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Dr Andrew Murrison MP
Chair, NI Affairs Committee
Committee Office
House of Commons
London
SW1A 0AA

1st March 2018

Dear Dr Murrison,

Your correspondence of 7 February 2018

It was good to meet with you at Parliament Buildings earlier this month, where we discussed the work of my office since the collapse of devolution early last year. Following on in your subsequent correspondence you have sought:

- An overview of the work of the Northern Ireland Audit Office since January 2017;
- A summary of what the usual process would be for scrutiny of the work by the Executive and the Northern Ireland Assembly; and
- An overview of the engagement I have had with the Northern Ireland Office to make my Office's reports available.

Taking each of these issues in chronological order:

Overview of the work of the Northern Ireland Audit Office since January 2017 - the key reports I have published, together with a brief résumé of each publication, since the collapse of the Assembly, is set out on Appendix 1 to this letter. I have also included a list of studies which are currently ongoing.

[In the letter I have mailed to you, I have also included a hard copy of each report, the media release and associated media coverage.]

A summary of what the usual process would be for scrutiny of the work by the Executive and the Northern Ireland Assembly – The process which would normally apply in Northern Ireland is very similar to that which operates in Westminster.

My Office produces around nine Value for Money reports per annum which form the main business of the Public Accounts Committee (PAC). These reports are laid before the Assembly under the Audit (NI) Order 1987. PAC has first call on these, but may, on occasion, cross refer a report to the relevant departmental scrutiny committee.

PAC may also take evidence on any account which I have certified – it will concentrate on those where I have made a substantive report, or on reports which I may produce reporting risks to regularity, propriety and the conduct of public business. The most recent report of this nature was on the Renewable Heat Incentive Scheme.

Evidence is normally taken from the Accounting Officer of the relevant Government Department who is responsible for the revenue or expenditure under examination.

The Committee normally aims to produce its own report, agreed by all members, on each hearing. The Executive will be expected to respond to the Committee's reports in the form of a 'Department of Finance and Personnel Memorandum' within 2 months of publication. This Memorandum is prepared by the Department of Finance in consultation with the body examined and sets out the action the body intends to take in response to the Committee's recommendations. My Office will follow up on the outworkings of these responses on an ongoing basis.

An overview of the engagement I have had with the Northern Ireland Office to make my office's reports available - I have had no direct contact with the Northern Ireland Office (NIO) but I understand that there have been discussions between NIO and the Northern Ireland Civil Service on how, in the absence of devolved government, the Civil Service will strengthen the transparency of its arrangements for responding to the recommendations and findings contained in my reports.

I understand that this could involve the Civil Service making their responses to my reports available to the Secretary of State.

I trust that this response addresses each of the issues that you have raised. If you need any further clarification or more detail, please do not hesitate in contacting me.

Yours sincerely

A handwritten signature in cursive script that reads "Kieran J Donnelly".

KIERAN DONNELLY
Comptroller and Auditor General

NIAO Publications since suspension of the Northern Ireland Assembly (26 Jan 2017)

Value for Money Reports

Publication	Report	Summary
Feb 2018	Continuous Improvement in Policing	This report examines the performance summary of the Policing Board and the Police Service of Northern Ireland in 2016-17 and the Policing Plan for 2017-18.
Nov 2017	Managing the Central Government Office Estate	This report is a review of the management of the Northern Ireland Central Government Office Estate, which comprises 276 offices owned, or rented, by almost 100 different public sector organisations. The annual running costs of the estate is around £100 million. The report focuses on the progress made since my previous report on Property Asset Management in Central Government in 2012.
Nov 2017	Homelessness in Northern Ireland	This publication examines the scale and nature of homelessness in Northern Ireland and focuses on how effective the NIHE's Homelessness Strategy 2012-17 has been in addressing this issue.
Sept 2017	Access to Finance or small and medium-sized enterprises (SMEs) in Northern Ireland	This report focuses on the progress made by Invest NI in implementing its 'Access to Finance Strategy'. The strategy comprises seven funds which are mainly making investments and loans to local SMEs, which provide approximately three-quarters of all private sector jobs and turnover in Northern Ireland.
July 2017	Managing Children who Offend	My report on "Managing Children who Offend" examines the cost of youth offending and the strategies and interventions used by the Department and the Youth Justice Agency to deal with youth offending and reoffending.

June 2017	Renewable Heat Incentive Scheme 2016-17	In July 2016, I reported on significant concerns surrounding the non-domestic Renewable Heat Incentive scheme following my audit of the 2015-16 accounts of the then Department of Enterprise, Trade and Investment. This report was then considered by the Public Accounts Committee which held seven evidence sessions up to January 2017. However, it was unable to complete its work and produce a report before the NI Assembly was dissolved and a Public Inquiry was announced in January 2017 (which is still ongoing). This report provides an update on the important issues relating to the non-domestic Renewable Heat Incentive scheme following my audit of the 2016-17 accounts of the Department for the Economy.
June 2017	Special Educational Needs	This report focuses on the provision for children with Special Educational needs (SEN) in mainstream schools. It looks at the process for identifying these children, the costs of providing for children with SEN and the processes in place to monitor and evaluate the impact of the SEN provision.
April 2017	Management of the Transforming your Care reform programme	This report examines the management of the Transforming Your Care (TYC) reform programme within the health and social care services. The aim of the scheme was to set out a shared view on how services would need to change and what models of care would be required to meet the vision of everyone living longer, healthier lives, where home would become the “hub” of the health and social care services they receive.

Good Practice Guide

Nov 2017	Managing the Risk of Bribery and Corruption	The guide aims to help Northern Ireland public sector organisations and individual public officials identify how bribery and corruption may occur, highlight the key risk areas and provide advice on how the risks can be countered, both at an organisational and personal level.
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The Office also has a number of studies in progress, including

Report

Summary

Due for publication on Tuesday 6th March 2018 - Type 2 Diabetes prevention and care

This study assesses the extent to which the Department of Health and its health and social care partners have strong policy, strategies and information systems in place to meet the needs of people suffering, from Type 2 diabetes, or those at risk of developing the condition, whilst at the same time trying to minimise the significant cost burden which the condition is imposing on the local healthcare system.

Waste Crime

My report will examine Northern Ireland Environment Agency's approach to the regulation of the waste industry, and considers how it tackles waste crime. It will also include:

- what progress has been made to implement a more integrated approach to licensing and compliance;
- examination of enforcement activities and outcomes; and
- consideration of the data available to help the NIEA tackle waste crime.

Financial Health of Schools

This report will focus on the extent to which schools have been able to manage within their budget for the period 2011-12 to 2015-16 and whether surpluses or deficits are within required limits; and consider the actions and initiatives being taken by the Department and the Education Authority to address the financial issues facing schools.

The Executive Office – Social Investment Fund

The Social Investment Fund was established in March 2011 with a budget totalling £80 million. It was set up to deliver social change and aims to make life better for people living in targeted areas by reducing poverty, unemployment and physical deterioration through area based interventions delivered in partnership with communities.

My report will examine:

- the structure and governance arrangements of the Fund;
- the operation of the Fund and the extent to which it represents an example of joined up working in government; and
- the performance of the Fund and outcomes for targeted communities to date.