

**MANAGEMENT STATEMENT FOR THE PROBATION  
BOARD FOR NORTHERN IRELAND**

**May 2008**

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# 1. INTRODUCTION

## 1.1 This document

This management statement and its associated financial memorandum set out the relationship between the Sponsor Department, namely the Northern Ireland Office [NIO] and the Probation Board for Northern Ireland [the Board]. It defines the framework within which the Board will operate by describing its aims and objectives, arrangements to secure full accountability and the Board and NIO's respective roles and responsibilities.

1.1.2 Subject to the relevant legislation, this management statement sets out the broad framework within which the Board will operate, in particular:

- the Board's overall aims, objectives and targets in support of the NIO's wider strategic aims and current Public Service Agreement (PSA);
- the rules and guidelines relevant to the exercise of the Board's functions, duties and powers;
- the conditions under which any public funds are paid to the Board;
- how the Board is to be held to account for its performance.

However, the management statement and financial memorandum do not convey any legal powers or responsibilities.

1.1.3 The associated financial memorandum sets out in greater detail certain aspects of the financial provisions, which the Board shall observe.

1.1.4 The sponsoring Department (NIO) shall review the document at least every four years.

1.1.5 The Board, or the Secretary of State, may propose amendments to this document at any time. Any such proposals by the Board shall be considered in the light of evolving departmental policy aims, operational factors and the track record of the Board itself. The guiding principle shall be that the extent of flexibility and freedom given to the Board shall reflect both the quality of its internal controls and its operational needs. The Secretary of State shall determine what changes, if any, are to be incorporated in the document. Legislative provisions shall take precedence over any part of the document.

1.1.6 Any question regarding the interpretation of the document shall be resolved by the NIO after consultation with the Board and, as necessary, with the Treasury and/or the Cabinet Office.

1.1.7 Copies of this document and any subsequent substantive amendments shall be placed in the Libraries of both Houses of Parliament. Copies shall also be made available to members of the public on PBNI's website.

## **1.2 Founding legislation**

1.2.1 The Board was established under the Probation Board (Northern Ireland) Order 1982.

## **1.3 The functions, duties and powers of the Board**

1.3.1 The Probation Board (Northern Ireland) Order 1982 sets out the following mandatory functions for the Board:

### Article 4 (1)

- a) To secure the maintenance of an adequate and efficient probation service
- b) To make arrangements for persons to perform work under community service orders
- c) To provide such Probation Officers and other staff as the Secretary of State considers necessary to perform social welfare duties in prisons and other Young Offender Centres
- d) To undertake such other duties as may be prescribed.

The Order also gives the Board discretionary power, subject to the approval of the Secretary of State, to:

### Article 4 (2)

- a) Provide and maintain probation hostels and other establishments for use in connection with the supervision and assistance of offenders
- b) Provide and maintain bail hostels
- c) Make and give effect to schemes for the supervision and assistance of offenders and the prevention of crime
- d) Make arrangements with voluntary organisations or any other persons (including Government Departments and public bodies) to:
  - (i) provide and maintain such hostels and other establishments as are mentioned in sub-paragraphs (a) and (b) above
  - (ii) give effect to schemes for the supervision and assistance of offenders and the prevention of crime

## **1.4 Classification**

1.4.1 The Board is classified as an executive non-departmental public body.

The Board under Schedule 1 Article 1 (1) of the Order is constituted as a body corporate and as such can acquire and hold lands, sue and be sued, execute deeds, use an official seal, make leases, enter into contractually binding agreements and do all other acts necessary or expedient in the discharge of its statutory duties. Under Article 8 (3) the Board may borrow or raise money, on such terms and subject to such conditions as the Secretary of State may approve.

## **2. AIM, OBJECTIVES AND TARGETS**

### **2.1 Overall aim**

2.1.1. The aim of the Board is to reduce crime and the harm it does by challenging and changing offender behaviour.

### **2.2 Objectives and key targets**

2.2.1 The NIO determines the Board's performance framework in the light of the NIO's wider strategic aims and current PSA (paragraph 1.1.2). The Board's objectives and key targets shall be agreed within its corporate and business planning process (Section 4 below).

## **3. RESPONSIBILITIES AND ACCOUNTABILITY**

### **3.1 The Secretary of State**

3.1.1 The Secretary of State is accountable to Parliament for the activities and performance of the Board. His/her responsibilities include:

- approving the Board's strategic objectives and the policy and performance framework within which the Board will operate (as set out in this management statement and financial memorandum and associated documents);
- keeping Parliament informed about the Board's performance;
- approving the amount of grant-in-aid to be paid to the Board, and securing Parliamentary approval;
- carrying out responsibilities specified in the Probation Board (Northern Ireland) Order 1982, including appointments to the Board, approving the terms and conditions of Board members, appointment of the Director, approval of terms and conditions of staff, and laying of the annual report and accounts before Parliament.
- holding regular accountability reviews with the Board to discuss policy and resources and provide an opportunity for the Board to account for its stewardship of public funds.

3.1.2 The Secretary of State normally delegates day-to-day responsibility for the Board to the Minister with responsibility for criminal justice in Northern Ireland. In carrying out these responsibilities the Secretary of State and the Minister are assisted by NIO officials.

### **3.2 The Accounting Officer of the NIO**

3.2.1 The Permanent Secretary, as the NIO's principal Accounting Officer, is responsible for the overall organisation, management and staffing of the NIO and for ensuring that there is a high standard of financial management in the NIO as a whole. The principal Accounting Officer is accountable to Parliament for the issue of any grant-in-aid to the Board. The principal Accounting Officer designates the Director of the Board as the Board's Accounting Officer, and may withdraw the accounting officer designation if he/she believes that the incumbent is no longer suitable for the role.

3.2.2 In particular the principal Accounting Officer of the NIO shall ensure that:

- the Board's strategic aim(s) and objectives support the NIO's wider strategic aim[s] and current PSA;
- the financial and other management controls applied by the NIO to the Board are appropriate and sufficient to safeguard public funds and for ensuring that the Board's compliance with those controls is effectively monitored ("public funds" include not only any funds granted to the Board by Parliament but also any other funds generated by approved activities or falling within the stewardship of the Board);
- the internal controls applied by the Board conform to the requirements of regularity, propriety and good financial management;
- any grant-in-aid to the Board is within the ambit and the amount of the Request for Resources and that Parliamentary authority has been sought and given
- The responsibilities of a departmental Accounting Officer are set out in more detail in Chapter 3 of HM Treasury manual; *Managing Public Money*.

### **3.3 The sponsoring team in the NIO**

3.3.1 Within the NIO, Probation and Compensation Services is the sponsoring team for the Board. The Team, in consultation as necessary with the departmental Accounting Officer, is the primary source of advice to the Secretary of State on the discharge of his/her responsibilities in respect of the Board, and the primary point of contact for the Board in dealing with the NIO. The sponsoring team shall carry out its duties under a senior officer who shall have primary responsibility for overseeing the activities of the Board.

3.3.2 The sponsoring team shall advise the Secretary of State on:

- an appropriate framework of objectives and targets for the Board in the light of the NIO's wider strategic aim[s] and current PSA;
- an appropriate budget for the Board in the light of the NIO's overall public expenditure priorities;
- how well the Board is achieving its strategic objectives and whether it is delivering value for money.

3.3.3 In support of the departmental Accounting Officer the sponsoring team shall:

#### ***on performance and risk management -***

- monitor the Board's activities on a continuing basis through an adequate and timely flow of information from the Board on performance, budgeting, control and risk management, including early sight of the Board's Statement on Internal Control;
- address in a timely manner any significant problems arising in the Board, whether financial or otherwise, making such interventions in the affairs of the Board as the NIO judges necessary;

#### ***on communication with the Board -***

- inform the Board of relevant Government policy in a timely manner; advise on the interpretation of that policy; and issue specific guidance to the Board and if necessary, discuss formally at the Overview Meetings;
- bring concerns about the activities of the Board to the attention of the Chairman and the full Board as appropriate and require explanations and assurances from the Board that appropriate action has been taken.

### **3.4 The role of the Criminal Justice Inspection Northern Ireland**

- 3.4.1 Under the Justice (Northern Ireland) Act 2000, the Criminal Justice Inspection undertakes inspection of the Probation Board for Northern Ireland and other criminal justice agencies. CJINI therefore has a statutory power to carry out inspections of Probation work. HM Inspectorate of Probation may also be invited to participate in some inspections, where appropriate. CJINI is an independent non-departmental public body, and the Chief Inspector of Criminal Justice answers directly to the Secretary of State.
- 3.4.2 The main objective of inspection is to assure the Secretary of State, and through him the public, as to the Probation Board's standards of service and professional practice, and its efficiency, effectiveness and even-handedness. A protocol for the conduct of CJI inspections is published on its website – [www.cjini.org](http://www.cjini.org). CJI's inspection reports are published and laid before parliament, and are made publicly available on its website.
- 3.4.3 CJI consults with a range of stakeholders, including PBNI and the NIO, to develop an annual plan of inspections, taking account of the Board's own programme of internal monitoring and evaluation. In exceptional circumstances CJI may, after consultation with the Board and the NIO, carry out inspections at short notice to address issues that were not foreseen at the planning stage.

### **3.5 The Chairman of the Board**

- 3.5.1 The Secretary of State for Northern Ireland appoints the Chairman on a part-time basis for a fixed term of 3 years with the possibility of reappointment for a further 3 years. This appointment is made in line with the Code of Practice issued by the Office of the Commissioner for Public Appointments.
- 3.5.2 The Chairman is responsible to the Secretary of State. The Chairman shall aim to ensure that the Board's policies and actions support the wider strategic policies of the Secretary of State; and that the Board's affairs are conducted with probity. The Chairman shares with other Board members the corporate responsibilities set out in paragraph 3.5.3, and in particular for ensuring that the Board fulfils the aim[s] and objectives agreed with the Secretary of State.
- 3.5.3 The Chairman has a particular leadership responsibility on the following matters:
- formulating the Board's strategy;
  - ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the Secretary of State or NIO;
  - promoting the efficient and effective use of staff and other resources;
  - encouraging high standards of propriety;
  - representing the views of the Board to the general public.
- 3.5.4 The Chairman shall also:
- ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and

responsibilities, and receive appropriate induction training, including on the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice; advise the Secretary of State of the needs of the Board when Board vacancies arise;

- assess the performance of individual Board members when they are being considered for re-appointment.

3.5.5 The Chairman shall also ensure that a Code of Practice for Board Members is in place, based on the Cabinet Office's model Code of Practice for Board Members of Public Bodies. The Code shall commit the Chairman and other Board Members to the Nolan seven principles of public life, and shall include a requirement for a comprehensive and publicly available register of Board Members' interests.

3.5.6 Communications between the Board and the Secretary of State shall normally be through the Chairman. The Chairman shall ensure that the other Board members are kept informed of such communications.

### **3.6 Probation Board Members**

3.6.1 The Board Members are appointed on a fixed term of 3 years with the possibility of reappointment for a further period of 3 years. These appointments are made by the Secretary of State for Northern Ireland in accordance with Office of the Commissioner for Public Appointments guidelines.

3.6.2 Board members have corporate responsibility for ensuring that the Board fulfils the aim[s] and objectives set by the Secretary of State and for promoting the efficient and effective use of staff and other resources by the Board. To this end, and in pursuit of its wider corporate responsibilities, Board members shall:

- establish the overall strategic direction of the Board within the policy and resources framework determined by the Secretary of State;
- submit Corporate Plans every three years and Business Plans every year for approval by the Secretary of State not later than the end of February, but earlier if the timetable for public expenditure planning and/or Parliamentary scrutiny and approval require it;
- ensure that the Secretary of State is kept informed of any changes which are likely to impact on the strategic direction of the Board or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the NIO, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by the NIO;

- regularly review financial information concerning the management of the Board; ensure that they are informed in a timely manner about any concerns about the activities of the Board; and provide positive assurance to the NIO that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including by using the audit committee (paragraph 4.6.2) to help Board members address the key financial and other risks facing the Board;
- appoint [with the Secretary of State's approval] a Director to the Board and, in consultation with the NIO, set performance objectives and remuneration terms linked to these objectives for the Director which give due weight to the proper management and use of public monies.

3.6.3 Individual Board members shall act in accordance with their wider responsibility as Members of the Board – namely to:

- comply at all times with the Code of Practice [paragraph 3.5.5 above] that is adopted by the Board and with the rules relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- comply with the Board's rules on the acceptance of gifts and hospitality, and of business appointments;
- act in good faith and in the best interests of the Board.

### **3.7 The Director's Role**

3.7.1 The Director of the Board is designated as the Board's Accounting Officer by the Departmental Accounting Officer of the NIO.

3.7.2 The Accounting Officer of the Board is personally responsible for safeguarding the public funds for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the Board.

3.7.3 As Accounting Officer the Director shall exercise the following responsibilities in particular:

#### **on planning and monitoring -**

- ensure that timely forecasts and monitoring information on finance are provided to the NIO; that the NIO is notified promptly if overspends or underspends are likely and that corrective action is taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion;

- inform the NIO of the Board's progress in helping to achieve the NIO's policy objectives and in demonstrating how resources are being used to achieve those objectives;
- ensure that timely forecasts and monitoring information on performance are provided to the NIO and that any significant problems, are notified to the department in a timely fashion;

***on advising the Board -***

- ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed as far as this is practical;
- take action as set out in paragraphs 14-18 of the NDPB Accounting Officer Memorandum if the Board, or its Chairman, is contemplating a course of action involving a transaction which the Director considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration or efficiency or effectiveness;
- advise the Board on the discharge of its responsibilities as set out in this document, in the Probation Board (Northern Ireland) Order 1982 and in any other relevant instructions and guidance that may be issued from time to time;
- advise Board members on the Board's performance compared with its aims and objectives;

***on managing risk and resources -***

- ensure that a system of risk management is maintained to inform decisions on financial planning and to assist in achieving objectives and targets;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure that all public funds made available to the Board [including any approved income or other receipts] are used for the purpose intended by Parliament, and that such monies, together with the Board's assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that adequate internal management and financial controls are maintained by the Board, including effective measures against fraud and theft;
- maintain a comprehensive system of internal delegated authorities which are notified to all staff, together with a system for regularly reviewing compliance with these delegations;
- ensure that effective human resource policies are maintained;

- ensure that a system of risk management is maintained to inform decisions on operational planning and to assist in achieving objectives and targets;

***on accounting for the Board's activities -***

- sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State;
- sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- sign a Statement on Internal Control regarding the Board's system of internal control, for inclusion in the annual report and accounts;
- ensure that effective procedures for handling complaints about the Board are established and made widely known;
- act in accordance with the terms of this document and with the instructions and guidance in *Managing Public Money* and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office - in particular, the Treasury documents *The Responsibilities of an NDPB Accounting Officer* and *Regularity and Propriety*, both of which the Director shall receive on appointment.
- give evidence, normally with the Accounting Officer of the NIO, when summoned before the Committee of Public Accounts on the use and stewardship of public funds by the Board.

### **3.8 Delegation of duties**

- 3.8.1 The Director may delegate the day-to-day administration of his/her Accounting Officer responsibilities to other employees in the Board. However, he/she will not assign absolutely to any other person any of the responsibilities set out in this document.

## **4. PLANNING, BUDGETING AND CONTROL**

### **4.1 The corporate plan**

- 4.1.1 Consistent with the timetable for public spending reviews the Board shall submit to the Department a draft of the Board's corporate plan covering three years ahead. The Board shall have agreed with the NIO the issues to be addressed in the plan and the timetable for its preparation.
- 4.1.2 The plan shall reflect the Board's statutory duties and, within those duties, the priorities set from time to time by the Secretary of State. In particular, the plan shall demonstrate how the Board contributes to the achievement of the NIO's PSA targets).

4.1.3 The corporate plan shall set out:

- the Board's key objectives and associated key performance targets for the three forward years, and its strategy for achieving those objectives;
- other matters as agreed between the NIO and the Board.

## **4.2 The business plan**

4.2.1 A Business plan shall be prepared annually with reference to the Corporate Plan. It shall include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the NIO.

4.2.2 The main elements of the plan - including the key performance targets - shall be agreed between the NIO and the Board in the light of the NIO's decisions on policy and resources taken in the context of the Government's wider public expenditure plans and decisions.

## **4.3 Publication of plans**

4.3.1 By the end of March the department will submit the Corporate Plan/Business Plan to the Secretary of State for approval prior to publication. When it has been approved by the Secretary of State, the Corporate Plan will be announced to Parliament and copies placed in the libraries of both Houses of Parliament.

4.3.2 Responsibility for publication of the approved plan rests with the Board. The Board will aim to publish the plan within 3 months of the beginning of the period to which the plan relates.

## **4.4 Reporting performance**

4.4.1 The Board shall operate management information and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in its agreed corporate and business plans.

4.4.2 The Board shall take the initiative in informing the NIO of changes in external conditions which make the achievement of objectives more or less difficult, or which may require a change to the budget or objectives set out in the corporate or business plans.

4.4.3 The Board's performance in helping to deliver Governments' policies, including the achievement of strategic objectives, shall be reported to the NIO at thrice yearly overview meetings.

4.4.4 The Board's performance against key targets shall be reported in its annual report and accounts [see Section 6 below].

## **4.5 Budgeting procedures**

4.5.1 The Board's budgeting procedures are set out in the financial memorandum.

## **4.6 Internal audit**

4.6.1 The Board shall establish and maintain arrangements for internal audit in accordance with the Treasury's Government Internal Audit Standards.

4.6.2 The Board shall maintain an audit committee as a committee of its Board in accordance with the Cabinet Office's Guidance on Codes of Practice for Public Bodies and the Treasury's Audit Committee guidance.

4.6.3 The NIO's Internal Audit Service shall also have a right of access to all documents prepared by the Board's internal auditor. Periodic audit plans; reviews and audit report shall be forwarded to the NIO Head of Internal Audit. Annex A outlines the classification of audit assurance.

# **5. HEALTH AND SAFETY COMPLIANCE**

5.1.1 The Board shall establish arrangements for compliance with all relevant Health and Safety legislation including the development of appropriate policies, the appointment of competent persons to manage and control risk and ensure appropriate training for staff. Reports shall be provided to the sponsoring Division on performance and incidents.

# **6. THE ANNUAL REPORT AND ACCOUNTS**

6.1.1 The Board will by 30<sup>th</sup> June each year provide the department with a draft Annual Report and Accounts for the year ended 31<sup>st</sup> March previously.

6.1.2 The Board will, by 31<sup>st</sup> August each year, present to the Secretary of State an Annual Report and Accounts for the year ended 31<sup>st</sup> March previously.

6.1.3 Responsibility for publication of the Annual Report and Accounts rests with the Board. The Annual Report and Accounts will be published not later than six weeks after signature by the Comptroller and Auditor General.

6.1.4 The Annual Report and Accounts shall comply with the Treasury document Financial Reporting Manual (FreM). The accounts shall be prepared in accordance with the relevant statutes and the specific Accounts Direction.

6.1.5 The Annual Report and Accounts shall outline the details as outlined in Chapter 7, Section 2 of FreM.

6.1.6 The published Annual Report and Accounts shall be laid before Parliament by the NIO, on a date agreed with the Board and made available on the PBNi website.

## **7. STAFF MANAGEMENT**

### **7.1 General**

7.1.1. Within the arrangements approved by the Secretary of State and the Treasury the Board shall have responsibility for the recruitment, retention and motivation of its staff. To this end the Board shall ensure that:

- its rules for the recruitment and management of staff create an inclusive culture in which diversity is fully valued; where appointment and advancement is based on merit; and where there is no discrimination on grounds of religious belief, political opinion, race or ethnic group, age, marital status, sexual orientation, gender, disability or dependency;
- the level and structure of its staffing, including gradings and numbers of staff, is appropriate to its functions and the requirements of efficiency, effectiveness and economy;
- the performance of its staff at all levels is satisfactorily appraised and the Board's performance measurement systems are reviewed from time to time;
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the Board's objectives;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place;
- whistleblowing procedures consistent with the Public Interest Disclosure Act are in place;
- a code of conduct for staff is in place based on the Cabinet Office document *Model Code for Staff of Executive Non-Departmental Public Bodies*.

## **8. REVIEWING THE ROLE OF THE BOARD**

8.1.1 The Board shall be reviewed periodically, in accordance with the business needs of the NIO and of the Board and of best corporate governance practice.

## **9. GLOSSARY**

### **Accountability**

The process whereby public bodies and the individuals within them are responsible for their decisions and actions, including stewardship of public funds and all aspects of performance, and submit themselves to appropriate external scrutiny.

### **Accounting Officer**

The NIO Accounting Officer, Permanent Secretary, is accountable to Parliament for the stewardship and proper use of the NIO budget, including the grant-in-aid and other public monies received by PBNI. The Director of PBNI is designated as NDPB accounting officer for the Board and is accountable to the NIO Accounting Officer and Parliament for the stewardship and proper use of PBNI funding.

### **Aims**

The broad purpose for which an organisation exists. The Board adopts government's aims for probation as its key objectives.

### **Annual Report**

A document produced by the Board, which reports on the organisation's performance against the targets set in the previous year's Business Plan

### **Annual Statement of Accounts**

The annual accounts of the Board are prepared and submitted in accordance with paragraph 2 (1) (b) of Schedule 3 to the Probation Board (NI) Order 1982.

### **Business Plan**

A document produced by the Board, which is primarily concerned with the implementation of the approved Corporate Plan. It is a detailed plan setting out the organisation's objectives and targets for the in-coming year, and the activities planned to achieve them.

### **Code of Practice for Board Members**

A set of guidelines adopted by the Board specifying corporate and individual responsibilities and accountability of Board Members. It has no legal force.

### **Commissioner for Public Appointments in Northern Ireland**

The Commissioner's functions and responsibilities are set out in the Public Appointments Order in Council 1995. The Commissioner is independent of Government and her role is to monitor, regulate and provide advice on departmental procedures for Ministerial appointments to public bodies.

## **Committee of Public Accounts (PAC)**

A committee of the House of Commons responsible for overseeing propriety and value for money of public expenditure.

## **Community Service Order**

A court order requiring an offender over 16 years of age to perform unpaid work for a specified number of hours (not less than 40 and not more than 240).

## **Corporate Plan**

A document produced by the Board which specifies the organisation's medium-term strategic aims and objectives and key performance measurements for the next three years, against a backdrop of assumptions as to the likely operating environment.

## **Economy**

The minimising of the cost of resources acquired or used for an activity, having regard to appropriate quality.

## **Effectiveness**

The extent to which objectives have been achieved and the relationship between the intended and the actual effect of outputs in the achievement of objectives.

## **Efficiency**

An activity is efficient if it maximises output for a given input, or minimises input for a given output.

## **Evaluation**

The process of examining a policy or action to see whether the objectives are being achieved and whether the policy or action continues to represent value for money.

## **Grant-in-Aid**

The sum expended by the Department to finance all or part of the costs of the Board in accordance with Article 7(1) of the Probation Board (NI) Order 1982.

## **Key Performance Measurement/Indicator (KPM/KPI)**

A measure is a direct quantification of output or of some aspect of performance. An indicator is a statistic, which gives some information about output or performance. KPMs or KPIs are linked to key output areas for which targets are set. Organisational performance can be measured against these targets.

## **Key Performance Targets**

Targets specifying the level to be attained against Key Performance Measurements. They are agreed with the Secretary of State.

## **Monitor**

A process of frequent assessment of a policy or action to determine whether objectives are being achieved and whether the policy or action continues to represent value for money.

## **Non Departmental Public Body (NDPB)**

A body which has a role in the processes of government, but is not a government department or part of one, and accordingly operates to a greater or lesser extent at arm's length from Ministers.

## **Objectives**

Specific planned achievements for furthering an aim, quantified where possible and prioritised.

## **Overview Meetings**

Regular meetings between the Chairman, Director and senior management of the Board with the NIO.

## **Public Service Agreement**

The PSA sets out the NIO's overall aim, principal objectives and lists the particular high level targets that have been agreed.

## **Permanent Secretary**

The Head of the Northern Ireland Office is the Permanent Secretary

## **Review**

To examine or evaluate the outcomes of policy or action over a defined period.

## **Risk Management**

Risk Management is a way of examining all manner of risks, which may impact negatively on an organisation's day-to-day activities.

## **Target**

A target is a quantified objective set by management to be attained at a specific date.

# ANNEX A

## CLASSIFICATION OF AUDIT ASSURANCE

| <b>Level of Assurance</b> | <b>Definition</b>   |
|---------------------------|---|
| <b>Substantial</b>        | There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.   |
| <b>Satisfactory</b>       | There is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and /or effectiveness of risk management, control and governance.  |
| <b>Limited</b>            | There is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve adequacy and effectiveness of risk management, control and governance.  |
| <b>Unacceptable</b>       | The system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance. |