

# **NIAO Advisory Board Meeting**

## **Friday 7<sup>th</sup> June 2013**

**Present:** Gary Martin (Non Executive Member - Chair)  
Mary Halton (Non Executive Member)  
Daniel McLarnon (Non Executive Member)  
Kieran Donnelly (Comptroller & Auditor General)  
Louise Mason (AAG Division F)  
Janet Sides (AAG Division A)  
Eddie Bradley (AAG Division V)

Calwell Steele (Secretary)

### **SECTION 1 PRELIMINARY/ADMINISTRATION**

#### **1. Apologies.**

There was full attendance of members and the Chair welcomed those present to the meeting of the Board.

#### **2. Declaration of Conflicts of Interest**

There were no issues declared by Board members which would be in conflict with the agenda for the meeting.

#### **3. Previous Minutes**

The Board approved the minutes of the meeting held on 12<sup>th</sup> April 2013, noting the action taken to address matters identified as requiring attention from the meeting. The minutes will now be posted to the NIAO website.

### **SECTION 2 GOVERNANCE ISSUES**

#### **4. Brief by Chair of Audit Committee**

The Chair of the Audit Committee briefed the Advisory Board on the main issues which had been discussed at the latest meeting of the Committee. Members had discussed the Internal Audit reports and will look again at the IA plan. The Committee asked to see a reconciliation between planned and actual work and costs against budget. The Committee noted the progress being made on the implementation of recommendations made in the 2013-14 reports. The IA report on IT was reviewed and the Committee sought assurance that the controls in place were operating and that assurance could be provided to support the governance statement. A high level strategy paper is to be prepared by management within the next week to provide summary assurance. In relation to risk management, the

Committee reviewed the Corporate Risk register noting the inclusion of the Business Improvement risk. In relation to the risk focusing on financial management a review of the budgetary processes was planned. Divisional assurance statements were also reviewed.

The Committee reviewed the draft annual report and accounts and some suggestions were to be considered before the accounts were to be finalised. A draft annual report from the Chair of the Audit Committee was discussed and would be finalised when written assurances had been received on the outstanding matters referred to above. Some minor changes are to be made to the report on whistleblowing and the Committee reviewed the statements on senior management expenses, health and safety, anti- fraud and quality assurance.

#### **5. Corporate Risk Register**

An expansive discussion took place on the Corporate Risk Register and the Board considered the risks noted and the potential for key risks to be overlooked and therefore omitted from the register. The Board continues to be supportive of the action being taken to address the operational contingency issues relating to the provision of ICT services and noted the progress being made. The inclusion of the Business Improvement risk was discussed as was the programme being put in place to deliver this risk. The register continues to be reviewed regularly.

#### **6. Minutes of Executive Team**

Copies of the latest sets of minutes were passed to the Board members for information.

### **SECTION 3 STRATEGIC ISSUES**

#### **7. IT Issues**

It was noted that the IT position has continued to improve and systems are stable. A strategy for IT is to be prepared which will incorporate resources required to provide the IT service and the input from external suppliers. It was noted that the first phase of the migration to IT Assist had been completed successfully on 11 and 12 May 2013.

#### **8. Stakeholder Analysis**

A discussion on how NIAO could better develop engagement with its stakeholders took place and it was agreed that the next step was to undertake a formalised process of capturing and assessing performance of NIAO in the area of stakeholder engagement. A validated and recognised model will be used to facilitate this process, and this will allow for the framing of the purpose and scope of stakeholders and their categorisation. It will indicate how to plan the engagement process, how

to prepare and mobilise resources to implement that plan. In a process of continuous improvement it will also indicate how to review and improve the plan.

#### **9. Revisit of SWOT Analysis**

Following the SWOT analysis carried out at a previous Board meeting it was decided that the Board should meet within the next two months away from the office to discuss and develop a strategy for the NIAO. The C&AG briefed members on the Business Improvement initiative which is now in place following the results of the staff survey. He outlined the way forward including the appointment of a Director for Business Improvement and Communication and the setting up of a steering group which would take the lead on a number of key issues beginning with leadership, communication, training, resourcing and matters which can be introduced in the short term.

#### **10. Emerging Issues**

The C&AG informed the meeting that a key issue emerging was the structure of senior management and the need to involve the wider Directorate in the decision making process.

### **SECTION 4 REVIEW OF OPERATIONAL IMPLEMENTATION**

#### **11. Progress Reports**

##### **Division F**

Division F does not provide a progress report until the end of July each year.

##### **Division V**

In relation to value for money audits the Division was content that its workload was progressing well. The Division continues to monitor quality and costs and will provide more detailed information to the next Board meeting.

##### **ISQC1 Monitoring Report.**

The Board was informed that Internal Audit will carry out a review on quality control in 2013-14.

#### **12. Draft NIAO Report and Accounts 2012-13**

The Board was informed that following the external audit of the accounts an unqualified certificate will be given. After some minor alterations the report and accounts will be finalized.

**13. Financial Update**

The Board was informed that in 2012-13 there was an underspend of 3.8 per cent. A review of the budgetary process is to be carried out which will include tighter controls monitoring and will result in more meaningful and precise forecasting of expenditure. The Finance Manager will liaise with other audit agencies as part of the review.

**14. Freedom of Information requests**

There were 19 requests under Freedom of Information legislation in 2012-13. These were handled appropriately with no issues arising.

**15. SECTION 5- AOB**

The Chair and secretary will liaise to organize an extra meeting of the Board to discuss Strategic Development.

The next scheduled meeting of the Board will be held on Friday 13<sup>th</sup> September 2013.