



CIVIL SERVICE COMMISSIONERS
FOR NORTHERN IRELAND

CIVIL SERVICE COMMISSIONERS

2016/17 AUDIT & REVIEW

SUMMARY REPORT

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Acknowledgement

Commissioners wish to express their appreciation in relation to the positive engagement provided by staff in NICS HR within the Department of Finance (DoF), the Northern Ireland Civil Service (NICS) Departments and their resourcing partner HR Connect during the conduct of this audit and review engagement process and the follow-up work arising from it.

1. EXECUTIVE SUMMARY

Commissioners' 2016/17 Audit & Review Opinion

Based on the evidence available from a wide range of regulatory activities undertaken throughout the year and the assurances provided by the Permanent Secretaries, it is the opinion of Commissioners that the NICS selection and recruitment practices are in keeping with the requirements set out in the Recruitment Code (the Code). However, Commissioners are disappointed that matters of concern in relation to the appointment of staff into certain situations in the NICS, which it is considered should fall under Commissioners' Regulation 3 exceptions provisions, were not resolved during this year. Commissioners will continue to engage with the NICS regarding this matter and are hopeful that these will be satisfactorily resolved during 2017/18.

Permanent Secretary Assurance Statements

A key finding of the 2015 Recruitment Related Data Review was the requirement for greater corporate monitoring and oversight within the recruitment process. During 2016/17 Commissioners worked with the NICS under their audit engagement arrangements with a view to achieving this. Commissioners are very pleased to report that this year they were provided with Permanent Secretary Statements of Compliance in accordance with the Code for all appointments made to NICS Departments and to the Public Prosecution Service (PPS) during the 2016 reporting period.

Further outcomes from this Recruitment Related Data Review in relation to the reporting of statistical data and competition data analysis were also progressed with the NICS during 2016/17. More detail on these developments is included in **Section 3**.

Commissioners' 2016/17 Audits and Reviews

During 2016/17, Commissioners examined a range of recruitment issues through structured engagement meetings with NICS HR (formerly Corporate HR). They also conducted a review of NICS merit lists and a second review in relation to assessment methodologies using the more flexible form of audit and review, namely, a 'themed discussion'.

2016/17 Review of the Management of Merit Lists below SCS Level

Commissioners consider that the proper management of NICS competition Merit Lists is fundamental in ensuring the application of the principle of selection on merit on the basis of fair and open competition for posts in the NICS. The Review found that the routine operation of merit lists in the NICS, insofar as it is a systems driven process, is well managed by HR Connect and is compliant with the NICS Policy and Procedures

manual and with the Code. However, key outcomes from the review led to the NICS agreeing improvements in relation to the non-routine operation of merit lists.

NICS Selection and Recruitment Assessment Methodologies

The review of NICS selection and recruitment assessment process was taken forward as a 'themed discussion' with the NICS under Commissioners' 2016/17 Audit and Review Plan. The review included an examination of: assessment methodologies currently employed by the NICS; supporting policies and processes; evaluation of methodologies employed; and future developments planned by the NICS. The review also examined the outcomes of Commissioners' 2008/09 Selection Processes Audit and the significant progress made by the NICS in this area since that time.

Further detail on the issues covered as part of Commissioners' audit engagement with the NICS during 2016/17 and the reviews referred to above are included in **Section 3** of the Report.

Looking Ahead

Commissioners welcome the commitment on the part of Permanent Secretaries to furnish high level recruitment related assurances. In these circumstances, a key focus for the coming year will be to build upon this development. Commissioners will seek to do that by continuing to engage with the NICS with a view to gaining an understanding of the framework in place to support these important assurances together with an understanding of the impact that the restructuring of HR functions will have on these assurances going forward. Further, once the framework has been embedded, Commissioners will consider including the assurances as a potential topic in their Audit and Review Strategy.

Commissioners recognise that the year ahead will be a period of significant transformation for the NICS following the introduction of NICS HR in April 2017. They look forward to working with the new HR team as the NICS strive to improve the effectiveness and efficiency of its HR services. Whilst it is noted that the structure of NICS HR service delivery has changed, Commissioners look forward to the NICS giving practical effect to an assurance that the statutory role and requirements of Commissioners, as set out in the Code, will be built into NICS revised HR policies and procedures.

Following the 2015 Review of Recruitment Related Data, Commissioners welcomed the introduction by NICS of revised arrangements for reviewing recruitment data in relation to professional and specialist posts. Commissioners look forward to this work being further developed by NICS HR during 2017/18 thereby facilitating the effective reporting on this analysis in the NICS Annual Report on Recruitment. Commissioners

also look forward to liaison with the NICS in relation to the out-workings of the NICS Diversity Champions Network including the NICS Outreach Action Plan.

2. COMMISSIONERS' STATUTORY AUDIT FUNCTION

Article 4(4) of the Civil Service Commissioners (Northern Ireland) Order 1999, requires Commissioners to audit recruitment policies and practices followed in making appointments to situations in the Northern Ireland Civil Service (NICS) to establish whether or not the four key principles set out in the Commissioners' Code have been upheld both in spirit and in practice.

In discharging this important statutory duty, Commissioners consider that, rather than solely seeking to ensure compliance with the Code, they should also endeavour to promote best practice in the NICS selection and recruitment policies and processes. This aspiration has been evident in the outcomes of the audits and reviews conducted during 2016/17.

Commissioners have developed a range of options which they consider when regulating recruitment to the NICS. As part of their Strategic Audit and Review Planning process, Commissioners identify and prioritise areas of recruitment which they wish to examine through a risk-based analysis approach. Commissioners oversee recruitment through the implementation of their 3-year Audit and Review Strategy that identifies recruitment themes and issues to be examined and progress these through their Annual Audit Plans.

Review of Commissioners' Approach to Audit & Review

In line with their commitment to keep in step with reforms within the NICS, whilst also upholding their statutory role as guardians of the Merit Principle, Commissioners reviewed their approach to audit and review during 2016/17. This review sought to ensure that the approach to audit and review remains consistent with the Audit Framework and Guidance and is effective in establishing whether or not the four key recruitment principles have been upheld by the NICS. Commissioners consulted with and sought feedback from the NICS as a key stakeholder in the audit and review process.

The review identified a number of benefits in relation to the Commissioners' approach to audit and review, including that:

- the strategic focus taken to address high level issues of concern was more effective in delivering improvements;
- face to face engagement meetings improved communication and understanding; and
- problems were identified earlier which led to prompt discussion and agreement of actions.

Significantly the NICS welcomed the rebalancing of focus away from formal audits in favour of active engagement and discussion on a bilateral basis between Commissioners and CHR (now NICS HR).

A number of actions were identified in this review and have been implemented to further strengthen the audit engagement process including:

- pre-brief meetings for Commissioners before each Audit and Review engagement meeting with the NICS;
- improved timelines in relation to the issue of information provided to Commissioners in advance of NICS engagement meetings, to enable more focused and meaningful discussion with the NICS; and
- a review of the Audit Matrix to ensure it is user friendly and effectively managed.

Further improvements during 2016/17 include the introduction of: operational meetings between the Secretariat and NICS resourcing staff to progress audit and review action points; and dedicated audit and review meetings for Commissioners allowing for more detailed consideration of audit matters.

3. COMMISSIONERS' 2016/17 AUDITS & REVIEWS

Commissioners use a range of oversight options and methodologies to obtain assurance and influence improvements to NICS recruitment policies and practices under their statutory audit function. During 2016/17, Commissioners exercised their statutory audit role through structured engagement meetings with NICS HR to examine a range of recruitment issues as well as conducting two reviews: Management of NICS Merit Lists below Senior Civil Service (SCS) level; and a review of NICS Selection and Recruitment Assessment Methodologies.

3.1 Issues Progressed Under Commissioners' Structured Engagement Meetings

Commissioners examined a range of recruitment issues under the engagement process with the NICS, including a number of outstanding action points from Commissioners' 2015/16 audits and reviews.

2015/16 Review of Recruitment Related Data

During the year Commissioners continued to engage with the NICS to ensure progress in relation to three high level issues identified in the 2015 Review of Recruitment Related Data. A number of positive improvements have been made by the NICS as a result of this review including the following key developments:

- new and improved arrangements in relation to the reporting of statistical analysis and data in the NICS Annual Report on Recruitment;
- the introduction of statistical analysis and reporting arrangements in relation to Department led competition data to enable issues and trend information to be identified and addressed; and
- the introduction of Permanent Secretary Statements of Compliance in accordance with the Code in relation to all appointments made to NICS Departments and to the Public Prosecution Service (PPS).

Commissioners consider it important that a risk based approach to audit and review is complemented by an evidence based assurance framework. The provision of the 2016 Permanent Secretary Compliance Statements provide this assurance and evidence that Commissioners' requirements under Appendix C of the Code have been met.

2015/16 Review of NICS Recruitment and Selection Training

The review of recruitment and selection training provided to all NICS staff involved in the recruitment and selection process found that the objectives of the NICS Recruitment & Selection training modules for panel members are in line with the expectations of Section 4.6 of the Code.

As reported in Commissioners' [2015/16 Audit & Review Summary Report](#) the review identified three issues for the NICS to consider in relation to the content and delivery of the training. These issues were progressed with the NICS during 2016/17 under the audit engagement process.

In response, the NICS have committed to carrying out a thorough review of the content of the training during 2017/18, subject to the availability of resources.

3.2 Management of Merit Lists below SCS (Stage B)

The appropriate management of NICS competition Merit Lists is fundamental in ensuring the application of the principle of selection on merit, on the basis of fair and open competition for posts in the NICS. Commissioners require measures to be in place to ensure that appointments are made on an order of merit basis and that due regard has been given to the potential for unfair treatment of those who are not afforded the opportunity to be considered for appointment.

Commissioners reported last year ([2015/16 Audit & Review Summary Report](#)) on the completion of Stage A of the review of NICS Management of Merit Lists. This was a high level examination of the policies and processes the NICS have in place with regard to the operation of NICS merit lists. Stage B of the review was underway at the publication stage of last year's report and the key findings are detailed below.

Key Findings

The Review found that the routine operation of merit lists in the NICS, insofar as it is a systems driven process, is well managed by HR Connect and compliant with NICS Policy and Procedures and the Code.

In relation to the non-routine operation of NICS merit lists the Review Team identified two key issues:

- a) a lack of evidence of a robust and valid assessment, carried out by CHR, on the Departments' business cases in relation to extending a merit list which allowed CHR to conclude that the circumstances of the case fell within the terms of 'cogent and practical' reasons; and
- b) no evidence of reporting or publication of information, including to candidates, about decisions to extend NICS merit lists.

Outcomes

In response to above the NICS have agreed to:

- o review the assessment process when making decisions to extend the life of a merit list and ensure that this process is appropriately recorded, monitored and reviewed by NICS HR;

- publish information in relation to the extension of NICS merit lists in their Annual Reports on Recruitment from 2017 onwards; and
- include an additional statement in the Candidate Information Booklet in relation to communicating to candidates that a merit list may be extended in certain circumstances.

3.3 NICS Selection & Recruitment Assessment Methodologies

Commissioners, being mindful of reforms within government, seek to strike a balance between ensuring compliance with the Code and promoting a modern and dynamic approach to their oversight role. The NICS selection and recruitment assessment process was identified as a key area for Commissioners' review under the 2016-19 Strategic Audit Plan and was taken forward as a 'themed discussion' with the NICS as part of the Commissioners' 2016/17 Audit and Review Plan. The main focus of the discussion was the assessment methodologies currently employed by the NICS to better inform selection and appointment decisions.

The examination of this topic also functioned as a development and induction tool providing useful detail in relation to NICS recruitment policy and processes, for Commissioners and their Secretariat.

To ensure the discussion was as focused and productive as possible the NICS provided Commissioners with information in relation to their approach to selection and assessment under the headings of: NICS policy; process; evaluation; and future developments in advance of the discussion. For completeness Commissioners also revisited the outcomes of their 2008/09 Selection Processes Audit, which helped inform the discussion with the NICS.

Although structured, the themed discussion was sufficiently fluid to allow Commissioners, as guardians of merit, to become more informed in relation to the fundamental NICS recruitment and selection processes. Commissioners found this form of 'light touch' review both proportionate and appropriate to this particular topic.

Themed Discussion & Outcomes

Commissioners regard the themed discussion as being extremely informative in developing their understanding of the range of NICS selection and recruitment processes and related practices and policies which support this process. Commissioners received a presentation on NICS selection and assessment. Key developments included the use of Occupational Psychologists to develop assessment tests for Staff Officer (SO) grade and below and to advise on 'off the shelf' assessment tests; as well as the availability of tailored assessment tests for grades above Staff Officer level through the existing contract with HR Connect. Commissioners were also presented with an update on the NICS Strategic Review of Resourcing and innovative assessment techniques.

Going forward Commissioners will continue to promote best practice in the NICS selection and assessment policies and procedures. Commissioners are particularly interested in the planned review of interview techniques attached to the Strategic Review of Resourcing and look forward to engaging with the NICS on this aspect of the project in 2017.

4. COMMISSIONERS' 2017/18 AUDIT AND REVIEW PLAN

In line with Commissioners' 2016-19 Audit and Review Strategy, the following areas of NICS selection and recruitment have been identified for review with the NICS during 2017/18:

- Assurances required under Commissioners' SCS Authorisation and Approval Process; and
- Exceptions Provisions.

Assurances required under Commissioners' Senior Civil Service (SCS) Authorisation and Approval Process

Commissioners have a statutory role to approve all appointments to the NICS Senior Civil Service (SCS) made through open competition. To support the approval process, the NICS is required to provide a number of specific assurances to Commissioners at four key stages in respect of all senior external competitions. The process is managed by the Secretariat on behalf of Commissioners and is known as the 4-Stage Authorisation Process. Commissioners decided to review the process to establish if the assurances sought appropriately address the risks associated with the current NICS recruitment process and provide adequate assurance in relation to adherence to the Code. Commissioners will report the outcome of this review in their 2017/18 Annual Report and Summary Audit & Review Report.

Exceptions Provisions

This review originally planned for 2016/17 has been postponed due to ongoing casework closely related to the topic of the review. The review will be included in Commissioners' future Audit & Review Plans and will focus on NICS appointments made under Commissioners' 2007 General Regulations (Exception) provisions.

5. RELATED LINKS

NI Civil Service Commissioners Website
[Commissioners' Website](#)

Regulating For Improvement – Civil Service Commissioners' Audit Framework & Guidance Document
[Auditing For Improvement: Audit Framework & Guidance Document](#)

NI Civil Service Commissioners Recruitment Code
[Recruitment Code](#)

NI Civil Service Commissioners Order
[Civil Service Commissioners Order 1999](#)

NI Civil Service Recruitment Policy and Procedures Manual
[NICS Policy and Procedures Manual - Version 16](#)