



Framework Document

March 2010

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INTRODUCTION

The Northern Ireland Statistics and Research Agency (NISRA) is an Executive Agency within the Department of Finance and Personnel (DFP) and has been in existence since April 1996. The Agency also incorporates the General Register Office (GRO) for Northern Ireland.

NISRA's Core Purpose is:

To provide a high quality, cost effective, statistics, research and registration service that informs policy making, the democratic process and the wider public

The purpose of the Framework Document is to set down relationships between the Minister, the Agency and its parent Department, the Department of Finance and Personnel (DFP). The Framework Document describes the status of the Agency and its functions. It also identifies the Agency's aims and objectives and the measures that will be employed to assess its performance. The roles of the Minister, the Permanent Secretary and the Chief Executive, together with their respective responsibilities and lines of accountability are set out in the document. Relationships with the rest of the UK statistical system are also set out. The Framework Document will be subject to review after 5 years.

SECTION 1 – Status, Vision, Aims and Functions

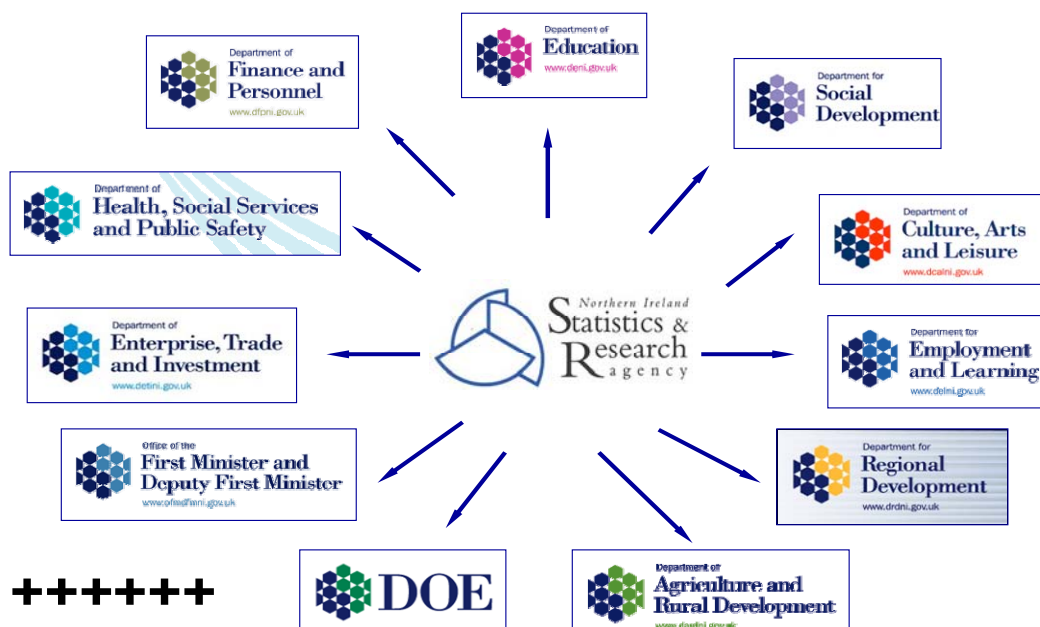
1.1 Status

NISRA is the principal source of official information on Northern Ireland's population and socio-economic conditions. The statistics produced by the Agency not only inform the policy process within Government, but also academic and private sector research and they contribute to debate in the wider community.

The Agency incorporates the General Register Office (GRO) for Northern Ireland, which provides a civil registration service allowing the production of summary statistics relating to life events.

NISRA's statistics and research services are afforded to a wide range of government Departments and Agencies to assist the policy process and delivery of their objectives and actions as well as being the main source of official statistics for the general public and businesses.

NISRA adheres to the UK Statistics Authority's Code of Practice for Official Statistics, which sets out the principles and practices by which government statistics should be produced. Part of the Code is compliance with the Pre-Release to Official Statistics Order (NI) 2009 which sets out the rules under which privileged pre-release access to official statistics before their publication can be granted. It is NISRA's role to ensure that statistical outputs are fit for purpose and that users have a high degree of confidence in them.



1.2 Vision

NISRA's vision is to be recognised as an organisation:

- *that instills public confidence in the integrity and independence of statistics produced by the Agency;*
- *that promotes evidence based policy making;*
- *that provides an understanding of social and economic conditions in Northern Ireland and how they change over time; and*
- *that is a preferred place to work for its people.*

1.3 Aims

The corporate aims of NISRA are as follows:

- to provide a statistical and research service to support decision making by Northern Ireland Ministers and Departments and to inform elected representatives and the wider community through the dissemination of reliable official statistics; and
- to administer the marriage laws and to provide a system for the civil registration of births, marriages, civil partnerships, adoptions and deaths in Northern Ireland.

1.4 Functions

The principal functions of the Agency are:

- to provide and co-ordinate professional statistics and research services, and to be the principal advisory body on statistics and social research for Northern Ireland Departments, Agencies and Non-Departmental Bodies;
- to carry out the Census of Population and provide high quality demographic information to enable the number and the condition of the population to be monitored and changes over time to be identified;
- to collect, analyse and make available official statistics which describe Northern Ireland's society, economy and public services;
- to ensure that statistical and research standards are adhered to and that the best appropriate methodological practice is employed in official statistics, social research and policy evaluation;
- to provide Northern Ireland statistics required for the United Kingdom, European Union and international statistical series; and
- to administer the marriage laws and provide an efficient and effective system for the registration of births, marriages, civil partnerships, adoptions and deaths in Northern Ireland.

SECTION 2 - Strategic Goals

NISRA has used the balanced scorecard approach to provide a business focus for both the short- and the long-term and which can help to put meaningful performance measurements in place. The Agency has four strategic themes with associated outcomes.

These are:

<i>Business Results</i> Provide a high quality statistics, social research and civil registration service to Northern Ireland Government and the public	<i>Users</i> Increase our customer base and increase our level of customer satisfaction
<i>Internal Processes</i> Manage the production and dissemination of official statistics and social research on Northern Ireland in keeping with the UK Statistics Authority Code of Practice and other relevant guidance	<i>Organisation and People</i> Ensure that appropriately skilled people are employed in the statistical production process and that NISRA is a preferred organisation in which to work.

2.1 Strategic theme: ***Business Results***

Provide a high quality statistics, social research and civil registration service to Northern Ireland Government and the public.

NISRA will aim to develop its services informed by our users' perspectives. To this end we will gather information on the use of our services, how our services compare with others, and assess the demand for both current and new products/services. We will provide good value for money.

2.2 Strategic theme: **Users**

Increase our customer base and our level of customer satisfaction.

NISRA will improve accessibility to its services and products by enhancing and expanding electronic means of delivery to customers. We will strive to continually improve the level of services provided so that customer needs are met. The Agency will thus survey its customers so that it can respond to their changing needs, reviewing and updating Service Level Agreements as required.

2.3 Strategic theme: *Internal Processes*

Manage the production and dissemination of official statistics and social research on Northern Ireland in keeping with the UK Statistics Authority Code of Practice for Official Statistics and other relevant guidance.

NISRA aims to provide a statistics and research service to support decision making by Ministers and Departments, and to inform elected representatives and the wider community of social and economic conditions in Northern Ireland through dissemination of reliable official statistics and research.

In producing its statistics and research outputs, NISRA will adhere to the Code of Practice for Official Statistics and associated guidance and legislation. Compliance will be monitored. This will provide the quality framework to ensure that all NISRA statistics and research information are of a high standard, on which a high degree of confidence can be placed.

2.4 Strategic theme: *Organisation and People*

Ensure that appropriately skilled people are employed in the statistical production process and that NISRA is a preferred organisation in which to work.

NISRA will ensure that its people are sufficiently skilled and motivated to

- *carry out the jobs that are expected of them; and*
- *fulfil the NISRA vision.*

We will ensure that we have the right people in the right place at the right time, achieved through good people planning, active career management, and the facilitation of moves for the benefit of the business and the individual. Our aim is to have a skilled and motivated workforce created through a culture of nurtured career development, as a consequence of well managed personal development and planned staff placement.

SECTION 3 - Responsibilities

The Agency is subject to the overall direction and control of the Minister of Finance and Personnel. The Minister is responsible to the NI Assembly for the working of the Agency.

3.1 Minister

The Minister of the Department of Finance and Personnel (DFP) determines the policy framework within which the Agency operates and the scope of its activities. The Minister agrees the terms of the Framework Document, sets key targets, determines the resources to be made available to the Agency and holds the Agency to account in terms of delivering against its targets.

The DFP Minister does not normally become involved in the day-to-day operation of the Agency but expects to be consulted by the Chief Executive on the handling of operational matters which could give rise to significant public or political concern.

3.2 The Agency Chief Executive

The Chief Executive is the Minister's principal advisor on statistical and social research issues in Northern Ireland. The Chief Executive is directly responsible to the DFP Minister for the management of the Agency's performance and operations and is consulted by the Department before any proposals significantly affecting the work of the Agency are put to the Minister.

The Chief Executive's responsibilities include:

- preparing draft Corporate and Business Plans, including approved key targets;
- achieving the Agency's key performance targets;
- managing the Agency's resources efficiently, effectively, economically and equitably;
- continuously reviewing the structures, staffing levels, business processes and support services for the Agency as a whole;
- providing the Minister with such information as is required enable the Agency's performance to be monitored; and
- laying an Annual Report and Accounts before the NI Assembly.

The Chief Executive is Head of Profession for the Statisticians' Group within the Northern Ireland Civil Service, and has responsibility for:

- promoting the provision across government of co-ordinated, high quality, cost effective and easily accessible statistics;
- setting professional standards for the Group;
- giving overall strategic direction and leadership to staff;
- promoting the integrity and validity of official statistics and social research; and
- resolving interdepartmental disputes over statistical or social research matters and representing NISRA externally, in the UK and internationally.

The Chief Executive, as Registrar General for Northern Ireland, is also responsible for civil registration and census work.

3.2.2 Chief Executive duties with regard to Official Statistics

For Official Statistics produced by or for the Northern Ireland administration, the NISRA Chief Executive will carry out a number of functions similar to the National Statistician, but at the Northern Ireland level. He/She will, in consultation with senior statisticians in NI Departments and, where appropriate with the National Statistician:

- establish and maintain the Planning Framework for National Statistics for Northern Ireland;
- keep under review the organisation of statistical functions consistent with the objectives of Official Statistics;
- co-ordinate and promote UK Statistics Authority Official Statistics policies and procedures within Northern Ireland;
- maintain central responsibility for the development and deployment of statistical staff within Northern Ireland;
- establish and maintain mechanisms for taking account of the views of users and providers of data, including the maintenance of the Statistics Advisory Committee;
- promote and ensure adherence to the Code of Practice for Official Statistics and its associated standards; and seek to resolve any issues concerning interpretation of the Code in Northern Ireland;
- estimate the compliance costs to business and local authorities of responding to statistical enquiries and seek to minimise the burden on those who supply data for Official Statistics or other purposes;

- manage dissemination and marketing arrangements for NISRA products;
- make available to the UK Statistics Authority such information as it requires to perform its duties; and
- work with the National Statistician and counterparts in Scotland and Wales to promote comparable statistics across the UK and to maintain statistics required to be submitted on a UK basis to the EU and international bodies.

Under longstanding arrangements, responsibility for statistics produced by the Department of Agriculture and Rural Development rests with the departmental Head of Profession, who is the Director of Policy and Economics Division.

3.3 Permanent Secretary

The Permanent Secretary is principal advisor to the Minister on policy as administrative head of the sponsor department and advises the Minister on the strategic direction of the Agency, its Corporate and Business Plans, the annual setting of targets and the resources needed to achieve them. As Principal Accounting Officer, the Permanent Secretary must be satisfied that the Agency has adequate financial systems and procedures in place to promote the efficient and economical conduct of its business and to safeguard financial propriety and regularity.

SECTION 4 - Accountability

4.1 Accounting Officer Responsibilities

The Permanent Secretary is the principal Accounting Officer for the sponsor Department and as such is responsible for ensuring a high standard of financial management in the sponsor Department as a whole. The Permanent Secretary has designated the Chief Executive as Agency Accounting Officer.

The Chief Executive is responsible to the Minister and accountable to the NI Assembly for the Agency's use of resources in carrying out its functions. The Chief Executive is responsible for the propriety and regularity of the Agency's expenditure, for ensuring that the requirement of Government accounting standards and practice are met and for establishing, or arranging for, proper systems for this purpose, including internal audit arrangements. The Chief Executive ensures that the Agency observes any general guidance issued by DFP and puts into effect any recommendations by the Public Accounts Committee, other Assembly Select Committees or other authority, which the Executive has accepted.

4.2 Northern Ireland Assembly Committees

The Agency Accounting Officer may be required to appear before the Public Accounts Committee at hearings related to the Agency. Where an Assembly Committee's interest is in the day-to-day operations of the Agency, the Chief Executive may appear on behalf of the Minister. Other officials from across the Agency may also appear at Departmental Committees as required. The DFP Assembly Section takes the lead in determining the most appropriate officials on a case by case basis.

4.3 Assembly Questions and Other Enquiries

Members of the NI Assembly, the UK Parliament, the European Parliament, public representatives and the general public are encouraged to deal directly with the Chief Executive or other Agency managers on matters which are the responsibility of the Agency. The DFP Minister can ask the Chief Executive to reply to Parliamentary and Assembly Questions about statistical matters. Other Ministers will similarly ask outposted statisticians to deal with statistical questions addressed to them. Replies will be published in the relevant Official Report.

4.4 Assembly Ombudsman for Northern Ireland

The activities of the Agency fall within the jurisdiction of the Northern Ireland Ombudsman. The Permanent Secretary remains the principal officer of the sponsor department, but has delegated to the Chief Executive, responsibility for replying where a complaint relates to matters within the Chief Executive's area of authority.

SECTION 5 – Finance, Planning and Control

5.1 Funding

The Agency's resource requirements are considered as a part of the Department's inputs to the Northern Ireland Budget Process with Agency expenditure subject to gross running costs control. The Agency will be subject to the normal Public Expenditure controls and will make full use of the AccountNI system.

5.2 Corporate and Business Plans

The Agency Chief Executive prepares, for approval by the Minister, a 3 year Corporate Plan (linked to the CSR period) and a Business Plan which covers the forthcoming year.

5.2.1 Corporate Plan

The Corporate Plan sets out:

- The Chief Executive's strategy for achieving the Agency's aims and objectives;
- The performance objectives;
- An assessment of the external factors which influence its activities and key planning assumptions;
- Resources; and
- Efficiency measures that will enable the Agency to live within its resources over the period of the Corporate Plan.

5.2.2 Business Plan

The Business Plan sets out in more detail the Agency's activities for the forthcoming year of the Corporate Plan period and includes:

- Key performance targets set by the Minister;
- Priorities and other targets, including how they will be measured;
- Budgets;
- The key assumptions, including those about resources, which underpin targets; and
- Efficiency measures that will enable the Agency to live within its resources over the period of the Business Plan.

5.2.3 Approval

The Minister approves the draft Corporate and Business Plans each year following consultation with the sponsor department by the Chief Executive. The approved plans are published annually.

5.3 Annual Reports and Accounts

Each year, the Chief Executive will prepare and publish an Annual Report and Accounts that include the Agency's financial performance and progress in meeting its objectives and targets for the previous year. It will be prepared, audited and published before the Summer Recess. The accounts will be prepared in a form to be approved by the Department that will be formally recorded by an Accounts Direction. The Annual Report and Accounts are required to be audited by the Comptroller and Auditor General and laid before the NI Assembly.

5.4 Control

5.4.1 Internal Audit

The Chief Executive is responsible for ensuring that adequate arrangements exist for the provision of internal audit services that operate in accordance with the standards of Government Internal Audit. The Department's Internal Audit Unit will retain the right of access to the Agency in order to provide an independent assurance to the Principal Accounting Officer should this exceptionally be deemed necessary and, for those few occasions where it might be necessary, to complete enquiries relating to its audit of the Department's own systems.

5.4.2 External Audit

The Agency is subject to external audit by the Comptroller and Auditor General for Northern Ireland.

Annex 2 details the Corporate Governance/ Risk Management arrangements in place within the Agency.

SECTION 6 – People

6.1 Staff

The number of staff in post at the end of March 2010 was 406, of whom 215 were located in DFP, 88 of whom were statisticians; 156 were statisticians outposted to other departments and 35 were statisticians seconded to non-departmental public bodies and other organisations. In addition, NISRA employed a field-force of 260 fee-paid survey interviewers.

6.2 Status and Conditions of Service

The Agency's statistical and administrative staff are civil servants with Northern Ireland Civil Service terms and conditions of service and are employees of the Department of Finance and Personnel.

The Chief Executive, with the agreement of the Permanent Secretary, is responsible for the personnel management of Agency staff and may introduce such changes to personnel management methods, as he may consider necessary to maximise the Agency's efficiency and effectiveness. Such changes would be introduced in consultation with Corporate HR, Departmental HR, staff in the Agency and their representatives.

6.3 Pay and Grading

Subject to Departmental agreement, the Chief Executive will ensure through formal review that the Agency's grading structure, pay arrangements and working patterns best meet the business needs of the Agency.

6.4 Staffing Levels

Subject to Departmental ceilings, the Chief Executive is responsible for the creation, number, grading and loading of posts up to and including Grade 6. The Chief Executive will consult with the Permanent Secretary on the creation or suppression of posts that lie within the Department's Senior Civil Service complement.

6.5 Recruitment

The Chief Executive has the authority to recruit casual, permanent and period appointment staff, subject to Departmental ceilings and NICS / HRConnect procedures.

6.6 Promotion and Transfers

The Chief Executive is responsible for the assignment or transfer of staff to posts within the Agency. The Chief Executive has full responsibility for all promotion arrangements for the Agency's Statistical staff and may organise and conduct promotion and trawl boards for these groups subject to HRConnect procedures. Agency Staff in the general service grades come within DFP's arrangements for internal promotion Boards, trawls and other promotion machinery. The Chief Executive and the Department will make arrangements for the transfer of staff into or out of the Agency for career development purposes.

6.7 Staff Appraisal

In order to achieve consistency in the treatment of Agency Staff, the Chief Executive will ensure that a uniform system of annual performance appraisal applies to all statistical staff and that the same arrangements for performance pay apply irrespective of staff location.

6.8 Training and Development

The Chief Executive is responsible for ensuring the availability of training and development opportunities for Agency staff. The Agency will make use of the Centre for Applied Learning for non-statistical training provision.

6.9 Grievance, Conduct and Discipline

Disciplinary procedures are the responsibility of DFP which will consult as appropriate with the Chief Executive. NISRA members of staff have the right to appeal to the Chief Executive on all such matters. Permanent Staff who are dissatisfied on a personal matter retain the right of appeal to the Permanent Secretary. The Department is responsible for termination of employment of permanent staff on the recommendation of the Chief Executive.

6.10 Staff Relations

The Chief Executive is responsible for industrial relations within the Agency and recognises the importance of good relations to the achievement of the Agency's objectives. The Chief Executive is therefore committed to effective communication and consultation with staff and their representatives.

The Agency recognises the benefit of keeping employees informed of the progress of the business and of involving them in the Agency's performance management.

6.11 Disabled Persons

NISRA adheres to the Disability Action Plan, developed by the Department of Finance and Personnel, in recognition of the Disability Discrimination Act 1995, which states that in carrying out its functions DFP [and consequently NISRA, as an Agency of DFP] will have due regard to the need to :

- promote positive attitudes towards disabled people; and
- encourage participation by disabled people in public life ('the disability duties').

6.12 Dignity at Work and Equal Opportunities

The Agency adheres to, and actively seeks to promote the Dignity at Work and equal opportunity policies of the Northern Ireland Civil Service.

6.13 Health and Safety

The Agency is committed to complying with the Health and Safety at Work (NI) Order 1978 and the Management of Health and Safety at work Regulations (Northern Ireland) Order 1992. The Agency consults with staff and their representatives on health and safety matters.

6.14 Agency Staff in Northern Ireland Departments, Agencies and Non-Departmental Public Bodies

The Agency outposts statistical staff on long-term loan to provide statistics and research services to Departments and to certain Agencies and Non-departmental Public Bodies. Such Staff are recruited, professionally overseen and career managed centrally by the Agency. Their work programmes are determined and managed on a day-to-day basis by the host organisation.

Concordats outlining the respective roles and responsibilities of the Agency and the host organisations in respect of the supply and professional management of outposted staff are agreed and reviewed every 3 years, or earlier in the event of any anticipated major change in the nature of the service provided.

SECTION 7 - Review and Publication

7.1 Review Arrangements

A review of this document is to be undertaken by the Minister within 5 years of its publication.

The Chief Executive and/or the Minister may at any time propose changes to this Framework Document in the light of the Agency's operational experience or any change of circumstances. Such proposals will be subject to appropriate consultation with the Department. Any proposed amendment will be subject to the approval of the Minister. Any amendments to the Framework Document will be announced and published.

7.2 Publication

Copies of the Framework Document and any subsequent amendments will be placed in the library of the Northern Ireland Assembly.

Any queries about NISRA or the contents of the document should be addressed to:

The Chief Executive
NISRA
McAuley House
2-14 Castle Street
BELFAST
BT1 1SA

Tel: 028 9034 8102
Fax: 028 9034 8106

Legislative Framework

The function of the Census Office and the General Register Office (GRO) are defined in statute and are the direct responsibility of the Registrar General for Northern Ireland. A Registrar General is appointed by the Department under the Births and Deaths Registration (Northern Ireland) Order 1976. The Registrar General also has statutory responsibilities with regard to the Census of Population set out in the Census Act (Northern Ireland) 1969. The Registrar General is appointed in Northern Ireland in accordance with these statutes.

GRO is responsible for the administration and control of the civil registration service in Northern Ireland. The service is in practice a partnership between GRO and the 26 local district councils. The main statutes that govern the legal functions of GRO are:

- The Births and Deaths Registration (Northern Ireland) Order 1976;
- The Marriage (Northern Ireland) Order 2003
- The Adoption (Northern Ireland) Order 1987
- Civil Partnership Act 2004
- Gender Recognition Act 2004
- Presumption of Death Act (Northern Ireland) 2009

In addition GRO is responsible for the collation of vital statistics, maintenance of historic records of births, deaths, marriages, civil partnerships, adoptions, gender recognition and presumption of death and for the provision and sale of certified copies from these records.

The Census of Population is taken under the Census Act (Northern Ireland) 1969 and in accordance with EC Regulation 763/2008. The Act provides for the:

- making of Order to direct the taking of a census;
- making of Regulations with respect to the detailed arrangements;
- department to superintend the taking of census; and
- Registrar General to make necessary arrangements for the taking of censuses.

The confidentiality of census data is protected by the Census Act (Northern Ireland) 1969 as amended by the Census (Confidentiality) (Northern Ireland)

Order 1991 which makes provision with respect to the unlawful disclosure of information acquired in connection with the discharge of the functions under the Act.

Statute thus assigns certain responsibilities to the Registrar General whose independence in these matters must be safeguarded and who is directly accountable for this work.

Under various EC Regulations and Directives, the UK Government is required to supply information to the European Commission. Legislative proposals are brought forward by the Commission in accordance with a five-year statistical programme (described in Council Decision 93/464 (EEC)) on the framework programme for priority actions in the field of statistical information 1993 to 1997). The Agency provides Northern Ireland information to the European Commission both directly and through the Office for National Statistics.

Some of the information collected by the Agency is confidential and its disclosure prevented by statute (for example, the GRO fertility and mortality information, personal census data and information on adopted children). The Agency must ensure in all its activities that practices and procedures are such as to prevent any unauthorised disclosure of data. In addition, information collected in household surveys is treated strictly in confidence with a guarantee given to respondents that no individual or household will be identifiable. The confidentiality guarantees are under-pinned by the principles of the Code of Practice for Official Statistics, and are in line with the requirements of the Data Protection Act 1998.

NISRA's CORPORATE GOVERNANCE

December 2009

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BACKGROUND

The Chief Executive of NISRA, as Agency Accounting Officer, is responsible for maintaining a sound system of internal control that supports the achievement of agency and departmental policies, aims and objectives, whilst safeguarding public funds and agency assets in accordance with responsibilities set out in Managing Public Money Northern Ireland (MPMNI).

The Agency is continuing to develop its corporate governance arrangements and is fully committed to achieving compliance with Department of Finance and Personnel requirements within prescribed timescales and any guidance issued by Accountability and Accountancy Services Division (AASD). It is intended that the system of internal control in NISRA will be based on an ongoing process that identifies the principle risks on the achievement of agency and departmental policies, aims and objectives, evaluates the nature and extent of those risks and manages them efficiently, effectively and economically.

NISRA's system of internal control is described in the following pages.

BUSINESS PLANNING

The Government's Priorities and Plans Document for Northern Ireland describes the Government's strategic aims and priorities for the year ahead.

DFP has a Public Service Agreement (PSA) and a Service Delivery Agreement (SDA), which are endorsed by the Minister, and set out the Department's main objectives and targets and provide information on the actions it will take to ensure that it meets those objectives.

As an Agency within the Department of Finance and Personnel, NISRA's Corporate Plan has been prepared in accordance with Government Priorities and Plans Document, and NISRA's corporate objectives link directly to the Department's PSA and SDA. Through the delivery of the objectives in its Corporate Plan, NISRA supports the wide range of priorities and actions set out in the Government's Priorities and Plans Document.

NISRA is committed to developing Corporate Governance best practice. A Statement on Internal Control is included in the Agency's Annual Report and Accounts. NISRA recognises the importance of managing risks effectively, the responsibility for which is discharged by the Chief Executive and the Senior Management Group (Agency Board). The Agency Board members also provide a statement of assurance for their respective business areas with regard to risk management.

The Minister for DFP determines the policy framework within which the Agency operates and the scope of its activities. The Chief Executive is directly responsible to the Minister for the Agency's performance and operations and provides regular progress reports on how the Agency is performing against its key performance targets.

In line with Department of Finance and Personnel and AASD guidance, NISRA will continue with enhancements to its systems of internal control and will

consult with and action recommendations from Internal Audit for improvements to internal controls and assessment and management of business risks.

The Chief Executive is accountable to the Department's Permanent Secretary, who is the Accounting Officer for DFP, for effective, efficient and economic use of allocated resources, for the regularity and propriety of its expenditure and for ensuring that the requirements of Managing Public Money Northern Ireland (MPMNI) are met. The Chief Executive meets regularly with the Department's Senior Management to discuss Agency performance.

RISK MANAGEMENT

The Agency recognises the importance of managing risks effectively and continues to develop a risk management framework. NISRA has identified all significant risks to its business and has developed a NISRA Risk Register. The Risk Register complements the Agency's Corporate Plan, Business Plan and Financial management, and together provides the systems to manage the Agency's resources whilst minimising the risks to achieving business outputs.

The Risk Register is managed in the first instance by the Agency Board, which regularly reviews actions and considers appropriate future actions. Agency Board members are responsible for managing risks within their areas of responsibility and provide assurance to the Chief Executive that risks are being actively managed and minimised. This will involve close liaison with respective Heads of Branches. In line with Department of Finance and Personnel guidance, NISRA will continue to include appropriate assurances in subsequent Annual Report and Accounts publications.

AUDIT AND RISK COMMITTEE

Purpose

The purpose of the Audit and Risk Committee is to manage and direct the risk management process and enable assurances to be provided. The Committee has responsibility for assessing the adequacy of audit arrangements (internal and external) and assessing the implications of assurances provided in respect of risk and control across the Agency.

Membership

Members of the Committee are:

- NISRA Chief Executive/Registrar General (Chair)
- Head of Census
- Head of Corporate Services
- Head of Social Surveys
- Finance Manager (secretariat)

The Head of Internal Audit has right of access to the Audit and Risk Committee and will normally be present at meetings (as attendee rather than a member). The Head of Internal Audit also has the right of access to the Chair of the Committee to discuss any issues he/she wishes to raise.

The NI Audit Office (NIAO) has right of access to the Audit and Risk Committee and will normally be present at meetings (as attendee rather than a member). The NIAO also has the right of access to the Chair of the Committee to discuss any issues he/she wishes to raise.

Responsibilities

The remit of the Committee includes due consideration of the adequacy of risk management and internal control. The Committee focuses on the NISRA Business Risk Register. At each meeting written reports are submitted by each member providing a balanced assessment of the system of control utilised to manage the risks for which they are directly responsible. Any significant control failings or weaknesses identified are discussed, including the impact that they have had, could have had, or may have and the actions being taken to rectify them. Other Committee members and attendees provide the challenge function. In general, the range of issues that are considered includes:

- Have any new significant risks been identified?
- Are risks previously identified still acceptable?
- Do risks need to be promoted or relegated in the NISRA Risk Register or the DFP Corporate Risk Register?
- Do control strategies need to be changed?
- Do amendments need to be made to procedures?
- Is additional monitoring of the system required?
- Are the communication channels throughout NISRA effective, or do amendments need to be made?

In addition, the Committee is responsible for reviewing:

- The mechanisms for the assessment and management of risk;
- The planned activity of internal audit;

- The results of internal audit activity;
- The planned activity of external audit;
- The results of external audit activity;
- Adequacy of management response to issues identified by audit;
- The arrangements made for co-operation between internal audit, external audit and other review bodies; and
- Activity assurances relating to the corporate governance requirements for NISRA.
- Consideration of fraud

AUDITS

Internal Audit

Internal Audit's (IA) prime objective is to review and evaluate risk management, control and governance which comprise the policies, procedures and operations in place to:

- Establish and monitor the achievement of NISRA's objectives;
- Identify, assess and manage the risks to achieving NISRA's objectives;
- Advise on, formulate and evaluate policy within the responsibilities of the Chief Executive;
- Ensure the economical, effective and efficient use of resources;

- Ensure compliance with established policies (including behavioural and ethical expectations), procedures, laws and regulations;
- Safeguard the organisation's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption; and
- Ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes.

To achieve its objectives the Head of Internal Audit has developed and maintains a strategy for providing the Chief Executive with objective evaluation of, and opinions on, the effectiveness of NISRA's risk management, control and governance arrangements. The Head of Internal Audit's opinions are a key element of the framework of assurance the Chief Executive needs to inform the completion of the annual Statement on Internal Control (SIC).

Individual assignments are carried out using a risk based systematic approach which:

- Identifies and records the objectives, risks and controls;
- Establishes the congruence of the objectives with higher level corporate objectives;
- Evaluates management's risk analysis, taking account of the acceptance of specific risks;
- Evaluates the controls in principle to decide whether or not they are appropriate and can be reasonably relied upon to achieve their objectives;
- Identifies any instances of over-control;

- Evaluates the impact of any decision by NISRA management to accept risk(s) rather than control them;
- Determines an appropriate strategy to test the effectiveness of risk management and control; and
- Arrives at conclusions and reports (making recommendations where necessary), providing an opinion on the effectiveness of risk management and control in the audited area.

External Audit

The Northern Ireland Audit Office (NIAO) is responsible for auditing NISRA's Annual Accounts. The Comptroller and Auditor General, issues a Certificate and Report which are published as part of the Agency's Accounts. In the Certificate, the Comptroller states if in his opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and directions made thereunder by the Department of Finance and Personnel, of the state of the Agency's affairs as at 31 March each year, and of the net operating cost, recognised gains and losses and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Department of Finance and Personnel directions issued under the Government Resources and Accounts Act (Northern Ireland) 2001; and

- information, which comprises the Director's Report and Management Commentary, included within the Annual Report, is consistent with the financial statements.

The Comptroller also reviews whether the Statement on Internal Control reflects the Agency's compliance with DFP's guidance:

STATEMENT ON INTERNAL CONTROL (SIC)

Once the Agency has the appropriate management and review processes in place, it is important that they are maintained and developed to ensure their continuing effectiveness. The SIC, which forms part of the Agency's Annual Accounts, records the key elements of the way in which this is done, whether as part of a 'planned maintenance' programme or in response to problems or significant external developments (e.g. government changes). It is expected that the Agency will continue to develop and improve its existing risk management capacity.

The SIC includes a requirement that the Accounting Officer has taken advice on the implications of the assessment of effectiveness from the Senior Management Group and the Audit and Risk Committee, and if appropriate, action has been taken or is planned to address issues arising from it.

Stewardship Statements

The process leading to the production of the SIC is an annual hierarchical stewardship reporting arrangement. This is a bottom-up process and key risk owners as identified in Risk Control Frameworks will provide a written statement (Stewardship Statement) that risks remain appropriate and that controls identified are adequate, effective and have operated throughout the period. Risk owners will also be required to highlight areas where deficiencies are possible or breakdowns in control have actually occurred. This process is replicated at Agency level, culminating in the provision of a stewardship statement by the Chief Executive to the Departmental Accounting Officer.

FRAUD AND WHISTLEBLOWING

Fraud

NISRA has a Fraud Policy that sets out staff's responsibilities with regard to the prevention of fraud. These responsibilities are:

Senior Managers:

- Developing and monitoring effective controls to prevent fraud;
- Overseeing vigorous and prompt investigations if fraud occurs;
- Taking appropriate legal and/or disciplinary action against perpetrators of fraud;
- Taking any necessary disciplinary action where supervisory failures contributed to the commission of fraud; and
- Fostering an ethical climate in which fraud is actively discouraged and cannot flourish.

Line Managers:

- Identifying the risks to which systems and procedures are exposed;
- Maintaining effective controls to prevent and detect fraud; and
- Ensuring that controls are being complied with.

Individual members of staff:

- Acting with propriety in the use of official resources and in the handling and use of public funds whether they are involved with cash or payments systems, receipts or dealing with contractors or suppliers; and
- Reporting details immediately to their line manager if they suspect that a fraud has been committed or see any suspicious acts or events.

Ethics and Conduct of Staff

Staff paid from public funds must have, and be seen to have, high standards of honesty, propriety and integrity in the exercise of their duties. They should not receive gifts, hospitality or benefits of any kind from a third party that might be seen to compromise their personal judgement or integrity.

DFP Fraud Policy and Fraud Response Plan

DFP has released its Fraud Policy and Fraud Response Plan, which has been circulated to all NISRA staff.

Whistleblowing

The Public Interest Disclosure (NI) Order 1998 came into operation on 31 October 1999. It enables workers to report wrongdoing (often referred to as “whistle blowing”) to complain to an Employment Tribunal if they are dismissed or suffer any other form of detriment for doing so. The legislation covers workers in the public sector (with some exceptions, e.g. those who work in the security services) as well as the private sector. As far as members of the NICS are concerned, this legislation needs to be considered in conjunction with the NICS Staff Handbook, the Northern Ireland Civil Service Code of Ethics and any departmental guidance or procedures for raising concerns about possible wrongdoing.

DFP has issued its Departmental statement on Whistleblowing, which has been issued to all NISRA Staff.