

the account

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CIPFA SUPPORT FOR CHAIRS



David Nicholl, Head of CIPFA Northern Ireland (left), and Sean Hogan, Chair of the Agri-Food and Biosciences Institute

Through an innovative partnership, CIPFA Northern Ireland is to provide professional support for the Chairs' Forum. The Forum is an influential group of Chairs of public bodies in Northern Ireland with over 60 members and is the only association of its type in the United Kingdom. Over the last two years, the Forum has established strong links with Chairs of public, state and semi-state owned bodies in Ireland.

The purpose of the Forum is to support and enable Chairs of public bodies appointed through the public appointments process to maximise their effectiveness as Chairs. CIPFA

Northern Ireland will advise the Forum on the key governance and related issues affecting public bodies and will organise an annual programme of events that will further the aims of the Forum.

Sean Hogan, Chair of the Forum, is delighted with the new arrangements. He says 'CIPFA is a professional organisation widely recognised throughout the UK for its governance expertise. This new partnership provides a strong strategic as well as practical fit between both organisations that will further our objective to professionalise the Board and to develop Chairs for the future'.

The Account is the newsletter of the CIPFA Northern Ireland Branch and is sponsored by Brightwater Recruitment Specialists

CIPFA NI IN ACTION

AAT course – stand out from the crowd

In times of change, having professional skills is becoming increasingly important to equip people to stand out from others. The AAT's popular professional accountancy qualification for operational finance staff, which is supported by all the main accountancy bodies and run by CIPFA Northern Ireland, still has places available on its Foundation Level intake in February 2009.

The AAT qualification is recognised internationally and gains exemptions from CIPFA's accountancy qualification for those who wish to continue with their professional development and become qualified accountants.

With high pass rates, quality tuition, support by CIPFA and relevance to operational finance functions in public bodies, the AAT qualification is highly regarded in the finance world. The AAT qualification has also recently been included on the Northern Ireland Civil Service list of approved training courses.

For further details on the AAT qualification, please contact Nicola Greer on 028 9026 6770 or via e-mail at nicola.greer@cipfa.org

Launch of 2009 training courses

CIPFA Northern Ireland has launched its spring 2009 programme of training courses which is available at www.cipfa.org.uk/regions/ni. The availability of the programme coincides with many public officials considering their personal development plans and training needs for the year ahead. Training offerings fall into a number of broad categories: Finance and Accounting; Grants Management; Audit; Fraud and Governance; Communication and Marketing; and General Management and Performance (see page 27).

The spring 2009 programme contains hardy annuals as well as a number of recent and increasingly

popular courses. For example, *Conducting Verification Visits* training enables participants to maximise the value of visits to organisations in receipt of grant-funding. This need has been brought sharply into focus given the recent, well publicised claw back of £53 million of EU funding due to errors and faulty documentation by grant recipients.

Another increasingly popular course is *Policing the Information Security Process - Audits that Close the Loopholes* which provides a practical approach to information security. This course is particularly relevant given the recent, high profile breaches of information security.

Many training managers and their organisations are now realising the benefits and value for money of commissioning bespoke training for their organisation rather than booking staff on public courses:

- Cost effectiveness
- Flexibility over number of attendees
- Tailoring to suit specific needs
- Delivery on the organisation's own premises

If you wish to run any of the suite of public courses on an in-house basis, or if you have any other training needs, please contact Anna Egner on 028 9026 6777 or via e-mail at anna.egner@cipfa.org

IFRS – opening balances imperative

As part of the transition from UK-GAAP to International Financial Reporting Standards (IFRS), public bodies in Northern Ireland are required to have the 2008/09 opening balance in their accounts restated by February 2009. Public bodies in the rest of the United Kingdom completed this process by the end of September 2008.

To enable organisations to restate the opening balances of their 2008/09 accounts using IFRS,

CIPFA and PricewaterhouseCoopers are providing a specialist one-day course in Belfast on 5 February 2009.

As well as training to help organisations restate their opening balances, the following training courses are also being offered in Belfast:

- Two-day course on Shadow IFRS Accounts: 10 and 11 February 2009 & 28 and 29 May 2009
- Half-day course on Leases In-depth: 26 March 2009
- Half-day course on PFI In-depth: 26 March 2009
- Half-day course on Financial Instruments In-depth: 27 March 2009
- Half-day course on A Detailed Approach to Managing the Transition to IFRS: 27 March 2009

The IFRS courses can also be run on an in-house basis which, depending upon numbers, can be a cost-effective alternative to public courses. For further information on IFRS training, please contact Alan Bermingham on 028 9026 1651 or via e-mail at alan.bermingham@cipfa.org



IFRS trainers: (L-R) Suzanne Walsh, PwC; Alan Bermingham, CIPFA; Andrew Bradbury, PwC; Una McGuinness, CIPFA; and Patrick Gallen, PwC

As part of its technical accounting support service provided to local government finance officials, CIPFA delivered an update on the transition to IFRS for a group of 45 people in Craigavon Borough Council offices on 21 November 2008.

CIPFA seminars 2009

CIPFA Northern Ireland's annual programme of seminars for 2009 starts next month. The programme will address topical issues affecting public services in the areas of governance, project management and audit. To kick off the 2009 series, a major Housing Finance conference, run in partnership with the Chartered Institute of Housing, will be held on 25 February 2009 in Belfast. A range of high profile local and national speakers will address topical housing issues:

- *Marrying Efficiency and Accountability* - David Mullins, Professor of Housing Policy, Centre for Urban and Regional Studies, University of Birmingham
- *Attracting Finance: The Key to a Business Future?* Rachel Terry, Independent Consultant and Housing Finance Policy Specialist
- *Understanding Savings through Procurement* - Janet Williams, Senior Research Manager, Audit Commission

For more information on our 2009 seminars, please see the enclosed flyer. Alternatively, please contact Anna Egner on 028 9026 6777 or via e-mail at anna.egner@cipfa.org

Improving financial skills

Have you ever thought about the need to improve your or your organisation's financial skills without necessarily becoming a qualified technician or accountant? Increasingly, people who work in public sector organisations who are managers, budget holders and auditors are required to exhibit a range of financial management skills as a key part of their roles and responsibilities, irrespective of their professional background.

CIPFA's Financial Skills Programme provides practical, work-based training on a range of finance and audit-related topics and a qualification in recognition of their achievements. The programme is aimed at budget holders or staff working in finance, audit or inspection roles who have some financial or audit responsibility but little, if any, formal training.

The next training programme starts in February and finishes in October, with assessment scheduled for December 2009. Further information about this programme together with a booking form is available at www.cipfa.org/regions/ni. Alternatively, please contact Nicola Greer on 028 9026 6770 or via e-mail at nicola.greer@cipfa.org

Certificate in public procurement

Following a major piece of consultancy work for a local public body, CIPFA Northern Ireland has identified a need to enhance public procurement skills. This need is reinforced by the increasing size and complexity of contracts awarded by public bodies as well as the increase in processes, procedures, controls and regulations that must be complied with here and on an EU-wide basis.

As a result, CIPFA Northern Ireland is currently developing a comprehensive Certificate in Public Procurement that will enhance the skills of those public sector officials engaged in the procurement of goods and services in a range of areas:

- Specification writing
- EU procurement processes
- Commercial acumen
- Negotiation skills
- Tender and tender evaluation
- Effective contract management

To register your interest in this programme, please contact Steve Mungavin on 028 9026 6778 or via e-mail at steve.mungavin@cipfa.org

Good practice governance

During 2008, following the problems in the Northern Ireland Events Company, CIPFA Northern Ireland was commissioned by DCAL to undertake a review of governance and accountability arrangements within its arms length bodies (ALBs). As part of the review, CIPFA developed a governance and

accountability checklist that was applied to each ALB to ensure that the fundamentals of good governance were in place. CIPFA also reviewed the structure and operation of the sponsorship arrangements within DCAL.

Both reports highlighted a number of good practices within the Department and its ALBs, but also made a number of recommendations for improvement which are now being taken forward by DCAL.

CIPFA Northern Ireland's flagship programme for Board members of public bodies, 'On Board' goes from strength to strength. In 2008, this essential introductory training course was delivered on over 40 occasions on a public and in-house basis to organisations as diverse as, Quality Meat Scotland, Badminton England, Commission for Victims and Survivors, Crofters Commission and the General Teaching Council for Scotland. Bookings are now being taken for 2009, although there is a lengthy lead-in time for dates.

For further information on training, the governance and accountability checklist or to discuss how CIPFA can assist your organisation in reviewing and improving governance and accountability, please contact David Nicholl on 028 9026 6770 or via e-mail at david.nicholl@cipfa.org

New faces at CIPFA

Over the last few months, three new staff have started with CIPFA Northern Ireland. Jayne Thompson joins us as a Training Consultant. Jayne is a qualified accountant and a member of ACCA. She joins CIPFA from Sport Northern Ireland. Jayne has been delivering training on the AAT qualification and has just completed her NVQ assessor award.

Alan Bermingham was Director of Finance at SHAC Housing Association prior to joining CIPFA as a Principal Consultant. He is a member of CIMA and is currently delivering training on the IFRS courses having just undertaken the ICAI IFRS Diploma.

Kevin Murphy is no stranger to CIPFA having provided training on professional accountancy courses for a number of years on an associate basis. Kevin has joined CIPFA as a part-time Senior Consultant.

INTERVIEW WITH HEALTH MINISTER

Michael McGimpsey MLA is the Minister for Health in the Northern Ireland Assembly. In his written reply to questions posed by David Nicholl, Head of CIPFA Northern Ireland, the Minister outlines some of the key priorities and challenges ahead.

As Minister for Health Social Services and Public Safety in the Northern Ireland Executive, Michael is responsible for over 70,000 professionals working in health and social care, ambulance and the fire service and has an annual budget of approximately £4b. He took up office on 8 May 2007 and is currently taking forward a major reform and modernisation programme which has already reduced 19 health trusts to six (including the Northern Ireland Ambulance Service). He recently announced further proposals, which are currently out for consultation, including plans for a new public health agency and a new regional health and social care board. Over the last year, he has also announced a further transformation in hospital waiting times and in other services such as access to cancer treatment and ambulance response times.

What are the main differences in your experience of the first Executive, when you were Minister for DCAL, and today's Executive?

The main differences primarily are the issues and policy. They are of a different magnitude. Health will affect everyone in Northern Ireland. There is a burden of responsibility that goes with this Ministerial post and a very heavy workload.

Ministers continue to work in their own departments with the Executive working as a whole for the greater good for the people of Northern Ireland.

How would you describe your relationship with the various Boards of organisations sponsored by your department?

I meet with Chairs of HSC organisations regularly during the course of carrying out my day to day



Health Minister, Michael McGimpsey MLA

responsibilities as Health Minister. I have the utmost respect for Chairs and Board members and I appreciate their effort and commitment to ensuring that organisations meet performance targets and governance standards.

There are proposals to bring Councillors on to Local Commissioning Groups and other Boards of health bodies. Given the problems that have been caused by having Councillors on the Boards of other public bodies (eg ELBs) is this not a recipe for confusion and conflict?

By appointing local representatives to the LCGs and the Boards of the new Health Bodies I am actually seeking to remove confusion and conflict. The Health and Social Care system will involve stakeholders from a wide range of public bodies where there is an interest in issues relating to health and social care service provision, wider public health protection, health improvement and tackling health inequalities.

By involving local representation, I am seeking to reduce duplication and allow for a more efficient dialogue between key partners in delivering health and social care.

What is the expected impact of shrinking four Health Boards into one?

The key difference will be that many of the key functions of management will be consistent at regional level, which will improve quality, effectiveness and efficiency. This will apply to the functions of both the new Regional Board (eg performance management) and the new Regional Agency (eg health protection). Given the size of Northern Ireland, it makes sense to have regional organisations rather than four sub-regional Boards managing such functions on behalf of the whole population.

I want efficient, forward looking, innovative, health and social care organisations, which deliver on targets and constantly strive to improve their performance for the benefits of patients. Quality and standards must continually be driven up without compromise. Patients and clients must be given the opportunity to voice their concerns and be sure that they are listened to.

How is the new configuration of Health Trusts progressing?

Very well. The new organisations have faced a very challenging agenda involving significant change and have made very substantial progress in bedding down the new arrangements while continuing to meet the majority of the required objectives for service improvement and effective financial management.

What will the health service in Northern Ireland look like in ten years time?

We are building the foundation for a vibrant and successful future for the health and well-being of the people of Northern Ireland. I believe that we now have the unique opportunity to truly transform our health service into one that is world class and fit for not only the next ten years but well into the 21st century.

What is the most important lesson that Health can teach other sectors embarking on reform?

The importance of keeping a clear focus on the key objectives of the change which in our case are

improved health and well being for all of the people of Northern Ireland and real value for money in the use of public funds.

What is the strategy to improve mental health in Northern Ireland?

The Promoting Mental Health Strategy contains 20 actions to improve mental health and emotional well being, including action to raise public awareness of mental health issues, promote coping skills, and improve the knowledge and skills of health professionals. Bamford highlighted the high cost to Northern Ireland society as a whole of poor mental health and the importance of a cross-sectoral approach to protecting the public's mental wellbeing.

My Department is therefore leading on work to update the current cross-Departmental Promoting Mental Health Strategy and Action Plan; this work will take into account the findings of the Bamford review, the more recent work on Protect Life, the suicide prevention strategy, and other relevant developments. I expect that a new Action Plan will be agreed during 2009.

My Department is also involved with the Department of Education (DE) in the development of a Pupils' Emotional Health and Wellbeing Programme to address how pupils' emotional health and wellbeing is promoted by the school, what support systems are available to support a pupil under stress and what support is available to a school in the event of a crisis. We are also working with DE to develop a joint healthy schools policy which will include early years' provision and youth services. The policy will address the four strands of a healthy school, one of which will be emotional wellbeing.

Has much progress been made in taking forward the 600+ recommendations of the Bamford Report?

Progress on delivering Bamford is being made. Our health and social care system is viewing services for those with mental health problems or a learning disability very differently. We are delivering more care in the community instead of institutions. We are also bringing down waiting times for access to psychological therapies to a maximum of 13 weeks by March 2009.

Our dedicated health and social care staff will be the key to delivering the wider range of services required. I have therefore initiated a Workforce Planning study that is currently identifying the additional resources that will be needed if we are to fully deliver the Bamford vision.

A taskforce was set up in July 2005 to develop a separate Suicide Prevention Strategy for Northern Ireland. How has this progressed?

A taskforce was set up in July 2005 to develop a separate Suicide Prevention Strategy for NI and, after a widespread consultation process "Protect Life - A Shared Vision", was published in October 2006. It contains over 60 actions, and it adopts a dual population and targeted approach with regards to the implementation of same. A cross sectoral Regional Suicide Strategy Implementation Body, including representation from local communities and Families bereaved by Suicide, has also been established to help drive forward this process. In addition, over £3m per annum has been ringfenced to assist with the implementation of the strategy.

Much work has already been undertaken including the development of suicide awareness mental health promotion public information campaigns, GP depression awareness training, financial support for local community initiatives to tackle suicide, and the establishment of a number of deliberate self-harm pilot schemes. A new regional 24/7 crisis response helpline (Lifeline) has also recently been established to provide rapid response counselling support for those people at risk of suicide and an additional £3.5m has been provided for the rollout of this service.

Are waiting lists reducing? How much scope is there for further improvement?

Waiting lists have been decreasing over the past few years. Up-to-date figures across all services to which targets apply will be published shortly but from 2006 to June 2008, total waiters on lists fell from 40,707 to 36,273 and patients waiting more than 21 weeks from 6,564 to 55.

Scope for further improvement will have to be balanced against cost, competing priorities and value for money.

With rising demand for healthcare and increasing expectations, do you think the £4b expenditure on health represents good value for money to the taxpayer?

Delivering the best for patients often means making difficult choices. Resources are finite and we can always do more. In considering the current levels of funding and determining if £4bn represents value for money to the people of NI, the needs of the population in terms of size, age and gender and socio-economic factors must be considered. Northern Ireland has experienced an increase in the costs of caring for the very elderly as the population ages and a significant growth in its population size. Such changes and previous underfunding of health services have left us with a significant funding gap between Northern Ireland and England.

In monetary terms, this differential in need for Health and Social Services equated to some £270m by 2007/08. This estimate takes into account the fact that actual expenditure is already above English levels.

In addition, over the current CSR period, this gap will grow by a further £322m as a result of my Department receiving a 1.2% growth in real terms over the CSR period compared to a DoH growth figure of 3.7% in real terms. That's a differential between need and funding of almost £600m in total.

Why are Consultants and GPs being paid more for doing less under the new contracts? Would you consider revising these contracts at some stage in the near future?

I acknowledge that there has been widespread criticism of pay and contracts that have been negotiated nationally and introduced over the past number of years. Any revision of contracts will be carried out on a national basis and my Department, with the approval of the Department of Finance and Personnel, would be involved in any such negotiations.

Where is the money coming from to provide free prescriptions for everyone? Could this money not be better spent elsewhere?

A cradle to grave health service, free at the point of

delivery, is the founding principle of the NHS which was founded 60 years ago this year. It is a principle that I, and the entire population of Northern Ireland, wholeheartedly support.

The introduction of free prescriptions was one of my earliest Assembly debates. It has prompted countless letters and calls from patients seeking relief from the burden of paying for prescriptions for essential medication. That is why I established a cost and benefits review into the abolition of prescription charging last year.

After looking closely at the financial position with my officials, I have concluded that the cost of free prescriptions (£13m) can be found within my existing budget without impacting adversely on any existing service.

To help ensure that the drugs bill does not rise unnecessarily, I would be encouraging healthcare professionals to prescribe sensibly. I will also need the support of everyone in Northern Ireland to make this work and act responsibly with regard to demanding prescriptions.

It brings to an end an inequitable system which caused only anxiety to thousands of people who were already suffering from serious illnesses. It is also a testament to what can be achieved by a local administration responding to local needs and wishes. The people of Northern Ireland deserve no less from their own Government.

How efficient do you think the health service is in Northern Ireland? Have things improved since Appleby's less than flattering comparison between the efficiency of the Health Service in Northern Ireland compared to GB?

On efficiency, inpatient activity has grown 9.3% since 2001/02, outpatients by 4.5% and daycase activity has grown by 23.2%.

Other underlying measures show improvements in underlying productivity and positive change: for example, between 2001/02 and 2006/07 average length of stay has decreased a day, or 12.6%.

Analysis of health service performance against England is difficult to do on a consistent basis. The

2007 CSR settlement and the attendant efficiency savings agreed by the Executive mean we will have to make efficiencies - total efficiency savings deliverable by my Department across the CSR period 2008/09-2010/11 of £118m, £233m and £344m respectively are needed to finance our investments and inescapable expenditure. We aim to deliver further efficiencies of £34m over and above our target in year three.

What I want to emphasise here though, is that experts tell us that the output required from the health service in order to maintain the affordability of tax funded healthcare in the future is of a slightly different kind to the familiar efficiency indicators above - it includes not just effectiveness in managing patients through hospital but work both upstream (in prevention) and downstream (in managing specific health conditions).

This kind of output is hard to measure, but my Department's CSR investment plans have been weighted towards these things - the right kind of output - with investment in remote telemonitoring, chronic disease services modernisation, with more investment in community services and other targeted public health funding.

How do you balance your time given the demands on your ministerial, constituency, business and personal life?

My philosophy is that my family comes first and the rest is my job. I manage to keep this philosophy even though the demands from my political career command an enormous amount of my time. In my spare time, I also like reading, walking and gardening.

Where is your favourite place to take a holiday?

Anywhere in the Greek Islands.

How accurate is the 'Folks on the Hill' portrayal of Michael McGimpsey MLA?

I have to say that I am much funnier than that in real life. I think it is a great bit of fun to see yourself portrayed as a caricature on what I regard as a very funny show.

ALZHEIMER'S SOCIETY

Tim Johnston, CIPFA student, writes about the Alzheimer's Society.

Easter can be one of those times of year when wondrous family memories can be made. But can you imagine what it would be like to lose them all?

That can be the cruel reality of Alzheimer's disease. Would you believe that one in four will know someone who is affected and one in 20 of us will end our lives with this condition? I lost my dad, John, to this terrible disease just over three years ago and the saddest part of watching his decline was the knowledge that his dementia had robbed him of his memories, particularly of those he loved and who loved him.

The Alzheimer's Society exists to champion the rights of everyone with dementia and those who care for them. That's why they work hard to:

- Provide support through their confidential helpline
- Offer respite care, day care, outreach and befriending services
- Provide information and education to people with dementia, carers and healthcare professionals
- Raise awareness and campaign for the rights and welfare of people with dementia and their carers
- Invest in research into the cause, cure and care of dementia
- Provide a network of branches to support local communities

Every moment together is precious for family and friends. Family times such as Easter can be particularly stressful for those affected by dementia. It can bring memories of happier times flooding back,

it can make people feel more isolated and alone and it can be very hard to include someone with dementia in family celebrations. For many people it is when they need the most support. For every £1 you help raise for the Alzheimer's Society, 88p will go directly to support people like my dad, like your dad.

With that in mind, maybe those of us in the public sector and beyond could make a real and lasting difference for people with dementia in our local communities, whilst demonstrating our commitment to see a world free from dementia. It would be wonderful if you could do something easy and fun in your workplace to help people with dementia and their families.

This Easter, why not use an office event to raise valuable funds for the Alzheimer's Society? Here's a few ideas of how you could make use of your office social events:

- Hold a raffle and charge an entrance fee
- Hold a quiz or a 'skills' auction – who knows what secret talents you may have!
- Donate to take part in an Easter Egg hunt
- Have an office dress down day where people pay to take part. Make it a themed day for extra fun!

Please help to give people living with dementia the support they deserve by sending as much as you can to this valuable and worthwhile appeal.

If you would like to request a fundraising pack, please write to:

The Alzheimer's Society (Northern Ireland)
86 Eglantine Avenue
Belfast
BT9 6EU
E-mail: nir@alzheimers.org.uk

NATIONAL FRAUD INITIATIVE

Under new statutory provisions inserted in the Audit and Accountability (Northern Ireland) Order 2003 by the Serious Crime Act 2007, the Comptroller and Auditor General for Northern Ireland (C&AG) has been given the power to conduct data matching exercises for the purpose of assisting in the prevention and detection of fraud. In this article, Janet Sides of the Northern Ireland Audit Office explains how the National Fraud Initiative works.

The National Fraud Initiative presents a significant opportunity to tackle and reduce the scale of fraud against public sector bodies in Northern Ireland and beyond, and should provide a strong deterrent against future fraudulent acts.

Data matching involves comparing sets of data, such as the payroll or benefits records of a body, against other records held by the same or another body. This allows potentially fraudulent claims and payments to be identified. Where no match is found, the data matching process will have no material impact on those concerned. Where a match is found, it indicates that there may be an inconsistency that requires further investigation.

Data matching is a powerful tool in combating fraud, as demonstrated by the National Fraud Initiative (NFI) established by the Audit Commission (The body responsible for the audit of local authorities and the National Health Service in England) in 1996 and designed to help participating bodies identify possible cases of fraud and detect and correct any under or overpayments from the public purse. The Commission's report on NFI 2006/07 (available at www.audit-commission.gov.uk) highlighted the identification of fraud and overpayments totalling £140m, bringing the overall total since 1996 to nearly £450m.

The first data matching exercise under the C&AG's new powers is being undertaken as part of NFI 2008/09. It will be governed by a Code of Data Matching Practice which has been prepared by the

C&AG in consultation with the Information Commissioner and a range of other stakeholders. The purpose of the Code is to promote good practice in data matching and help ensure that all involved in these exercises comply with the law, especially the provisions of the Data Protection Act 1998.

The Audit Commission, on behalf of the C&AG, is carrying out the key aspects of the exercise, including the collection and processing of data. Security of data is critical and has been thoroughly addressed in the development of NFI. The exercise, which commenced in October 2008, is using the secure NFI website which is password protected and encrypted to 128 bit SSL standards both for the transmission of data to the Commission, and the accessing of matches by a participant.

In terms of the scope of the exercise, our aim in the early stages of implementing the new powers has been to focus on introducing the data sets that form part of the core NFI.

Bodies whose accounts are required to be audited by the C&AG and local government auditors must submit data for an exercise if it is requested by the C&AG. A total of 70 public sector bodies are providing data for the 2008/09 exercise on this basis, including Northern Ireland Departments and their Executive Agencies, the larger Non-Departmental Public Bodies, Health Services Bodies, and District Councils. A small number of public bodies are providing data voluntarily and should be commended for recognising the benefits that data matching presents in the prevention and detection of fraud.

The data sets included in NFI 2008/09 under the C&AG's powers are:

- Payroll
- Pensions

- Trade creditors' payment history and standing data
- Housing benefit, housing tenants and right to buy
- Blue badges
- Private supported care home residents
- Companies registry

The new legislation provides for this data, and the results of the matching, to be disclosed to other public audit agencies, including the Audit Commission and the Auditor General for Wales, thus enabling cross jurisdictional matching in NFI.

Examples of the type of fraud and overpayments that may be detected through the matching of the data sets are as follows:

- Staff working elsewhere whilst on sick leave
- Employees being paid for two full time posts with different organisations
- Claimants not declaring employment which may remove entitlement to housing benefit or reduce the amount of benefit payable
- Individuals not entitled to be in the UK, to work or to have recourse to public funds
- Pension payments to deceased pensioners
- Overpayment of pension due to return to work in the same sector after retirement (if applicable)
- Duplicate payments to trade creditors
- Incorrect VAT payments to trade creditors
- Procurement corruption by suppliers
- Blue badges still in issue where holder is deceased
- Payments being made to care homes where the resident is deceased

The matches will be available to participants in January 2009 for follow up and investigation, and in due course the C&AG will publicly report on the outcome of the overall exercise.

Data sets will only be matched where the C&AG has reasonable evidence that fraud is likely to be found as a result of matching those data sets. This can be informed through the use of pilot exercises which test the effectiveness of new areas in preventing or detecting fraud. This year we are proceeding with pilot exercises in the areas of identity fraud, involving the use of NI electoral registration data and rates.

As we move forward, we will consider how best to develop the use of the new data matching powers and in doing so will be very interested in views on what would be useful data matches for the purpose of highlighting significant fraud.

In conclusion, the Public Accounts Committee of the Northern Ireland Assembly reported in May 2008 (Public Accounts Committee Report on National Fraud Initiative Session 2007/08 Fourteenth Report available at www.niassembly.gov.uk) that it 'views the National Fraud Initiative as a key tool in the armoury against fraud and error, issues which the Committee has consistently highlighted in other reports. The amounts identified as potential savings are considerable and to these must be added the savings attained through discouragement of those who would want to defraud the system, knowing that they are now, more than ever, likely to be caught.'

The Committee also 'recognises and welcomes the potential for NFI to identify individuals who qualify for the various benefits in the welfare system, but have not received the benefits due. It will therefore be seeking assurance from the C&AG, that appropriate use is made of the initiative, as it develops, in this regard.'

Any organisation interested in future participation in NFI should contact Patrick O'Neill, Northern Ireland Audit Office, 106 University Street, Belfast BT7 1EU Telephone: 028 90251023 E-mail: nficoordinator@niauditoffice.gov.uk

Further information on NFI can also be found at www.niauditoffice.gov.uk/about/national-fraud-initiative.asp

WALKING AND REFLECTING

It's now 17 years old and I've been to virtually all of the CIPFA conferences in Newcastle County Down – reflection brings back memories, highlights, people, opportunities, deals. One feature of the conference that I have always been aware of, but never done anything about, is the annual 'walk through the Mourne's' after the conference finishes. It has always appealed but then I have always found an excuse – the weather, tiredness, no time, got to get home or back to the office.

This year was different. Turning 50 years old makes you think about doing things that you have put off. You think about past achievements, past failings and future challenges. I'd decided to sign-up and no matter what, would be in those mountains when the conference was over.

A tanned and healthy looking John Cassis from Florida delivered his final remarks at the last conference session. 'Free your head from hatred, fill your heart with happiness and keep life simple and uncomplicated' he urged delegates. He had them hanging on his every word after commanding their attention for over an hour with his key leadership messages supported by humorous anecdotes, delivered in a gospel-like style without notes or slides. What a great way to finish the conference - delegates uplifted, inspired, motivated and ready to take on anything.

There was time for a bite to eat before the walk. I canvassed interest from other delegates, no takers, all excuses. Even Heather pulled out. Typically, the weather had turned. Bright morning sunshine yielded to a stiff breeze, dark clouds and rain. Whilst having coffee in the restaurant, I spotted delegates leaving. David Lamb jogging to his car, trying to avoid the drenching rain by using his conference folder, he looked uncomfortable. Must be the large lunch or maybe wearing a business suit was not the best for running. Emily was loading her car with the leftovers from the conference office. What a great job she did to organise the conference for another year. Nothing

was left to chance, she thrives on the detail of event administration catering for over 250 delegates. We'll miss her when she goes on maternity leave. As ever, Kate's input was superb as well.

Michael Carson had a busy two days. As Chair of the Northern Ireland Branch of CIPFA, he chaired the conference. He met speakers, thanked supporters, posed for innumerable photos, kept on his toes. It was his first time and he did a good job all round. Michael also organised the walk. I had my doubts but despite the weather it was still on, we were going for it. Geoffrey Crossey is a conference regular and experienced hill walker being a die hard member and Treasurer of the Civil Service Rambling Club, he makes up the threesome. No other takers, all excuses.

We got appropriately suited and booted and left a solitary car in the Donard car park. It was hours before we returned. The first stretch was through the trees, steep but sheltered. Breathing was long and slow – in through the nose, out through the mouth, filling the lungs with fresh air. Apart from occasional pieces of advice from Michael and Geoffrey, we were alone with our thoughts. Apparently, when women walk this part, they chatter and walk at the same time. I was reminded of Alan Pease's research that he hilariously highlighted at a previous conference: women talk on average 10,000 words per day, men 2,500 words. Enough said. This was a tough enough initial climb, no time for us men to chat.

We emerged from the trees into open country opposite the 19th century Ice House beside the Glen River path. The National Trust maintained house, built like a stone igloo, was used to keep meat and provisions cold for the local landowners, the Annesley family. Coincidentally, I had chaired a conference session in the Annesley Room at the conference venue, the majestic Slieve Donard hotel named after the mountain we were climbing. Marie Mallon, Director of Human Resources in the Belfast Health and Social Care Trust, the largest in the UK, provided

an interesting and polished overview of the 2007 merger of six health trusts into a single organisation. A number of important lessons were of great interest to the large proportion of delegates from local government who face merger proposals in the next couple of years. I reflected that the local government sector hasn't really changed much compared with others since it was established in the early 1970's.

A heavy sweat was raised. We drank ice cold water from the fast flowing brook and applied Vaseline to the forehead and eye brows to divert the flow of perspiration from face and eyes. I hadn't done this since rugby days when I also used 'vas' for the ears to prevent the traditional cauliflower appearance, I think it worked quite well for me.

But if the first stage was hard, the walk got tougher. The terrain was getting steeper, the mighty Slieve Donard rising above us, 3,000 feet in total, mist swirling around its peak faster and faster as though trying to strangle the mountain. That hadn't happened in thousands of years, so it was not going to happen now. Twenty minutes of concentrated walking, we took the steep stone strewn stairway up to the 'saddle' and the Mourne wall which provided sanctuary from the biting wind. The walking pole that Michael lent me came into its own. That pole was essential equipment to help stay steady in the wind, to help the tiring calves and thighs, it became a good friend for those few hours.

Michael was doing a great job, leading from the front charting our route to the wall, but for the summit he shepherded us from the back with Geoffrey taking point position and me in the middle.

I reflected that hill walking is an unusual leisure pursuit. I was on my own for long periods - solitary, self-motivating, self-will, determination and guts. But we were also part of a group, a common goal, helping, encouraging and looking out for each other. I thought of Seb Coe who opened the conference – the loneliness of the middle distance runner, but part of a wider team. Olympic champion. Delegates were enthralled by his conference presentation. He indicated that everyone had written-off the prospect of London hosting the 2012 Olympics as a bit of a joke but he and his team came through on the back straight to win the bid. Ken Livingstone reinforced the story during his presentation. I don't agree with

many of his views but he gave a fascinating insight into his time as Mayor of London. He had a pop at civil servants because of a lack of decision-making and risk-taking. It was easy for him, I suppose. Local Minister Nigel Dodds also referred to the Olympics and the benefits and opportunities that would come Northern Ireland's way – is our business community ready to respond? I wondered. Conference heavy-weights, Coe, Livingstone and Dodds. Real attractions for delegates. How are we going to top this for the 2009 conference programme? We will. We have been challenging ourselves for the last six years and have still managed to come up with the goods. The 2009 conference will be as good if not better than 2008.

Progress to the summit was slow, the wind scudding into our sides as we zig-zagged side to side edging forward using the wall as our guide. I thought of my boss David, he is so competitive he would be marching on, relentlessly brushing aside any obstacle. He would reach the summit, no bother.

Through the mist, I could see the glistening Mourne wall arching like the dark scaled back of a large amphibian, indicating that the ground was leveling and we were reaching the top of the mountain. We moved from Indian file to a tight bunch formation for the final few paces where the cairn suddenly emerged from the dancing mist. We casually walked over to it together as a team, triumphant and ecstatic.



Geoffrey Crossey and Steve Mungavin reach the summit of the 3,000 ft mountain

CIPFA NORTHERN IRELAND ANNUAL CONFERENCE

SPONSORED BY SELICK PARTNERSHIP



On 1 October 2008, 240 public sector officials attended the CIPFA Northern Ireland annual conference to address the theme of 'Stepping up to the mark: taking responsibility' for the future provision of public services in Northern Ireland.

The sun shone, marking a historical change for the Northern Ireland conference, and delegates arrived fresh faced from the stiff sea breeze that greeted them at the stunning Slieve Donard Hotel. The conference was opened by Michael Carson, Chair of the CIPFA Northern Ireland Branch, and Caroline Mawhood, CIPFA President.

We were delighted that, despite a busy schedule, Finance Minister Nigel Dodds MLA provided the keynote address in which he congratulated CIPFA Northern Ireland for 'its ability each year to pull together a first class range of speakers for its conference.'

Minister Dodds encouraged delegates to be innovative in rising to challenges and proactive in seizing opportunities. He also addressed the sporting, educational and economic opportunities for Northern Ireland in playing a role in the 2012 Olympic games and welcomed Lord Coe who provided an inspirational speech, interspersed with personal stories and experiences of his sporting career.

The exhibition hall buzzed as delegates chatted to colleagues, sponsors, exhibitors and CIPFA staff during the morning break. Our first aim of the day

had been achieved: the event had started with a bang and the delegates were hungry for more!

Ken Livingstone brought day one of the conference to a lively close, sharing his experience of leading a large public body. Once again, the theme of the Olympics ran through this session as Ken gave an interesting account of his involvement in securing funding for the London bid as former Mayor of London.

The social activities fringing the Northern Ireland conference were thoroughly enjoyed by delegates, sponsors, exhibitors and staff. After a pleasant and relaxing meal, the Blues Brothers put some soul into the public sector. Delegates then formed teams for the conference quiz in aid of the Ulster Cancer Foundation and a few danced the night away.

Day two of the conference was opened by Sir Brian Kerr, the Lord Chief Justice of Northern Ireland, who gave a frank and honest insight into the role of the Lord Chief Justice and the likely effects on the administration of justice when devolution of policing and justice powers takes place in Northern Ireland.

The feedback that we received from speakers, delegates, sponsors and exhibitors described the event as 'excellent'; 'truly enjoyable'; 'a flagship for such conferences ... extremely interesting and exciting'; 'great atmosphere, good content plus a great location'. All-in-all a job well done and a challenge to rise to in 2009!

ANNUAL CONFERENCE 2008

IP FINANCE RECRUITMENT SPECIALISTS



(L-R) Caroline Mawhood, CIPFA President; Michael Carson, local Chair; and Finance Minister Dodds



Ken Livingstone and David Nicholl, Head of CIPFA Northern Ireland, discuss the conference programme



The Blues Brothers put some soul into the public sector



Delegates looking cool at the conference dinner!



Sellick Partnership staff enjoy the pre-dinner drinks reception



Sir Brian Kerr, the Lord Chief Justice of Northern Ireland, addresses delegates on day two

MORE CHALLENGES ON DATA PROTECTION

It is timely to reflect on developments since the significant information losses last autumn. Those losses brought data security and the use of personal information by the public sector to a new level of media prominence. Aubrey McCrory, from the Information Commissioner's Office (ICO), outlines evidence of shortcomings for the public sector in Northern Ireland to consider and explains what further challenges are ahead.

Key challenges

The first point to make is that the public sector in Northern Ireland has been addressing changes in information use for some time. This has been driven in large part by technical developments such as the World Wide Web. The Web has enabled change and also created many challenges in how information in electronic format can be transmitted to individuals, specific groups or world wide audiences. The public sector has also had to respond to change in Government policy and legislation on information management. This has seen a shift from 'need to know' to 'right to know'. This policy change is reflected in the ICO's role as a regulator responsible for both promoting access to official information and protecting personal information.

Public opinion

Since autumn 2007, a succession of high profile incidents have sustained public concern and the media focus on data protection. Research in early 2008 found that only one in ten members of the public totally trusted Government with their information. There was some good news for the public sector in that the levels of mistrust of Government information handling were not as low as some parts of the private sector. However, the research also indicated the public do not differentiate between loss of discs, passwords or old paper records – it is clear all losses concerned the public!



Aubrey McCrory, Assistant Information Commissioner

Widespread shortcomings

Low levels of public confidence in Government information handling must also be seen against evidence of widespread shortcomings. This evidence includes the ongoing losses of discs, laptops and memory sticks by Whitehall departments and indeed organisations in Northern Ireland. The evidence also includes self reported breach notifications by public sector bodies to the ICO.

Alarmingly, by November 2008, the number of data breaches across the UK reported to the ICO had reached 277 since HMRC lost 25 million child benefit records 12 months previously. The ICO is investigating 30 of the most serious cases and plans to report on data breaches in Northern Ireland early in 2009.

The ICO has also undertaken a number of investigations into the illegal trade in personal data and its sourcing from the public sector. The results of this work and evidence of the extent and value of this trade can be found in 'What Price Privacy?' and the ICO's 2007-08 Annual Report, available at www.ico.gov.uk

Underlying problems

It has long been accepted that personal information is not sufficiently valued by the public sector. There is an acceptance that information can be requested again and again. Many processes underpinning customer interface are based on the premise that information must be handed over, and handed over repeatedly, irrespective of the resources required for reprocessing and storage!

There is also a shortage of accountability at board level with data protection and security a low priority, if indeed it is included in the organisational risk register at all. Below the board level, information management procedures and policies are often not fit for purpose. Various examples exist of manuals running into hundreds of pages!

Shortcomings in awareness raising and training are common in the various data loss review reports. In reality, training is often focused on headquarters and on information management teams rather than staff who are the point of contact with the public and who capture and share so much information.

With the pace of technical change, legacy systems and procedures are often in operation alongside more secure upgrades. This provides a recipe for inconsistency, confusion and most worryingly 'innovation' by individuals to ensure service delivery is maintained. There has historically been a lack of scrutiny of data protection shortcomings within organisations. This in part reflected the lack of headlines and evidence of widespread shortcomings which allowed senior officials to approach the matter in terms of 'It's some else's concern' and managers to feel 'It couldn't happen to us'.

Further challenges ahead

The most significant impact of the various high profile losses has been recognition of personal responsibility. The accepted wisdom is that data protection is an issue for senior managers and increasingly that someone has to carry the can. This is evident, for example, in the cases of Paul Gray (ex HMRC), Richard Jackson (ex Cabinet Office) and the termination of various contracts by the Home Office.

In developing new approaches, there is a need to balance what can be understood and practically implemented by organisations against the highest security possibilities. In developing data protection and sharing arrangements, the public sector will need to give more consideration to privacy implications. In Northern Ireland, the ICO is aware of increasing use of privacy assessments as part of initiatives to modernise Government and share information. This is a welcome move and one that could bode well for rebuilding public confidence and developing effective services.

More strategic perhaps is the new direction on information management, towards data minimisation and only holding information for as long as necessary as articulated in the Thomas/Walport review. Greater focus on records management and on 'spring cleaning' to free up storage capacity and produce business savings will be as important as focusing on the customer choice. Other challenges include the need for the public sector to communicate high level commitments to protecting personal information, and increased use of protective markings on personal information.

Costs and penalties

There is also evidence of increasing efforts by individuals to claim for damages arising from data losses. Where a public sector organisation is responsible for the data loss, it is likely the harm and financial costs associated with identity theft for the individual will be transferred squarely onto the public purse!

Finally, to combat the growing problem of illegal trade in personal information, the Criminal Justice and Immigration Act 2008 includes powers to alter the penalty for unlawfully obtaining personal data from a fine, to imprisonment for up to two years. While this has not yet been enacted, the public sector has a large part to play in ensuring other data loss incidents do not occur to the extent that Government brings these new powers into effect.

Further information and advice is available from the ICO's Northern Ireland Regional Office on 028 90 269 380 or via e-mail at ni@ico.gsi.gov.uk. Alternatively, please visit www.ico.gov.uk

IFRS 8

OPERATING SEGMENTS

IFRS 8 requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker (CODM) in order to allocate resources to the segment and assess its performance.

This article by the Department of Finance and Personnel aims to discuss some of the issues faced by public sector entities implementing IFRS 8 from 2009/10. Whilst IFRS 8 is not the most technically challenging standard, significant effort may be required to determine how it impacts your entity.

Identification of operating segments

IFRS 8 defines an operating segment as a component of an entity:

- That engages in revenue earning business activities
- Whose operating results are regularly reviewed by the CODM. CODM refers to a function rather than a title. In some entities the function could be fulfilled by a group of directors rather than an individual
- For which discrete financial information is available

Departments financed through Westminster or the Northern Ireland Assembly Estimates Process should apply IFRS 8 as interpreted by the iFReM (5.4.27). In practice, this means those entities (usually Departments) that produce a Statement of Net Operating Costs by Aim and Objective already provide more information than is required by the standard.

All other entities, such as Agencies and Non Departmental Public Bodies (NDPBs), need to apply IFRS 8 in full.

Defining operating segments in the public sector context

The Department of Finance and Personnel (DFP) held a workshop on IFRS 8 earlier this year. The key issues identified at that workshop are discussed further below.

What is an operating segment in the public sector context and how should IFRS 8 be applied to the public sector?

IFRS 8 tends to focus on revenue generated by segments whereas most public sector entities are net spending bodies. However, this does not alter the fact that IFRS 8 requires disclosure of what the CODM uses to make decisions. In the case of the public sector, operating segments are most likely to be defined on an expenditure basis.

IFRS 8 gives entities discretion to report information regarding segments that do not meet the size criteria set out in IFRS 8 (13). Entities can report on such segments where, in the opinion of management, information about the segment would be useful to users of the financial statements.

Can an organisation be considered as one segment?

The information disclosed in the accounts does not have to be at the same level of detail that the CODM would receive - aggregation is allowed where it is appropriate.

A number of conditions must be met which include the segments having similar economic characteristics, products/services, type/class of customer and distribution/delivery methods. So, for example, where the CODM receives information about individual divisions/regions, but several divisions/regions in aggregate contribute to one Strategic Objective (SO) then the aggregate can be used.

If management of an Agency/NDPB manage the entity as a single segment then it is acceptable for the financial statements to state this. The IFRS 8 approach is based on information being generated internally for management purposes.

Entities should not need to create segments specifically to meet IFRS 8 requirements - if internal reporting to senior management does not segment the business then it is not necessary to do so for the financial accounts provided, of course, the auditors agree that it is managed as a single segment.

Should corporate services be apportioned across segments?

IFRS 8(9) states ‘... an operating segment has a segment manager who is directly accountable to and maintains regular contact with the chief operating decision maker to discuss operating activities, financial results, forecasts, or plans for the segment.’ A Director of Finance/Corporate Services would most likely fit this description.

Corporate services could be a segment in its own right, if large enough, or amalgamated within other segments.

Obviously, where an entity is managed on a single segment basis there is no issue. However, where there are two or more segments each case should be judged on its merits.

Is there any difference between fees and charges disclosures and IFRS 8 disclosures?

The iFReM fees and charges disclosure requirements refer to disclosure of ‘full’ costs of each service. The Fees and Charges guide defines full costs as ‘the total cost of all the resources used in providing the service (direct and indirect costs, including a full proportional share of overhead costs and any selling and distribution expenses, insurance, depreciation and cost of capital, etc, both cash and ‘non-cash’ costs).’

IFRS 8 disclosure requirements recognise that some parts of an entity are not operating segments, or not part of an operating segment and it allows for a reconciliation between the results of all segments and the results of the total entity.

Disclosures by reportable operating segments

IFRS 8 provides a framework on which to base reported disclosures, namely:

- General information on such matters as how the reportable segments are identified and the types of products or services supplied
- A measure of net income or expenditure and total assets for each reportable segment

Both should be based on the information provided to the CODM. If the CODM is regularly provided with information on liabilities for its operating segments then these liabilities should also be reported on a segment basis. Entities are required to provide a number of reconciliations:

- The total of the reportable segments' net income/expenditure to the entity's net income/expenditure
- The total of the reportable segments' assets to the entity's assets
- Where separately identified, the total of the reportable segments' liabilities to the entity's liabilities
- The total of the reportable segments' amounts for every other material item disclosed to the corresponding amount for the entity

Entity-wide disclosures

It is unlikely that these disclosures will be required for public sector bodies in Northern Ireland because the nature of entities' business i.e. services are all delivered in Northern Ireland with no single customer being paid more than 10% of the entity's total expenditure.

Conclusion

Entities that must apply IFRS 8 in full should fully consider the impact of the standard and discuss any issues with their sponsor Department and the Department of Finance and Personnel as necessary.

REAPING THE BENEFITS

Clive Billenness works at the British Library as the Programme Manager of PLANETS, a £15 million European Project to develop tools to assist with maintaining the long-term accessibility of digital data. A member of the Project Management Best Practice User Group, he represents them on the Office of Government Commerce's Project Management Examination Board and is also an Office of Government Gateway Reviewer.

In this article, Clive considers the question of how to obtain the benefits which a project is designed to deliver.

All projects set out with the objective of delivering a number of 'benefits': either for the organisation sponsoring the project or for customers of the organisation.

At the outset of most projects, there will be clear intentions to deliver 'benefits' in the form of reductions in cost, increases in efficiency or improvements in the quality of service. Usually, a description of these benefits will have been included in the Project's Business Case as part of its justification.

Guidance from the Treasury identifies four main categories of benefit:

- Cash Releasing Benefits (CRB)
- Financial but Non-Cash Releasing Benefits (non-CRB)
- Quantifiable Benefits (QB)
- Non-Quantifiable (or Qualitative) Benefits (non-QB)

Cash-Releasing Benefits are those which reduce the costs of an organisation in such a way that the savings can be re-allocated elsewhere. Typical CRBs are staff resources, accommodation, materials or consumables.

Financial but Non Cash-Releasing Benefits are those which lead to a reduction in the costs of performing a particular operation, but do not permit any cash to be released. For example, if the time required by a member of staff to perform a particular operation can be reduced by 10%, they have an increased capacity to perform more operations but probably cannot be spared to work elsewhere for 10% of the time. The capacity of the organisation to perform additional operations without any additional costs has, however, been increased.

Quantifiable Benefits are those which can be quantified, but not in financial terms.

If, for example, the waiting time or travelling time for the user of a service is reduced, this is a genuine benefit from their perspective.

Non-Quantifiable Benefits are those which are considered to be of overall value but cannot be quantified in any way. Examples of this might be improvements in staff morale, value to the wider national economy or the reputational enhancement of an organisation.

It is valid to include benefits from any of these categories in a Project's Business Case. There have, in the past, been weaknesses in many projects in ensuring that benefits are actually delivered once the project is completed. It is also common for there to be duplication between multiple projects all claiming the value of benefits delivered. As a result, an increasing interest is being shown in benefits realisation by public audit bodies as well as the Office of Government Commerce.

It is therefore advisable that, as early as possible in the life of any project, a strategy is established to identify all potential benefits, plan how they will be quantified (if this is possible), how they will be achieved and also how this achievement will be tracked. It is also desirable to establish a framework that identifies and assigns the responsibilities for the actual realisation of these benefits.

Because, in most cases, benefits will not start to accrue until after the project is completed and the project organisation has been wound up, this framework may be built around entirely different people to those directly involved in the delivering of the project itself. For example, if a project is concerned with the delivery of a new, more efficient transaction-processing computer system then the benefits will be delivered by the processing department once the system is installed. It is therefore important that the management of that department be engaged in the realisation strategy as early as possible so that they can begin planning how to incorporate the system into normal operations, how to engage with the system's users and how best to apply the cash releasing benefits and efficiencies achieved.

This 'Benefits Realisation Team' will also need to establish metrics by which they can determine whether the planned benefits are being achieved. This might be done by establishing baselines of volumes of transactions processed in different periods during the business year, so that these can be compared with outcomes once the new system is implemented. There might be more than one baseline to track. The total time to complete a transaction might be supplemented by reductions in error rates or a need for follow-up queries.

Because the benefits may be complex to track across multiple departments, a project should either establish its own project benefits register or contribute to a corporate benefits register. In either case, each benefit should be explicitly identified and, wherever possible, quantified. Details should be included of the:

- Baseline measure and means of measuring benefits achieved
- Points at which benefits will be measured
- Person/role responsible for delivering benefits

The benefits register can then be formally reviewed at regular intervals with operational management to confirm achievement or to address non-delivery. Clearly, the less quantifiable a benefit, the more difficult it is to confirm its delivery. There may, however, be opportunities to conduct interviews and

surveys of staff or service users. Reviews of compliments and complaints received or press articles may also provide good indicative evidence of the success of a project.

It is also important to ensure that benefits strategies and registers do not suffer from 'optimism bias' – an over-confidence in the volume of benefits to be achieved and the timeframe within which these will be generated. Regular reviews of the benefits register will provide early warning of optimism bias and enable recalculation to take place and (where necessary) the business case adjusted. As well as referring to the Treasury's excellent guidance on optimism bias, over a period, an organisation can also learn about its own tendencies towards optimism or pessimism and correct for it.

Finally, once an organisation is tracking and measuring the benefits it achieves through its projects, it is possible, and also desirable, to celebrate its successes. Evidence of success raises the confidence of the organisation to deliver future projects and also increases the confidence of both customers and elected representatives that future projects will deliver their declared benefits.

To summarise:

- Define and classify benefits as early as possible in the life of a project and create a strategy for delivering these
- Establish metrics, baselines and timeframes against which delivery can be confirmed
- Create a benefits register, or better, include project benefits in a corporate benefits register
- Allocate responsibility for achieving the benefits to enable planning for delivery to begin
- Review progress against the realisation strategy
- Beware optimism bias over time to deliver or quantity of benefits
- Celebrate success where this can be clearly demonstrated

BRANCH NEWS

Forming effective relationships with government

Over 40 public sector executives attended the final Northern Ireland Branch lunchtime event in the 2008 series that addressed forming effective partnerships and relationships with Government.

The keynote speaker at the event was Mary O'Dwyer, Director of Finance in Ilex Urban Regeneration Company Ltd. Ilex was established in 2003, by the Office of the First Minister and Deputy First Minister and Department for Social Development, to plan, develop and sustain the economic, physical and social regeneration of the Derry City Council area.



(L-R) Stephanie Mulholland and Alanna Prause, Brightwater; Mary O'Dwyer, Ilex; Patricia Blair, CIPFA Northern Ireland Branch

Mary provided a case study on the redevelopment of the two former military bases of Ebrington and Fort George in Derry: regeneration plans for these sites include new transport links, a technology park for business, residential and leisure use, a foot and cycle way to encourage walking and cycling, an urban parkland and a children's play area.

Regeneration of these sites requires strong partnership with Government through the Department for Social Development, Derry City Council and the private sector. Mary highlighted the need for effective communication:

- Presentations to Ministers
- Monthly meetings between the Ilex Chairman and the DSD Minister
- Tripartite meetings between parties
- Liaison team meetings
- Board meetings and committee meetings
- Board and staff acting as ambassadors
- Regular engagement with the community including regular tours of the sites

In a personal plea for effective communication, Mary asked for less use of jargon that might be used to muddy the waters, less reliance on e-mails and better use of face-to-face and telephone contact.

Branch lunchtime events 2009

The 2009 series of lunchtime events got off to a flying start with an event which was entitled Data Security - Lessons Learned, hosted jointly by CIPFA and NIAO on 6 February 2009. The keynote speaker at this event was Caroline Mawhood, Assistant Auditor General in the National Audit Office and CIPFA President.

Following a recent run of well publicised breaches of data security, the issue of keeping public records and information secure has moved towards the top of the agenda of public bodies. Security of personal information by public bodies is an issue that was brought sharply into focus in November 2007 by the loss of Child Benefit records by HMRC. In her presentation, Caroline touched on her experience of the HMRC case and also outlined the key lessons learned and the good practical steps that all public bodies should take to keep personal data secure.

For further information on other lunchtime events in the 2009 series, please contact Nicola Greer on 028 9026 6770 or via e-mail at nicola.greer@cipfa.org Alternatively, please visit www.cipfa.org/uk/ni

CIPFA NI - TEN YEARS ON!

David Nicholl has been the Head of CIPFA Northern Ireland since its inception on 1 January 1999. In this interview, David looks back at ten years of unparalleled growth and looks forward to the challenges ahead.

How is CIPFA Northern Ireland financed?

Contrary to urban myth, CIPFA Northern Ireland is not funded through the annual subscriptions paid by CIPFA members in Northern Ireland. All member subscriptions are paid to the Institute centrally and the Northern Ireland Office does not receive a penny.

CIPFA Northern Ireland has to be self funding and indeed has to return a surplus to the Institute. This involves raising income of between £1.5m and £1.8m annually to cover its costs and meet its surplus target.

We have to strike a balance between delivering commercial services (such as our training programmes), the income from which keeps us in existence and providing many services to members and others which promote our charitable aims but generate little or no income.

Some people remember with affection the old CETC Northern Ireland. How did CIPFA Northern Ireland come about?

In the mid 1990s, the CIPFA Education and Training Centre (CETC) in Northern Ireland got into serious financial difficulties when the newly appointed CIPFA Group Chief Executive withdrew the subsidy that had always hitherto been paid to the CETCs. CETC Northern Ireland was closed down during a very painful period, and the CIPFA Professional Training (as well as AAT) was outsourced to Sx3.

I was asked to head up the remnant (in effect, Alistair Steenson and a couple of administrators) under the banner of CIPFA Northern Ireland reporting directly to IPF, the Institute's commercial arm. I did not know it at the time, but the original idea was that we would be given two years to prove ourselves as a viable



David Nicholl, Head of CIPFA Northern Ireland

entity and then closed down when we failed. It came as a big surprise to everyone at IPF when our training business started to take off and we exceeded our financial targets by 300-400%.

While CIPFA Northern Ireland grew more and more successful, the outsourcing of the Professional Qualification to Sx3 was fraught with difficulties and the demise of Sx3's financial training business eventually led to the Profession Qualification being brought into the CIPFA Northern Ireland fold.

The closure of CETC Northern Ireland did however leave me with permanent scars. Since that day, I resolved that CIPFA Northern Ireland would never again have to depend on the grace and favour of anyone for our survival and that philosophy has led to us becoming one of the most commercially successful, dynamic and innovative part of the CIPFA Group.

In the past ten years, relationships with members and practitioners in Northern Ireland have been very strong but there have been occasional tensions between CIPFA Northern Ireland and CIPFA Headquarters. The baggage that I carry from the collapse of CETC has no doubt contributed.

You have already referred to CIPFA, IPF and CETC as different parts of the CIPFA Group. How do all these operations manifest themselves in Northern Ireland?

There is a general recognition that, in the past, the fragmented nature of CIPFA operations in GB has led to confusion both internally and in the marketplace. As well as the main Institute (based at 3 Robert Street in London), there are two wholly owned companies (the Institute of Public Finance [IPF] which undertakes most commercial services and FSF which produces Public Finance) as well as four Education and Training Centres in London, Birmingham, Bristol and Edinburgh and a Property Software business in Cheshire.

In Northern Ireland, we have always operated on the basis of a single CIPFA brand whereby all activities of the Institute are undertaken by CIPFA Northern Ireland. This enables us to deliver a coherent set of offerings to the Northern Ireland marketplace while at the same time providing a single point of contact for anyone wanting to contact 'CIPFA'.

It also enables us to have a greater control over the quality and suitability of what is offered to the Northern Ireland market. Most people in the CIPFA Group know that if they want to run an event in Northern Ireland, they come through our Office.

Some CIPFA Northern Ireland activities are provided free, some at cost and some at commercial rates but we are able to ensure that all are appropriate and in line with our charitable aims. The commitment to guarding the reputation of the Institute locally means that we would never prostitute the Institute's name for profit!

What exactly does CIPFA Northern Ireland do?

CIPFA Northern Ireland has four main business areas:

CIPFA Member Services: Even though CIPFA Headquarters is charged with providing member services (Public Finance etc), we work closely with the Northern Ireland Branch to provide a series of services to members in Northern Ireland. We run a very successful programme of low cost lunchtime events, an annual luncheon, produce three editions

of the Account magazine and run the well established annual conference.

Policy and Technical Work: As an Institute, we produce publications, Codes of Practice and disseminate technical information through seminars etc. Each year, CIPFA Northern Ireland produces the Pro Forma Set of Accounts for Local Government, contributes the Northern Ireland input to the Code of Practice for Local Authority Accounting and the Best Value Accounting Code of Practice. We have also produced the Cash Flow Statement Toolkit which has sold like hot cakes in England and Wales.

We also produce other ad hoc publications such as the 'On Board Guide for Board Members of Public Bodies in Northern Ireland', and an equivalent guide for England, Ireland (with IPA) and Scotland. On average, we produce two publications a year.

We organise an annual programme of eight to ten seminars on topical issues, although the market for seminars has been drying up over the last couple of years.

We also provide a helpline to answer queries from practitioners on various issues from accounting to ethical standards.

Education and Training: At our core, we are a membership body, and so we place a special emphasis on the provision of tuition support to students to assist them in their efforts to attain the CIPFA Professional Qualification. On top of this, we are also the only accredited AAT provider in Northern Ireland and deliver the Diploma in Public Audit, Advanced Diploma in Public Audit and the CIPFA Investigative Practice Qualification.

Given that it was the high cost of providing tuition for academic programmes that led to the demise of CETC Northern Ireland, this area is very high risk as it will always be loss making but, with the support of the CIPFA Northern Ireland Branch, we are totally committed to maintaining the existing levels of provision and cross subsidising it from other business areas.

Training: At the outset of CIPFA Northern Ireland in 1999, we had not run any public training

programmes for several years. The first course that we offered was a one day course on Fraud Awareness training and we ran it with only three delegates. From that base, we have grown to the extent that we currently provide over 600 days of training annually ranging from open (public) courses, in house courses and over 20 accredited courses.

Our accredited programmes have won several awards and include PRINCE2 for the Public Sector, the North/South Cross Border Training Programme, CIPFA/IOD Senior Executive Development Programme, Audit and Financial Skills and Grants Skills – many are delivered with partner organisations.

Over the past three years, CIPFA Northern Ireland has been exporting many of its successful training products and services to the GB market. We are leading the Institute's training offering on IFRS across the UK and we run all the Institute's public courses across England and Wales. On Board has now become the UK's leading training programme for Board members of public bodies and we have delivered over 325 in house programmes and 100 public courses with incredible feedback.

In our core markets of finance, audit and governance, I am told that we are now a larger training provider than the National School of Government.

What are the principles and core values of CIPFA Northern Ireland?

Open to All: Unlike the rest of CIPFA and other Institutes, we offer the same services and opportunities to members of other Institutes and members of none as to our own members – we are a broad church and do not differentiate. We aim our services at all those who have an interest in, and responsibility for, improving financial management and governance in the public services.

Practitioners in the public services will never find the door closed when they approach CIPFA Northern Ireland for advice and assistance irrespective of their background.

Obsessed with Quality: For an organisation like ours, we rely on having a strong reputation that is

based on quality. From putting events together to the processes for marketing and administering them, we are obsessed with quality. Once, when asked by a new start what the tolerance level was for mistakes, a manager replied 'David expects you to start at perfection and work your way up from there'. That sums it up.

Every brochure, letter, flyer or publication is personally proofed and signed off by me before it leaves the Office. A serious breach of our quality standards is probably the only thing that would provoke me to consider using physical violence against a member of my staff (message to CIPFA HR - I wouldn't really!)

Innovative, Dynamic and Commercially Successful: As previously stated, the trauma of going through the closure of CETC Northern Ireland back in the 1990s has resulted in a strong focus on ensuring that the Office always delivers on its financial targets. We have exceeded our financial targets in all ten years of our existence.

There is an emphasis on generating new ideas and services and exploiting the benefits of products and services developed in Northern Ireland in GB and beyond. Every manager has a personal target to generate at least two new products and services each year and most exceed that with ease – it is the culture of the organisation!

Flexibility: There are no silos - the emphasis is very much on every manager getting involved in a wide range of activities - commercial, academic, professional/technical and member services. Everyone has to be prepared to help out in a crisis. We have no time recording systems so I place a high degree of trust in all managers and staff.

Would you say that staff are an organisation's greatest asset?

Yes and No. At the moment, I have an excellent group of staff at CIPFA so the answer is yes. Staff are a great asset if they are of high calibre. However, bad staff and even mediocre staff can be a massive millstone around the neck.

What are your strengths and weaknesses?

My main strength is the speed and quality of my decision making, my attention to detail and willingness to admit mistakes or acknowledge when someone else has a better idea. I am told that not too many men have this latter quality!

As for weaknesses, I am too much of a perfectionist and I am often driven by the shame of past failures. At a CIPFA Northern Ireland conference eight or nine years ago, the opening speaker was so dreadful that it still haunts me occasionally. On the positive side, it drives me to ensure that it will never happen again but a sensible person would focus on the fact that the CIPFA Northern Ireland conference has had many great speakers in the last few years and few bad ones.

However, a couple of weeks ago, the memory of that speaker from eight years ago came to me when I was standing on the platform at Central Railway Station and I let out an audible howl of anguish which resulted in one or two commuters moving rapidly to another platform!

I am not great at dealing with HR problems and, while I think that I am reasonably easy to work for, I recognise that I am very headstrong and probably quite difficult to manage.

What are your personal interests?

I have lots of sporting and other interests. I am Chairman of the County Antrim Table Tennis League and still play in Division 1 albeit that my win/lose ratio is declining somewhat. I am a lifelong Chelsea supporter and have three children who were given the choice of doing likewise or finding another home!

I own an elderly Ferrari 456 GTA which doesn't get out much in the Northern Ireland climate. A bit like Prince Charles and his plants, I find that talking to the car after a bad day at the Office can be very therapeutic although my wife isn't bad either.

My family and I are also actively involved in our local church, Newtownbreda Baptist.

What are your key frustrations?

Bad spelling and grammar annoy me. I studied Latin and Greek for 'A' level and I still believe that the

classics are the foundation of a good education. The fact that they are no longer taught goes a long way towards explaining why the current generation is illiterate.

The success of the On Board programme means that I have to travel to Scotland and elsewhere on a very regular basis. In the last 18 months, this has become excessive and my work/life balance is a disaster!

What is your proudest achievement?

Building a team which has taken CIPFA Northern Ireland from nothing into a prominent, well respected body; from 3 staff to 14 operating out of purpose built training premises; and in business terms from a turnover of less than £100K to £1.7m.

I was the Chair of the Steering Group that oversaw the development of the Code of Practice for Local Authority Accounting in Northern Ireland, its integration into the UK SORP and its subsequent implementation across 26 councils. This was a massive achievement. CIPFA, the DOE, Local Government Audit and the 26 district councils came together in a unique partnership and the initiative was an unqualified success.

As I personally deliver the On Board programme for Board members of public bodies, its success across the UK is a matter of pride as well as the goodwill it generates towards CIPFA and the Northern Ireland public services which pioneered it.

What does the future hold for CIPFA Northern Ireland?

In order to grow the organisation, we have actively pursued a strategy of exporting many products and services to the GB market over the last 18 months. While it is important that this continues, we need to be more ambitious and explore the possibility of exporting our products and services to the wider international market.

CIPFA Northern Ireland has become a very dynamic and vibrant business and I am blessed to have a great team of staff. As such, I think that CIPFA Northern Ireland has a very bright future albeit that there will be pressure to integrate more fully with the

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