

**Minutes of Board Meeting No. 38 held on Monday 19 May 2014
at 9:30am, 257 Lough Road, Lurgan.**

Present:

Tom McGrath, Chief Commissioner
Walter Rader, Deputy Chief Commissioner
Norman Bennett, Commissioner
Geraldine Donaghy, Commissioner
Brenda Maitland, Commissioner
Philip McDonagh, 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, CCNI

Apologies

Rosemary Connolly, Commissioner (Legal)

1. Minutes of Meeting 10 March 2014

The minutes of the meeting held on the 10 March 2014 were proposed by Walter Rader and seconded by Philip McDonagh, and agreed as a true and correct record.

AP 1: Minutes to be published on CCNI website.

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. Several Commissioners declared matters in relation to the Presbyterian Church in Ireland.

3. Chair's Business, Correspondence and Meetings

The Chair noted there was nothing new to report since the last meeting.

4. Issues from Audit & Risk Committee 12 May 2014

4a. Annual Accounts

The Chair of the A&R Committee introduced the draft annual accounts and highlighted that the A&R committee had recently considered the draft accounts at its meeting on 12 May 2014. Commissioners were informed NIAO audit field work had begun and no problems had been raised to date, although some minor areas of adjustment to the draft accounts had been identified. Following an outline of the adjustments by the Head of Corporate Services, the accounts were proposed by Walter Rader and seconded by Geraldine Donaghy. It was noted once the NIAO audit is complete and certification is received from the Comptroller & Auditor General arrangements would be made as soon as possible for the Chief Commissioner and the Accounting Officer to sign off the accounts.

4b. Internal Audit Report

The Chair of the A&R Committee introduced the report and noted the Commission had a satisfactory rating. The report detailed 4 areas of work and a number of related recommendations for improvement. Commissioners welcomed the findings and underlined the importance of also maintaining a focus on outstanding recommendations from previous years.

The Internal Audit plan for 2014/15 was presented as part of the 3 year strategy. The Chair of the HR&R Committee acknowledged that staffing policies and procedures were included in year 3 of the program.

4c. A&R Annual Report

The Chair of the A&R Committee introduced the report and highlighted areas of overlap between this report and the Governance Statement, in particular on the management of risk. Commissioners noted the report for information.

4d. Governance Statement

The Chair of the A&R Committee introduced the statement and the format, which had been developed in light of NIAO guidance. The Head of Corporate Services drew attention to some of the key changes in risks that occurred during the year and those going forward. Following discussion it was proposed by Norman Bennett and seconded by Brenda Maitland that the statement be included in the annual report, subject to minor amendment.

4e. Risk Register

The Head of Corporate Services introduced the draft register which was developed following extensive discussion of new and evolving risks relating to the 2014/15 Business Plan at the March Board meeting. Following discussion the register was proposed by Philip McDonagh and seconded by Walter Rader for adoption.

4f. Revised Terms of Reference

The Chair of A&R Committee introduced the draft Terms of Reference which had been indentified for updating during the Committee's self assessment exercise. Commissioners noted the original Terms of Reference dated from the inception of the Commission and the revised terms had been based on latest Treasury best practice with minor amendments to reflect the Commission's structure. Following further discussion, it was proposed by Geraldine Donaghy and seconded by Norman Bennett to adopt the revised Terms of Reference.

4g. Appointment of Independent member

The Chair of A&R Committee highlighted that the current Independent member's tenure ends next year and the Committee had identified the need to start a process to find a replacement now. He introduced a paper considered by A&R Committee, noting that advice had been taken from the Department and the Chair of its A&R Committee. Option A ie with the Department's assistance, identify someone already connected with DSD, was identified by A&R Committee as the preferred approach. Following discussion of various options it was proposed by Walter Rader and seconded by Geraldine Donaghy to implement Option A.

The Chief Commissioner expressed thanks to Philip McDonagh and other members of the A&R Committee for all their work.

5. Issues from HR&R Committee meeting 16 April 2014

5a. Minutes of 12 Feb 2014

The Chair of the HR&R Committee introduced the minutes of the 12 February. In relation to matters therein he confirmed an independent investigator had been appointed, and that he and the Chief Commissioner had held a number of meetings with the investigator. Commissioners noted that the investigation should conclude with a report being received by mid July 2014. Following discussion it was agreed to adopt the minutes as a true reflection of the meeting, as proposed by Brenda Maitland and seconded by Geraldine Donaghy.

AP2: Meetings to be published on CCNI website

5b. Amendments to HR policies

The Chair of the HR&R Committee introduced two revised policies and recommended the changes to the Board. In relation to the Health & Safety Policy and the addition of a section on Lone Working, Commissioners recognised that both employer and employee have responsibility for ensuring health & safety. With regard to the Maternity Policy the Chair of HR&R Committee recommended a number of changes in particular to '*keeping in touch*' arrangements; these changes have been identified following experience of operating the original policy. The Board approved the recommendations as proposed by Philip McDonagh and seconded by Norman Bennett.

5c. Review of HR policies

The Chair of the HR&R Committee introduced the paper to the Board and reminded them that the Commission no longer had a temporary HR officer and in light of developments the Commission needed to call on external help to look at the entire suite of policies. At the April meeting of the HR&R Committee it was agreed to recommend to the Board, as per the paper presented, option B ie to seek external expertise to give legally sound advice, and that this be taken forward as an efficient and effective way of reviewing the current policies. Following discussion it was agreed to implement the new arrangements to review HR policies as proposed by Geraldine Donaghy and seconded by Norman Bennett.

It was also agreed that the HR&R Committee would return to holding four meetings annually in order to progress these issues and advise the Board.

AP 3: Officers to take forward procurement of external expertise

6. Chief Executive Report

The Chief Executive introduced the report in the new format and commissioners agreed this was very helpful. In relation to the development of full reporting regulations, it was agreed the Chair would write to the Permanent Secretary noting the constant engagement and ongoing work with the Department, but seeking clarification as to whether an accountancy expert would be brought in to advise the Department, as requested by the Commission.

In relation to ongoing High Court action, it was noted that counsel had outlined a number of options regarding the issue of costs. These were discussed. It was noted that this could set a precedent and Commissioners expressed the wish in this case not to seek costs from the charities' assets but to ask the Attorney General to apply to have the charities' assets protected from their own Directors so that the charities would not bear the costs of actions brought by those individuals. This would mean that the Commission would bear its own costs in this case.

The Chief Executive highlighted a series of engagements with church groups and, in particular, the Presbyterian Church in Ireland. Commissioners indicated they wished all issues regarding governing documents to be sorted out as soon as possible and that the time before organisations were called forward was not to allow an open ended discussion with Trustees.

Overall the Board were pleased with the new format and requested the report be first on agenda going forward.

AP4: Chair of the Board to write to the Permanent Secretary on reporting regulations

AP5: Counsel to be asked to provide options in writing on issue of seeking costs

7. Annual Report

The Chief Executive introduced the draft annual report for 2013/14. Commissioners noted that the Remuneration Report was yet to be finalised pending information from pensions branch, and a query was noted regarding consent to use photographs.

It was agreed to include text linking the Annual Accounts by way of commenting on financial performance in the annual report. It was agreed that the Deputy Chief Commissioner would take a lead in finalising the report and any comments should be notified to him as soon as possible. The draft report was agreed, pending amendment, following proposal by Norman Bennett and seconding by Geraldine Donaghy.

AP6: Comments to be sent to Walter Rader regarding finalising Annual report.

8. MOU with Community Interest Companies regulator

The Chief Executive introduced the draft MOU for decision and indicated she had met with the CIC regulator recently. Commissioners noted that other Charity regulators have similar processes in place with the CIC regulator. The draft MOU which was based on that of other regulators was agreed following proposal by Geraldine Donaghy and seconded by Philip McDonagh. It was noted the Commission had received a registration application from a CIC and the Commission would give a provisional view using the existing registration process.

9. Business Plan progress report

The report was noted.

10. Lough Neagh Rescue Tribunal case

Commissioners were briefed on the developments at the Tribunal with regard to the removal of members and officers. They discussed the overall position on current procedures and practices, noting on this occasion the Charity was given time to modify its structure and governance while proceedings were underway. This resulted in actions being taken by the charity prior to the Tribunal case going ahead and highlighted the need to develop a checking back process to review and, where necessary, update decision making before any legal hearing. Clarification was provided regarding the circulation of press releases and reactive press statements. Further learning points noted were that press lines to take should be prepared earlier in the process, and that timelines should be developed on a case by case basis.

- 11. Investigations Report**

The Head of Compliance and Enquiries introduced the report and provided an update on charities under statutory enquiry. Details of live investigations were provided and no conflicts of interests were declared. It was agreed that future reports would include geographical location information.
- 12. Casework Update**

The Head of Charity Services introduced the report noting a serious issue on the chase cycle with regard to registration. Commissioners discussed the percentage of organisations that had indicated they had closed and underlined the need to get information from a competent authority, especially to identify what charity assets and monies were held and what had happened to them. Commissioners also noted the positive feedback from registration workshops and on the online tutorial. It was noted that the volume of chase cycles would necessitate the Commission making an in year bid for temporary resources.
- 13. Legal Update**

Commissioners noted the legal update. It was agreed that these updates would be sent out every 2 months, rather than be included with Board papers.
- 14. Proposals from 'refusal to register' working group**

The Chief Executive outlined progress made by the working group and its initial proposals. Following discussion it was agreed to adopt the paper after proposal by Walter Rader and seconded by Norman Bennett
- 15. Complaints Policy**

Commissioners noted the revised draft which reflected comments and feedback. It was agreed to amend point 4 and the body of the text to state that in the event the complaint was against the Chief Executive the complainant should make a complaint for the attention of the Chief Commissioner. It was agreed to implement the revised policy following proposal by Philip McDonagh and seconded by Brenda Maitland.
- 16. Budget Report**

Points were discussed and noted.
- 17. Communications Strategy 2014-15**

Commissioners noted that an email would be issued shortly on the work being undertaken by the task and finish group and a new draft would be brought to the next Board meeting.
- 18. Press Clippings**

Noted

19. Hospitality Register

The register was noted and Commissioners noted the need to review the circumstances under which Commissioners would accept invitations, and agreed this would be discussed at an autumn Board meeting.

20. AOB

The Chief Executive mentioned the International Regulators' Forum in 2015, and it was agreed to host this jointly with colleagues in Dublin and to seek to arrange a meeting with other UK/Ireland charity regulators including Commissioners and Board Members as an add-on to the international event.

The meeting concluded at 12.30

Register of Outstanding Action Points					
Board Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
31 (2)	13/05/2013	Chair's Business Correspondence and meetings.	Meeting with CCEW to be set up.	Chair	Underway
31 (9)	13/05/2013	Review of Compliance with Standing Orders	Chair to write to the Permanent Secretary regarding indemnity wording	Chair	Underway
34 (10)	11/11/2013	Press Clippings	MOU with RQIA to be developed	HCE	Underway
35 (6)	09/12/2013	Complaints procedure	Rosemary Connolly to revise Complaints procedure	Rosemary Connolly	Complete
37 (2)	10/03/2014	Risk Register	Sponsor branch to be informed of transfer of premises security from CCNI risk register	HCorpS	Complete
37 (4)	10/03/2014	Options for developing HR Policies	Staff to progress procurement of expert HR support	HCorpS	Underway
37(5)	10/03/2014	Communications strategy 2014 – 15	Head of Corporate Services to convene a meeting with Commissioners to finalise strategy	HCorpS	Complete
37 (6)	10/03/2014	Consultation Response report	Report to be published on website	Comms	Complete
38 (1)	19/05/2014	Minutes of meeting 10 March 2014	Minutes to be published on CCNI website	Comms	Complete
38 (2)	19/05/2014	Minutes of HR&R Ctte Meeting 12 Feb 2014	Minutes to be published on CCNI website	Comms	Complete
38 (3)	19/05/2014	Review of HR policies	Officers to take forward procurement of external expertise	HCorpS	Underway

38 (4)	19/05/2014	Chief Executive Report	Chair of the Board to write to the Permanent Secretary on reporting regulations	Chief Commissioner	Underway
38 (5)	19/05/2014	Chief Executive Report	Counsel to provide written options on issue of seeking costs	Legal Team	Complete
38 (6)	19/05/2014	Annual Report	Comments to Walter Rader regarding finalising Annual report	Walter Rader	Complete