

**The Board**  
**21 April 2016**

# Minute of April Board meeting

# Present

## Members

Michael Bichard	MB	Chair
Amyas Morse	C&AG	Comptroller and Auditor General
John Thorpe	JT	Executive Leader
Joanne Shaw	JS	Non-executive Member
Ray Shostak	RSh	Non-executive Member
Stephen Smith	SS	Executive Leader
Robert Sykes	RSy	Non-executive Member
Michael Whitehouse	MW	Chief Operating Officer

## Attendees

Hafsa Khan	HK	Board Secretary
Sue Higgins	SHi	Executive Leader
Sally Howes	SHo	Executive Leader
Adrian Jenner	AJ	Director, Parliamentary Relations (Item 1)
Maria-Christina Eskioglou	MCE	Senior Analyst (Item 2 - Presenting)
Alex Quick	AQ	Senior Analyst (Item 2 - Presenting)
Mark Rutter	MR	Audit Principal (Item 2 - Presenting)
Felicity Woodrow	FW	Audit Principal (Item 2 - Presenting)
Charlotte Borg	CB	Audit Principal (Item 2 - Observing)
Jack Cook	JC	Audit Principal (Item 2 - Observing)
Claire Hardy	CH	Senior Analyst (Item 2 - Observing)
Erin Mansell	EM	Senior Analyst (Item 2 - Observing)
Charlotte Orr	CO	Audit Principal (Item 2 - Observing)
David Xu	DX	Senior Analyst (Item 2 - Observing)
Meredith Brown	MB	Human Resources, Diversity lead (Item 3)
Nikki Measures	NM	Human Resources, Diversity lead (Item 3)
Susan Ronaldson	SR	Director, Internal Communications (Item 4)
Tim Wright	TW	Director, Business Improvement programme (Item 4)
James Gourlay	JG	Audit Manager, Strategy & performance Team (Item 5)
Mark Allen	MA	Head of Policy and Legal (Item 6)

The Minutes record the business of the Board in Agenda order.

# Item 1

## **Good Governance: Minutes, Matters Arising and the C&AG's report**

*For the board meeting to remain quorate, Stephen Smith attended the meeting as an observer and John Thorpe as a board member.*

### **Welcome & apologies for absence**

- 1.1 Michael Bichard (MB) welcomed members to the meeting.

### **Declarations of interest**

- 1.2 There were none.

### **Minutes of meetings**

- 1.3 The Board approved the minutes of the meeting held on 17 March 2016.

### **Action points**

- 1.4 The Board noted the progress on the actions arising from previous meetings, and agreed the deletion of those marked as complete.

### **Matters arising**

- 1.5 There were none.

### **C&AG's update and Parliamentary Update**

- 1.7 The Comptroller and Auditor General (C&AG) has continued to meet with members of select committees and the work of the NAO is positively received. The C&AG informed members that he is looking forward to the period of our financial audit peak. The office has planned and analysed for a smooth running for processing the accounts. The C&AG remained confident that staffing was equally balanced and Susan Ronaldson, Director of Engagement and Change, is managing how to communicate this to the wider office.

It was also mentioned that in April there was an average of 6.2 NAO mentions on Parliament sitting days. Stephen Philips MP, a member of the Public Accounts Committee, is also being provided with training by staff from the NAO for further audit understanding.

# Item 2

## **Emerging Leaders – Changing Audit in a Changing World**

2.1 The 'Emerging Leaders' are Audit Principals and Senior Analysts who were chosen on a leadership programme to become future Audit Managers. The Chair met with the Emerging Leaders in February where they discussed where the NAO would be in five years and the challenges the office faced. The Chair asked to collate their ideas to present at a Board meeting.

They informed the Board about the areas of risk and how the NAO will be effected in five years; and demonstrated ways in which they understood the business. They discussed the social standards of the NAO and the sources of holding government to account. They recommended to the Board that client feedback is important as it influences the NAO to assist in decision making. The use of social media was also discussed and they encouraged the NAO to be savvier on social media and to utilise the resources around them.

Their presentation was well received by the Board and they have been encouraged to meet with Board members to discuss their ideas further.

## **Item 3**

### **Diversity Report**

3.1 Meredith Brown (MB) and Nikki Measures (NM) presented the draft outline of the diversity report and to discuss any topics to be included. They noted that this was the first of a three year strategy and good progress has been made. The vision is to keep a strong focus on inclusion, and there has been an increase of awareness in the office. The approach to a flexible way of working, and the diversity support management have received has also influenced the diversity awareness in the office. However, there is still some concern on the recruitment of BAME staff. The LT will discuss ways to solve this at a later meeting. The office runs an internship programme every year where young adults get the opportunity to be involved with the work that the NAO carries out. MB and NM also mentioned that there is much better progress on gender balance in the office. They also are looking at ways to engage staff to put themselves forwards on internal development programmes.

The diversity report will go to the Board for approval at their meeting in June.

## **Item 4**

## **BIP Business Case**

- 4.1 The Board received a revised business case after further support and clarification from David Lister. These proposals were accepted by the Board and they were grateful to David for his input. SH told the Board that they were working on the prototype and the BIP team are continuing to work on the software. The next phase of work is to focus on the cultural change in the office so that there is a smooth running for roll-out. The team will focus on ways to develop staff perception through the prototype phase by listening to the needs of the users. This will help to provide staff with the correct knowledge of the system and find solutions to any user problems. The system has been build by auditors and will be serviced by auditors, therefore it will be easier to configure and use the data.

The revised business case was approved and the team will proceed with their work.

## **Item 5**

### **Cluster Performance**

- 5.1 James Gourlay (JG) discussed topics that would be discussed at the Board Strategy Day the following day. Members briefly discussed how clusters can engage in quarterly reviews and how it measures against the NAOs strategic issues. In addition to this, cluster performance and how to manage the design of cluster influence would also be discussed. Members thought about training and coaching staff, and how the office can focus on new ways of reaching out to staff to increase their impact.

## **Item 6**

### **Business and Risk Reporting**

- 6.1 The Board received the monthly business and risk reports. The risk reporting indicated that the targets for correspondence were still not met, however there has been some improvement. The new correspondence team and guidance has helped targets to improve as it has increased resilience from teams with handling correspondence.

Joanne Shaw (JS) will meet with MW to discuss the risk report.

## **Item 7**

### **Any Other Business**

- 7.1 The draft RemCo minutes were received by the Board.

## **Item 8**

### **Date and time of next meeting**

8.1 The next Board meeting will take place on Thursday 17 June at 14:30 at the NAO London office.

**Hafsa Khan**

**Board Secretary**