



**Minutes of Board Meeting No. 59 held on Monday 15 May 2017 at 9:30 am
At CCNI, 257 Lough Road, Lurgan**

Present:

Tom McGrath, Chief Commissioner
Norman Bennett, Commissioner
Geraldine Donaghy, Commissioner
Séamus Magee, Commissioner

Apologies:

Steven Cockcroft, Commissioner (Legal)

In Attendance:

Frances McCandless, Chief Executive
Punam McGookin, Head of Charity Services
Myles McKeown, Head of Compliance and Enquiries
Aubrey McCrory, Head of Corporate Services
Natasha Mann, Finance & Admin Officer
John Tracey, Monitoring & Compliance Manager (presenting)
Cristiana Lobato, Monitoring & Compliance Officer (presenting)
Sonya McTague, Finance and Admin Manager (for items 8a – 8f)
Una Mackle, Legal Advisor (observing)

The Chair opened the meeting by welcoming everyone and introducing John Tracey, Monitoring & Compliance Manager and Cristiana Lobato, Monitoring & Compliance Officer, who gave a presentation on their work from 9:00am to 9:30am and then left the meeting. The Chair also introduced Una Mackle, Legal Advisor, who observed the meeting.

1. Minutes of Meeting 15 March 2017

Following discussion, the minutes of the meeting held on 15 March 2017 were agreed as a true and correct record, as proposed by Geraldine Donaghy and seconded by Séamus Magee.

AP1: Board minutes to be published on CCNI website

2. Conflicts of Interest

No conflicts of interest were declared at the outset.

3. Chair's Business, Correspondence and Meetings

The Chair informed the meeting that the Department's strategic review of Arm's Length Bodies is in abeyance until a new minister is in place and that Commissioner Geraldine Donaghy's period of office has been extended for a further six months.

4. Chief Executive's Report

The CEX informed the meeting that the International Regulator's Conference was very informative and that notes would be circulated to the Board.

The CEX informed the Board that all 2016-17 Business Plan Key Performance Indicator targets had been met, including spend to within 0.24% of the budget. It was also noted that all but four business plan milestones had been achieved. In terms of the 2017-18 Business Plan the Department is going to make budget decisions in the absence of a Minister and it is anticipated that the Commission's budget reduction will be no more than 5%.

The CEX updated the meeting on current litigation and a recent application to the High Court.

The CEX informed the meeting that the Senior Management Team had held discussions with Paula Sussex, Chief Executive of the Charity Commission for England and Wales, on developing more sophisticated risk based systems. Firm proposals will be brought to the Board at a later date.

The Board noted that correspondence was received from Mr Stewart Dickson MLA and the Commission has written a response setting out the basis of our decision in the case concerned.

Commissioners welcomed progress on the Boardroom Apprentice scheme, which the Commission has agreed to participate in. Following discussion the Board agreed that Norman Bennett would be a 'board buddy' for the scheme.

Following a query the CEX confirmed a response was received from the NIPSO Head of Investigations. The Board noted the significant work involved in responding to the Ombudsman, given their approach.

AP2: SMT to develop firm proposals for developing more sophisticated risk based systems.

5. Charity Services Report

The Head of Charity Services outlined current registration work including refusals. The Board queried the definition of a closed group and during discussion noted that the issue of membership was central, and that the organisation's purpose and activities were also relevant. It was agreed that further communications work was needed on describing the basis of refusal decisions and getting the message across to the public to ensure refusals are known about and understood.

The Chair thanked the Head of Charity Services for a detailed report.

AP3: Further communications on issue of legal refusals to be explored.

6. Compliance & Enquiries Report

The Head of Compliance & Enquiries outlined details of various work in hand including investigations. The level of annual monitoring returns received since year end and details of the next reporting peak at the end of June were discussed. The Board noted that further work would be done on the concerns register to allow for updating at the June Board meeting.

The Board also noted the issue of dishonesty convictions discussed with the Executive Office.

AP4: Head of Compliance & Enquiries to present new format to June Board.

7. Corporate Services Report

The Head of Corporate Services presented an update on a range of issues relating to operating Human Resource systems and additional work that would be needed to inform the Public Sector Shared Services Programme. The Board queried the current range of ICT related risks which the organisation faced and actions being taken to address these. Following discussion, it was agreed that ICT risks should be discussed at the next Audit & Risk Assurance Committee meeting. The Board noted the Information Commissioner's Office had issued a decision notice, which required the Commission to release some information in relation to sale of land by RC Parish of Maghera, Co Down.

AP5: ICT risks to be discussed at next Audit & Risk Assurance Committee meeting.

8 Reports from sub-committees:

Audit & Risk Assurance Committee issues

8a. 2016/17 Draft Annual Accounts

The Chair of the Audit & Risk Assurance (A&RA) Committee introduced the draft 2016-17 accounts which were subject to finalisation and the Board noted the following: no audit issues have been raised to date, pensions information is awaited and will be included on receipt, and there were no significant changes to this year's layout and format. The Finance & Admin Manager outlined several items within the accounts which reflected changes in operational activity and improvements on the previous year's financial performance.

The Chair of the Audit & Risk Assurance Committee thanked the Finance team for the timely preparation of the draft accounts. The Board accepted the draft accounts as proposed by Séamus Magee and seconded by Geraldine Donaghy.

8b. Draft Governance Statement

The CEX introduced the format, which was similar to last year, and confirmed the A&RA Committee had reviewed the statement at its last meeting. Additional information had been included under the Board activities with regard to the sponsor department's strategic review. During discussion the Chair of the A&RA Committee noted that the sponsor department had welcomed Internal Audit's assurance on investigative processes, which it viewed as very relevant to the strategic review. The Board accepted the draft governance statement as proposed by Norman Bennett and seconded by Séamus Magee.

8c. Audit and Risk Assurance Committee annual report to the Board

The Chair of the A&RA Committee provided a summary of the Committee's activities to the Board. The Chief Commissioner noted that the Committee had provided a very full report which gives broad assurance on the work of the Committee, thanking the Head of Corporate Services and Committee members for their work during the year. The Board noted the report for information.

8d. Internal Audit 2nd Assignment report 2016-17

The Chair of the A&RA Committee briefed the Board on details in the report, noting that the overall outcome was satisfactory with no Priority 1 or 2 recommendations. The Board noted the report for information.

8e. Internal Audit Annual Report and Opinion 2016-17

The Chair of the A&RA Committee highlighted the conclusions of Internal Audit on the Commission's systems of internal control, noting that the overall outcome was satisfactory. The Board noted the report for information, recognising it is also relied upon by external auditors in their work.

8f. Corporate Risk Register

The Chair of the A&RA Committee highlighted at its meeting on 9 May 2017 that the Committee had discussed resource levels and delivery of a level of service as set out in the business plan. The Committee had accepted the need to reset the risk levels to reflect the Commission's normal working and to include a statement on its risk context. Following discussion, the Board accepted the register subject to minor amendments as proposed by Séamus Magee and seconded by Geraldine Donaghy.

AP6: Head of Corporate Services to finalise Corporate Risk Register

8g. Additional paper – Lessons learnt from Governance Training

Several committee members and staff attended a course on Public Accountability and governance for Audit and Risk Committees which was hosted by the Chief Executives' Forum on 9 March 2017. The Chair of the Audit and Risk Assurance Committee introduced lessons learnt from this training.

Following discussion, the Board noted this paper for information and recommended that it is brought back to Audit and Risk Committee at its next meeting.

AP7: Paper to be brought back to next Audit and Risk Committee meeting.

9 Policies & Processes

9a. Annual Report 2016-17

The Head of Corporate Services introduced the draft Annual Report which sets out the Commission's achievements over 2016-17, including its regulation of the charity sector, governance, financial activities and performance against KPIs. Following discussion the Board accepted the report subject to minor amendments, as proposed by Geraldine Donaghy and seconded by Norman Bennett.

AP8: Chief Executive to make minor amendments to Annual Report.

9b. Year end business plan report 2016-17

The Head of Corporate Services outlined details of progress at year end against the 2016-17 Business Plan, including Key Performance Indicators and service related activity level. The overall successful position as set out in the report was noted by the Board, and the Chair expressed appreciation for the good work completed by staff throughout the year.

9c. Corporate Governance Framework

The CEX updated the meeting on the review of the Corporate Governance Framework. Following discussion, the Board accepted the Framework for publishing subject to minor amendments as proposed by Geraldine Donaghy and seconded by Norman Bennett.

AP9: Corporate Governance Framework to be published following amendment

9d. Process to dispense requirement to submit an Annual Monitoring Return

The Head of Compliance and Enquiries introduced the paper and asked the Board to consider the draft addendum to the Compliance Manual for approval. The Board debated the proposed criteria, and approved the procedures as proposed by Tom McGrath and seconded by Séamus Magee.

The Head of Compliance & Enquiries undertook to update the Board on the granting of dispensations in a year's time.

AP10: Compliance Manual to be updated to include approved addendum.

AP11: Head of Compliance & Enquiries to update Board on the granting of AMR dispensations in June 2018

9e. Levels of Decision Making within the Commission

The CEX introduced the paper and briefed the meeting on current levels of decision making within the Commission and the strategic themes to which they relate. Following discussion, the Board agreed the paper as proposed by Norman Bennett and seconded by Geraldine Donaghy. The Board also agreed to review the paper again post the strategic review.

9f. Protocol on accompaniment for charities at meetings

The CEX presented the paper which provided policy guidance for charity trustees and other stakeholders in relation to formal meetings with the Commission. Following discussion of criteria the Board approved the policy subject to minor amendments as proposed by Tom McGrath and seconded by Séamus Magee.

AP12: *Formal Meetings with the Commission* policy guidance to be finalised and published on the web site

10. Issues for next meeting – 26 June 2017.

The Board indicated it was content with the new agenda layout and that the Board Terms of Reference, Code of Conduct and Standing Orders are to be reviewed at the June meeting. It was also noted in advance that Norman Bennett may be unable to attend the June Board meeting.

AP13: Board Terms of Reference, Code of Conduct and Standing Orders to be reviewed at June meeting.

11. AOB

The Board discussed the Annual Public Meeting planned for September 2017. It was agreed that once a date for the event is finalised a venue in Belfast should be sourced and a potential speaker approached.

AP14: Date for the Annual Public Meeting to be finalised and venue in Belfast to be sourced.

AP15: CEX to approach potential speaker for the meeting.

Meeting ended at 12:05 pm

Register of Outstanding Action Points

Board Meeting and Action Point Number	Date Raised	Agenda Item	Action	Owners	Status
59(AP2)	15/05/2017	4	SMT to develop options and bring firm proposals to Board at a later date.	SMT	Underway
59(AP3)	15/05/2017	5	Further communications on issue of legal refusals to be explored.	HCS	Underway
59(AP4)	15/05/2017	6	Head of Compliance & Enquiries to present new format to June Board	HC&E	Underway
59(AP5)	15/05/2017	7	ICT risks to be discussed at next Audit & Risk Assurance Committee meeting	HCorpS	Underway
59(AP6)	15/05/2017	8f	Head of Corporate Services to finalise Corporate Risk Register	HCorpS	Complete
59(AP7)	15/05/2017	8g (additional paper)	Paper to be brought back to next Audit and Risk Committee meeting	HCorpS	Underway
59(AP8)	15/05/2017	9a	Chief Executive to make minor amendments to Annual Report	CEX	Complete
59(AP9)	15/05/2017	9c	Corporate Governance Framework to be published following incorporation of agreed amendments	HCorpS	Complete
59(AP10)	15/05/2017	9d	Compliance Manual to be updated to include approved addendum	HC&E	Underway
59(AP11)	15/05/2017	9d	Head of Compliance & Enquiries to update Board on the granting of AMR dispensations in June 2018	HC&E	Underway

59(AP12)	15/05/2017	9f	Agreed amendments to be made to the <i>Formal Meetings with the Commission</i> policy before publishing	HCS	Complete
59(AP13)	15/05/2017	10	Board Terms of Reference, Code of Conduct and Standing Orders to be reviewed at June meeting	CEX	Underway
58 (AP7)	15/03/2017	4	Strong communication messages to be developed to support thematic report on registration refusals.	HCorpS	Complete
58 (AP9)	15/03/2017	4a	Head of Compliance & Enquiries to meet with Geraldine Donaghy to discuss how to report on timelines in relation to concerns	HC&E	Complete
58 (AP10)	15/03/2017	5	Head of Charity Services to amend manual to add a confirmation process for trustees using alternative address for communication purposes.	HCS	Complete
58 (AP11)	15/03/2017	6	Develop guidance on serious incident reporting.	HC&E	Underway
58 (AP12)	15/03/2017	8	Updated draft business plan and budget to be sent to sponsor branch along with strategic regulatory approach paper and info on decision-making	HCorpS	Complete
58 (AP17)	15/03/2017	10	Amend risk appetite 4d to medium and circulate risk register to staff	HCorpS	Complete
58 (AP21)	15/03/2017	11	Reconsider Commission values as part of strategic plan	HCorpS	Underway
58 (AP22)	15/03/2017	12	Share lessons learned on Waiver Decision with CCEW	CEX	Underway

			and OSCR		
57 (AP7)	23/01/2017	5	Updated policy on matters of material significance to be published	HC&E	Complete
56-10	12/12/2016	10	Corporate Governance Framework to be amended following Board development day (for consideration at May Board)	HCorpS	Complete
56-12	12/12/2016	18	MOU with CRA to be drafted	HCS	Underway
56-13	12/12/2016	18	Meeting between CCNI and CRA to be arranged	HCS	Underway
55-13	07/11/2016	8	Disseminate Records Management Policy to staff when agreed with PRONI	HCorpS	Complete
54-4	19/9/2016	3	Develop a protocol for attending meetings and producing an agreed note	CEX	Underway
54-5	19/9/2016	3	Arrange enhanced vetting for all Commissioners.	HCorpS	Underway
53-8	19/9/2016	6	Monitor and review 7 month reminders and report to Board	HM&C	Underway
53-10	19/9/16	9	Review arrangements for removing inappropriate material from the website register	HCorpS	Complete