developing CJI's business case for new accommodation.

**15 Date for the next meeting**

The dates for the next four audit committee meeting where agreed are as follows.





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Thursday 25<sup>th</sup> April @ 10.00am  
Thursday 6<sup>th</sup> June @ 10.00am  
Thursday 12<sup>th</sup> September @ 10.00am  
Thursday 23<sup>rd</sup> January @ 10.00am

  
**Dr Willie McCarney**  
Chairperson

  
Date

