

**The Executive Office
Departmental Response
to recommendations in the Northern
Ireland Audit Office's Report
The Social Investment Fund**

**Presented to the Northern Ireland Assembly
by The Executive Office**

23 January 2019



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Glossary of Abbreviations

| | |
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| DoF | Department of Finance |
| MPMNI | Managing Public Money Northern Ireland |
| SIF | Social Investment Fund |
| TEO | The Executive Office |

THE EXECUTIVE OFFICE DEPARTMENTAL RESPONSE TO NORTHERN IRELAND AUDIT OFFICE (NIAO) RECOMMENDATIONS IN THE NIAO'S REPORT OF 8 NOVEMBER 2018 ON "THE SOCIAL INVESTMENT FUND"

The Executive Office

The Social Investment Fund

Introduction

The responses within this Departmental Response have been made at official level. Where specific recommendations relate to issues of policy these will require Ministerial decisions.

NIAO Recommendation 1

Where significant community engagement is required, it is essential to ensure that adequate time is allowed to carry out consultation, develop and refine proposals and to ensure that the resulting plans are realistic, detailed and of sufficient quality.

The Executive Office (TEO) accepts this recommendation.

TEO agrees that community engagement, consultation and developing quality plans takes time. TEO will endeavour to design any future schemes in line with the principles of this recommendation, however, the timing and nature of any future schemes is ultimately a matter for Ministers and/or the Executive.

Other departments have been consulted and also agree.

NIAO Recommendation 2

The Department is ultimately accountable for the decisions taken in awarding public funding to projects. Decisions concerning project selection should be clearly documented and the Department should ensure that it holds an audit trail of the process. A clear audit trail allows the Department to justify why decisions were made and demonstrate that assessment processes have been applied fairly, consistently and transparently.

TEO accepts this recommendation.

TEO agrees that there should be a clear audit trail in place in respect of decisions taken to award public funding to projects and will ensure that this is the case in future funding schemes.

Other departments have been consulted and also agree.

NIAO Recommendation 3

In the design of any new funding scheme comprehensive guidance to deal with conflicts of interest, real or perceived, and the associated procedures should be made clear to all those involved.

TEO accepts this recommendation.

TEO will ensure that guidance to deal with conflicts of interest (including the associated procedures) for new funding schemes will be comprehensive and clear.

DoF is also refreshing its guidance for departments taking account of the recommendations in this report and also the issues arising out of the Renewable Heat Initiative Scheme.

NIAO Recommendation 4

We recommend, based on our audit work across the public sector, that arrangements are established to promote the highest standards in government on propriety, integrity and ethical issues, including conflicts of interest.

TEO and DoF accept this recommendation.

We are committed to the highest standards in government on propriety, integrity and ethical issues. These high standards will be promoted in new and updated guidance underpinned by new governance training which will be developed during 2019.

NIAO Recommendation 5

Timely communication with those involved in projects, including those who are unsuccessful is key to ensuring transparency. The Department should have proper procedures for ensuring unsuccessful projects are notified and should provide feedback, setting out clear reasons for rejection.

TEO accepts this recommendation.

TEO agrees that timely communication with those involved in projects, including those who are unsuccessful, is key to ensuring transparency. In any future schemes, TEO will ensure it has proper procedures in place for ensuring unsuccessful projects are notified and will provide feedback, setting out clear reasons for rejection, where it is appropriate for TEO to do so.

Other departments have been consulted and also agree.

NIAO Recommendation 6

Given the importance of establishing the feasibility of major proposals prior to commencement, we recommend that the Department of Finance consider whether Managing Public Money Northern Ireland (MPMNI) should be updated to include this rationale, and if so update MPMNI as soon as possible.

DoF accepts this recommendation.

DoF is planning to update MPMNI in the near future and will publish an updated version which will include establishing the feasibility of major proposals prior to commencement.

NIAO Recommendation 7

We recommend that the Department should put mechanisms in place to ensure good practice and learning points emerging from individual SIF projects are identified and shared with relevant public bodies.

TEO accepts this recommendation.

TEO has been sharing good practice and learning points emerging from the SIF, both at programme and individual project level since 2015 through workshops, seminars, information and films placed on TEO's website on an ongoing basis. This information will be updated as more projects complete and will include any new learning. Relevant public bodies will be directed to TEO's website.