

Strategic Planning Meeting - NIAO Advisory Board
Thursday 1st August 2013
Committee Room 29 Parliament Buildings, Stormont Estate

Gary Martin (Chair – Non Executive Member)
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)

1. Apologies.

There was full attendance of members and the Chair welcomed those present to this additional meeting of the Advisory 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.** The meeting was held in Parliament Buildings Stormont and was convened to discuss Strategic Planning and provide clarity on the role of the NIAO Advisory Board as part of the board's ongoing discussion and development of strategic issues affecting the NIAO. The Chair provided members with a brief summary of the structure of the meeting and his expectations that at the end of the meeting understanding about the role of the advisory board would be enhanced.

4. Role of the Advisory Board

The members discussed the role of the advisory board and its relationship with the Comptroller and Auditor General (C&AG) who is, by dint of legislation, a corporation sole.

The Chair compared the Board of the NIAO to that operating in other audit agencies and made two particular points. First that the NIAO Board acted on a mandate set by the C&AG and second that, unlike statutory Boards in certain other bodies it had no legislative authority. These points were important in that the Advisory Board can only act in an advisory capacity and it was constrained by statute in what it can do.

Following lengthy discussion a number of action points were agreed;

- In relation to the way forward there were two recommendations tabled for further consideration by the C&AG.
 - These are;
 - Either staying as an advisory board type arrangement but revisit the approach to calibrating the agenda for each meeting and the mechanics around how advice is offered to the C&AG, thereby avoiding the potential for any possible duplication with the work of the Executive Team or the Audit Committee. This could eventuate a more free flowing format for discussion at meetings, each meeting covering a structured theme, rather than a detailed agenda. This would necessitate a review of how the Terms of Reference are currently constituted, as well as minutes of meetings reflecting explicit recommendations and advice to the C&AG relating to each of themes discussed; or
 - Move towards operating like a statutory board which would require greater resources to carry out that function. To become a full statutory Board would require legislative change.
- When the approach favoured by the C&AG is decided upon, broader aspects of the corporate governance of NIAO can be addressed.

5. Other Strategic Considerations

The members undertook a macro level overview using PEST analysis and followed this up with a more micro level review based on Porter's Value Chain Analysis adapted for public sector organizations. As a result of these analyses, a number of potential action points were identified as follows;

- The C&AG wishes to focus more on the preparation and marketing of good practice material in the Office's forward work programme and would like to create space to highlight areas where there is good practice in audited bodies and for this to be reflected in the next Corporate Plan.
- It was agreed that there is value in involving the PAC more pro-actively in the design stage of VFM studies.
- There is a need to build a greater rapid response capability, particularly in cases of fraud or impropriety.

- We will continue to monitor how we can make greater use of the influence of the media and social media in the publication and promotion of our reports, as well as utilizing technological capabilities to widen access of the Office's work to a wider audience, e.g. through the use of podcasting.
- Our financial audit is fully automated and we should work towards having our VFM provision fully automated, as well as the use of computer assisted audit techniques in financial audit.
- The office is to look at the use of certain research databases to enhance the research capacity of the office.
- How the NIAO might best work with other audit agencies to review a Financial Audit Manual.
- The Strategy and People Strategy Maps produced for the meeting should be submitted to the Executive Team and C&AG for further discussion and development with staff.
- Consider 'stop start' process reviews to ensure we operate best practice, and that work processes avoid any unnecessary duplication.

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