

From: Coyne, Terence
To: [Sewell, Julie](#)
Subject: FW: Policy Group Assurance Statement - period ended 30 September 2013
Date: 14 November 2016 10:44:00
Attachments: [Policy Group Checklist.DOC](#)
[Policy Group Composite Statement September 2013.DOC](#)
[image003.jpg](#)
[image001.png](#)
[image002.gif](#)
Importance: High

Julie

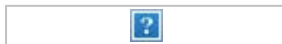
This is the assurance statement to 30 September 2013. No issues raised in relation to RHI.

Regards

Terry

Terence Coyne

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From: Johnston, Iris **On Behalf Of** Thomson, David
Sent: 13 November 2013 15:59
To: Sterling, David; Mateer, Kim
Cc: Coyne, Terence; Collin, Marie; Morrison, Rosemary
Subject: Policy Group Assurance Statement - period ended 30 September 2013
Importance: High

David/Kim

Please see attached Six Monthly Assurance Statement from David Thomson.

Many thanks

Iris

Iris Johnston

Personal Secretary to David Thomson
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DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT

Checklist for Six Monthly Assurance Statement on Internal Control

Policy Group

This checklist covers the following:

1. Business Planning;
2. Legislative and Other Authorities
3. Business Cases (including Economic Appraisal, Post Project Evaluation and Consultancy);
4. Monitoring of Expenditure;
5. Procurement;
6. Staff (including gifts and hospitality);
7. NDPBs and Third Party Organisations;
8. Internal and External Audit Reports;
9. Data Management; and
10. Other Issues.

Note: If a question is not applicable this should be stated in the comments section.

INTERNAL CONTROL CHECKLIST

1 – Business Planning

1.1	Yes	No	Partly
<p>Divisions/Units and Branches within the Group have plans which contain measurable targets against which performance and progress can be measured.</p>	✓		
<p>Comments:</p> <p><u>Energy Division :</u> Energy Co-Ordination Branch -: Divisional Business Plan agreed and progress against targets reported to HoD on a quarterly basis. Markets Branches - Electricity Markets – Extensive engagement with DCENR and RAs on Target Model High Level Design and associated governance arrangements completed. Engagement continuing to ensure arrangements being applied. Electricity and Gas Markets - Divisional Business Plans agreed for 2011/12, on which progress is formally reported. Fortnightly meetings with Head of Division to report on progress. IME3 Project Implementation Steering Group established with NIAUR and has met regularly to progress outstanding issues on Electricity and Gas Directives. Regular engagement with NIAUR on gas extension and security of supply issues. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI :</u> Telecoms Branch has an Action plan (2011 - 2015) that feeds into the Department’s annual Operational Plan and reports quarterly on progress. The branch has no actions in the DETI Corporate Plan. Individual projects are managed under PRINCE2 methodology with clearly defined milestones and deliverables. GSNI has a detailed work plan with SMART objectives that are reviewed quarterly Tourism - Tourism Policy Branch Plan in place</p> <p><u>ASU</u> The ASU Business Plan for 2013/14, which incorporates work requests from DETI Business Areas, has been agreed and finalised and contains targets against which performance and progress can be measured.</p> <p><u>EPD</u> A full Divisional Plan for 2013/14 is in place that all Branches contributed to. This includes all relevant PFG, Corporate and Operating Plan commitments. All targets are measurable and performance against these is formally monitored, quarterly progress measured and any corrective action taken. In addition each Branch in the Division has a more detailed Operating Plan which each HOB monitors.</p> <p>Business Development Unit has developed a branch operating plan which sets out details of measurable targets for the branch and which is updated on a quarterly basis.</p>			

1.2	Yes	No	Partly
Timely, relevant and reliable reports on progress against targets are produced and reviewed at the appropriate level to ensure that corrective action is taken as required.	✓		
<p>Comments:</p> <p><u>Energy Division:</u></p> <p>Energy Co-Ordination Branch - Progress against 2013/14 Operating Plan and Divisional Plan targets to end September currently being compiled.</p> <p>Markets Branches - Joint Steering Group monitors progress on All-island Energy Market targets and priorities. ISLES2 Project Board now established following DETI Casework approval for project on 25 March 2013. Progress against targets monitored through: Branch Progress meetings with Grade 5 and HOBs; individually with Grade 5; and through Divisional Business Plan and SEF Implementation Plan reporting. DETI worked with NIAUR, DECC and EC for IME2 compliance which has now been met. Response to EC Reasoned Opinion letters in respect of IME3 for gas and electricity issued via DECC. Work to complete Gas and Electricity Directives issues progressed with making of Internal Markets and Disputes Resolution Regulations and Distribution Licensing Exemption Order on 28th March 2013.</p> <p>Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - No comment</p> <p><u>TT & GSNI</u></p> <p>Telecoms Branch regularly monitors progress on project targets and where necessary takes remedial action through risk and issues registers. For example the 3G/4G mobile project is presently being adjusted to ensure compliance with state aid rules and the 'Final 10%' broadband deficit. All projects are managed under PRINCE2 with project board governance. GSNI's targets are reviewed at quarterly management meetings.</p> <p>Tourism - These include Management liaison/performance monitoring meetings, including financial / corporate governance issues.</p> <p><u>ASU</u></p> <p>Key ASU objectives are reflected in the DETI Corporate Plan 2011-15, current year's Operating Plan and ASU Risk Register. These are regularly reviewed as part of the performance monitoring and risk management processes.</p> <p><u>EPD:</u> As noted above, the Divisional Plan is formally updated and monitored quarterly by HOD (and HOBs), including Corporate and Operating Plan targets. This requires progress to be documented alongside any remedial action that has either been taken or is planned in order to keep targets on schedule. Branch Plans are also formally monitored by HOBs at the same time. In addition HOBs monitor progress on an ongoing basis, and HOD undertakes formal 2-weekly work progress meetings with HOBs (and DPs) – any necessary remedial action is discussed and agreed prior to implementation.</p>			

1.3	Yes	No	Partly
<p>Divisions within the Group have reviewed their respective responsibilities/entries in the relevant <i>Building-Specific Business Continuity Plan</i> and taken appropriate action to maintain upkeep.</p>	✓		
<p>Comments:</p> <p><u>Energy Division :</u> Energy Co-Ordination Branch - No comment Markets Branches - BCP updated to reflect recent staff changes. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - No comment</p> <p><u>TT & GSNI</u> Telecoms Branch has a Business Continuity Plan which feeds into the Netherleigh BCP. The branch reviews its entry when requested to do so. MAPB/GSNI - Not Applicable Tourism - Not Applicable</p> <p><u>ASU</u> ASU has a representative on the business continuity team and provide input into the Netherleigh BCP upon request.</p> <p><u>EPD</u> EPD reviews the Business – Specific BCP and responsibilities are noted and updates made as required. A Netherleigh Business Continuity Steering Committee has been set up to look at how the Business – Specific BCP is regularly reviewed and updated. A representative from EPD sits on this group and provides feedback to the Division on a regular basis. Business-specific BCP is reviewed/ updated as necessary.</p>			

1.4	Yes	No	Partly
Divisions/Units within the Group have Branch-level Business Continuity Plan in place that are fully embedded, reviewed, updated and validated/tested, as appropriate, on a regular basis.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - Branch-level BCP updated April 2013. A further update of Energy Branch Plan is currently being compiled. Alan Chowney represents Energy Division on the Netherleigh Business Continuity Group and feeds into validation and testing exercises. Markets Branches – Work ongoing to ensure new staff are aware of arrangements. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - No comment</p> <p><u>TT & GSNI:</u> Telecoms Branch has a branch BCP which was last reviewed and updated in January 2013. MAPB/GSNI - Branch BCP plan (version 1.7) updated 3 July 2012 Tourism - Tourism Policy Branch BCP updated – 21/10/13</p> <p><u>ASU</u> ASU has developed its own Business Continuity Plan, which is reviewed and updated quarterly, in addition to any staff changes.</p> <p><u>EPD</u> Branch BCP's are in place and are reviewed and updated on a regular basis. BDU's BCP was updated in September 2013. A&AF's BCP was reviewed and updated in September 2013 following establishment of this branch. EPU has developed a BCP for the branch following the amalgamation of SPU and EPAU.</p>			

2 – Legislative and Other Authorities


2.1	Yes	No	Partly
<p>Divisions/Units and Branches within the Group have the necessary legislative authority to undertake functions or activities and to spend money on those functions or activities.</p>			<p style="text-align: center;">✓</p> <p>Minerals Branch & Sustainable Energy Branch</p>
<p>Comments:</p> <p><u>Energy Division:</u></p> <p>Energy Co-Ordination Branch - No comment</p> <p>Markets Branches - Minister has given approval to put in place legislation to give authority for harmonisation of gas arrangements with ROI under the CAG project. DSO scrutiny of legislation such as IME3 Regulations, and inputs sought from DSO on subsequent IME3 and other legislative issues. Also Ministerial approval obtained for IME3 Regulations. Contract in place for external legal spend. All legal contract work order requests subject to HOBs consideration to confirm quotes are reasonable prior to referral to HOD for spend approval.</p> <p>Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - Legislative authority is in place for Phase 1 of the Renewable Heat Incentive (1/11/12) and authority for Phase 2 will be taken forward during 2013/14 prior to the launch of the second phase. New NI Energy Bill will look again at energy objectives and duties for DETI and NIAUR to ensure they align with need for sustainability. New NI Offshore Renewable Energy Bill will look at overall regulatory regime for offshore renewable energy installations to include decommissioning, safety zones and extinguishment of public rights of navigation. Consultation process commenced March 2013. Offshore Bill put on hold as issues around liabilities need to be resolved. Renewables Obligation (Amendment Order) NI (2013) laid in the Assembly business Office on 20th March. Order came into force 1 May. LCM memorandum for power sector decarbonisation targets laid in Assembly Business on 6 September and due for debate on 22 October. New Energy Bill needed to give powers for energy efficiency obligation; duties and obligations of Department and Regulator; small-scale feed-in tariff; enforcement of licences; transfer and assignment of licences and gas storage</p> <p><u>TT & GSNI</u></p> <p>Telecoms Branch derives its legal authority from the Communications Act 2003.</p> <p>Minerals - Legislative Authority is grounded in current NI Minerals & Petroleum legislation. The following has been included on the Corporate Risk Register to the Departmental Board. "Action is being taken by DETI (MAPB) relating to the incomplete transposition/implementation in NI of EU Directive CCS/CDD 2009/31/EC – the Carbon Capture & Storage Directive (this is due to the absence of specific NI legislation to regulate provisions pertaining to storage, transport and 3rd party access). MAPB is currently preparing an updated "Transposition Note" (TN) identifying those provisions of the Directive that remain to be transposed. DSO intends to use this TN as the basis for advising DETI on the precise legislative requirements to be enacted in order to make NI wholly compliant.</p> <p>Tourism - Guidance from and adherence to NI Tourism Order 1992.</p> <p><u>ASU:</u> no comment</p> <p><u>EPD</u></p> <p>All branches, where appropriate, have the necessary legislation in place:</p> <p>IPU under the Industrial Development (NI) Order 1982, and in relation to the NI Science Park under the Northern Ireland Science Park Foundation Limited (Funding) Order (NI) 1999. Legislative cover for BDU spend on social economy activity is provided under the Financial Provisions Act 2009</p> <p>BDU: legislative cover for spend on social economy activity is provided under the Financial Provisions Act 2009.</p>			

2.2	Yes	No	Partly
Divisions/Units and Branches within the Group have obtained necessary DFP approvals for expenditure (where appropriate).	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - DFP Approval secured in respect of new legal contract from 1 April 2011. Markets Branches - All necessary approvals (internal & external) obtained for expenditure on tripartite "Isles" Offshore Grid Study for completion by end 2011 and "BioMara" research study completed end 2012. DFP approval of gas extension Strategic Outline Business Case (SOC) obtained prior to going to OBC stage. DETI Minister's approval obtained to tender via DFP for the Gas Network Extension OBC. DETI Casework approval for submission to DFP re gas subvention funding. DETI Casework approval for ISLES2 project. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: DFP approval still awaited for review of the cost of the 40% renewable electricity target analysis. Anticipated October 2013.</p> <p><u>TT & GSNI</u> Telecoms Branch seeks DFP approvals when required e.g. DFP approval given for NI Broadband Improvement project. MAPB/GSNI - No approvals required Tourism - Not Applicable. No grants paid by Tourism Policy Branch</p> <p><u>ASU:</u> No DFP approvals were necessary in the 6 month period being considered</p> <p><u>EPD</u> – No comment</p>			

2.3	Yes	No	Partly
Divisions/Units and Branches within the Group have obtained necessary Ministerial and / or Casework Committee approval for expenditure.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - Casework Committee/Minister's approval secured in respect of existing legal contract from 1 April 2011. A Casework Committee is scheduled for late October to consider the Business Case for the appointment of external legal advisers from 1 April 2014. Markets Branches – Electricity and Gas Markets (see 2.2 above) Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - Approval from the EU Commission for the EU State aid approval for the NIRO 2013 received 30 April. Ministerial and EU approval received in January for £60k to appoint external consultants to undertake a study on a small scale FIT in Northern Ireland. Study complete June 2013. Ministerial approval received 29 July 2013 for £25k to contribute to the total cost of the appointment of consultants by DECC to assist in the development of a long term strategy for building renovation and to carry out an evaluation of the regulatory and non-regulatory barriers to energy efficiency as required by the Energy Efficiency Directive. Ministerial and EU approval received in August 2013 for the small scale ROC banding review. Ministerial approval received 7 October for the review of the cost of the 40% renewable electricity target analysis.</p> <p><u>TT & GSNI</u> Telecoms Branch seeks Ministerial and Casework approvals when required. MAPB/GSNI - Procedures followed where appropriate Tourism - A DETI/NITB Casework Committee Protocol is in the process of being finalised. Once operational the Casework Committee will be involved in the scrutiny of NITB cases which require DFP and/or Ministerial approval.</p> <p><u>ASU</u> – No Ministerial or Casework Committee approvals were necessary in the 6 month period being considered.</p> <p><u>EPD</u>: Advice sought and procedures followed when required.</p>			

3 – Economic Appraisal, Post Project Evaluation and Consultancy

3.1	Yes	No	Partly
Divisions/Units and Branches within the Group produce business cases before committing public funds. Such business cases contain, where appropriate, economic appraisals conducted with proportionate effort in accordance with Departmental guidance.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No Comment Markets Branch – Gas Markets - Business Case for Common Arrangements for Gas prepared, based on updated cost benefit analysis by NIAUR and CER– Revised CBA published April 2009. External review by Poyry and ERINI confirmed findings and broad benefits of CBA. Regulators review ongoing implementation costs set against CBA. Further CBA completed Sept 2013 by Irish Regulator CER. Strategic Outline Case and Outline Business Case prepared and DETI Casework approval obtained in relation to proposals for subvention funding for gas network extension. Electricity Markets – Approval received for Single Tender Action for procurement of external technical assessment of IME3 Art 9 (9) Limited Disapplication option. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch Business case for appointing consultants to undertake analysis for a small scale FIT was approved by the Minister in January. Business case for appointing consultants to undertake a small scale ROC banding review was approved by the Minister on 5 August. Business case for appointing consultants to undertake a review of the cost of the 40% renewable electricity target analysis was approved by the Minister on 7 October. Business case for approval to contribute to the appointment of consultants by DECC to undertake work to assist in the development of a long term strategy for building renovation and to carry out an evaluation into barriers to energy efficiency as required by the Energy Efficiency Directive was approved by the Minister on 2 July 2013.</p> <p><u>TT & GSNI:</u> Telecoms Branch completes Business cases including economic appraisals when required. MAPB/GSNI - Business cases prepared as appropriate and reflect Departmental guidance. Tourism - Business cases prepared as appropriate and reflect Departmental guidance</p> <p><u>ASU:</u> The main area of ASU spending relates to the DETI Research Programme 2012-15, which has an overarching business case, approved by David Thomson on 14 May 2012. This covers the individual projects under the research agenda, which do not require separate business cases.</p> <p><u>EPD:</u> EPD currently has a number of areas of business to which public funds are committed.</p>			

3.2	Yes	No	Partly
Divisions/Units and Branches within the Group conduct post project evaluations to consider the effectiveness of expenditure. All post project evaluations have been completed on schedule.			 Minerals Branch, Telecoms Branch & Sustainable Energy Branch
<p>Comments:</p> <p><u>Energy Division:</u></p> <p>Energy Co-Ordination Branch - No Comment</p> <p>Markets Branches – PPEs completed for work on Common Arrangements for Gas CBA by Poyry Consultants and ERINI and on DMD Wayleave contract which ended February 2009. No PPEs due for completion in this period for Electricity Markets Branch. PPE completed on the FMA gas network study in March 2011. A PPE for the Energy Storage Study was completed with technical input from GSNI, after final Energy Storage Study reports received. The KPMG gas network extension OBC was completed in mid September 2012 and a PPE on the tender was completed in February 2013. PPE completed for ISLES study.</p> <p>Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - The following PPEs were active during this period:- PPEs on outstanding Interreg 3A projects completed in September / October 2013. PPE on CEPA EMR study completed January 13. PPE on small scale FIT analysis to be commenced shortly. PPE on Craigavon Borough Council legal advice now complete.</p> <p><u>TT & GSNI</u></p> <p>Telecoms PPEs normally undertaken and completed on schedule. PPE for Avanti Satellite contract remains outstanding. Telecoms Branch went to the market for independent consultancy in 2012/13 but no bids were received. Bid of £15k was made again in 2013/14 under June monitoring but unsuccessful. A further bid was made in October monitoring and we await outcome. There is no provision to do this PPE internally.</p> <p>Minerals/GSNI - Some additional analysis of the outcomes of the Deep Geothermal Energy Project is currently being undertaken – PPE is expected to be finalised in quarter ending 31 December 2013.</p> <p>Tourism - Post-project evaluations conducted as required.</p> <p><u>ASU</u></p> <p>A PPE for the research paper into the potential development of an open innovation centre for NI was approved by Shane Murphy on 31st July 2013.</p> <p><u>EPD</u></p> <p>Branches are aware of the need to undertake post-project evaluations. Mechanisms are in place across the division to ensure that post-project evaluations are carried out once current ongoing projects have come to a conclusion.</p> <p>IPU: Completion of the Open Innovation Consultancy project from Michael Kitson was delayed due to unexpected long-term illness of Consultant. Procurement only completed in March 2013 while PPE was completed on 23rd May 2013.</p>			

3.3	Yes	No	Partly
Divisions/Units and Branches within the Group comply with the Department's guidance on the use of consultants. This includes the completion of business cases in line with the Department's guidance to both justify the use of consultants and to define the scope and outputs of the consultancy exercise.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branches - Business case and approvals granted to conduct a technical review of secondary fuel stocking requirements to be held by generators. No Business Cases completed in this period for Electricity Markets Branch. Business case for the Single Tender Action for external assessment of the IME3 Limited Disapplication completed and approved. Business case prepared and approved by Minister for tendering of gas extension OBC. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - Business case for appointing consultants to undertake analysis for a small scale FIT approved by the Minister in January 13. Business case for appointing consultants to undertake a small scale ROC banding review was approved by the Minister on 5 August. Business case for appointing consultants to undertake a review of the cost of the 40% renewable electricity target analysis was approved by the Minister on 7 October. Business case for approval to contribute to the appointment of consultants by DECC to undertake work to assist in the development of a long term strategy for building renovation and to carry out an evaluation into barriers to energy efficiency as required by the Energy Efficiency Directive was approved by the Minister on 2 July 2013.</p> <p><u>TT & GSNI</u> Telecoms Branch complies with Departmental guidance on the use of consultants. MAPB/GSNI - Proper process undertaken in compliance with DETI guidance. Tourism - Proper process undertaken in compliance with DETI guidance.</p> <p><u>ASU</u> – No consultancy expenditure has been required within the specified period and therefore no business cases for consultancy expenditure have been completed.</p> <p><u>EPD</u> The Division appoints consultants/external contractors in line with guidance and advice is sought, as appropriate, before any activity to procure commences.</p>			

4 – Monitoring of Expenditure

4.1	Yes	No	Partly
Divisions/Units and Branches within the Group review financial reports reviewed to monitor expenditure against budget.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branch - Electricity Markets– ISLES and BioMara project spend monitored in conjunction with EU Programmes and SEUPB. Wayleave costs monitored against reports and ongoing caseload. Gas Markets – Claim for significant additional costs by consultant involved in completing the 2010 Gas Network Extension Study resolved, resulting in agreement to pay around 20% of full claim, with full study costs less than next acceptable tender. Legal contract expenditure monitor maintained. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch reviews and monitors expenditure against budget on a regular monthly basis. HOD is also updated on spend through monthly Budget reporting exercise and on quarterly monitoring rounds Minerals - The procedures for reviewing the delivery of the service under the Service Level Agreement between NERC/BGS & DETI are reviewed every quarter by the Grade 5, and by MAPB in liaison with the Director, GSNI. Tourism - Financial monitoring through monthly profiling, monitoring rounds on a quarterly basis.</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> Finances (Resource Admin and programme expenditure) are monitored on a monthly and quarterly basis. All transactions and profiling/re-profiling are undertaken at this time. Appropriate staff within the Division have been trained on Account NI procedures. <u>IPU</u> : Bi-annually finance checks are carried out on NISP Connect as part of ERDF drawdown.</p>			

5 - Procurement

5.1	Yes	No	Partly
All procurement activity by Divisions/Units and Branches within the Group is undertaken in accordance with the procedures in place and by officers with the necessary delegated purchasing authority.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branch - Electricity and Gas Markets –DFP- CPD assistance utilized in tendering for gas extension studies, electricity grid SEA study contract, Energy Efficiency Levy PPE contract, replacement of Wayleaves Officer contract and IME3 Art 9 (9) assessment study (no responses received). (See also sections 3.3 and 5.3). Also DFP/CPD utilised for tender for gas extension OBC. All staff familiar with best practice procurement guidance. All PPA/PDPs updated to ensure staff participating in procurement exercises receive mandatory procurement and contract management training. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch complies with Departmental guidance MAPB/GSNI - Procedures followed in accordance with published guidance. Tourism - Monitored and completed by admin team, with appropriate authorisation DP/G7.</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> The Division fully complies with procurement policy and has worked closely with Central Procurement Directorate to ensure that tendering arrangements are in line with best practice and represent value for money. CPD oversees all procurement activity and sits on all selection panels.</p>			

5.2	Yes	No	Partly
Appropriate arrangements are in place to ensure that all assets within the Group are properly safeguarded and controlled against unauthorised use or disposal.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branches – No comment Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch assets are safeguarded and regular checks are undertaken to ensure compliance. MAPB/GSNI - Asset register in place and inspected annually. Tourism - DETI own land at Ulster American Folk Park. Rent of £2k paid via BACs on yearly basis. Request for payment, monitoring and retention of receipts carried out by admin team.</p> <p><u>ASU:</u> ASU, by its nature, has minimal physical assets.</p> <p><u>EPD:</u> The majority of assets in the Division are IT related and all hardware is listed on the IT Assets database maintained by Corporate Services. Staff are also encouraged to update the Global Address List with details of the IT equipment allocated to them.</p> <p>EPD has participated in the DETI assessment of data security in terms of how information is held and transferred, providing an opportunity to review branch security procedures where necessary.</p>			

5.3	Yes	No	Partly
Divisions/Units and Branches within the Group have obtained prior approval from the Accounting Officer for the procurement of consultants by single tender action.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Electricity Domestic Markets – ERINI study on mutualisation of energy assets and IME3 Art 9(9) technical study – Single Tender Action approval obtained in both cases. IME3 Act 9 (9) study was tendered via CPD, and no responses obtained. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI:</u> Telecoms Branch obtains necessary approvals on procurement by single tender action Minerals - Not applicable to MAPB for this period. Tourism - Branch aware of requirement to seek prior approval from Accounting Officer but only arises in exceptional circumstances.</p> <p><u>ASU</u> – No comment</p> <p><u>EPD</u> – no comment</p>			

6 – Staff

6.1	Yes	No	Partly
(a) Authority, responsibility and accountability within the Group are clearly defined so that decisions are made and actions taken by appropriate people.	✓		
(b) Staff within the Group are made fully aware of their job responsibilities.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branch - All financial approvals completed under delegated limits procedures. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch - No comment</p> <p><u>TT & GSNI</u> Telecoms branch ensures that authority, responsibility and accountability are clearly defined and that staff are made aware. MAPB/GSNI - Branch authorities and responsibilities are defined in the Branch Procedures Manual, last updated (V3) 6 August 2013. Tourism - Staff responsibilities, authority, responsibility and accountability, all clearly defined in TPB in:</p> <p>(a) Operating Plan/Branch Plan/PPAs (b) Regular Branch meetings (c) Regular informal contact (d) Timely completion of annual reports</p> <p><u>ASU</u> – PPA's/PDP's are drafted in line with targets in the Branch Operating Plan.</p> <p><u>EPD:</u> Personal Performance Agreements/PDPs are drafted in line with targets in Branch, Divisional and Operating Plans. Lines of authority are well defined and regular Branch and Divisional monitoring of progress against targets ensures responsibility for delivery is further embedded. The previous EPAU Team, which had no G7 lead, now report to the G7 in EPU</p> <p>Regular branch meetings are undertaken, plus HOBs meet collectively with HoD on a regular basis. HoD also has detailed fortnightly work planning meetings with each Branch.</p>			

6.2	Yes	No	Partly
Guidance and instructions are disseminated to appropriate staff.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branches – No comment Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch disseminates guidance and instructions to all staff both by email and regular monthly branch meetings MAPB/GSNI - Staff instructions are set out in the Branch Procedures Manual, last updated (V3) 6 August 2013. Regular monthly team meetings are held to disseminate information. Tourism - Guidance and instructions are disseminated to appropriate staff by email and there is ongoing review of the Branch procedures manual.</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> All staff have access to the e-mail system regarding receipt of instructions. Where necessary any issues are raised and discussed at either the regular Branch/Team or HOB meetings; or in the context of the monthly divisional Team Brief.</p>			

6.3	Yes	No	Partly
Staff are adhering to guidance on gifts and hospitality and records are kept of the receipt of gifts and hospitality. Gifts & hospitality registers are complete and up to date.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - Divisional hospitality register controlled centrally and updated on a six-monthly basis. <u>Markets Branches:</u> Divisional hospitality register maintained centrally. Electricity Markets - Hospitality accepted for working lunch arrangement to discuss with CBI and NI generators the implications of derogation from Carbon Price Floor. Gifts and hospitality register updated. Gas Markets – Hospitality accepted for a CBI – Infrastructure UK event in December 2012, and therefore during the reporting period. 17th Sept 2013 invite from KPMG to attend an Art Exhibition in Oct 2013 declined. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch adheres to guidance on gifts and hospitality MAPB/GSNI - DETI procedures followed Tourism - Gifts and hospitality information/receipts for Branch held on TRIM.</p> <p><u>ASU</u> ASU has its own Gifts and Hospitality register which is maintained regularly. The register is circulated annually and all staff are reminded of their obligations under the guidance.</p> <p><u>EPD:</u> A gift/hospitality register is maintained by the Division. It is circulated bi-annually and all staff are reminded of their obligations under the guidance. Once the update of the register is completed, the latest position is forwarded to HOD to either note or for any action required.</p>			

6.4	Yes	No	Partly
Line Managers are aware of their responsibilities to actively manage staff attendance and are adhering to and implementing sick absence procedures in a timely manner.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branches - No issues arising in reporting period. All line managers familiar with HR Connect attendance management procedures. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch complies with sick absence procedures MAPB/GSNI - Absences recorded by line management as appropriate and return to work interviews conducted in a timely manner. (GSNI records these through the NERC/BGS system). Tourism - Absences recorded by line management as appropriate and return to work interviews conducted in a timely manner, as per HR Connect procedures.</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> All staff are aware of, and are fully implementing, Departmental procedures. Return to work interviews are completed within the necessary timeframes.</p>			

7.1	Yes	No	Partly
Where applicable, appropriate procedures are in place to monitor the NDPB's adherence to its Management Statement and Financial Memorandum.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - N/A Markets Branches – N/A Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: N/A</p> <p><u>TT & GSNI</u> Telecoms – Not applicable Minerals - Not applicable Tourism - Monitoring of NDPBs' adherence to MSFMs is carried out on quarterly and yearly basis and recorded appropriately. This is carried out through quarterly oversight meetings, regular technical meetings and by on site visits. NITB's MSFM is currently being reviewed and a revised MSFM is expected to issue shortly.</p> <p><u>ASU</u> – N/A</p> <p><u>EPD:</u> IPU - Quarterly NISP/DETI liaison meetings are held to ensure compliance. A Memorandum of Understanding is in place with NISP. In addition bi-annual meetings are held between NISP Connect and DETI and progress reports accompany financial checks.</p>			

7.2	Yes	No	Partly
<p>From the monitoring performed the Department is satisfied that the NDPBs have been adhering to the requirements of the Financial Memorandum and there are no significant problems.</p>	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch – N/A Markets Branches – N/A Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: N/A</p> <p><u>TT & GSNI</u> Telecoms – Not applicable Minerals - Not applicable Tourism - A final NITB IAS Report issued on 17 October 2013 on the Walled City Signature Project and provided a limited opinion consisting of 3 Priority 1 issues and 4 Priority 3 issues. A number of these issues are now being dealt with by the NITB Governance Action Plan which is reported on a regular basis to the Departmental and NITB Audit Committees. A follow up report to the Review of Payments to Creditors was issued on 5 June 2013 and this lifted the limited opinion. The Annual IAS Report on NITB dated 25 July 2013 provided a limited opinion but the NIAO Report to Those Charged With Governance (RTTCWG) gave NITB an unqualified opinion. NITB has created a Governance Action Plan which is in the process of being developed. Arrangements are in place to monitor progress through Oversight and Liaison meetings as well as future DAC meetings. Suspected internal fraud in respect of the Walled City Signature Project was subject to formal investigation, led by DETI Internal Audit Service (IAS), in accordance with NITB Fraud Response Policy. Progress was monitored by Branch through NITB Oversight & Liaison Meetings. This investigation is now complete and appropriate follow up action has been taken. Branch is satisfied that all relevant information to monitor adherence to the MSFM is forthcoming from NDPBs as and when required.</p> <p><u>ASU – N/A</u></p> <p><u>EPD:</u> IPU - Financial checks and Article 13 checks are carried out as per terms of ERDF funding.</p>			

7.3	Yes	No	Partly
Departmental procedures are followed in relation to the establishment and operation of External Delivery Organisations (EDOs) / Third Party Organisations (TPOs) that distribute funds on behalf of the Department.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Electricity Markets -. NIE Limited was put in place as Trustee for the distribution of funds to defray the Energy Efficiency Levy (EEL) in 2004/05 and 2005/06. The Department used the same means to defray the EEL in 2007/08 and as such NIE Limited remained classed as a TPO, with the existing monitoring arrangements continuing where spend occurs. However no further EEL defrayal is planned and a final audit of the account was completed by Ernst and Young for NIE in June 2011. The EEL trust fund account was closed in January 2011. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: N/A – Energy Division did not fund any TPOs since April 2011.</p> <p><u>TT & GSNI</u> Telecoms, Minerals & Tourism – N/A</p> <p><u>ASU</u> – N/A</p> <p><u>EPD:</u> Departmental procedures as outlined above are followed by the Division.</p>			

7.4	Yes	No	Partly
Divisions/Units and Branches within the Group that distribute money via External Delivery Organisations (EDOs) / Third Party Organisations (TPOs) have adequate monitoring systems in place.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Electricity Markets - Contract awarded in March 2010 for completion of Energy Efficiency levy PPEs and work was completed in May 2010. A final audit of the remaining amount in the account was completed by Ernst and Young for NIE in June 2011. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: N/A</p> <p><u>TT & GSNI</u> Telecoms, Minerals & Tourism – N/A</p> <p><u>ASU</u> – N/A</p> <p><u>EPD:</u> BDU: Expense of social economy activity is closely monitored.</p>			

7.5	Yes	No	Partly
Divisions/Units and Branches within the Group that distribute money in the form of grant have adequate monitoring (claims inspection) systems in place to ensure that the grant is used for the purposes intended by the Department.	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Electricity Markets – See comments at 7.3 and 7.4 above, otherwise not applicable – no existing contracts or Letters of Offer in place with external parties Gas Markets – no active Letters of Offer or grant funding of gas projects at present Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: Irregularity in paperwork from 3 applicants to the Renewable Heat Premium Payment Scheme reported to Internal Audit 30/1/13. PSNI investigation was conducted and on 31/07/13, DETI was informed that there would be no prosecution.</p> <p><u>TT & GSNI</u> Telecoms – Branch has vouching and verification procedures in place. Tourism: N/A Minerals: N/A</p> <p><u>ASU</u> – N/A</p> <p><u>EPD:</u> BDU: Agreed systems are in place to enable vouching of claims to be undertaken by Invest NI on behalf of DETI in relation to Social Enterprise NI.</p>			

8 – Internal and External Audit Reports

8.1	Yes	No	Partly
<p>Internal and external audit reports relating to the activities of the Group have not revealed any significant weaknesses.</p>			<p style="text-align: center;">✓</p> <p style="text-align: center;">Sustainable Energy Branch</p>
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Electricity and Gas Markets – Internal audits in 2011 of ESB/NIE transaction, Climate Change Levy and IME3, revealed no significant weaknesses. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: DETI continues to seek clawback of £198,747 from Craigavon Borough Council Protective Writ served on CBC in November 2011. Ongoing updates/meetings still in place with CBC. CBC continues to pursue through their insurance company. No repayment has yet been made. DETI wrote to CBC in July seeking a further update on the timescale for resolution of the issues.</p> <p><u>TT & GSNI</u> Telecoms Branch: Following Internal audit on Interreg III A programme Telecoms Branch has trained staff in project management and engages suitable technical assistance when required. It also retains appropriate project documentation Minerals - Internal Audit Report IAS 23/10 – follow up report June 2012 refers: IAS 23/10 follow up report upgraded GSNI/MAPB from an original “limited” opinion to “satisfactory”. All of the 26 recommendations contained in the report have now been implemented save for one very minor “low” risk recommendation. Final ‘satisfactory’ report received 6 April 2013; internal follow-up meeting held 6 June 2013. Tourism - No significant weaknesses to date.</p> <p><u>ASU</u> As outlined in the previous Assurance Statement the Internal Audit Service follow up report in July 2012 did not reveal any significant weaknesses. One low risk recommendation was identified on branch payments (dating and signing of invoices). A subsequent follow up by Internal Audit in June 2013 reviewed a sample of ASU’s payments and concluded that everything was in order. In July 2013 Internal Audit also reviewed a sample of performance monitoring returns and supporting documents from ASU. No significant weaknesses were identified.</p> <p><u>EPD:</u> IPU - KPMG completed a report August 11 which highlighted three areas of low risk between NISP and DETI.</p>			

8.2	Yes	No	Partly
<p>Recommendations arising from internal and external audit reports and PAC hearings are implemented and implementation is monitored by Heads of Division.</p>	✓		
<p>Comments: Energy Division: Energy Co-Ordination Branch – N/A Markets Branches – No comment Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: All issues identified for Sustainable Energy Branch in Internal Audit reports have been actioned.</p> <p>TT & GSNI Telecoms Branch implements all appropriate recommendations MAPB/GSNI - Internal Audit Report IAS 23/10 – follow up report June 2012 refers: IAS 23/10 follow up report upgraded GSNI/MAPB from an original “limited” opinion to “satisfactory”. All of the 26 recommendations contained in the report have now been implemented save for one very minor “low” risk recommendation. Final ‘satisfactory’ report received 6 April 2013; internal follow-up meeting held 6 June 2013. Tourism - Tourism Policy Branch adheres to guidance issued by DFP.</p> <p>ASU : ASU implemented all recommendations which were the responsibility of the unit, following an Internal Audit report on the previous SPES division carried out in 2011. As noted at 8.1 above, an Internal Audit follow up report in July 2012 found that a recommendation on processing payments had been partially implemented. From July 2012 EPD admin and ASU reviewed processes for invoices and added supplementary checks to ensure procedures were being followed. A subsequent follow up in June 2013 by Internal Audit, which sampled a number of ASU payments, concluded that everything was in order.</p> <p>EPD: Recommendations are monitored by Heads of Division.</p>			

9.1	Yes	No	Partly
<p>Appropriate arrangements are in place within Divisions/Units and Branches in the Group to ensure that all data is correctly classified, held, transmitted and transported in line with guidance provided by the Security Advisory Unit in OFMDFM and, where appropriate, supplemented by additional advice and guidance from Human Resources and Central Support Division.</p>	✓		
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - A checklist for all Divisional staff was developed and is circulated alongside a reminder about the full guidance on a regular basis. Regular Divisional security checks now in place and HoD updated accordingly. Electricity Markets – HOB has received Cabinet Office Information Asset Owner accredited training. Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms Branch has appropriate arrangements in place Minerals - Work is on-going within MAPB to migrate information historically held on “G” Drive into Trim system. Tourism - All data is managed, classified, etc in accordance with information management and information security guidelines.</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> All data held are categorised at “Restricted” or lower level in accordance with approved NICS EDRMS. All data are stored centrally to approved EDRMS with appropriate access permissions within file-plan agreed with DETI Departmental Information Manager. As part of a departmental rollout programme, members of staff using laptops or other portable devices have had the appropriate security enhancements implemented by the DETI IT team</p>			

10 – Other Issues

10.1	Yes	No	Partly
<p>Apart from the issues raised above, there are no significant control or other matters arising within the Group which could adversely affect the signing of the biannual SIC.</p>		<p style="text-align: center;">✓ Minerals Branch</p>	
<p>Comments:</p> <p><u>Energy Division:</u> Energy Co-Ordination Branch - No comment Markets Branches – No comment Renewable Electricity Policy & Legislation Branch/Renewable Heat Branch/Sustainable Energy Branch: No comment</p> <p><u>TT & GSNI</u> Telecoms None Minerals - Other Legislative Matters MAPB functions and activities relating to Mineral & Petroleum Licensing in NI are determined by the enacting legislation available to DETI, i.e. Mineral Development Act (NI) 1969 (MDA 1969) Petroleum (Production) Act (NI) 1964 Further legislative/legal issues are arising out of how legislation that is circa 50 years old can be applied in today's operational environment e.g. Rights of Access Over Land issues; issue of entitlement to compensation; Annual Mineral Statement etc. Given that MAPB's only legislative resource (1 DP X 2 day week working pattern) has been dedicated to working full time on the transposition of the CCS Directive referred to at Section 2.1, these other legislative issues are not being progressed within MAPB. Moreover with the increased public concern emanating from the potential for "fracking" in NI, the legislative and policy framework for Minerals and Petroleum Licensing is becoming increasing vulnerable to challenge – accordingly a wholesale review of the legislative, policy and operational framework for today's licensing activities may be required. None of the above can take place without additional (suitably skilled) staff resources being deployed within MAPB. Tourism - Not applicable</p> <p><u>ASU</u> – no comment</p> <p><u>EPD:</u> At this point there are no significant matters arising within the Division which would significantly affect the signing of the six monthly SIC</p>			

Department of Enterprise, Trade and Investment: Six Monthly Assurance Statement on the System of Internal Control - Period Ended 30 September 2013**Scope of Responsibility**

1. As the Senior Civil Servant responsible for Policy Group, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Department of Enterprise, Trade and Investment's policies, aims and objectives, whilst safeguarding the public funds and Departmental assets for which I am responsible.

The Purpose of the System of Internal Control

2. The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.
3. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of my Group's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the six months ended 30 September 2013 in the Group for which I am responsible and accords with Department of Finance and Personnel guidance.

Capacity to Handle Risk

4. My Group is carrying out appropriate procedures to ensure that it identifies its objectives and risks and a control strategy has been devised for each of the significant risks. As a result, risk ownership has been allocated to appropriate staff.

The Risk and Control Framework

5. The Departmental Board, of which I am a member, has ensured that procedures are in place for verifying that risk management and internal control are regularly reviewed and reported on. As well as regular reports to the Departmental Board, risk management and internal control are regularly reviewed by the Departmental Audit Committee. Risk management is continually being incorporated into the corporate planning and decision-making processes of my Group.
6. The Departmental Board and Departmental Audit Committee receive periodic reports concerning internal control. The appropriate steps are being taken to manage risks in significant areas of responsibility and monitor progress on key projects.

7. The Department's key objectives and risks are regularly assessed to ensure consistency of treatment.
8. The Department has an Internal Audit Service, which operates to Government Internal Audit Standards. They submit regular reports which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Department's system of internal control together with recommendations for improvement.

Review of Effectiveness

9. As Head of Group I am responsible for reviewing the effectiveness of the system of internal control within my Group. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Department who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their management letters and other reports.

Issues to Note

10. In the following paragraphs I draw your attention to a number of issues that warrant disclosure.
11. **Telecoms, Tourism & GSNI Division** has reported the following issues:

Legislative Matters

12. **Minerals & Petroleum Branch** functions and activities relating to Mineral & Petroleum Licensing in NI are determined by the enacting legislation available to DETI, ie: Mineral Development Act (NI) 1969 (MDA 1969); Petroleum (Production) Act (NI) 1964. Further legislative/legal issues are arising from the application of legislation that is circa 50 years old can be applied in today's operational environment e.g. Rights of Access Over Land issues; issue of entitlement to compensation; Annual Mineral Statement etc. Given that the Branch's only legislative resource (1 DP on a 2 day working pattern) has been dedicated to working full time on the transposition of the CCS Directive referred to earlier, these other legislative issues are not being progressed within the Branch.

Moreover with the increased public concern emanating from the potential for "fracking" in NI, the legislative and policy framework for Minerals and Petroleum Licensing is becoming increasingly vulnerable to challenge – accordingly a wholesale review of the legislative, policy and operational framework for today's licensing activities may be required.

None of the above can take place without additional (suitably skilled) staff resources being deployed within the Branch.

13. **Minerals & Petroleum Branch:** In relation to the transposition of EU Directives, the following reference has been included in the DETI Corporate Risk Register: "Action is being taken by DETI (MAPB)

relating to the incomplete transposition/implementation in NI of EU Directive CCS/CDD 2009/31/EC – the Carbon Capture & Storage Directive (this is due to the absence of specific NI legislation to regulate provisions pertaining to storage, transport and 3rd party access). MAPB is currently preparing an updated “Transposition Note” (TN) identifying those provisions of the Directive that remain to be transposed. DSO intends to use this TN as the basis for advising DETI on the precise legislative requirements to be enacted in order to make NI wholly compliant.”

Post Project Evaluations

14. **Telecoms Branch:** The Post Project Evaluation (PPE) for the Avanti Satellite contract remains outstanding. Telecoms Branch tendered for independent consultancy in 2012/13 but no responses were received. A bid for £15k for external support was made in June monitoring but this was unsuccessful. A further successful bid was made in October monitoring. There is no provision to do this PPE internally.
15. **Minerals/GSNI:** Some additional analysis of the outcomes of the Deep Geothermal Energy Project is currently being undertaken – the PPE is expected to be finalised in quarter ending 31 December 2013.

Northern Ireland Tourist Board Issues

16. The following issues relating to the **Northern Ireland Tourist Board** are of note:
 - NITB’s 2012/13 Accounts were unqualified.
 - The annual IAS Assurance Report on NITB was issued on 25 July 2013 and contained an overall limited opinion.
 - A final NITB IAS Report issued on 17 October 2013 on the Walled City Signature Project and provided a limited opinion consisting of three Priority 1 issues and four Priority 3 issues. A number of these issues are being dealt with in the context of the NITB Governance Action Plan, progress on which is reported on a regular basis to the O&L meetings and Departmental and NITB Audit Committees.
 - A follow up report to the Review of Payments to Creditors was issued on 5 June 2013 and this lifted the limited opinion previously issued.
 - A suspected internal fraud in respect of the Walled City Signature Project was subject to a formal investigation, led by DETI Internal Audit Service (IAS), in accordance with NITB’s Fraud Response Plan. Progress was monitored by Tourism Policy Branch through NITB Oversight & Liaison Meetings. This investigation is now complete and appropriate follow up action has been taken.

17. Tourism Policy Branch is satisfied that all relevant information to monitor adherence to the MSFM is forthcoming as and when required.
18. The final issue to report in relation to **Telecoms, Tourism & GSNI Division**, is the action that continues to be taken on the Telecommunications Project which was in receipt of Intereg IIIA funding. A further technical report has been produced and this has helped clarify a number of key issues. The Northern Ireland Audit Office is now producing a report on the project.
19. **Energy Division** continues to pursue clawback of £198,747 from Craigavon Borough Council as a result of a suspected fraud connected with the tendering process for the installation of renewable energy boilers. A Protective Writ was served on the Council in November 2011 and the Department continues to receive monthly updates. The Council is pursuing the matter through its insurers but, as yet, no repayment has been made.



Head of Group

Date: 13 November 2013