



**Minutes of Board Meeting No. 52 held on Monday 16 May 2016
at 09.30, CCNI, Lurgan**

Present:

Tom McGrath, Chief Commissioner
Walter Rader, Deputy Chief Commissioner
Steven Cockcroft, Commissioner (Legal)
Geraldine Donaghy, Commissioner
Norman Bennett, Commissioner
Brenda Maitland, Commissioner
Seamus Magee, Commissioner

In Attendance:

Frances McCandless, Chief Executive
Aubrey McCrory, Head of Corporate Services
Punam McGookin, Head of Charity Services
Myles McKeown, Head of Compliance and Enquiries
Kathryn Jennett, Administrative Officer
Jennifer Black, Administrative Officer

1. Minutes of Meeting 7 March 2016

The minutes of the meeting held on 7 March 2016 were agreed, subject to minor amendment, as a true and correct record as proposed by Walter Rader and seconded by Geraldine Donaghy.

AP 1: Board minutes to be published on CCNI website

The Board reviewed the meeting agenda and items arising from committees. Following discussion of the wish to focus the Board's time primarily on material changes in the Commission's statutory activities and oversight it was agreed to further develop the Chief Executive's report going forward. In relation to action points, the Head of Corporate Services updated Board members on clarification from sponsor branch regarding changes to travel and subsistence.

AP 2: Chief Executive's Report to be further developed

AP 3: Travel and subsistence information to be sent to Commissioners.

2. Conflicts of Interest

The Chair reminded Commissioners of the Freedom of Information protocol and the need to declare any conflicts of interest prior to the meeting. No conflicts were declared at the outset.

3. Chair's Business, Correspondence and Meetings

The Chair highlighted correspondence from Michael Donnelly indicating Arthur Scott would take over responsibility for the Commission's sponsor branch in the new Department for Communities (DfC). Correspondence had also been received from the Minister indicating no decision had been made yet on the Commission's future accommodation. Views were expressed that the Commission's business would be best served in a different location. The Chair undertook to reply to the Minister on behalf of the Board highlighting their concerns about accommodation.

AP 4: Chief Commissioner to write on behalf of the Board to the Minister setting out concerns about location of accommodation.

Following discussion of plans for the next Annual Public Meeting Commissioners agreed a preferred location, with suggestions for a guest speaker to be progressed. The Chair noted the Commission was participating in the Board Apprentice Programme with a preliminary meeting to be held in May with organisers. In June the Chair had been invited to attend a lunch with the Governor of the Bank of England and had agreed to speak at a two-day conference hosted by QUB.

The Board noted the Deputy Chair had attended a Delivering Programme for Government seminar in May at which the Head of the Civil Service had outlined the new approach to the Programme for Government.

4. Chief Executive's Report

The Chief Executive introduced the report, highlighting the progress of legal cases. Commissioners were briefed by the Legal Commissioner and decided to proceed with action in the High Court on the basis of Counsel's advice.

Commissioners welcomed the briefing provided by Professor Gareth Morgan on Charitable Incorporated Companies and requested the presentation be circulated. In relation to resourcing, it was noted the Commission continued to stress to the sponsor Department it could not effectively deliver the charity legislation with its current resourcing. An update was provided on an open enquiry by the Head of Compliance & Enquiries.

AP 5: Information on CIC briefing to be circulated to Commissioners

5. Issues from Audit & Risk Assurance Committee

The Chair of Audit & Risk Assurance (A&RA) committee introduced the minutes of the meeting on 9 February 2016. It was agreed that the minutes were a true and accurate record of the meeting as proposed by Norman Bennett and seconded by Seamus Magee.

AP 6: Minutes of the February A&RA committee to be published

5a. Draft Accounts

The Chair of the A&RA committee introduced the draft accounts which included a small number of changes following external audit. Commissioners noted information from Pensions branch was outstanding and so the disclosures section was incomplete. It was agreed the Board would approve the final certified accounts by correspondence. The Board commended the Finance & Admin Manager for preparing the draft accounts, which were adopted following proposal by Norman Bennett and seconded by Seamus Magee.

5b. Governance Statement

The Chair of the A&RA committee introduced the draft Governance Statement to the Board. Commissioners noted the statement would form part of the annual report, and followed the previous year's format which had been commended. The governance statement was adopted as proposed by Norman Bennett and seconded by Brenda Maitland.

5c. Annual A&R Report

The Chair of the A&RA committee introduced the report to the Board which noted key work including the review of the committee's terms of reference and resulting changes to enhance governance arrangements. The report was adopted as proposed by Walter Rader and seconded by Geraldine Donaghy.

5d. Internal Audit Report

The Chair of the A&RA committee introduced the audit report to the Board, noting this was based on two assignments and the overall opinion was satisfactory. It was pointed out that, while the wording of the audit report corresponded to the higher substantive assurance, Commissioners accepted Internal Audit's explanation that this was not appropriate. This was because a key registration target was not met, although the Board was aware and involved in the decision to miss targets in the absence of confirmed resources. The report was adopted as proposed by Brenda Maitland and seconded by Walter Rader.

5e. Review of Whistleblowing Policy

The Chair of the A&RA committee introduced the draft revised policy to the Board and underlined a number of proposed changes, including reference to encouraging staff to 'speak out'. The board agreed to the changes in the policy as proposed by Norman Bennett and seconded by Walter Rader.

AP 7: Revised policy to be rolled out in consultation with recognised Trade Union.

5f. Information Security Policy

The Chair of the A&RA committee highlighted the context to the policy review and the Head of Corporate Services outlined the high level changes which were agreed following proposal by Norman Bennett and seconding by Seamus Magee.

AP 8: Revised policy to be rolled out in consultation with recognised Trade Union.

5g. Corporate Risk Register

The Chair outlined the A&RA committee's review of the register and explained the proposed reduction in risk 4, which was agreed following proposal by Norman Bennett and seconding by Walter Rader.

5h. Draft 2016-17 Business Plan Risk Register

Board members noted work to date by the Task & Finish Group and a number of additional matters to be reflected were agreed. The final draft register is to be brought back to the Board in June.

AP 9: Final draft 2016-17 Business Plan Risk Register to be brought to June Board meeting.

6. Annual Report

The Chief Executive introduced the draft report to the Board. A series of minor changes and enhancements were identified and the report was agreed, subject to minor amendment and production of certified accounts, as proposed by Walter Rader and seconded by Seamus Magee.

AP 10: Annual Report to be finalised and laid before the Assembly.

7. Pre-registration closures section of M&C manual

The Head of Compliance & Enquiries introduced the paper and highlighted key additions to the existing manual. Board members expressed concern that available resourcing meant that the number of checks possible could lead to serious risks in compliance going undetected. It was noted the majority of the closures assessed to date were small, family run charities, of which only two have warranted referral to the Enquiries team for further investigation. The Board requested that details of high profile and sample checks be reported to the Board to allow any emerging risk patterns to be monitored. During discussion, Commissioners expressed concern at the overall risks inherent in having such a low level of resources to allocate to closure work. The Board agreed to adopt the pre-registration closures section of the manual as proposed by Seamus Magee and seconded by Geraldine Donaghy.

AP 11: Report to board on closures involving high profile and sample of charities.

8. Publishing our decisions policy

The Head of Compliance & Enquiries introduced a series of changes to the existing policy, in particular Directions will not now be published unless there is good reason to do so. Following discussion the Board agreed the policy, as proposed by Norman Bennett and seconded by Seamus Magee.

AP 12: Revised publishing our decisions policy to be published on CCNI website.

9. Year end business plan and Performance Information Data Hub report

The Head of Corporate Services introduced the report to the Board and highlighted year end progress which included 80% of Corporate KPIs achieved, and 94% of actions and measures completed on target.

10. Casework update

The Head of Charity Services introduced the update to the Board and highlighted several issues impacting on targets. Commissioners noted the OLAR software update would go 'live' during the week commencing 30 May 2016.

11. Investigation update

Head of Compliance & Enquiries introduced the report and highlighted key areas of interest to the Board. Legal Commissioner Steven Cockcroft declared a potential conflict of interest which the Chair considered and the meeting continued without it being necessary for the Legal Commissioner to leave the discussion. The Board was advised that a new trustee had been appointed to the Tughan Trust, and that the recent advertisement process had identified some 22 potential Interim Managers and 10 potential Trustees, should the need arise to appoint same in the course of future investigations.

12. Monitoring & Compliance update

The Head of Compliance & Enquiries introduced the report and highlighted that staff were very busy on several areas of work. The Board noted the recent Charity Tribunal waiver hearing and that a decision was awaited. It was agreed a 'Lessons Learned' report would be produced on the first 100 annual returns submitted. Commissioners noted the first charity 'in default' had been identified and around 27% of accounts were required to be resubmitted after initial assessment. Following discussion, it was agreed to combine the casework, investigations and monitoring & compliance updates with the Chief Executive's report.

13. Budget

The Head of Corporate Services introduced the 2015/16 year end budget report, noting an overall under spend of 1.4% versus a target of 1%

(resource spend of 1.65% v 1% target and capital under spend 0.35% v 1% target). Spend in April was noted and Commissioners accepted that an in year bid should be made in light of emerging budget pressures.

14. Matters of material significance UK-wide consultation plan

The Board noted the overall plan and requested a number of organisations involved in the field of criminal justice be added to the list of representative groups being consulted.

15. Trust and confidence research report

The Board noted the research report had been delivered and agreed this was a good piece of research. Plans for a launch were discussed and a timescale identified.

16. Legal update

The update was noted and clarification provided on a timetable and arrangements to bring forward Section 167.

17. Press clippings

Noted.

18. Review of meeting

No issues were identified.

19. Issues for next meeting 22 June 2016

A series of agenda items were highlighted and the early start time was noted.

20. AOB

Commissioners agreed to set up a Legal Committee to look at legal aspects of the Commission's regulatory work, consisting of Steven Cockcroft (Chair), Tom McGrath, Seamus Magee and Geraldine Donaghy following proposal by Norman Bennett and seconding by Steven Cockcroft.

Commissioners agreed to meet from 10.00am-12.00pm on 1 July 2016 to discuss their effectiveness review.

On behalf of the board, the Chair thanked Kathryn Jennett for all her endeavours and wished her well in her new career.

Meeting closed at 12:15pm.

Register of Outstanding Action Points					
Board Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
49(3)	17/12/2015	Chief Executive's Report	Chief Commissioner to draft agenda for board meeting with CRA	Chief Commissioner	Underway
51 (5)	7/03/16	Risk register	New risk register to be developed to reflect 2016/17 Business Plan including risk of not increasing resources for compliance monitoring.	HCorpS	Complete
52 (1)	16/5/16	Board minutes	Board minutes to be published on CCNI website	HCorpS	Complete
52 (2)	16/5/16	Board minutes	Chief Executive's Report to be further developed	CEX	Complete
52 (3)	16/5/16	Board minutes	Travel and subsistence information to be sent to Commissioners.	HCorpS	Complete
52 (4)	16/5/16	Chief Executive's Report	Chief Commissioner to write on behalf of the Board to the Minister setting out concerns about location of accommodation.	Chief Commissioner	Complete
52 (5)	16/5/16	Chief Executive's Report	Information on CIC briefing to be circulated to Commissioners	CEX	Complete
52 (6)	16/5/16	A&RA committee	Minutes of the February A&RA committee to be published	HCorpS	Complete
52 (7)	16/5/16	A&RA committee	Revised policy to be rolled out in consultation with recognised Trade Union.	HCorpS	Underway

52 (8)	16/5/16	A&RA committee	Revised policy to be rolled out in consultation with recognised Trade Union.	HCorpS	Underway
52 (9)	16/5/16	A&RA committee	Final draft 2016-17 Business Plan Risk Register to be brought to June Board meeting.	HCorpS	Complete
52 (10)	16/5/16	A&RA committee	Annual Report to be finalised and laid before the Assembly.	HCorpS	Underway
52 (11)	16/5/16	Monitoring & Compliance	Report to board on closures involving high profile and sample of charities.	HC&E	Underway
52 (12)	16/5/16	Publishing our Decisions Policy	Revised publishing our decisions policy to be published on CCNI website.	HC&E	Underway