

Audit and Risk Committee – for assurance

Meeting agenda title: Government Functional Standards

Meeting date: 10 January 2022

Time required: 10 minutes

Presenter: Louise Byers

Approved by: Paul Arnold

1. Objective and recommendation

- 1.1. This report gives the Committee assurance on the ICO's compliance with Government's functional standards. The Committee is recommended to note the report.

2. History and dependencies

- 2.1. This work will form part of our ongoing compliance and assurance monitoring going forward, as presented to the Committee earlier this year.

3. Developing a common understanding

- 3.1. The functional standards exist to create a coherent, effective and mutually understood way of doing business within government organisations and across organisational boundaries, and to provide a stable basis for assurance, risk management and capability improvement. They support value for money for the taxpayer, and continuity of implementation. These standards are mandated for use across central government, and may also be adopted by other public sector organisations. There are 14 functional standards (details provided below).
- 3.2. HMT have requested that stated that all central government departments and their arm's length bodies should have a plan in place by end of March 2022 to comply with each relevant functional standard in a way that meets its business plans and priorities. Use of the standards should be embedded into each organisation's business plans for 2022/23 onwards. This is the first time the ICO has been requested to assess its compliance with the standards.
- 3.3. DCMS requested that their ALBs provide an initial assessment of how far they comply with functional standards by 9 December

2021. To do this, the relevant ICO teams have assessed current compliance with the standards and whether we will fully comply by March 2023. In some areas, further consideration needs to be given to our target operating model (“good”, “better” or “best”) as new Directors and heads of department develop their plans. The information from this return was used to develop this report. We have not yet received any response from DCMS on this return.

4. Matters to consider to achieve objective

- 4.1. The table on the following page sets out each of the functional standards and the current assessment of how far we comply with them. The title of each standard contains a link to the standard itself. We still need to conduct the assessment against the counter-fraud standard.
- 4.2. The table demonstrates that we are in a good position to achieve all of the standards by the end of March 2023. The Planning and Performance Team are working with the Directors, to ensure that any actions that are required to comply with the standards are included in Directorate business plans in 2022/23. Comments on the extent of our compliance with the standards, and the plans in place to ensure that we achieve them all, will be included in the Annual Report and Financial Statements.
- 4.3. It appears that the areas which require most attention are likely to be those related to Finance and those related to IT, as in both those areas further analysis is needed of the frameworks to fully assess compliance. In relation to the Finance standards, Angela Donaldson will be fully assessing compliance with the frameworks during January and February as the new Finance target operating model is developed. With that in mind, the Risk and Governance Board will be receiving reports during early 2022 on the plans to achieve those.

Standard	Current Assessment	Current maturity level	Target level of operating model	Owner
GovS 001: government functions	We currently meet all requirements.	Better	Better	Louise Byers
GovS 002: Project Delivery	Will look to meet all requirements through business planning and prioritisation in 2022/23.	Developing	TBC	Jen Green and Emma Deen
GovS 003: Human Resources	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing	TBC	Sarah Lal
GovS 004: Property	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing	Not set	Angela Donaldson
GovS 005: Digital, Data and Technology	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing. However, further work is required to review all the standards to ensure a comprehensive assessment is made.	Not set	Mike Fitzgerald

Standard	Current Assessment	Current maturity level	Target level of operating model	Owner
GovS 006: Finance	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing. However, further work is required to review all the standards to ensure a comprehensive assessment is made.	TBC	Angela Donaldson
GovS 007: Security	Will work towards all requirements through business planning and prioritisation in 2022/23.	Unknown, as many of the underpinning standards are not available.	Unknown	Mike Fitzgerald
GovS 008: Commercial and Commercial Continuous Improvement Assessment Framework	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing. However, further work is required to review all the standards to ensure a comprehensive assessment is made.	TBC	Angela Donaldson
GovS 009: Internal Audit	Will meet all requirements by March 2022.	Good	Good	Mazars (via Corp Governance)

Standard	Current Assessment	Current maturity level	Target level of operating model	Owner
GovS 010: Analysis	Will meet all requirements by March 2022.	Developing	TBC (this standard only applies to the ICO in a limited degree)	Melissa Mathieson
GovS 011: Communication	Will meet all requirements by March 2022.	Good	TBC	Ange Balakrishnan
GovS 013: Counter Fraud	Will work towards all requirements through business planning and prioritisation in 2022/23.	Developing. However, further work is required to review all the standards to ensure a comprehensive assessment is made.	TBC	Angela Donaldson
GovS 014: Debt	We currently meet all requirements.	Developing	Unknown	Angela Donaldson
GovS 015: Grants	We currently meet all requirements.	Good	Better	Stephen Almond

- 4.4. The new Compliance and Assurance Manager with the Corporate Governance Team (to be recruited in early 2022) will work with those Directors to assist them, where appropriate, in delivering the actions to achieve the standards, where they are relevant to the work of the ICO. The Compliance and Assurance Manager will also develop and deliver a work programme of compliance actions to ensure that there is sufficient assurance that we continue to comply with the standards. This will be delivered alongside their work to develop and deliver the assurance map.

5. Areas for challenge

- 5.1. Does the assessment of our level of compliance with the standards appear to be appropriate?

6. Communications considerations

- 6.1. There is no need for broader communication of this work at this stage.

7. Next steps

- 7.1. The next steps for this work are:
- Ensure that plans to comply with the standards are included in relevant Directorate business plans
 - Deliver actions to comply with standards during 2022/23

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Publication decision: This report can be published internally and externally without redactions.

Outcome reached: