

Minutes of Senior Management Team Meeting held on 4 September 2018

In attendance: K Donnelly, Chair (C&AG)

P McCreedy (COO)

R Allen (Director)

C Kane (Director)

D Lynn (Director)

T Wilkinson (Director)

N Gray (Director)

L Donnelly (Secretary)

1&2	<p>Minutes of Previous meeting and Matters Arising</p> <p>Minutes of the previous meeting held on 27 July 2018 were agreed and Matters arising updated.</p>
3.	<p>Risk Management</p> <p>Corporate Risk Register (CRR)</p> <p>The Corporate Risk Register Working Group (CRRWG) met on 8 August 2018 to consider issues of potential risk identified by SMT at the last meeting. C Kane updated members on developments and the following points were discussed:</p> <p><i>Enhanced contact with political parties</i> – The CRRWG recommended the development of a strategy protocol for engaging with political parties and this was added to the Action Plan of both Risk 1 and Risk 3a. SMT was content this was covered within the engagement strategy which forms part of the three year public reporting programme.</p> <p><i>Accommodation Review/Data Analytics development/Procurement – contracting out/EAF</i>- Directors responsible for these areas have been asked to provide risk registers or position papers to enable CRRWG to assess any risk triggers or actions within the CRR at their next meeting.</p> <p><i>Escalation of risk 3(a) to amber</i> – CRRWG proposed an increase in the scaling of risk 3(a) from green to amber. SMT considered and concluded that very recent activity to agree the three year public reporting programme meant retention of the green rating was appropriate on balance.</p> <p>The current CRR will be made available to all staff on NIAOmi.</p> <p>The current composition of the CRRWG is to be broadened and expressions of interest will be sought from staff at Auditor and Senior Auditor grade.</p>
4.	<p>Finance</p> <p>R Allen updated members on the financial position for 2018-19. Currently there is a potential projected underspend. He noted savings reflected by the recent round of VES and a time lag in recruitment processes contributed to the underspend. As part of the October Monitoring round the Operational Management Team (OMT) will meet later this month to discuss the surrendering of some in year funds and report back to the C&AG. Given the full year financial impact of the recruitment processes it was noted it is critical the office maintains its baseline going forward.</p>

	R Allen referred to early indications that the accommodation project may not progress as quickly as previously anticipated, therefore full capital funds in 2018-19 may not be required.
5.	<p>Corporate Matters Corporate Report</p> <p>The Corporate Report was presented to members. The following points were specifically noted:</p> <ul style="list-style-type: none"> • Absence Management SMT welcomed very encouraging attendance figures for the period. • VES After the most recent round of VES only approximately 50% of the total budget was spent. SMT therefore agreed to launch a second in-year scheme in the months remaining in this final year of public transformation funding in the event this timeline is attractive to some staff. • Chairperson The C&AG is leading the recruitment process and will meet with members of the Business Support Team to progress the job specification for the post.
6.	<p>Procurement Plan</p> <p>The annual Procurement Plan was considered and endorsed by SMT who were updated on key items:</p> <ul style="list-style-type: none"> • Temporary Contracts The Office will continue to procure temporary staff for the 2018-19 audits. A new framework will be drawn up and will be led by N Gray. • Contracted Out financial audits D Lynn to lead, more information on the future changes will be firmed up over the next few months. • HR - In the short term we have appointed a consultant to provide interim human resource support. The contract will commence late August and it is anticipated to last until the end of 2018. • Media Consultancy Support – The contract variation will be extended to December 2018. A new procurement will commence.
7.	<p>Bribery & Corruption and Fraud Risk Assessments</p> <p>The Office has assessed staff against good practice on Bribery and Corruption and Fraud Risk assessments. The assessments and actions were agreed by SMT for progression to the Audit and Risk Assurance Committee (ARAC) on 23 October 2018.</p>
8.	<p>Internal Audit – Audit Briefs</p> <p>Internal Audit will be on site from 10 – 14 September considering their audit areas. The briefs have been shared with ARAC members and the findings will be considered at their next meeting.</p>
9.	<p>Contracting out of Financial Audits</p> <p>D Lynn updated members and advised that the financial audit procurement was progressing to plan. The Market Engagement exercise is currently underway with a Prior</p>

	<p>Information Notice published in the OJEU on 22 August alerting potential suppliers to a Request for Information (RFI) document. The RFI includes a supplier questionnaire to be returned to NIAO by 7 September 2018, the RFI highlights that this element of the exercise is solely for the purpose of obtaining feedback and does not commit NIAO to any course of action, an interview, if requested can be arranged. The main procedure will commence on 24 September with publication in OJEU. The Contract will be awarded on 13 December 2018. SMT agreed that financial audit procurement should remain a standing agenda item until the contracts are awarded in December.</p>
10.	<p>Data Analytics</p> <p>The Office has been successful in its bid for Govtech funding for data analytics. The official announcement will be made by Cabinet Office minister Oliver Dowden at a TechUK conference on 6 September. The funding will provide:</p> <p>Phase 1 - £250,000 for R&D (five bidders at up to £50,000 (incl VAT) each); and</p> <p>Phase 2 (optional, depending on phase 1) - £1 million (two bidders at £500,000 (incl VAT) each). There are five successful projects including another one from NI (Health service/Prisons) and others from Home office, BEIS and Welsh fire brigade.</p> <p>T Wilkinson briefed members on the proposed timetable and draft specification prepared for bidders. A risk register for the project has been drafted and will be considered by the CRRWG.</p>
11.	<p>C&AG's Advisory Group – Terms of Reference</p> <p>A draft terms of reference was presented which will be developed further when a new Chairperson has been appointed.</p>
12.1	<p>Exam Results</p> <p>SMT noted recent excellent exam results for staff studying with professional accountancy institutions.</p>
12.2	<p>Operational Performance Report</p> <p>The Operational Performance Report for the period to 31 July was discussed and progress to date was noted by SMT.</p>
12.3	<p>Next Meeting</p> <p>Next meeting scheduled for Tuesday 16 October @ 2pm.</p>