



An Chomhairle Náisiúnta um Oideachas Speisialta
National Council for Special Education

Corporate Governance Guide

February 2023

A Guide for NCSE Council Members

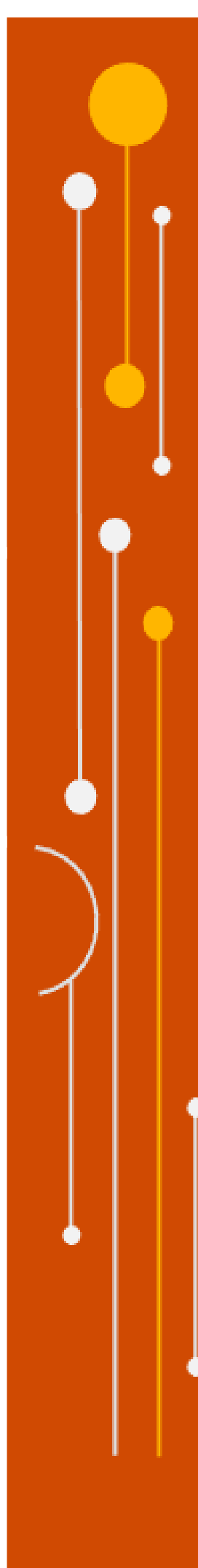
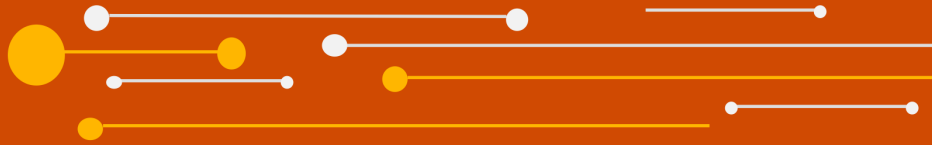


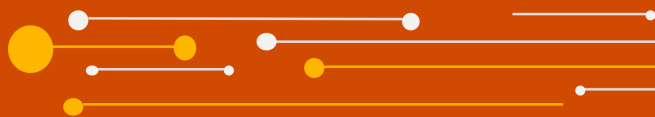
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Foreword



Foreword



The term ‘corporate governance’ encompasses how an organisation is managed, its corporate structure, its culture, its policies and strategies, and the ways in which it deals with its stakeholders. Good corporate governance is a key element in improving efficiency and accountability as well as enhancing openness and transparency.

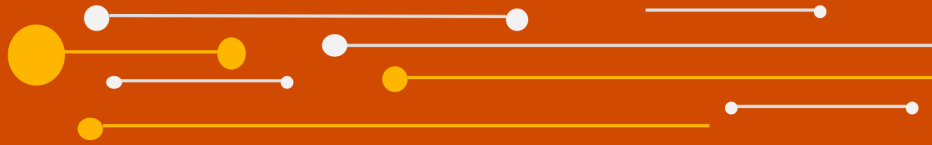
The guide has been updated in February 2023 to reflect the on-going provisions in the Code of Practice for the Governance of State Bodies (August 2016) and revisions/updates to the Code since or other new relevant legislation. It also incorporates revised procedures and policies Council approved to ensure compliance with the Code, since the last iteration.

Good governance within a public service environment means:

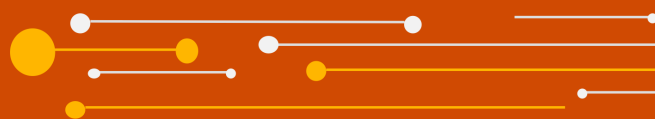
- I. Focusing on the organisation’s purpose and on outcomes for the public and stakeholders
- II. The organisation performing effectively with clearly defined functions and roles
- III. Promoting values for the whole organisation and demonstrating the values of good governance through behaviour
- IV. Taking informed, transparent decisions and managing risk
- V. Developing the capacity and capability of the Council to be effective
- VI. Making accountability real including active and purposeful engagement of stakeholders

These key principles underpin the governance arrangements within the NCSE and this guide outlines how these principles are applied within the organisation.

Introduction



Introduction



This Guide was commissioned by the National Council for Special Education (NCSE) to provide a clear and comprehensive summary of the principal aspects of corporate governance within the organisation. It is intended to be a practical and effective resource and guide for the NCSE in general and in particular for continuing and newly appointed members of Council. Good corporate governance is a vitally important issue for the NCSE in effectively discharging its statutory remit.

The Code of Practice for the Governance of State Bodies (August, 2016 (hereafter “the [Code](#)”) defines Corporate Governance as comprising ‘the systems and procedures by which organisations are directed, controlled, and managed.’

For the NCSE, corporate governance is about the requirement to act prudently, ethically, with transparency and to conduct its activities consistent with its statutory responsibilities. Good corporate governance is important because it supports effective decision making based on:

- A well balanced accountability framework
- Clear communication
- An understanding of the differing roles and responsibilities of Council as the governing body and the Senior Management team
- Robust performance, financial, risk management and information management systems
- High standards of conduct

Organisations with good corporate governance have the capacity to maintain high-quality services and to deliver continuous improvement. Inadequate governance arrangements may result in a failure to detect or anticipate serious service failures and control weaknesses.

The [Code](#) is mandatory for all State Bodies. The [Code](#) sets out a framework of rules to be adopted by both commercial and non-commercial State bodies including the NCSE. The best practice provisions relate both to internal systems and procedures and to external relations with the relevant Minister, the sponsoring department, the Ministers for Finance, Public Expenditure and Reform and the Government. State bodies are required to adopt the [Code](#) and ‘to confirm to the relevant Minister that they comply with the up-to-date requirements of the [Code](#) in their governance practices and procedures’. Any deviation from the Code needs to have explanatory notes written into the NCSE Oversight Agreement with the Minister for Education with the reasons for the exemptions clearly explained. The Council confirmed full compliance with the [Code](#) in October 2022. A review and confirmation of compliance is conducted on an annual basis, the [Code](#) states that its provisions do not override obligations imposed by the governing legislation of a publicly-funded agency or any other relevant legislation.

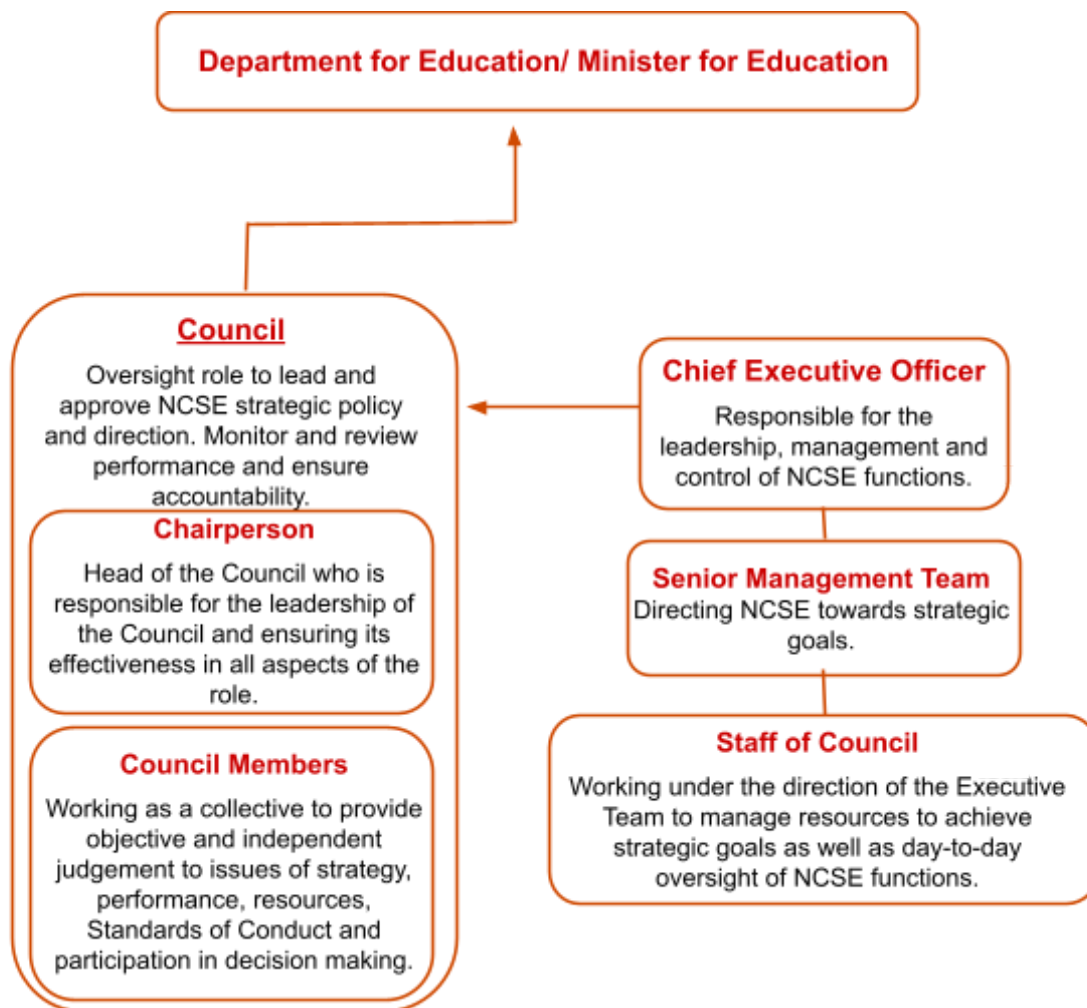
NCSE Corporate Governance Guidelines

This Guide focuses on key areas of corporate governance which are of particular relevance to the NCSE and points to other sources of detailed guidance.

The NCSE as established in law comprises two elements - a Council and Senior Management. The Council and Senior Management have separate and complementary roles within the NCSE.

For the NCSE, the roles and relationships between the various parties in the framework can be summarised diagrammatically on the following page.

NCSE Corporate Governance Framework



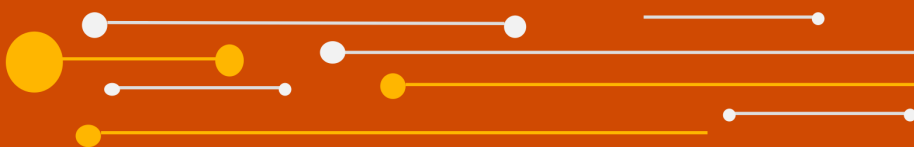
The Council is required to act in accordance with its underpinning legislation, the Education for Persons with Special Educational Needs Act, 2004 (“the [Act](#)”) as well as the [Code](#). Appropriate references are made to these documents in this text and Council members are expected to be fully knowledgeable with both.

The Council is specifically required by its legislation to act in accordance with policies stipulated by the Minister for Education from time to time. It is also required to act prudently in accordance with a range of legislative and other requirements which apply to it in the context of its various roles, including those of employer, statutory authority and provider of services. This legislation, which encompasses employment law, information, health and safety and official languages legislation, is listed and summarised in **Appendix 2**.

This Guide provides important information to help members fulfill their responsibilities to the Council. The following chapters summarise all aspects of the role of a Council Member of the NCSE.

Chapter 1

Governance at the NCSE



Section	Title
1	The Functions of the Council
2	The Role of the Council
3	Role of Council Members
4	Role of the Chairperson
5	Role of the Secretary to the Council
6	Meetings of the Council : The Role of Council Members
7	Managing Conflicts of Interest
8	Reserved Functions
9	Committees
10	Review of Council Performance/Effectiveness
11	Key Relationships
12	Relationship with Stakeholders

Chapter 1

Governance at the NCSE

The Council of the NCSE is appointed by, and accountable to, the Minister for Education. Its duty is how it can effectively conduct its business and achieve its strategic objectives. This chapter refers to the directions laid down in legislation which will enable the Council to act effectively.

1. The Functions of the Council

In order for the NCSE to carry out its functions, it is imperative that the organisation has high standards of corporate governance. Good corporate governance is fundamental to the efficient and effective management and execution of an organisation's work. Therefore, the corporate governance arrangements of the NCSE play an important role in helping it achieve its objectives.

Corporate governance comprises the systems and procedures by which the organisation is directed, controlled and managed. State bodies should serve the interests of its main stakeholders, individuals with special education needs in the case of the NCSE, Government as shareholder, the taxpayer, and all other relevant stakeholders, and pursue value for money in their endeavours, including managing risk appropriately. The organisation should act prudently, ethically and with transparency as a public entity, and should conduct its activities consistent with its statutory responsibilities.

Corporate governance provides clarity in relation to roles, authority and responsibility, which should be clearly documented, and supports prudent decision making with appropriate audit, risk and compliance arrangements.

The Council and Management of the NCSE are accountable for the proper management of the organisation and will be judged by stakeholders on their performance. The Council also needs to ensure that strategies are put in place to meet the objectives/functions of the NCSE, as well as for ensuring the efficient use of resources.

The EPSEN [Act](#) is the primary source of legislation for determining NCSE's responsibilities. The functions of the Council are set out in Section 20 of the [Act](#), which are as follows:

- To disseminate to schools, parents and such other persons as the Council considers appropriate information relating to best practice, nationally and internationally, concerning the education of children with special educational needs
- In consultation with schools, health boards and such other persons as the Council considers appropriate, to plan and coordinate the provision of education and support services to children
- In consultation with schools and with such persons as the Council considers appropriate, to plan for the integration of education for students with special educational needs with education for students generally
- To make available to the parents of children with special educational needs information in relation to their entitlements and the entitlements of their children
- To ensure that the progress of students with special educational needs is monitored and that it is reviewed at regular intervals
- To assess and review the resources required in relation to educational provision for children with special educational needs

- To ensure that a continuum of special educational provision is available as required in relation to each type of disability
- To review generally the provision made for adults with disabilities to avail of higher education and adult and continuing education, rehabilitation and training and to publish reports on the results of such reviews (which reviews may include recommendations as to the manner in which such provision could be improved)
- To advise all educational institutions concerning best practice in respect of the education of children and others with disabilities
- To advise the Minister for Education in relation to any matter relating to the education of children and others with disabilities
- To consult with such voluntary bodies as the Council considers appropriate (being bodies whose objects relate to the promotion of the interests of, or the provision of support services to, persons with disabilities), for the purposes of ensuring that their knowledge and expertise can inform the development of policy by the Council and the planning and provision of support services
- To conduct and commission research on matters relevant to the functions of the Council and, as it considers appropriate, to publish in such form and manner as the Council thinks fit the findings out of such research

2. The Role, Fiduciary Duties and Responsibilities of the Council

The Council of the NCSE is appointed by and accountable to the Minister for Education for the implementation of policy. In addition to the functions laid out in the [Act](#), the [Code](#) provides that all Council members first and foremost have a fiduciary duty to the NCSE. The fiduciary duties of Council Members are as follows:

- To act in good faith in the interests of the NCSE
- To act honestly and responsibly in relation to the work of the NCSE
- To act in accordance with the NCSE's obligations and exercise powers only for the purposes of the work of the NCSE and allowed by law
- Not to benefit from or use the NCSE's property, information or opportunities for personal or anyone else's benefit unless previously agreed
- Not to restrict the Council member's power to exercise an independent judgement
- To avoid any conflict between the Council Member's duties to the NCSE and the Council member's other interests unless the Council member is released from their duty to the NCSE in relation to the matter concerned
- To exercise the care, skill and diligence which would be reasonably expected of a person in the same position with similar knowledge and experience as a Council member. A Council member may be held liable for any loss resulting from their negligent behaviour
- To have regard to the interests of other NCSE members

The responsibilities of the Council are:

- To define the mission and vision of the NCSE Council, and develop the policies required to achieve these
- To set the correct 'tone from the top' and to ensure that good standards of governance and ethical behaviour permeate all levels of the organisation
- To ensure that the NCSE carries out its responsibilities as set out by statute or by ministerial order

- To provide leadership, vision and direction for the organisation within a framework of prudent and effective controls which enables risks to be assessed and managed
- To guide and review the strategic direction of the NCSE and to ensure the optimal use of resources to meet objectives
- To ensure management oversight, to monitor the performance of management and ensure that a proper balance is achieved between the respective roles of Council and management
- To set performance targets, including key financial targets and, in particular, to agree and closely monitor the budget
- To act in accordance with the policies, including the Performance Delivery Agreement, of the Minister for Education
- To promote its role in the community by developing mechanisms for gathering the views of customers and stakeholders and by keeping people informed in an open, accountable and responsible way
- To review the controls and procedures adopted by the NCSE in order to provide itself with reasonable assurance that such controls and procedures are adequate to ensure compliance with statutory and governance obligations
- To report annually on its progress in promoting equality, diversity and inclusion
- To appoint a Chief Executive, with the approval of the Minister for Education, and to agree with them short and long-term performance objectives. Additionally the Council is required to assess the performance of the Chief Executive on a regular basis
- To ensure that there is a process in place for succession planning for the position of Chief Executive
- To ensure that the Chairperson keeps the Minister for Education advised of matters arising in respect of the NCSE

3. Role of Individual Council Members

Within their role, individual Council members have responsibilities as follows:

- Attend all Council and Committee meetings as stipulated in the [Code](#)
- Act in accordance with the NCSE Code of Business Conduct – **Appendix 3**
- Be well prepared by receiving and reading relevant papers in advance of Council meetings
- Express their own views on matters being considered by Council and to consider the views of other Council members
- Challenge the Chairperson if they believe that a decision has been taken without a full and proper debate or, is illegal or outside of their prescribed powers
- Contribute to Council discussions and decision-making
- Share responsibility for the Council's decisions
- Keep up-to-date with subjects relevant to the work of the NCSE
- Contribute as required to the work of Committees that have been established by the Council
- Treat Council documentation and discussion as confidential and return or appropriately dispose of confidential Council papers at the end of membership

- Complete and submit declarations and claims as required
- Abide by the fiduciary duties set out in the [Code](#)

4. Role of the Chairperson

The Chairperson has a key leadership role on the Council; directing the business of the Council; facilitating and promoting members' contributions to discussions and collective decision making; expediting the work as appropriate and ensuring that the Council's legal, regulatory and governance obligations are fulfilled.

The following lists some of the priority areas for the Chairperson:

- To ensure that processes are in place for the sharing of information between the Council and its Committees and between senior management and Council members
- To ensure that there is a shared understanding throughout the NCSE of the specific statutory obligations placed on the NCSE
- To ensure the effective management of the Council's agenda and ensuring that adequate time is available for discussion of all agenda items
- To promote a culture of openness and debate by facilitating contribution of key management and all Council members
- To ensure that the Council receives accurate, timely and clear information
- To ensure an effective communication policy with all the NCSE's relevant stakeholders
- To produce a comprehensive report (in conjunction with the annual report and financial statements) to the Minister for Education covering the NCSE
- [To include](#) in the comprehensive report to the Minister for Education, details on:
 - The gender balance of appointments made to the Council in the previous year
 - Where the Council stands vis-à-vis the 40% gender balance requirement;
 - The key elements of the Council's approach to the promotion of diversity and inclusion and the progress being made in this area, including the approach being pursued to promote gender balance and diversity in Council membership
 - In the case of a State Board which continues to have either an all-male or all-female membership, the measures being taken to urgently address this situation and to promote better gender balance.
- To advise the Minister for Education where the Chairperson considers that specific skills are required on the Council
- To produce a report regarding the system of internal control in the NCSE Annual Report which is to be submitted to the Minister for Education To make themselves available to the appropriate Oireachtas Committee to discuss the approach they will take to their role as Chairperson and their views about the future contribution of the NCSE or Council
- Outside the boardroom, the Chairperson should be a useful source of advice and guidance for members (in particular, for less experienced members) on any aspect of their role, responsibilities and conduct

The role of the NCSE Council Chairperson and Members is further elaborated in the following Chapters and in the NCSE Code of Business Conduct for Members - **Appendix 3**.

The [Act](#), consistent with the [Code](#), provides that the roles of Chairperson and Chief Executive are separate.

Additionally, in accordance with the [Code](#), the division of the responsibilities between the Chairperson and the Chief Executive should be clearly established, set out in writing and formally approved by the Council. The Delegated Functions to the CEO are contained in the Schedule of Reserved Council Functions & Delegations Functions to the CEO, which was reviewed and approved by the Council on 24 February 2022 (see **Appendix 5**).

5. Role of the Secretary of the Council

The role of the Secretary of the Council should be seen as a support to the Council. The Secretary of the Council may be assigned such functions and duties as may be delegated by the Council.

The duties can be classified as follows:

- To ensure that the NCSE has good governance processes in place
- Statutory duties
- To ensure good communications and flow of information between Council, Committees and Management;
- Attendance at and minuting of meetings of the Council
- Duty of disclosure
- Duty to exercise due care, skill and diligence
- Administrative and compliance duties

The Secretary of the Council is responsible for advising the Council through the Chairperson on all governance matters and should assist the Chairperson in ensuring relevant information is made available to the Council and its Committees. To ensure that there is a common understanding of the process, timing, supporting and organisation of Council meetings. The Council has a list of statutory obligations and regulations that are required to be complied with and the Secretary of the Council assists in ensuring that they are complied with.

Under the direction of the Chairperson, the responsibilities of the Secretary of the Council include ensuring good information flows within the Council and its committees and between them and senior management, as well as facilitating induction, mentoring and assisting with ongoing professional development as required.

All Council members have access to the advice and services of the Secretary of the Council, who is responsible to the Council for ensuring that procedures are complied with.

The appointment and removal of the Secretary of the Council is a matter for decision of the Council . The Council has a duty to ensure that the person appointed as Secretary of the Council has the skills necessary to discharge their statutory and legal duties and such other duties as may be delegated by the Council.

6. Meetings of the Council

- Council business should take account of best practice and the provisions of Schedule 1 of the EPSEN [Act](#). The standing orders adopted for ordinary and special meetings of the Council are attached at **Appendix 4**
- The Council is required to hold at least six meetings per year; the quorum for a meeting of the Council is set at four
- Council Members are expected to attend all Council Meetings as stipulated by the [Code](#)
- There should be a manageable and prioritised agenda, an agreed duration for the meeting and, ideally, an estimated length of time for each agenda item. An indicative template agenda is attached in **Appendix 6**
- Management should ensure that the Council is provided with all necessary information to enable it to perform its duties and to facilitate decision making. The Council should be supplied with appropriate information at a minimum three days in advance

- Council Members should discuss matters brought before them at meetings and reach a collective decision on items for approval
- Following the meeting, minutes should be drafted by the Secretary of the Council and distributed to Council members in a timely manner for review and formal approval at the next meeting

The Role of Council Members at Meetings

- Council Members should expect to receive briefing papers that are accurate, relevant and concise and which assist with the conduct of Council business. If members feel that the information and papers could be improved, they should provide that feedback to management
- Council Members have an obligation to ensure that they are well prepared for each meeting. Council members should attend all meetings on time, forward apologies to the Chairperson/Secretary where attendance is not possible, and read briefing materials beforehand
- The necessity for Members to act with due care, skill, prudence and diligence and in the utmost good faith has been outlined in the NCSE Code of Business Conduct. If a Member finds evidence of non-compliance with statutory obligations, they should bring this to the attention of the Chairperson and to the Council. The non-compliance issue should be considered as a matter of urgency and rectified, if necessary. Depending on the gravity of the non-compliance, the Chairperson may bring the matter to the attention of the Minister for Education indicating the consequences of the non-compliance and the steps and actions taken to rectify the situation
- Council Members should contribute fully to deliberations and where necessary to provide constructive challenge
- Excessive influence on Council decision-making by individual Members should be avoided
- Inputs to a Council meeting should be concise and to the point, in order to allow the Council work through its full agenda
- There may be situations where the Council decides to take independent professional advice and in that context the Members should agree formal procedures for the agreement to and necessity for advice and also the selection and procurement process for such advice

7. Managing Conflicts of Interest

- The fundamental principle in relation to conflict of interest is that Council members should never use, or give the appearance of using, their public position to further their private interests
- This is an area of particular importance. Sometimes, even a reasonably innocent action can be misinterpreted and even the perception of impropriety can be constructed as fact
- In order to ensure that declarations of interests are highlighted, the following paragraph is included with each meeting agenda:

“The Code of conduct for Council/Committee members requires them to be honest and open with regard to conflicts of interest (either real or perceived). Members must not use their position for personal gain in either business, political or social relationships. Therefore, a member who has, or may be perceived to have, such a personal interest in a particular matter under consideration should declare that interest, and if necessary withdraw from all discussions relating to it and take no part in any vote on such matter”.

- Examples of potential conflicts of interest include the following:
 - participating in a Council meeting discussing the possible award of a contract where a member, or one of their family, is a possible beneficiary
 - participating in a Council meeting considering an appointment of a member with whom a member has a

The Role of Council Members

- On appointment and annually thereafter by 31st January, each Council Member should provide a statement in writing to the Secretary setting out his/her or the interests of persons connected to them which could materially influence the Council Member's performance of their function as per the requirements in the Ethics in Public Office Acts 1995 and 2001
- Where a conflict of interest arises, the Council Member concerned should declare his/her interest and/or that of a connected person, and leave the room, thereby taking no part in the relevant discussion, decision or action
- In circumstances where a Council Member is unsure whether or not a conflict of interest exists or is material, he/she should discuss the matter with the Chairperson prior to the meeting. If in doubt, declare and offer to withdraw
- Where a conflict of interest exists and the Council Member does not declare his/her interest and/or offer to withdraw, the Chairperson should take appropriate action to ensure that the Council's decision making processes, its reputation and general procedures (and indeed the reputation of the Council Member concerned) is not compromised

8. Reserved Functions

- In exercising its role, the Council is responsible for retaining effective control over the organisation and for monitoring performance
- Furthermore, the Council is responsible for holding the Chief Executive and senior management to account for the effective performance of their responsibilities
- The Council has a formal schedule of matters specifically reserved to it for decision and reviews this list periodically. The main items that are reserved to the Council for decision are as follows:
 - Adoption of a Statement of Strategy for a period of 3-5 years
 - Approval and review of annual budgets and corporate plans
 - Approval of major investments and capital projects
 - Determining delegated authority levels, treasury policy, risk management policies and other significant policies
 - Assuring compliance with statutory and administrative requirements in relation to the approval of the appointment, number, grading, and conditions of all staff, including remuneration and superannuation
 - Significant acquisitions, disposals and retirement of assets of the NCSE
 - Approval of annual reports and financial statements
 - Appointment, assessment of the performance of, and succession planning for the Chief Executive
 - Significant amendments to the pension benefits of the Chief Executive and staff, which may require Ministerial approval
 - Approval of terms of major contracts
 - Approval of legal representation and/or initiation of legal proceedings
 - Council Committee structures and Terms of Reference

- Review of reserved functions

The current schedule of reserved functions, as agreed by Council, is available at **Appendix 5**. The schedule of reserved functions is reviewed by Council on a regular basis.

9. Committees

- To assist the Council in getting through business in a productive way, the Council has established a number of Committees of the Council to work on particular issues
- Committees established by Council, with agreed terms of reference, are as follows:
 - Audit and Risk Committee
 - Finance
 - Strategy and Policy
 - Research
 - Chief Executive Performance
- All Terms of Reference for Committees have been approved by the Council and include specific reference to:
 - Role
 - Membership
 - Attendance
 - Meetings and Minutes
 - Duties and Decision Making
 - Performance Review
- Each Committee should review on an annual basis, their terms of reference and recommend any necessary changes to the Council for approval
- The Council has the power to appoint members to Council Committees who are not Council members, but have the relative expertise in respect of the field of special educational needs and pay them appropriate expenses subject to the terms of the [Act](#)
- Committees are advisory to Council and their recommendations should be presented to the Council for consideration and decision
- The agreed terms of reference of the Council Committees which were in place as at February 2023 are included in **Appendix 6**

NCSE Committees established for particular issues and Consultative Forum

- The Council may appoint a number of Committees to work on particular issues - Section 33 of the [Act](#). There are provisions under section 22 of the [Act](#) requiring the Council to appoint a Consultative Forum.

10. Review of Council Performance/Effectiveness

As part of its governance arrangements, the Council should undertake an annual self-assessment evaluation of its own performance and that of its Committees with the intent of identifying and implementing possible areas for improvement. The evaluation of the Council should consider the balance of skills, experience, independence and knowledge of the Council, its diversity, including gender, and how the Council works together as a whole.

The Board evaluation process should incorporate a detailed analysis of the gender, diversity and skills mix within the Board, including where relevant a critical assessment of the reasons why gender balance in Board membership has not yet been achieved.

This evaluation process incorporates a consideration of ways to address any competency gaps. The Chairperson should act on the results by addressing any weaknesses identified. The Council adheres to the State Boards appointment process and this provides the opportunity to ensure competency gaps are addressed in the appointments process. An external evaluation should be carried out at least once every three years.

11. Key Relationships

Council Members and Senior Management

As Council Members and senior management have the common aim of achieving the NCSE mission, it is essential that they work together as an effective team. Their respective roles and responsibilities must be clearly delineated and working relationships should be based on mutual respect and trust. In particular, the working relationship between the Chairperson and Chief Executive is key to the successful conduct of business. As indicated previously, the Chairperson and Chief Executive roles are appropriately separate and distinct, in line with good governance practice.

The Council should oversee and constructively support the Chief Executive and management, especially in the achievement of strategic objectives. It is essential that there is clarity regarding delegated decision-making powers.

12. Relationships with Stakeholders

As part of its planning process it is important for the Council to periodically review its relationships with key stakeholders. The NCSE is required under section 20(1) of the [Act](#) to consult with relevant bodies to inform policy development and service provision.

The NCSE is required to have a written Oversight Agreement in place with the Department of Education which clearly defines the terms of the Department's relationship with the NCSE. The current Performance

Delivery Agreement is available in **Appendix 10**.

The key stakeholders of the NCSE are as follows:

- Students and adults with special educational needs
- Parents/guardians and families of students with special educational needs board
- School management bodies, Boards of Management, teachers, principals and other school staff such as special needs assistants
- NCSE staff
- Training organisations / providers
- Members of the research community, both in Ireland and internationally

- The Department of Education, its agencies and offices

- Other government departments, offices and agencies

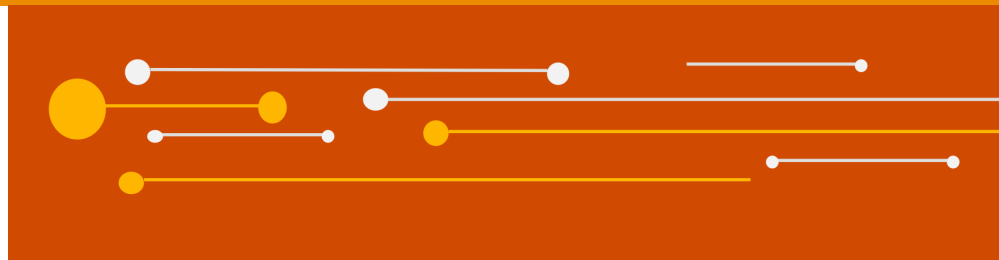
- Suppliers

- The Council must be cognisant of the needs of its stakeholders and adopt a proactive relationship with them.

- The [Code](#) states that where there may be legal disputes with other public agencies, the emphasis should be on mediation and arbitration. There is also a requirement to inform the Department of Public Expenditure and Reform where disputes are ongoing.

Chapter 2

Strategic Planning



Section	Title
1	Strategic Planning and the NCSE
2	The Role of the Council Chairperson
3	The Role of Council Members
4	The Role of the Chief Executive

Chapter 2

Strategic Planning

This chapter deals with strategic planning as it applies to the NCSE. Strategic planning and implementation is central to the important work of the NCSE. This chapter describes how the Council, Council members, Chairperson, Chief Executive and management can best participate in this activity. It outlines government and legislative requirements for the preparation and publication of a strategic plan and provides guidance on its implementation.

1. Strategic Planning and the NCSE

The preparation and adoption of a strategic plan is a primary responsibility of the Council. Such plans should set appropriate objectives and goals and identify relevant indicators and targets against which performance can be measured.

The NCSE's Statement of Strategy spans a period of 3-5 years. A copy of the draft strategic plan is sent to the Minister for Education for review before it is adopted by the Council.

Implementation of the strategy by management is supported through an annual planning and budgeting cycle. The annual plan/budget is presented to the Council for approval and the Council also formally undertakes an evaluation of actual performance by reference to the annual plan and/or budget on an annual basis.

The NCSE Council developed and approved the NCSE Statement of Strategy 2022-24 in July 2022 (**Appendix 8**), which is published on the NCSE website at: <https://ncse.ie/strategy-statement> The Statement of Strategy was developed in line with the procedures under the [Code](#) and sets out the Strategic Priorities of the NCSE for the period.

It was:

- Prepared by the Senior Management with inputs from Council in the development phase and submitted for consideration and approval by the Council
- Informed by the statutory functions of the Council and the policy framework established by the Department of Education
- Informed by consultation with stakeholders, by the environmental context and by the relevant legislation
- Informed by the views of the Minister for Education
- The Statement of Strategy provides the basis upon which the work of the Council is to proceed
- Annual Work Plans (**Appendix 9**) are prepared by the Senior Management and approved by the Council for the delivery of the strategic priorities set out in the Statement of Strategy
- Progress is reviewed by the Council, and regular reports are made by the Senior Management to the Council on the implementation of the agreed annual NCSE Work Plans. A formal evaluation of actual performance against the NCSE work plans is undertaken on an annual basis
- Annual Work Plans have regard to the NCSE Performance Delivery Agreement (PDA) (2022-2024) with the Department of Education (**Appendix 10**), with approved NCSE budget and staffing limits, with significant identified risk areas and with the implementation of public service reform
- Business/work plans are used in determining the annual goals of individual staff under the Performance Management Development System.

- Council's ongoing Role in terms of its Statement of Strategy:
 - To oversee the implementation of its Statement of Strategy and, to this end, the strategic plan and its implementation is a prominent agenda item at Council meetings
 - To receive written reports and verbal updates on the progress with implementation. This is done through regular and end of year work plan reporting
- As significant challenges, constraints or problems arise, the Chief Executive will inform the Council and the Chairperson will invite discussion on possible solutions or remedial actions.

2. The Role of Council Chairperson

- The Chairperson must ensure that the Council fulfills its obligations in relation to both the adoption of the strategic plan and the oversight of implementation
- The Chairperson directs meetings at which the draft material is discussed by Council members and Senior Management
- As part of the Council's agenda, the Chairperson will ensure that the Statement of Strategy and its implementation is regularly discussed at Council meetings

3. The Role of Council Members

- It is very important to reiterate that Members should always act fairly, in good faith and with due care, prudence and diligence to meet the strategic objectives of the NCSE
- When participating in development, approval and monitoring the implementation of the Statement of Strategy, Members must remember that they have been appointed to bring their specialist knowledge, skill and insight to the work of the NCSE
- In the deliberations on the plan, maintaining confidentiality and safeguarding the collective role and responsibility of the Council is of paramount importance
- In this context, the responsibility of Members is to take a corporate view of how the NCSE will fulfill its functions over the period of the plan, rather than representing or promoting the interests of the organisation or group with which they are associated
- In order to make the best contribution to strategic development, Members should read the documentation circulated before meetings. In reading the materials, they should reflect on the impact of the strategy for the sector as a whole, in light of their own background
- Members should make a note of any points of detail they wish to clarify and discuss them with the Chairperson and/or Chief Executive before the meeting. This should ensure that the meeting will run most efficiently by focussing on significant issues
- As part of the process, Members should feel comfortable to input on areas that concern them most or areas where they have particular insights and experience as this will contribute positively to the final plan

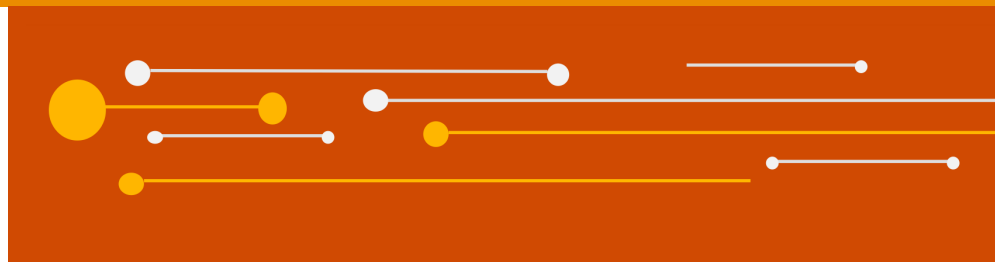
4. The Role of the Chief Executive

In addition to the leadership and management of the organisation, as part of the strategic planning and implementation process the Chief Executive will:

- Liaise with relevant stakeholders prior to the initial drafting of the Statement of Strategy/strategic plan
- Ensure the production of background and discussion papers on key areas of the plan and provide advice, where appropriate
- Revise the draft documents following discussion with Council members
- Ensure the final copy is presented for approval by the Council and that a copy is provided to the Minister for Education
- Following adoption of the Statement of Strategy, advise Council members regarding the timetable and detailed work plans for its implementation
- Provide progress reports to the Council regarding its implementation

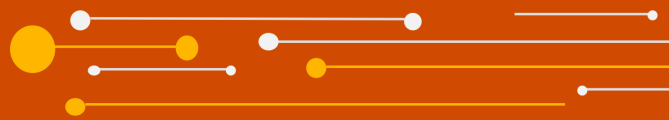
Chapter 3

Performance Monitoring



Section	Title
1	What is Performance Monitoring?
2	Performance Monitoring and the NCSE
3	Performance Indicators
4	Risk Management
5	Risk Management Policy
6	Internal Control
7	Review of Effectiveness of Internal Control
8	System of Internal Financial Control
9	The Role of the Council in Performance Monitoring, Risk Management and Internal Controls
10	The Role of Chief Executive and Management Team

Performance Monitoring



To deliver on its mandate, the performance of the NCSE must be constantly monitored to ensure that the strategic aims and priorities are being achieved. This involves an analysis of organisational capacity to meet predefined goals and objectives. It relies on an analysis of performance indicators and measures, an assessment of resources utilised, an evaluation of the risks faced and possible opportunities as well as consideration of areas to enhance future performance.

1. What is Performance Monitoring?

Performance monitoring is a systematic process of:

- Analysing the organisation's strategic plan, aims and objectives
- Gathering relevant data which shows how the organisation is performing
- Measuring that performance against specific indicators
- Putting in place mechanisms that will improve the performance of the organisation

Section 20 of the EPSEN [Act](#) sets an ambitious agenda for the Council and its work. Performance monitoring is an essential component of this agenda, since it enables the Council to formally review the implementation of the strategic plan and devise ways to improve on it.

2. Performance Monitoring and the NCSE

- The success of the Council in achieving the agenda established in accordance with the strategic plan will depend not only on the quality of the strategy but also on the Council's ability to review, approve and monitor performance and adapt to changing requirements and circumstances
- There are complex dimensions to monitoring performance and it is crucial that the assessment takes a holistic, rather than a narrow view
- The Chief Executive and the Management Team have the responsibility of providing relevant and timely data on organisational performance to the Council
- The Council will review and assess the data presented and make decisions on the actions necessary to ensure that the strategic plan continues to be implemented. In order to do this effectively, they rely on senior management advice and assurances, a comprehensive range of performance indicators, risk identification and assessment techniques and effective control arrangements

The [Code](#) requires that non-commercial state bodies agree Performance Delivery Agreements with the relevant Minister/Parent Department and report to that Minister on its progress against the agreed targets. This agreement acts as a performance contract between the Department and the NCSE as it formalises an agreed level of performance/service, resulting in improved effectiveness and efficiency in the delivery of public services.

A Performance Delivery Agreement (2022-2024) has been entered into between the Department of Education and the NCSE. This sets out the targets for performance by the NCSE which were agreed with the Department of Education. This is reviewed annually and extended and/or renewed as required.

A copy of the Performance Delivery Agreement has been attached at **Appendix 10**.

3. Performance Indicators

- Choosing what to measure in any organisation can be a difficult task in itself. Research has shown that measurement across a narrow range of measures or indicators, particularly for state and public service bodies, may provide a misleading or incomplete picture of how any organisation is progressing. Therefore, in order to adopt a more holistic approach the Council should consider issues of economy, efficiency and effectiveness and how these can inform the performance assessment
- Economy: the financial and resource cost of doing things. Relevant questions here include: Is the cost of inputs rising? If so, why? Is that cost justifiable? Could the inputs be carried through more cheaply? Economy is relatively easy to measure, to understand, and to use as the basis for comparisons of performance over time and across different parts of the NCSE
- Efficiency: technically, the ratio of inputs to outputs. Relevant questions here include: Is the NCSE doing things right? Is the NCSE taking more time (a common input) to get the same amount of work done (output)? Is it requiring more people or money to achieve the same results? Efficiency focuses on issues of productivity in the broadest sense
- Effectiveness: the actual contribution that the organisation makes. Relevant questions here include: Is the NCSE doing the right things? Is the work of the NCSE having the desired impact? The concern is that although the NCSE may be working very efficiently, it may not be producing a quality service in line with priority NCSE customer needs and expectations

4. Risk Management

Risk is defined as the threat that an event, action or failure to act will affect an organisation's ability to achieve its objectives and to successfully execute its strategies.

The risk has to be assessed in respect of the combination of the likelihood of something happening, and the impact which arises if it does actually happen. Risk management includes identifying and assessing risks and then responding to them.

The risks faced by the NCSE can be grouped under five main headings

- Human Resources (e.g. failure to effectively manage health and safety, with consequent risk or damage to staff)
- Financial (e.g. breakdown in financial control systems)
- Information technology (e.g. major IT disaster resulting in loss of essential information)
- Operational (e.g. failure to determine and communicate an appropriate and focused strategy because of poor strategic planning)
- Litigation (e.g. possible punitive damages leading to damage to reputation)

As a management process, risk management must be embedded in the culture and ethos of the organisation so that at all levels there is compliance with the risk management framework which ensures appropriate controls and measures to mitigate risks are always in place.

The environment within which the NCSE works is constantly changing and evolving. In order to manage risks, the Council's aims and objectives must constantly be flexible.

The Code states that the Council should develop and approve a risk management policy and a risk management framework with the aim of formalising and embedding the risk management system throughout the NCSE and monitor its effectiveness. It is the responsibility of the Council to review material risk incidents and approve or note management's actions in respect of material risk incidents, as appropriate.

5. Risk Management Policy

The NCSE Council has agreed a risk management policy and maintains an annual risk register. The policy and the register are required to be approved and reviewed regularly by Council. A copy of the current NCSE risk management policy as agreed by Council is attached at **Appendix 11**.

6. Internal Control

The Council is responsible for ensuring that there are policies and procedures in place for effective internal control and that they are implemented in the NCSE. This includes internal controls in all aspects of finance, operations, compliance and risk management.

Below are the key procedures which have been developed to facilitate effective internal control and to ensure an appropriate control environment within the NCSE:

- Clearly defined Management responsibilities and evidence of reaction to control failures
- Processes used to identify business risks and to evaluate their financial implications
- Details of the major information systems in place such as budgets and means of comparing actual results with budgets during the year
- Procedures for addressing the financial implications of major business risks (such as financial instructions and notes of procedures, delegation practices such as authorisation limits, segregation of duties and methods of preventing and detecting fraud.)
- Procedures for monitoring the effectiveness of the internal control system which includes: an Audit and Risk Committee, management reviews, consultancy, inspection and review studies, the work of internal audit, quality audit reviews and statements from the head of internal audit
- Confirmation in the annual report that there has been a review of the effectiveness of the system of internal control
- [Section 1.6](#) of the Code stipulates that the Chairperson's report to the Minister for Education should include a statement on the system of internal control

7. Review of Effectiveness of Internal Control

The annual review of effectiveness should consider the following:

- changes since the last review in the nature and extent of significant risks and the ability of the NCSE to respond effectively to changes in its business and external environment
- the scope and quality of management's ongoing monitoring of risks and the system of internal control and, where applicable, the work of its internal audit unit and other providers of assurance
- the extent and frequency of the communication of the results of the monitoring to the Council, or the Committees, which enables it to build up a cumulative assessment of the state of control in the NCSE and the effectiveness with which risk is being managed
- the incidence of significant control failings or weaknesses that have been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the NCSE's financial performance or condition
- the effectiveness of the NCSE's public reporting process

The annual review of effectiveness should conclude on the extent controls are adequate and operating, and should outline actions required to address any deficiencies arising.

8. System of Internal Financial Control

The Council is required to maintain a system of internal financial control. Such a system should be based on a framework of regular management information, a system of delegation and accountability, a set of financial procedures, administrative procedures and rigorous ongoing checks by the finance function. The NCSE Financial Policies and Procedures which form part of the system are attached in **Appendix 12**. The NCSE Audit and Risk Committee and the internal audit function advise Council in this regard. Specifically, the system includes:

- A comprehensive budgeting system with an annual budget, which is reviewed and approved by the Council
- The assignment of budgets and budgetary authority and responsibility for specific functions to responsible managers
- A management structure matching responsibility with accountability
- Protocols restricting authority for authorising all disbursement of Authority monies, payment of salaries, pensions, creditors, and expenses etc. to authorised staff
- Regular reviews by the Council of periodic and annual financial information and reports (including management accounts), which indicate financial performance against budgets
- Setting targets to measure financial and other performance and monitoring performance against plans/targets
- Careful asset management, including the maintenance of an Asset Register
- Accredited Financial Accounting, Payroll and Purchasing software systems to underpin the internal financial controls
- Robust procedures for engaging consultants
- Development and implementation of the NCSE procurement policy in line with public sector requirements
- Systems of control of the overall approval of capital and consultancy contracts and for their subsequent appraisal
- Project management disciplines in respect of capital programmes and major consultancy projects

9. The Role of the Council in Performance Monitoring, Risk Management and Internal Control

The Council's role includes:

- Receiving data on performance, risk management and internal control from the Chief Executive and Senior Management Team
- Ensuring that appropriate discussion takes place on a regular basis in relation to progress against targets and a robust risk assessment where issues have been raised in the data
- Providing possible solutions to Senior Management on deviation from targets with a view to receiving further progress updates before the following meeting
- Establishing an Audit and Risk Committee with an appropriate balance of experience, skills and knowledge to give an independent view in relation to risks and risk management systems

- Reviewing management reports on risk management and approve actions as required
- Ensuring that risk management is a standing item on the Council meeting agenda. The Council is required to have oversight of risk management and thus it should be part of the work programme for the Council, with the assistance of the Audit and Risk Committee
- Advising the Minister for Education of the need to include risk management experience/expertise in the competencies of at least one Council member. Where composition of the Council does not allow for this, expert advice should be sought externally
- Appointing a Chief Risk Officer or empowering a suitable management alternative, and providing for a direct reporting line to the Council to identify, measure and manage risk and actively promote a risk management culture throughout the NCSE
- Approving the risk management policy, setting the NCSE's risk appetite, and reviewing and approving the risk management plan and risk register at least annually
- Requiring an external review of the effectiveness of the risk management framework on a periodic basis
- To confirm in the annual report that the Council has carried out an assessment of the NCSE's principal risks, including a description of these risks, where appropriate, and associated mitigation measures or strategies
- To confirm in the annual report that there has been a review of the effectiveness of the system of internal control

The Council should note that where risk management policies and internal controls are in place, these do not on their own constitute effective risk management. Effective and on-going monitoring and review are essential elements of sound systems of risk management and internal control.

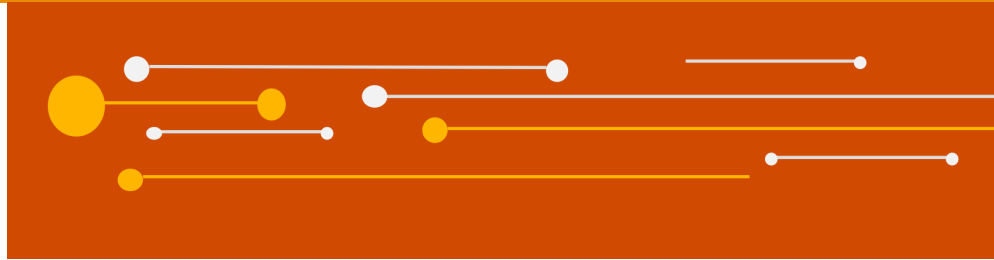
10. The Role of Chief Executive and Senior Management Team

The Council's role includes:

- Devise performance indicators reflecting economy, efficiency and effectiveness aspects
- Collate relevant and timely data regarding the performance of the organisation and present it to the Council
- Establish a risk reporting policy which will facilitate a reporting framework for the direct reporting and management of risk from the NCSE management function to the Council
- Discuss data with the Council, working together to devise solutions that will ensure the continued implementation of the strategic plan

Chapter 4

Financial Management



Section	Title
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1	Financial Management Framework
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2	Budgeting
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Accounting

3	Accounting Arrangements
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4	Procurement Procedures
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Auditing

5	Audit and Risk Committee
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6	Internal Audit
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7	Value for Money Audit
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8	External Audit: the Comptroller and Auditor General
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9	The Select Dáil Committee on Public Accounts
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Responsibilities in Financial Management

10	The Role of the Council in Financial Management
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11	The Role of the Chief Executive in Financial Management
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Financial Management

Sound financial management is one of the key determinants of the performance of the NCSE. The spending of public funds brings with it responsibilities for staff, Senior Management and the Council.

Reporting structures have been established by legislation to protect these funds and this chapter describes how the NCSE should comply with such requirements. In reference to budgeting it outlines the relevant legislation and the roles of Council and Senior Management in developing budgetary targets and submissions, accounting arrangements and value-for-money procurement procedures. In terms of auditing, it highlights what the role of the Finance and Audit and Risk Committee of the Council will be, the significance of internal audit, external audit and value for money audit; the role of the Comptroller and Auditor General and the role of the Dáil Select Committee on Public Accounts.

1. Financial Management Framework

The Public Financial Procedures, define the principles of Government accounting as derived from the Constitution. It outlines essential features of financial management for Governmental bodies. It also explains the appropriate application of accounting principles to day-to-day activities.

The current edition of the Public Financial Procedures, issued by the Department of Public Expenditure and Reform includes sections on the financial framework for expenditure and receipts, the budget, the procedures and practices in Government Accounting, and a significant section on financial management and the value for money framework.

It reflects developments in public sector financial management and the general demand for greater transparency and accountability. It is an important document for all organisations that are in receipt of and use public funds.

See NCSE Financial policies and Procedures Manual, **Appendix 12**, which details the financial management arrangements in place in the NCSE.

2. Budgeting

- The Associated Code document “[Business and Financial Reporting Requirements](#)” outlines the format of the Chairperson’s Comprehensive Report to the Minister regarding the financial controls of the NCSE. It also refers to the need to ensure an appropriate control environment, which is particularly important for the Council from a budgetary responsibility viewpoint
- The strategic and annual work plans are the framework from which all budgetary decisions within the NCSE must flow. As the key strategic document, the strategic plan forms the basis for deciding the funding priorities for the NCSE
- The provisional budget for the NCSE is prepared early in the preceding year by the Finance Officer, agreed with the Senior Management team with reference to the strategic and annual work plans. The timing of budget preparation must be consistent with the Department of Education budgetary cycle
- It is developed with a view to funding on-going commitments such as salaries as well as anticipating future commitments
- The provisional budget is then put before the Finance Committee of the Council, to approve or amend, as appropriate. The annual budgetary process allows for the identification and prioritisation of requests for

additional funding for the year. Once agreed by the Finance Committee, the provisional budget is put before the full Council for approval.

- Once approved by Council, an application is made to the Department of Education for the funds outlined and this forms part of the Department's own submission to the Department of Public Expenditure and Reform, as part of the Government's estimates exercise, which precedes Budget Day. The budget for the NCSE is likely to be settled by the Department based on the available funds provision and the needs of the NCSE
- On the proposal of the Government, Dáil Éireann considers the spending estimates for every Department and votes funds accordingly, giving statutory effect to the estimates by means of the Appropriation Act
- In practice, this process does not take place in isolation from the Department of Education. There will normally be some interaction with the Department at an early stage of the budget process, to determine the levels of available funding. The Department may also have a view as to the reaction of the Department of Public Expenditure and Reform to certain funding proposals. Any information gathered will be given to the Council before it signs off on the NCSE budget proposal
- The final allocation to the NCSE is agreed by the Department in an overall budgetary context. At this stage, the Department of Education informs the NCSE of its final allocation for the year, possibly necessitating some 're-budgeting' in light of available resources

Accounting

3. Accounting Arrangements

- The responsibility for the accounting function rests with the Chief Executive, who holds the post of accounting officer. This is a legal term which requires the Chief Executive to operate within established principles and conventions that are derived from the Constitution and from institutional and financial relationships that have been developed between the Oireachtas and Government over the years
- Accounting is a year-round process, requiring regular stewardship and performance reporting. Monthly and quarterly management accounts are prepared to track expenditure, comparisons and trend analysis is undertaken and variances properly monitored
- Audited annual accounts must be prepared, approved by the Council and submitted to the Minister for Education and published. The Finance Officer will prepare these accounts for submission to the Finance Committee and then the Audit and Risk Committee who will review and recommend to the Council for approval. This occurs prior to an external audit being carried out by the Comptroller and Auditor General and final submission to the Minister for Education

4. Procurement Procedures

- As the NCSE is in receipt of public funds, it has a responsibility to ensure value for money in all expenditures. The NCSE also has a responsibility to act in accordance with Public Procurement guidelines, as issued by the Department of Public Expenditure and Reform and the Office of Government Procurement as well as EU Directives on procurement
- Value for money in the public service means providing goods or services to the required standard in a way that is efficient and effective. Council members should always bear in mind the need for the NCSE to demonstrate value for taxpayers' money and be continually asking questions such as:
 - Is too much money being spent on certain items or activities to achieve the objectives of the overall operation?
 - Is money being spent that is not helping to achieve objectives?
 - What changes can be made to improve performance and efficiency?

- Competitive tendering is one way of demonstrating that an organisation is being economical with the resources/services that it is purchasing. The Public Procurement guidelines and the NCSE's Financial Policies and Procedures Manual (**Appendix 12**) sets out the thresholds for purchasing goods and services and the associated tendering requirements. The public financial procedures set out a value for money framework of which competitive tendering and effective procurement systems are key components
- The NCSE must adhere to all legal procurement and related regulatory obligations and the corporate procurement policy is consistent with the [Code](#) requirements including tendering, asset disposals and auctioning, where this applies. Specific records must be maintained in relation to asset disposals to related entities, members, employees and connected parties

Auditing

5. Audit and Risk Committee

- The Council has established an Audit and Risk Committee. Membership is required to consist of at least three independent non-executive Council members with at least one member having recent and relevant experience to advise the Council on systems of internal control, risk management, financial control reporting, audit matters, and corporate governance issues. The Audit and Risk Committee reports to the Council on the adequacy of the financial management and accounting arrangements in place.
- The Audit and Risk Committee is required to:
 - have a Chairperson who may or may not be an existing Council member - the Chairperson of the Council may not chair this Committee
 - have a written charter including terms of reference
 - meet at least four times a year
 - monitor and review the effectiveness of the NCSE's internal audit activities and consideration of the Internal Audit Unit's independence, expertise, experience and compliance with professional standards
 - meet with the external auditors at least once a year to ensure that there are no unresolved areas of concern or to advise of any emerging risks or governance issues
 - request a report from the external auditor on the effectiveness of the Audit and Risk Committee
 - have explicit authority to investigate any matters within its terms of reference, the resources that it needs to do so and full access to information
 - to obtain outside professional advice and, if necessary, invite outsiders with relevant experience to attend meetings
 - review the draft financial statements prior to their submission to the Council for approval

The Council is required to approve the constitution and terms of reference of the Audit and Risk Committee and to approve any required updates to them. The Chief Executive, Head of Finance and Internal Auditor should be available to attend Audit and Risk Committee meetings but should not be appointed as members. The terms of reference for the Audit and Risk Committee as agreed by the Council are included in **Appendix 6**.

6. Internal Audit

Internal Audit is part of management control, objectively examining, evaluating and reporting on the adequacy of internal control as a contribution to the efficient and effective use of resources.

The Council should note that having an internal audit function does not alleviate each management area of the responsibility for the effective control of its designated activity.

Below are some principles which should be adhered to in respect of internal audit:

- The Council is required to appoint an Internal Auditor (Head of Internal Audit) who will report directly to the Audit and Risk Committee and who should have access to the Chairperson of the Council and the Chairperson of the Audit and Risk Committee
- The Head of the Internal Audit should have considerable seniority within the NCSE and the content of all internal audit reports should be entirely at their discretion
- The Council should approve a formal charter for the Internal Audit function, including terms of reference. The reporting structure for the Internal Audit function should be clear and formally documented
- The Head of Internal Audit is required to produce an annual programme of audits, taking into consideration the NCSE's Statement of Strategy and the risk management policy, in consultation with the Audit and Risk Committee
- The [Code](#) requires that the Head of Internal Audit should have sufficient expertise and resources available to them as well as authority to allow them free and unrestricted access to such assets and records as required for the proper fulfillment of that person's responsibilities
- The operation of the Internal Audit function should adhere to the [Code](#) of Ethics and International Standards of the Institute of Internal Auditors or equivalent professional standards. The [Code](#) allows the employment of external contractors to carry out the internal audit function
- In carrying out its on-going work, the Internal Audit function should assess, using a risk based approach, the areas within its terms of reference (as set out in its charter), and report its findings to the Audit and Risk Committee
- The Internal Audit function should ensure that in the planning, executing and reporting on its work, value-for-money auditing receives adequate attention based on the principles and provisions of the Public Spending Code, where relevant
- The Internal Audit function is required to liaise with the external auditor (Comptroller and Attorney General) so that the potential for co-operation between the two is maximised. The work carried out by these two audit units can frequently be complementary and effectiveness throughout the NCSE can be increased through regular consultation between the two
- An Internal Audit Charter for the NCSE outsourced Internal Audit function as approved by the Council is included in **Appendix 13**

7. Value-for-Money Audit

- The NCSE is subject to a value for money (VFM) audit by the C&AG
- A value-for-money audit is an examination of the efficiency and effectiveness with which an organisation has used its resources to carry out its functions
- The report of the C&AG may be the subject of a consultation process in order to obtain the agreement of the NCSE to its content, where this is deemed appropriate. The report is then laid before Dáil Éireann and published with an accompanying press release. Once the report has been published, the Committee of Public Accounts may invite the Chief Executive to answer any criticisms made by the C&AG

8. External Audit: the Comptroller and Auditor General

- The NCSE is required to submit accounts to the Comptroller and Auditor General (C&AG), whose role is:
 - to audit the financial statements of all government departments and other public bodies

- examine for efficiency and effectiveness the financial and other resources used by those public bodies
- On completion of the audit, the auditors will write formally to the NCSE drawing attention to areas of possible weakness in systems and controls
- Council members and Senior Management should pay particular attention to the content of this audit management letter and should ensure that any remedial action required is promptly taken
- Where C&AG is not available for the role of auditor, an accountancy firm, at the behest of the C&AG, will take on the role
- There should be a statement by the external auditor in the auditors' report about the Council's reporting responsibilities in the Annual Report

9. The Select Committee of Public Accounts (PAC)

- The PAC is established under standing orders of Dáil Éireann and is generally regarded as one of the most important and influential select Committees
- When the C&AG has completed the external audit of the NCSE, the report is submitted to the Minister for Education and laid before the Houses of the Oireachtas and then scheduled for examination by the PAC
- If the audit reveals an issue, written evidence and documentation may be sought from the NCSE by the PAC. This documentation is reviewed and analysed and oral hearings and cross-examination may follow. The PAC, in its report to Dáil Éireann, makes recommendations based on the hearings and enquiries. This report is published together with the minutes of the hearing
- The Government responds to the PAC report in a published memorandum, providing information on the steps to be taken to implement the PAC's recommendations and to apply the wider lessons learned

10. The Role of the Council in Financial Management

The Council has the following role/responsibilities:

- In relation to budgetary matters, to set the broad operational parameters through the adoption of the strategic plan
- To ensure that public funds are well spent, supporting the achievement of strategic goals
- To provide the 'challenge function' to Senior Management's proposals, carefully scrutinising budgets, plans and the underlying assumptions
- To approve the annual budget
- To have budgets and expenditure accounts as a standing agenda item and to discuss spending against budgetary targets, and make decisions as required
- To be kept informed by Senior Management of financial developments in order that expenditure is monitored by the Council on an on-going basis
- To establish procedures for the frequency and extent of the financial reports it receives from Senior Management throughout the year
- Satisfying itself that the requirements for public procurement are adhered to and be aware of the current thresholds for the application of EU and national procurement rules. The Council needs to satisfy itself that procurement policies and procedures have been developed and published to all staff. Procedures need to be in place to detect non-compliance and a contracts database/listing on contracts with a value higher than €25,000

needs to be maintained and monitored by the Council

- To approve a Corporate Procurement Plan setting practical and strategic aims and objectives for improved procurement outcomes and appropriate measures to achieve these aims. The Chairperson will need to confirm compliance with the Corporate Procurement Plan in the comprehensive report to the Minister for Education
- To approve the charter/terms of reference of the Audit and Risk Committee and any amendments to them
- To receive regular reports from the Audit and Risk Committee in relation to its activities. In order to satisfy itself, the Council should participate as required in the Audit and Risk Committee and, where appropriate, the Finance Committee
- The annual review of the effectiveness of the system of internal controls, including financial, operational and compliance controls and risk management
- Determination of person, other than the Chief Executive, to whom the internal auditor should report
- Analysing all recommendations from the Comptroller and Auditor General following the publication of the external audit
- To ensure that Senior Management are making progress in applying remedial action following the recommendations of the C&AG and from other control and internal audit reviews undertaken

11. The Role of the Chief Executive in Financial Management

The Chief Executive is responsible for:

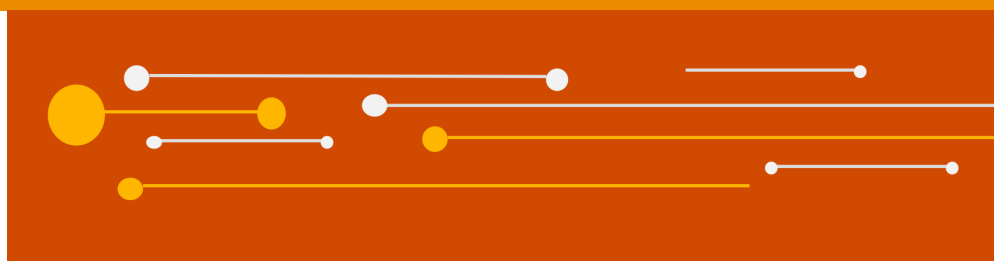
- The preparation of the draft accounts for presentation to the Audit and Risk Committee
- Ensuring that any remedial action recommended by the C&AG is promptly taken

The Chief Executive, along with the Finance Officer and Internal Auditor, may be invited to attend meetings of the Audit and Risk Committee

The Chief Executive may have to attend a meeting of the Select Committee of Public Accounts and answer any criticisms made by the C&AG in relation to the NCSE external audit

Chapter 5

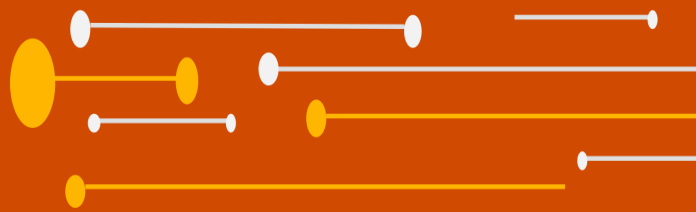
Reporting and Communications to Key Stakeholders



Section	Title
1	The Minister for Education
2	The Department of Education
3	Dáil Committees
4	The Annual Report and Financial Statements
5	Providing Information to Outside Bodies - Guidance for Council Members

Chapter 5

Reporting and Communications to Key Stakeholders



This chapter outlines how the NCSE should relate to all the persons and bodies within its ambit: the Minister for Education, the Department of Education, outside parties, the media, and members of the public. Central is the preparation of the annual report and financial statement for presentation to the Minister for Education. There are various levels of communication with all related stakeholders. These activities have implications for Council members, which are included here as information for Council members.

1. The Minister for Education

- The NCSE is required in the performance of its duties to implement the policies relating to the education of children with special educational needs, policies which are formulated from time to time by the Minister for Education
- The Minister for Education grants funds annually to the Council to meet the expenses of the Council in the performance of its functions. The Minister for Education may attach particular conditions and reporting requirements in relation to such grants
- A copy of the annual report must be provided to the Minister for Education for laying before the Houses of the Oireachtas
- The Minister for Education is answerable to Dáil Éireann for the activities of NCSE. They are obliged to attend the Dáil or one of its committees from time to time to answer questions on the problems, conduct or performance of the NCSE. This places an onus on the Council to keep the Department fully up-to-date and informed about its activities

2. The Department of Education

The Department of Education has a role in monitoring and evaluating the activities and performance of the NCSE. It also ensures that the NCSE is kept up-to-date on government policy and priorities and can provide support and advocacy within government departments.

- While the Council through the Chairperson will normally report to the Minister for Education, the Senior Management team will deal with Officers of the Department of Education
- The Department of Education provides the day-to-day link between the NCSE and the Minister for Education
- The Council should endeavour to maintain a productive working relationship with the Department of Education
- The [Code](#) highlights the importance of continuing with and adapting service level agreements as part of the performance framework for State Bodies and agencies. NCSE's current Performance Delivery Agreement (2022-2024) is attached in **Appendix 10**.

3. Dáil Committees

- Dáil Committees are appointed to scrutinise the activities of State Bodies. The Dáil Select Committee of Public Accounts has a significant role in analysing the external audit reports presented by the Auditor and Comptroller and Auditor General (see Chapter 4)
- Dáil Committees dealing with education or other areas relevant to the role of the NCSE may also review activities of the NCSE
- The Chief Executive of the NCSE, as the accounting officer, the Chairperson and sometimes other Council members/Senior Management, may be summoned to appear before Oireachtas Committees. Representatives of the Department of Education may also be summoned to appear

4. The Annual Report and Financial Statements

- The annual report and financial statements are the primary means by which a State Body reports on its activities to the relevant Minister, the sponsor Department, the Dáil and the public
- Section 34 of the Act provides for an Annual Report by the Council to the Minister for Education and for its presentation to the Oireachtas. As well as indicating progress, the annual report sets out risks, reasons for possible slippage on targets and problems and constraints encountered. It also provides an opportunity to highlight changing circumstances and emerging issues and, if necessary, adapt the strategic plan to the changed environment
 - The areas to be covered in the annual report typically include:
 - information about the NCSE and its objectives
 - achievements and performance against key targets as set out in the strategic plan
 - business prospects and corporate strategy
 - financial statements for the organisation, which give a true and fair view audited for the period (may be presented separately)
- The Code requires the annual report to include information on the number of meetings of the Council and its Committees and record members' attendances at said meetings
- The [Code](#) requires the annual report to give an account of the approach being adopted in regard to the promotion of diversity and inclusion, including with regard to gender, in the specific context of the organisation; and on the progress and achievements in this regard
- The Council is required to approve the annual report and financial statements before they are submitted to the Minister for Education
- The Chairperson, in their comprehensive report to the Minister for Education is required to:
 - affirm that all appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out
 - [include a statement](#) on the system of internal control in the required format, including in cases where a breach of this system has been identified, an outline of the steps that will be taken to guard against such a breach occurring in future
 - affirm that Codes of Conduct for the Council and employees have been put in place and adhered to
 - affirm that Government policy on the pay of CEOs and all NCSE employees is being complied with
 - affirm that Government guidelines on the payment of Council members' fees are being complied with

(NCSE Council members do not receive fees or payment for their service)

- explain failure to comply with any of the above and stating any corrective action taken or contemplated
- outline significant post balance sheet events
- provide a summary of all off-balance sheet financial transactions that are not disclosed in the annual report and financial statements, including information on the nature, purpose and financial impact of same
- confirm that the appropriate requirements of the Department of Public Expenditure and Reform Public Spending Code are being complied with
- confirm that procedures are in place for the making of protected disclosures in accordance with section 21(1) of the Protected Disclosures Acts 2014 and 2022 and confirmation that the annual report required under section 22(1) of the Act has been published
- confirm that Government travel policy requirements are being complied with in all respects
- provide details of/information on legal disputes involving other State bodies
- confirm that this [Code](#) has been adopted and the extent to which the NCSE is in compliance with the [Code](#)
- Additionally, the Chairperson's Comprehensive Report needs to confirm the NCSE has complied with its obligations under tax law. In the context of its corporate taxation and tax clearance obligations, the NCSE is expected to and operates in an exemplary manner. This includes the payment of tax liabilities by relevant due dates.

5. Providing Information to Outside Bodies - Guidance for Council Members

- The Council is required to provide the Minister for Education with such information as he/she may request. This requirement is in addition to the requirement to publish an annual report and encompasses issues such as briefings for the Minister for Education for parliamentary questions and responses to representations by public representatives to the Minister for Education
- The Council is required to make available to parents and guardians information in relation to entitlements for people with special education needs. Primary responsibility for this task rests with the staff of the NCSE. The Council is required to keep and maintain records on people receiving services, places where services are available and for the planning of services
- Members of the press and media may approach Council members for information on issues. All such enquiries should be referred in the first instance to the NCSE Press Officer for response
- In terms of promoting the work of the NCSE in the community or if discussing any aspect of the organisation's business, Council members should be aware that they will be acting as ambassadors for the Council in the special education sector
- All official communications on behalf of the NCSE are made by authorised Council spokespersons or authorised members of Senior Management (Chief Executive and Principal Officer grades)
- Council members should remember that their loyalty is to the NCSE in relation to the work of the organisation. Therefore, if they have any NCSE issues that they feel strongly about, they should raise them with the Chairperson and Chief Executive in the first instance
- Council members should acquaint themselves with information provided by the Minister for Education and the Department of Education
- In any dealings with the Minister for Education's office or with officials of the Department of Education they should strive to develop good working relationships

REFERENCES

In addition to the specific provisions of the Education for Persons with Special Educational Needs [Act](#), 2004, (the Act) the underpinning legislation for the organisation, the following governmental and professional guidance documents have been taken into account by the IPA and helped guide the preparation and review of this document:

- Department of Public Expenditure and Reform's Code of Practice for the Governance of State Bodies (August 2016) and Associated Documents;
 - [Business and Financial Reporting Requirements](#)
 - [Audit & Risk Committee Guidance](#)
 - [Remuneration & Superannuation](#)
 - [Board Self-Assessment Evaluation Questionnaire](#)
- Department of Finance's Public Financial Procedures (2008)
- Report of the Working Group on the Accountability of Secretaries General and Accounting Officers in the Civil Service (2002)
- The Good Governance Standard for Public Services issued by the Independent Commission on Good Governance in Public Services
- Various relevant statutes including Ethics in Public Office Acts 1995-2001; Data Protection Act 2018; Freedom of Information Act 2014; and the Comptroller and Auditor General Acts, 1886 to 1998.
- London Stock Exchange (1992), Report of the Committee on the financial aspects of Corporate Governance, Chairperson: Adrian Cadbury, Professional Publishing Ltd., London.
- Institute of Chartered Accountants in England and Wales (1999), Internal Control – Guidance for Directors on the Combined Code, Chairperson: Nigel Turnbull, Accountancy Books, London
- Financial Reporting Council (January 2003), Audit Committees Combined code guidance, Chairperson Sir Robert Smith, Financial Reporting Council Ltd, London
- Department of Trade and Industry (January 2003), Review of the role and effectiveness of non-executive directors, Derek Higgs, The Stationery Office, London
- International Federation of Accountants (2009) Evaluating and Improving Governance in Organisations
- Department of Public Expenditure and Reform, Corporate Governance Standard for the Civil Service (November 2015)
- CIPFA and IFAC, International Framework: Good Governance in the Public Sector (July 2014)
- International Standards Organisation (ISO) 31000 Risk Management - Principles and Guidelines (November 2009)
- Department of Public Expenditure and Reform, Risk Management Guidance (2016)
- Guidance on Risk Management, Internal Control and related Financial and Business Reporting (Sept 2014)
- UK Corporate Governance Code (Sept 2014)
- G20/OECD: Principle of Corporate Governance (2015)
- Public Spending Code (Department of Public Expenditure and Reform).

Appendices

No.	Title
1	Education of Persons with Special Educational Needs (EPSEN) Act 2004
2	Indicative List of legislation governing the operation of the NCSE 2a) Summary of Government and Legislative Requirements
3	Council Code of Business Conduct (2022)
4	Standing Orders of the Council of NCSE 4a) Terms of Reference for the Council of the NCSE, as agreed by Council
5	Schedule of Reserved Council Functions & Delegated Functions to the CEO
6	Agreed Terms of Reference of NCSE Committees 6a) Finance Committee 6b) Audit and Risk Committee 6c) CEO Performance Committee 6d) Strategy and Policy Committee 6e) Research Committee
7	Council Agenda Template
8	NCSE Statement of Strategy 2022 - 2024
9	NCSE Work Plan (2022)
10	Performance Delivery Agreement (2022)
11	NCSE Risk Management Policy (2017)
12	NCSE Financial Policies and Procedures Manual (FPPM) (2022)
13	NCSE Corporate Procurement Plan (2019-2022)
14	NCSE Charter for Internal Audit (2019)
15	Protected Disclosure Reporting in the Workplace: NCSE Guidance and Procedures (2017)
16	Ethics in Public Office requirements - notices to NCSE Council members and staff (2019)

