



Northern Ireland Audit Office

Corporate Plan

2021 – 2024



Table of Contents

Welcome	2
Foreword	3
1 Who We Are	4
1.1 Role of the Comptroller and Auditor General	4
1.2 How the NIAO Works	4
1.3 Financial Audits	5
1.4 Public Reporting	5
1.5 Support to the Northern Ireland Assembly	5
1.6 Preventing Fraud	6
1.7 The Comptroller Function	6
2 The Why and the How behind the What	7
3 Strategic Context	8
4 Achievements	10
4.1 Performance	10
4.2 Business Transformation	11
4.3 Monetary Impact	11
5 Corporate Strategic Priorities and Activities 2021-2024	12
5.1 Support and promote high standards in public administration and financial management in a complex dynamic environment.	12
5.2 Influence the pace and direction of public sector transformation in Northern Ireland by providing independent insight.	12
5.3 Ensure the NIAO operates as a high performing organisation to meet emerging challenges.	13
6 How It Fits Together	14
6.1 NIAO Expenditure	14
6.2 Budget 2021-2024	15
Table 1: Resource DEL - Proposed 3 Year Budget	17
6.3 Providing a modern attractive workplace:	17
Table 2: Capital DEL - Proposed 3 Year Budget	18
7 Measuring Performance	19
7.1 Balanced Scorecard	19
7.2 Performance Management	21



Welcome

I have pleasure in presenting our Corporate Plan 2021 – 2024 which has been prepared in the midst of a changing economic situation and uncertain environment arising from the global COVID-19 pandemic. I am proud of how the Northern Ireland Audit Office has responded and quickly adjusted to differing ways of working, while still meeting our statutory responsibilities for undertaking audits and investigations for the Northern Ireland public sector.

Strong governance is at the centre of all we do and our Corporate Plan 2021-2024 sets out our priorities and how we will continue to meet the needs of our stakeholders in delivering independent scrutiny and reporting on Northern Ireland's public sector finances.

We have engaged with our key partners, staff throughout the organisation and political representatives involved in overseeing our activities, to set strategic objectives which focus our efforts where they will deliver the greatest impact. These include both short-term goals – such as reviewing the public sector COVID-19 pandemic response – and longer-term ambitions such as providing thought leadership to the public sector as it transforms in a dynamic and challenging environment.

We will continue to ensure public money is spent wisely by carrying out targeted Value for Money Reviews and Impact Reviews, improving standards of governance through timely communication of good practice guides on key public sector priorities and continuing the delivery of our annual financial audit programme to the highest quality standards.

The Corporate Plan will build on the strong base of our Business Transformation Programme over the last three years, and to improve our efficiency and effectiveness further, we are committing to investment in our infrastructure and to using data more effectively through our ongoing Digitalisation initiative.

We will be transparent on how we will measure our performance using Key Performance Indicators and our Balance Scorecard approach and annual reporting in our financial statements, with the objective of being an exemplar of good governance and organisational economy, efficiency and effectiveness.

COVID-19 is an unprecedented challenge to us all, but it will not weaken our resolve to play our part in building public sector resilience by shaping the organisations that we audit to be stronger, trustworthy and equipped for the future, to the benefit of the citizens of Northern Ireland.

Good reading.

A handwritten signature in blue ink that reads "Martin Pitt".

Martin Pitt
Chairperson

March 2021



Foreword

This is a very challenging time for the public sector in Northern Ireland. Responding at pace to the extraordinary circumstances of COVID-19, navigating the complex outworking of the UK's exit from the European Union and at the same time delivering a new Programme for Government will require strong leadership and good governance. In this turbulent environment, high quality public audit has never been more important. Public audit provides elected representatives, decision makers and citizens with the information and assurance they need about how well public services are run and how public money is spent.

We have set three strategic priorities for this reporting period. These are designed to give our people clear direction and focus.

The priorities are:

- to support and promote high standards in public administration and financial management in a complex and dynamic environment;
- to influence the pace and direction of public sector transformation in Northern Ireland by providing independent insight; and
- to ensure the NIAO operates as a highly performing organisation to meet emerging challenges.

We will continue to look across government to identify systemic issues and share knowledge. We will continue to work closely with the NI Assembly Public Accounts Committee to help facilitate effective democratic scrutiny. We will also work closely with the audit committees and management of the bodies we audit.

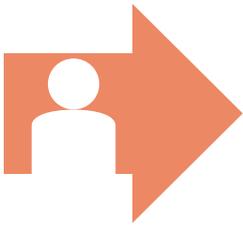
The development of this plan followed extensive engagement with our key stakeholders, politicians, public sector leaders, our Advisory Board and our own employees. I want to thank everyone who made a contribution to the process. I am confident that we have mapped a clear way forward.

Kieran J Donnelly

Kieran Donnelly CB
Comptroller and Auditor General for Northern Ireland

March 2021

1 Who We Are



1.1 Role of the Comptroller and Auditor General

The Comptroller and Auditor General (the C&AG) is responsible for auditing Northern Ireland's public sector organisations. The Northern Ireland Audit Office (NIAO) supports the C&AG in ensuring that our citizens have confidence in the provision of public services.

The C&AG's role is to help the Assembly in its scrutiny of government, and to ensure that public organisations are effective, efficient, and accountable. The C&AG must be independent of government and operate in an apolitical manner. In fulfilling the role of the Assembly's auditor, the C&AG is an Officer of the House.

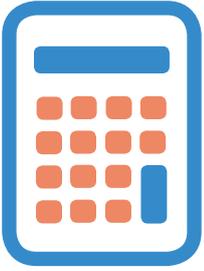


1.2 How the NIAO Works

The NIAO's aim is to inspire confidence in Northern Ireland's public services through independent scrutiny, based on impartial and innovative reporting. It works with the public sector in overseeing and providing assurance to Northern Ireland's citizens and the Assembly that public money is spent properly. The NIAO employs around 120 staff who are based in 106 University Street in Belfast. The core functions of the NIAO are to:

- i. perform a detailed audit on annual financial statements relating to central and local government organisations;
- ii. independently examine and report to the Northern Ireland Assembly on whether public bodies spend taxpayers' money economically, efficiently and effectively;
- iii. provide advice and support for effective assembly scrutiny;
- iv. build better corporate governance, financial control and risk management in the public sector and promote a strong counter fraud culture across government; and
- v. authorise the issue of public funds from the Consolidated Fund for Northern Ireland (the Comptroller function).

Maintaining the NIAO's independence in conducting these functions is critical. The credibility of its work relies on being free of influence (real or perceived) so that it can carry out its work and report without constraint. Its independence and reputation are also critical to maintaining the Assembly's and the public's trust and confidence. The core functions are described in more detail in the rest of this section.



1.3 Financial Audits

Carrying out annual financial audits of government departments and arm's length bodies is 65 per cent of the NIAO's core business.

- **Central Government** - The C&AG has a statutory responsibility to audit the financial statements of all Northern Ireland departments, executive agencies and other central government bodies, including non-departmental public bodies, health and social care bodies and some public sector companies, and to report the results to the Assembly. Conducting the financial audits involves direct interaction with, and insight into, every public organisation in Northern Ireland. Through these audits, the NIAO gathers intelligence on how the public sector is operating, its main challenges and any emerging issues. This informs the NIAO's public reporting work programme.
- **Local Government** - The Department for Communities may, with the consent of the C&AG, designate a member of staff of the NIAO as the local government auditor. The Local Government Auditor, assisted by NIAO staff, is responsible for the audit of all local government bodies.



1.4 Public Reporting

The NIAO's Public Reporting Programme is planned over a three-year rolling time frame and focuses on the most important issues facing the public sector in Northern Ireland. The range of work has widened from traditional value for money studies to shorter, fact-based reports and impact reports which assess the progress made on key issues from earlier reports. The programme includes significant work in the local government arena and addresses important cross-cutting issues that lie beyond the boundaries of any single government department.



1.5 Support to the Northern Ireland Assembly

The C&AG provides the Northern Ireland Assembly with independent support to enable it to hold public bodies to account for their financial management and the value for money they provide to the taxpayer for the public funds they spend. The main engagement is through the support the NIAO provides to the Public Accounts Committee (PAC).

Based on the evidence presented by the NIAO, the PAC publishes its own report and recommendations to the Assembly. The Finance Minister is then required to respond formally to these recommendations, specifying the action the audited body intends to take. The NIAO monitors the action taken and may revisit an issue where insufficient progress has been made.



1.6 Tackling Fraud

The NIAO promotes good practice in governance arrangements and helps to combat fraud. NIAO staff attend the audit committees of all the audited bodies, providing support, advice and guidance to both non-executives and senior staff. The NIAO provides training through programmes developed by the Chief Executives' Forum. The NIAO maintains a small counter fraud unit which provides support, advice and guidance on fraud related matters to public sector organisations. The key functions of this unit include local co-ordination of the biennial National Fraud Initiative (a UK-wide data matching exercise) and processing concerns raised by, among others, public sector employees, contractors and the wider public.

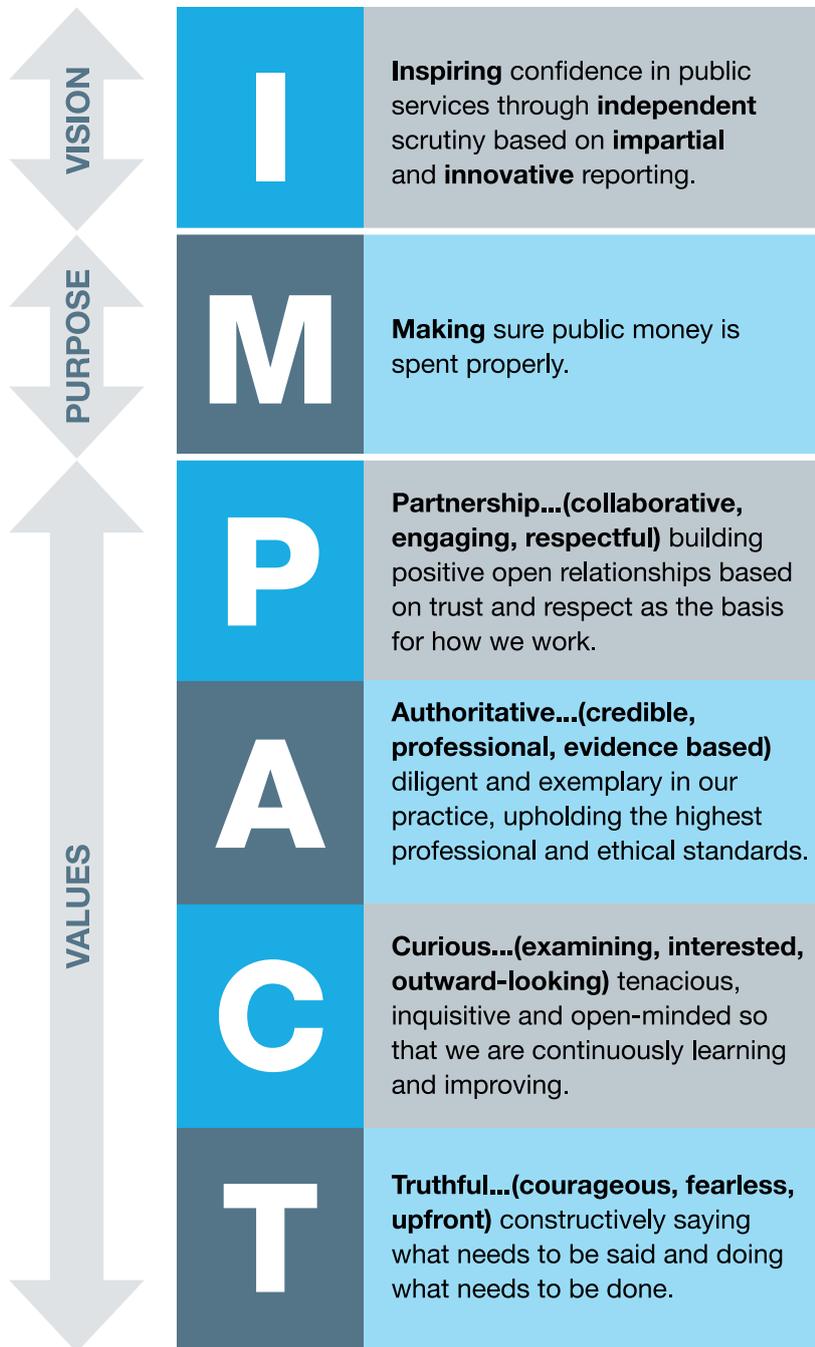


1.7 The Comptroller Function

The C&AG is responsible for authorising the issue of money from the Northern Ireland Consolidated Fund to enable Northern Ireland departments to meet their necessary expenditure, and for ensuring that there are adequate arrangements for the collection of revenue. This provides independent assurance to the Assembly that spending by government departments is lawful and within the scope, amount, and period of the appropriation or other authority, and it supports the important constitutional principle that the Executive cannot spend, borrow, or impose a tax without the Assembly's approval.

2 The Why and the How behind the What

At a time of change and uncertainty, the NIAO's vision (**the why**) is to provide assurance to the public on the integrity with which public money is spent and used for the maximum benefit. The NIAO core values (**the how**) underpin the way it works internally and externally. At one level the NIAO's purpose (**the what**) is very simple: to make sure that public money is spent properly. This is represented in the diagram below:



3 Strategic Context

The NIAO conducts its work in a dynamic context which is continuously changing and evolving. This section describes some of the key developments that will shape the implementation of the Corporate Plan during 2021 – 2024.



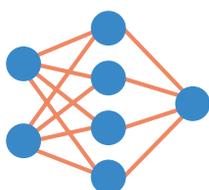
Supporting Democratic Scrutiny

The NIAO has a range of functions which helps the Assembly and the taxpayer to hold public bodies to account for their use of public money. The NIAO welcomed the return of the Northern Ireland Assembly in January 2020 and with it the re-establishment of the Public Accounts Committee (PAC). As a result, the full potential of our reports can be realised as a mechanism for supporting effective democratic scrutiny.



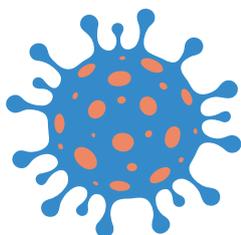
Supporting Innovation and Effective Risk Management

The focus for public services is, more than ever, on value and quality, as the twin challenges of Brexit and COVID-19 impact on public spending and financing. With less money available, the need for innovation, coupled with sensible risk management, will become more important than ever and the NIAO will have to play its role in this transformation process.



Agility

There is common purpose across all public sector organisations including the NIAO. Our collective aim is make public services better for the population of Northern Ireland. At the onset of COVID-19 in spring 2020, most services in the public sector were impacted and in response, we had to re-visit and re-prioritise our work programme, as well as reflecting on how to safeguard public money and services in crisis situations. Such challenges require our staff to be agile and flexible to meet these ever-changing demands.



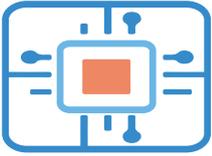
Impact of COVID-19

The legacy of COVID-19 will be wide-ranging across all parts of our economy and society. The crisis will impact upon the state of our public finances, our health service, the education of our young people and the provision of services to support the most vulnerable people in our society. Early indications are that the crisis has also accelerated some aspects of transformation, including cross boundary co-operation to provide relief and mitigate the worst effects of the pandemic. We have learned that crisis conditions compel collaboration and drive innovation as a necessity.



Leadership and Good Governance

Given the level of turbulence and change, the need for strong public sector leadership, guided by public service values, has never been greater. We all want to see leadership behaviours create a culture of openness and improvement. To enable this, leaders will need sound governance in their organisations to give assurance on internal propriety. As part of this process, the NIAO will support the development of modern board governance, to build resilience and also ensure succession plans are in place for key roles in the future.



Digitalisation

Digitalisation of working practices and delivery was accelerated during 2020 with the move to home working and increased use of technology. This will have increased capacity in new skills and practices across the public sector and provides a platform for transformation and greater efficiency, as well as quality. The NIAO will support the safe implementation of digitalisation as it develops from being a crisis solution to a mainstream solution in the 21st century.



Programme for Government

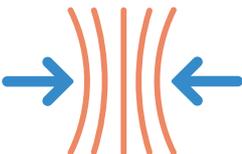
We are committed to driving and supporting the transformation of public services in partnership with our audited bodies. We will ensure that our forward work programme aligns with the Programme for Government (PfG) and the New Decade New Approach Agreement¹, based on genuine engagement with our stakeholders and focusing on what matters to government, elected representatives and citizens.



An Economic, Efficient and Effective Public Sector

Engagement with stakeholders reinforces the importance of the NIAO's role in driving positive change across the public sector. The corporate plan for 2021- 2024 reflects the unique contribution that the NIAO makes to maximising the value of Northern Ireland's public services:

- i. holding government and agencies to account for public sector spending;
- ii. supporting the development of good governance and modern board practices;
- iii. promoting high standards and ethical behaviour across the public sector;
- iv. strengthening the quality of strategic and long-term thinking across the public sector;
- v. acting as a catalyst for innovation, to raise performance;
- vi. disseminating best practice and embedding improvement;
- vii. engaging with senior leaders to anticipate the impact of emerging issues such as cybersecurity and environmental challenges;
- viii. providing career opportunities and structured professional development for our staff; and
- ix. being at the forefront of audit methodologies and public reporting.



Resilience

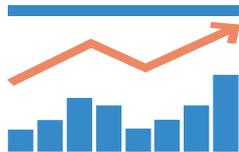
While 2021 signals hope for better days with the production of vaccines, it will be a long and winding road to recovery from the legacy of the COVID-19 pandemic. But this journey is one of opportunity and growth potential.

The NIAO will play its part in building public sector resilience by shaping the organisations that we audit to be stronger, trustworthy and equipped for the future.

¹ **New Decade, New Approach (NDNA)** is the January 2020 agreement which restored the government of the Northern Ireland Executive after a three-year hiatus.

4 Achievements

Since the introduction of our previous Strategic Corporate Framework (2018-2021), the NIAO has had a significant impact across the wider public sector.



4.1 Performance

The annual financial audit of public bodies is the core work of the NIAO, accounting for 65 per cent of our work resource. This provides us with direct engagement and insight into the operation of almost every public body in Northern Ireland.

Since 2018, we have delivered the audit of nearly 300 accounts from across the central and local government sectors and produced 57 public reports covering the findings of our financial audit work, value for money examinations in areas such as health, education, agriculture, social welfare and justice, a good practice guide on Performance Management for Outcomes, and Local Government Annual Improvement Reports for councils.



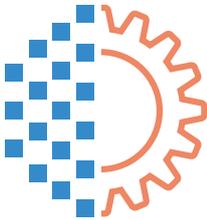
We deliver reports which are topical, timely and provide added value. This has continued since 2018 through to the return of the NI Assembly in January 2020, throughout the Brexit debate and the ongoing COVID-19 pandemic. We produced 31 public reports in 2019-2020, including major value for money reports on Major Capital Projects and Digital Transformation.

Our reports into the Renewable Heat Incentive Scheme (RHI), and the subsequent public inquiry, provided an opportunity to demonstrate our responsiveness, as we adjusted our own portfolio of work to tackle many of the issues and concerns from the inquiry as they arose. For example, in our report on Capacity and Capability in NICS we have addressed many of the issues raised during the inquiry, as it reached into the very culture of the public sector and how it works. This has led to us being tasked with monitoring the implementation of the recommendations of the inquiry report.

Our agility was further tested with the onset of COVID-19 from March 2020, leading to an adjustment in our three year public reporting programme to create more space for the audit of COVID-related expenditure.

We have also produced best practice guidance on Public Record Keeping and Raising Concerns in collaboration with other regulators. Through such reports, we continue to play a pivotal role in helping to build a modern, high performing public service that is accountable to taxpayers and citizens.

Copies of the full reports can be found on our website www.niauditoffice.gov.uk



4.2 Business Transformation

The NIAO continues to transform itself to meet emerging challenges through the Business Transformation Programme (BTP). The goal of the BTP is to ensure that we continue to have a highly skilled and motivated workforce, that our working practices are modern and that we continue to operate in an innovative and vibrant working environment.

We have established a Future and Quality of Audit working group to address the implications of the Brydon Report (published December 2019) on the Quality and Effectiveness of Audit, following on from the Kingman and Competition and Markets Authority reviews into regulation of audits and improving audit quality. These reviews had been conducted as a result of accounting irregularities leading to the collapse of companies such as Carillion, Patisserie Valerie and BHS.

In financial audit, we have introduced new long-term contractual arrangements with our private sector partners. We have also appointed the Institute of Chartered Accountants in England and Wales (ICAEW) to provide an independent external quality review of our financial audits on an annual basis. This builds upon our new governance model and the appointment of a new Board Chair and a team of new non-executive directors, to enhance accountability and transparency within the NIAO.



4.3 Monetary Impact

In conducting our work, we have a responsibility to provide value for money on the services we deliver for our stakeholders. One key measure we use is the savings to the public purse resulting from our work. Since 2018, we have delivered savings to the public purse of over £125 million.

The impact of audit activities is not confined to financial impacts. Examples of non-financial impacts are:

- improvements in how public bodies are governed and managed;
- enhanced efficiency and transparency in reporting; and
- improvement in internal controls.

And, of course, the threat of audit will also have a deterrent effect in discouraging illegal and improper activities.

So, in conclusion, while our achievements are many, we do not rest on our laurels and we will continue to challenge ourselves over the period of the new plan.

5 Corporate Strategic Priorities and Activities 2021-2024

This section sets out the strategic priorities and implementation activities for 2021-2024.



5.1 Support and promote high standards in public administration and financial management in a complex dynamic environment.

- Provide assurance to our taxpayers, ratepayers, elected representatives and the wider public through the timely delivery of our financial audit programme.
- Support the PAC in holding the public sector to account through the delivery of topical, timely and accurate reports.
- Promote high standards of leadership and transparency across the public sector.
- Promote a strong counter fraud culture across the public sector.
- Produce best practice reports and disseminate across the public sector.

Outcome:

The NIAO plays a key role in overseeing and providing assurance on public sector spending in Northern Ireland to the NI Assembly.



5.2 Influence the pace and direction of public sector transformation in Northern Ireland by providing independent insight.

- Ensure our reports and good practice guides target the key public sector priorities in a proportionate and timely manner.
- Influence public sector transformation through providing informed opinion on the contribution to PfG outcomes.
- Share lessons learned and insights gained through the public sector COVID response to accelerate transformation.
- Work collaboratively and constructively with other public sector leaders to develop more efficient and effective public services in Northern Ireland.
- Promote opportunities for 'joined up' working across the public sector to implement the new PfG.

Outcome:

Using its experience and expertise, the NIAO offers 'thought leadership' to the public sector as it transforms in a dynamic and challenging environment.



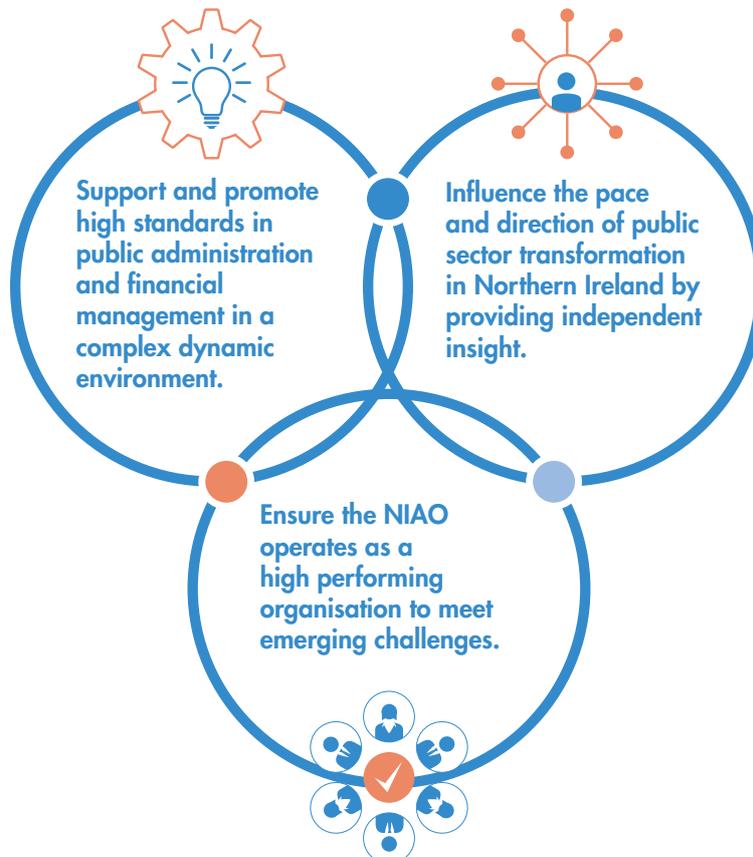
5.3 Ensure the NIAO operates as a high performing organisation to meet emerging challenges.

- a. Implement the NIAO People Strategy and Investors in People standards to develop the capacity and capability of our highly skilled, motivated and versatile workforce.
- b. Regularly review our audit policies, standards, procedures and methodologies, including digitalisation, to ensure the NIAO is at the forefront of best practice.
- c. Put in place robust governance and quality control mechanisms and apply consistently in a proportionate and cost effective manner.
- d. Develop a balanced suite of performance measures to oversee, manage and measure all aspects of performance and productivity.
- e. Create a modern attractive workplace and working arrangements that maximise the productivity of staff.

Outcome:

The NIAO is an exemplar of good governance and organisational economy, efficiency, and effectiveness.

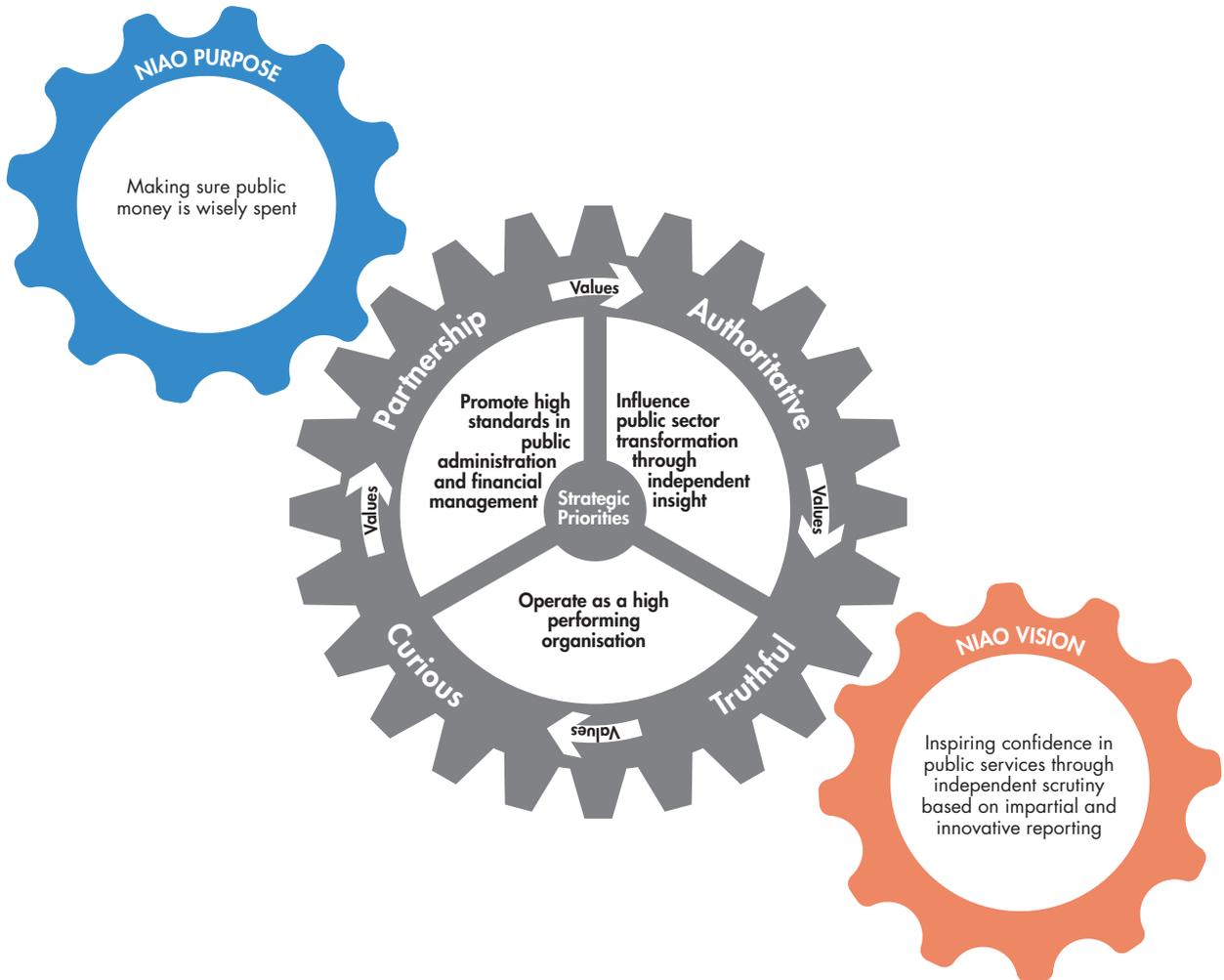
NIAO Strategic Priorities



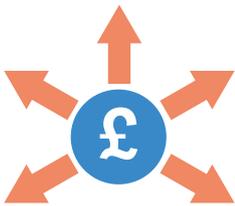
6 How It Fits Together

The NIAO's purpose drives its vision, which is delivered through our corporate priorities and our core values. How these fit together in an integrated way is represented in the diagram below.

NIAO Purpose, Vision, Values and Priorities

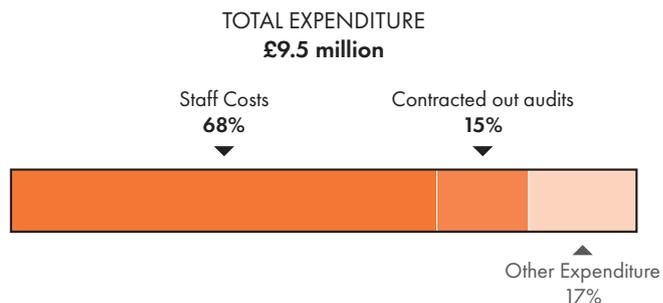


This section will set out how the NIAO deploys its resources and uses its budget to deliver the Corporate Plan priorities and achieve the vision.



6.1 NIAO Expenditure

Nearly 85 per cent of the NIAO budget is committed to investing in staff costs and contracts with private sector partners for the delivery of audits. The remainder is spent on the running costs of the NIAO. The diagram below illustrates the key areas of NIAO expenditure.



Note: Other Expenditure includes general office expenditure costs (14%), Govtech/SBRI expenditure (3%) and Non cash (1%)

- a. **Staff:** Staff salaries are central to managing our budget allocation and delivering our work priorities. We use a number of levers to control these costs but remain committed to retaining a strong in-house public audit service. Our aim is to build an optimal grade structure and skills mix that meets the current and future needs of the office and is contained within budget parameters.
- b. **Contracting:** We use contractors primarily to support the delivery of financial audits in peak periods. We value this partnership working and monitor the volume of contracted work to protect our internal capacity. Following a major review and procurement exercise in 2018-19, a total of 58 audits have been allocated to four approved firms through to 2023.
- c. **General office expenditure:** General expenditure covers many areas of resource including premises, travel and subsistence, ICT, governance, legal services and training. This is monitored and managed by in-house budget holders.
- d. **Income:** We derive income primarily from recovery of the costs of certain central government financial audits, all local government audits, the National Fraud Initiative and work undertaken for the National Audit Office. This income (accruing resources) will fund around 20 per cent of our gross resource requirement going forward.



6.2 Budget 2021-2024

The NIAO budget is subject to consideration and approval by the Northern Ireland Assembly Audit Committee. Increases in the budget bid for 2021-22 included:

- a. **Growing our own talent** - We plan to employ approximately four new Graduate Trainee Accountants (GTAs) and two new Apprentices on an annual basis. This equates to additional costs of £140,000 a year. We forecast that we will reach an optimum number of staff in 2022-23. These additional annual costs will be offset by departures or retirements. We accept that some of our trainees may move into other areas of the public sector after qualifying as accountants. This is the NIAO's contribution to the skills supply of the wider public sector and allows an ongoing cycle of graduate training.

- b. **Review of Implementation of RHI recommendations** – The RHI inquiry recommended that the C&AG should monitor and pursue the effective implementation of the inquiry’s recommendations. This work will form part of the integrated approach to our Public Reporting Programme, which will include relevant and thematic VFM studies as well as interim and evaluative specific RHI reporting. Funding of £150,000 a year has been approved to fulfil these responsibilities.
- c. **Digitalisation and Modern Audit Practices** – while the support secured through the Small Business Research Initiative (SBRI²) funding will help us develop our data analytics, we need to invest in building internal capability and capacity to drive new audit practices and methodologies. This will underpin the learning and development plans for our people. This ensures we work efficiently, maintain high professional standards and respond to developments in auditing standards and regulation.
- d. **Pay and non-staff costs inflation** – Approximately 70 per cent of our costs are salaries. Consolidated inflationary increases and pay increments in the region of £170,000 are required each year, including inflation in non-staff costs.
- e. **Contractor payments** – Sub-contracted audits are monitored, reviewed and signed off by the C&AG. Costs associated with these contracted out audits will increase by £115,000 in 2021-22.
- f. **Reduction in income** – We receive income from the National Audit Office for checks carried out on European Agricultural Funds received by Northern Ireland. While the size and scope of this work has grown in recent years, we estimate that it will be scaled down from 2021-22 onwards, resulting in an initial decrease in income of £190,000. This will help to free up resources and reallocate staff to other work for the NI Assembly. An element of this income represents a contribution to overheads.

² SBRI, administered by the Department for the Economy, provides innovative solutions to challenges faced by the public sector, leading to better public services and improved efficiency and effectiveness.

While the NIAO will absorb a number of costs in efficiencies, to cover the remainder will require an increase in the annual budget for 2021-22³ of £425,000 (5.1 per cent) with subsequent increases of £335,000 (2.1 per cent) and £120,000 (1.3 per cent) in the following two years. The projected budget allocation is summarised in Table 1 below:

Table 1: Resource DEL⁴ - Proposed 3 Year Budget

	MAIN ESTIMATE			
	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
Non-Ring-Fenced Resource DEL	8,150	8,575	8,760	8,880
Ring-Fenced Resource DEL D/I ⁵	175	175	175	175
TOTAL RESOURCE DEL	8,325	8,750	8,935	9,055
Increased requirement		5.1%	2.1%	1.3%



6.3 Providing a modern attractive workplace:

This section sets out the budget breakdown for the refurbishment of the NIAO's offices and equipment. It is based on the following assumptions:

- Capital resource requirements are usually £40,000 each year to cover fixtures and fittings and capital IT costs.
- Since 2018-19, additional capital costs have been incurred which are associated with a significant building refurbishment project to modernise our workplace. We are refurbishing our premises at 106 University Street and leasing an area of the building which is not fully utilised at present, generating additional income. More open plan areas will be created, with more flexible working approaches adopted. The project is currently at the detailed design stage, with the expectation that the main building works will commence at the beginning of June 2021.
- We are working with the Department of Finance's Construction and Procurement Delivery (CPD) unit and the Strategic Investment Board in taking this project forward.

³ Agreed by NI Assembly Audit Committee.

⁴ DEL – Departmental Expenditure Limit.

⁵ D/I – Depreciation/Impairment

- d. Our estimated capital costs over the three years of our strategic plan are summarised in Table 2 as follows:

Table 2: Capital DEL - Proposed 3 Year Budget

	2021-22 £'000	2022-23 £'000	2023-24 £'000
Accommodation refurbishment	4,410	719	0
IT/Fixtures & fittings	40	40	40
TOTAL CAPITAL	4,450	759	40

It is anticipated that the provision of such accommodation will future-proof our services, enable us to continue to attract top candidates in our recruitment process and realise the benefits of working together.

7 Measuring Performance

The 2021-2024 NIAO Corporate Plan is disaggregated into an annual business plan which sets out clear activities, responsibilities and time frames. Progress against these are measured using a suite of key performance indicators (KPIs) that link the corporate priorities to everyday activities.

The KPIs are monitored by the NIAO Senior Management Team (SMT) and the NIAO Advisory Board using the balanced scorecard approach:



7.1 Balanced Scorecard

Like many other organisations, the NIAO has adapted Kaplan and Norton's classic balanced scorecard approach to produce a customised balanced scorecard that links the NIAO corporate priorities to a comprehensive set of measures and KPIs in our annual business plan. This is a holistic performance measure that provides a balance between internal and external indicators of performance.

The NIAO balanced scorecard consists of four perspectives that provide a broad assessment of the NIAO's corporate health and performance in the immediate and longer-term time frames:

- i. **Stakeholder satisfaction:** how the NIAO is perceived to add value by its key stakeholders including citizens, Members of the Northern Ireland Assembly, the Public Accounts Committee, audited bodies and our staff;
- ii. **Internal operational efficiency:** how productively the NIAO operational processes function and comply with quality standards;
- iii. **Growth and learning:** how well the NIAO prepares for the future through developing its people, innovation and transforming the organisation; and
- iv. **Finance and resources:** how well the NIAO optimises all its resources including budget management, staff utilisation, income generation and use of facilities and equipment.

For each perspective, the NIAO has an overall goal that is measured by relevant KPIs in our annual business plan. Many of the measurement systems for reporting on these are already in place. Some new methods will be piloted during the 2021-2024 time frame, including public engagement and development of substantive feedback mechanisms with the PAC.

The NIAO balanced scorecard is presented diagrammatically below:

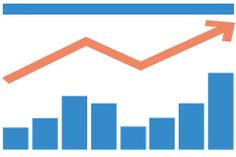
NIAO Balanced Scorecard



The balanced scorecard is inextricably linked to the NIAO's corporate priorities. Using it as a lens for monitoring performance will align everyday operational activity with longer-term outcomes. Reporting on the NIAO balanced scorecard keeps a focus on short-term and longer-term strategic priorities.

The KPIs will be translated into tangible measures in the NIAO annual business plan for 2021-2022. The NIAO balanced scoreboard results will be regularly reviewed by the SMT and Advisory Board. The results will be shared with staff through regular management meetings.

Measurement is not an end in itself. The results will be used as a guide to assessing overall organisational performance and point to areas that may need strengthening.



7.2 Performance Management

The lifetime of this Corporate Plan is 01 April 2021 – 31 March 2024. It provides the strategic framework for the development of the annual business plan, which then informs performance objectives for directors and staff.

Progress in implementing the corporate plan is reviewed annually in December by the SMT, Advisory Board and PAC. Individual performance reviews are held in January/February. This Corporate Plan will be refreshed in the Autumn of 2023.

