



**Northern Ireland
Assembly**

AUDIT COMMITTEE

MINUTES OF PROCEEDINGS

**WEDNESDAY 21 SEPTEMBER 2016, ROOM 21, PARLIAMENT BUILDINGS,
BALLYMISCAW, STORMONT**

Present: John O'Dowd MLA, Chairperson
Kellie Armstrong MLA, Deputy Chairperson
Jo-Anne Dobson MLA
Claire Hanna MLA
David Hilditch MLA

In Attendance: Shane McAteer, Assembly Clerk
Keith McBride, Senior Assistant Assembly Clerk
Clairita Frazer, Assistant Assembly Clerk
Alison Ferguson, Clerical Officer

Apologies: None.

The meeting commenced at 10.02am in open session.

Agreed: that agenda items 5 & 6 are recorded by Hansard.

1. Apologies.

As detailed above.

2. Declaration of Interests.

Members noted that they are obliged to declare any relevant financial or other interests before and during each Committee meeting.

3. Draft Minutes of meeting held on 29 June 2016.

The draft minutes of the meeting held on 29 June 2016 were agreed.

4. Matters Arising.

4.1 Protocol for Budget process of the Northern Ireland Audit Office (NIAO).

Claire Hanna joined the meeting at 10.05am

Members considered a draft protocol on the process for agreeing the NIAO budget, which followed the principles and practice contained in the existing protocol for agreeing the NIAO Annual Estimate.

Agreed: that the Committee provisionally agrees the draft protocol on the process for agreeing the NIAO budget and that this is trialled over the upcoming budget process as applicable; that NIAO, the Department of Finance (DoF) and the Public Accounts Committee (PAC) are provided with a copy of the draft protocol for information and comment as applicable; and that the Committee will review and finalise the protocol in 2017-18, taking account of any lessons identified from its use over the upcoming budget process.

4.2 Protocols for Budget and Estimates processes of the Northern Ireland Public Services Ombudsman (NIPSO).

Members considered draft protocols on the processes for agreeing the NIPSO budget and estimate, which followed the principles and practice contained in the existing protocol for agreeing the NIAO Annual Estimate.

Agreed: that the Committee provisionally agrees the draft protocols for agreeing the NIPSO budget and estimate and that these are trialled over the upcoming budget process and the subsequent estimates process; that NIPSO and DoF are provided with copies of the draft protocols for information and comment as applicable; and that the Committee reviews and finalises the protocols in 2017-18, taking account of any lessons identified from their use over the coming year.

4.3 Research paper on Salary Arrangements for Comptroller and Auditor General (C&AG).

Agreed: to note this paper pending an oral briefing at a later meeting.

4.4 Contract Extension for External Auditor for NIPSO.

Members consider correspondence on this matter from DoF, dated 16 August 2016.

Agreed: that the Committee is content to note and endorse DoF's decision to extend the current contract with Baker Tilly Mooney Moore as the appointed external auditor of NIAO for another two years to cover the audit of the 2016-17 and 2017-18 accounts.

5. NIAO Briefing on 2017-20 Budget position.

The Chairperson welcomed the following NIAO officials to the meeting:

- Kieran Donnelly, C&AG;
- Janet Sides, Assistant Auditor General, NIAO;
- Andrew Allen, Audit Manager, NIAO; and

- Brandon McMaster, Audit Manager, NIAO.

Jo-Anne Dobson joined the meeting at 10.12am.

David Hilditch left the meeting at 10.38am.

Jo-Anne Dobson declared an interest as the sister-in-law of Janet Sides, Assistant Auditor General who was presenting to the Committee for this agenda item.

The session was recorded by Hansard.

The Committee questioned the NIAO officials on the NIAO's 2017-20 Budget position.

Agreed: that the issues not addressed by NIAO officials during the session will be sent to the Audit Office for written response in advance of further Committee consideration.

The Committee noted that it would need to seek DoF's views on the NIAO Budget by 17 October 2016 to meet the deadline set by the Department for Assembly committee views to be submitted and factored into Executive deliberations in relation to the final Budget.

Agreed: to write to PAC seeking views in relation to the NIAO Budget.

Agreed: that any comments received from DoF and PAC on or before 17 October 2017 will be sent, on receipt, to NIAO for consideration in advance of the Committee meeting again on Wednesday 26 October 2016 to finalise its position.

6. NIPSO Briefing on 2017-20 Budget position.

The Chairperson welcomed the following NIPSO officials to the meeting:

- Ms Marie Anderson, Northern Ireland Ombudsman;
- Mr Paul McFadden, Deputy Ombudsman, NIPSO Office; and
- Mr John McGinnity, Director of Finance and Corporate Services, NIPSO Office.

The session was recorded by Hansard.

The Committee questioned NIPSO officials on the NIPSO's 2017-20 Budget position.

Claire Hanna left the meeting at 11.39am.

Agreed: that the issues not addressed by NIPSO officials during the session would be sent to NIPSO for written response in advance of further Committee consideration.

The Committee noted that it would need to seek DoF's views on the NIPSO Budget by 17 October 2016 to meet the deadline set by the Department for Assembly committee views to be submitted and factored into Executive deliberations in relation to the final Budget.

Agreed: that any comments received from DoF on or before 17 October 2016 will be sent, on receipt, to NIPSO for consideration in advance of the Committee meeting again on Wednesday 26 October 2016 to finalise its position.

7. Correspondence

The Committee noted the following items of correspondence:

- 7.1 Correspondence dated 6 July 2016 from C&AG re anonymous NIAO whistleblower;
- 7.2 Correspondence dated 11 July 2016 from Chair of NIAO Audit Committee re anonymous NIAO whistleblower;
- 7.3 Draft response to the anonymous NIAO whistleblower;

Agreed: that, in light of the assurances received from the C&AG and the Chairperson of the NIAO Audit Committee, there was no further role for the Northern Ireland Assembly Audit Committee in respect of the matters raised in the correspondence from the anonymous whistleblower; and that the Committee's response, as drafted, will be issued to the Clerk to the Assembly for forwarding to the anonymous correspondent.

- 7.4 Correspondence dated 18 August 2016 from the Minister of Finance re NIAO whistleblower;

Agreed: to write to whistleblower seeking permission to forward the correspondence to the NIAO Audit Committee and C&AG for comment on the issues raised.

- 7.5 Correspondence dated 15 September 2016 from the Finance Committee re the Budget Process.

8. Any Other Business

There was no other business.

9. Date, Time and Place of Next Meeting

The next meeting of the Committee will take place at 10am on Wednesday 26 October 2016.

The Chairperson adjourned the meeting at 11.52am.

Mr John O'Dowd MLA
Chairperson
Audit Committee
26 October 2016