Inland Fisheries Ireland

S.18 Governance Review

19 December 2023

Prepared solely for Inland Fisheries Ireland use only

Building a better working world

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High standards of corporate governance are critical to ensuring a positive contribution to the State’s overall economic efficiency, competitiveness, social cohesion and regional Development. The Board and Management of State Bodies are accountable for the proper management of the organisation.

Code of Practice for the Governance of State Bodies (August 2016)

Building a better working world

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19 December 2023

S.18 Governance Review

Dear Tom & Seamus,

We have completed our review with respect to the independent assessment of governance arrangements within Inland Fisheries Ireland (IFI). Our services were performed in accordance with our Engagement Agreement dated 6 July 2023, and our procedures were limited to those described in that agreement.

Our report contains a description of the work we have undertaken and our conclusions, as follows:

- *Section 1:* Executive summary setting out the scope, approach, and summary conclusions arising from the review.
- *Section 2:* Detailed findings, including a description of our observations and recommendations for improvement.
- *Appendices*: Supporting information including documents reviewed, stakeholders, and summary of governance arrangements across IFI.

Basis of our work

The information contained in this report is intended to assist you in further enhancing the overall Board Governance Framework at IFI and is based on review of documentation provided, interviews conducted with a range of stakeholders and comparison of current practice to leading practice.

The procedures summarised in our report do not constitute an audit, a review or other form of assurance in accordance with any generally accepted auditing, review or other assurance standards, and accordingly we do not express any form of assurance.

Restrictions on the use of this report

Our report is provided on the basis that it is for your information only and that it will not be quoted and referred to, in whole or in part, without our prior written consent.

This report has been prepared solely for the purpose of our engagement to provide information to management and the Board of Inland Fisheries Ireland, and only management and the Board may rely on any facts stated or opinion expressed in this report.

The report (including any information, explanations and working papers which we may subsequently provide) should therefore not be regarded as suitable for use by any other person or for any other purpose. Should any other persons choose to rely on this report (including any information, explanations and working papers which we may subsequently provide), that person does so at their own risk. EY will accordingly accept no responsibility or liability in respect of it or them to any such person.

We value the opportunity to work with you and sincerely appreciate the cooperation and assistance provided to us during the course of the review.

Yours sincerely,

Pauline Poots

Pauline Poots
Partner

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Section 1.0

Executive Summary

1.0 Executive Summary

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1.0 Executive summary

1.1 Scope and approach

Scope:

EY were engaged by the S18 Appointees of Inland Fisheries Ireland (IFI) Board to undertake an independent external governance review of the organisation, including an examination of the respective roles of the IFI Board and Executive.

In line with the terms of reference for this review and agreed statement of work dated 6 July 2023, the scope of the engagement included an independent review of the following:

- Existing governance arrangements within IFI, including the respective roles and functions of the Board and Executive; making recommendations for future governance arrangements.
- Current performance oversight and accountability arrangements in place between IFI and the Department of the Environment, Climate and Communications (DECC); making recommendations for future arrangements.
- Delivery structures across IFI; making recommendations for future structural arrangements having regard to IFI's mandate and core role in terms of environmental protection.
- Any other matters the Section 18 appointees consider relevant in the context of strengthening procedures in relation to the Codes of Practice, avoidance of any perception of conflicts of interest, systems to uphold public confidence in IFI and the efficient discharge of IFI's statutory functions.

Approach:

Recognising the importance and significance of this review, we have carefully planned and executed each phase of this engagement, to ensure full transparency and alignment of need. Due the unique background to this engagement, we have consulted on a 1-2-1 basis with an extensive number of individuals across the Senior Management and Leadership levels within IFI, in addition to a number of Departmental (DECC) representatives. This has provided those with whom we met an opportunity to speak openly and freely, in a confidential manner regarding their role and experiences of working in, or with, IFI. This extensive consultation, together with our review of relevant background documentation, have informed our recommendations across a number of key areas of IFI, and combine to provide a roadmap to IFI for governance improvements across IFI.

The full list of stakeholders with whom we have met are included in Appendix B of this report. We would like to sincerely thank all for their involvement and input to this review.

Our review of documentation has included strategies, business plans, risk registers, procedures, policies, governance frameworks, minutes, audit reviews and relevant correspondence. A list of all documentation considered in this engagement has been provided at Appendix A of this report.

Furthermore, we attended and observed an IFI Board meeting and a meeting of the IFI Audit & Risk Sub-Committee on 13 September 2023 and have had ongoing meetings with the S18 Appointees to the Board.

Our approach to the governance review has been conducted across the four phases, as outlined on the following page:

1.0 Executive summary

1.1 Scope and approach (cont.)

Phase 1 Planning and Scoping

August-September 2023

- We held a number of meetings with S18 Appointees, to obtain background and context to the review.
- Objectives and scope of the review were confirmed.
- Key stakeholders were identified and agreed (detailed at Appendix B).
- Meetings were scheduled with the provision of background information, Terms of Reference and Agenda. Key criteria and questions were identified.
- EY attendance at 13 September Board and Audit and Risk Committee meetings was agreed.
- Documentation request was issued (per Appendix A).

Phase 2 Documentation Review

September-October 2023

- We reviewed the documentation provided to identify current governance practices in place across IFI, and requested further documentation as required.
- We considered the findings from audit and other reviews performed across the organisation, including internal audit, the Comptroller and Auditor General, specialist workforce planning reviews, specialist departmental reviews, and the more recent Bradley Review performed in 2022.
- We identified further areas for discussion as part of stakeholder engagement, respective to the feasibility of design themes for improvement.

Phase 3 Stakeholder Engagement

September-October 2023

- We attended the 13 September 2023 Board meeting and Audit and Risk Committee meeting, to observe the business and operation of the meetings.
- We conducted 1-2-1 interviews with key stakeholders outlined in Appendix B to this report. This included S18 appointees, representatives from DECC, CEO, SMT and SLT.
- The objective of the interviews was to gather stakeholder views to support the review of documentation and to validate, challenge and probe the current practices in a confidential manner.
- Preliminary observations and findings were documented.

Phase 4 Reporting

November-December 2023

- The output of our work is reported in this document as follows:
  - Summary of recommendations to improve the IFI governance framework. All recommendations have been prioritised across a short, medium and long-term manner (Section 1.3); and
  - Detailed findings, setting out observations and areas for improvement on the basis of priority (Section 2).
  - Briefing meetings have been held with the S18 appoints, the DECC and members of the Senior Management Team.

1.0 Executive summary

1.2 Context to our review and Summary Conclusions

Inland Fisheries Ireland (IFI) was established in 2010 as a result of the replacement of the Central Fisheries and seven Regional Fisheries Boards. It operates as an Agency under the remit of the Department for Environment, Climate and Communications (DECC) and is required to operate under the Inland Fisheries Act 2010 and the supporting governance framework, which includes (but not limited to):

- Oversight Agreement between DECC and IFI (8 June 2023)
- Performance Delivery Agreement between DECC and IFI (2023 – 2025)
- Code of Practice for the Governance of State Bodies (2016)
- Bespoke governance documents prepared by IFI for the execution of governance arrangements (outlined further in Appendix A to this report).

The Chief Executive of IFI is the Accountable Person to DECC and is supported by a Senior Management Team (SMT), which comprises, five positions (Head of Operations, Head of Research & Development, Head of Finance & Corporate Services, Head of Human Resources and Head of Information & Communications Technology). Below SMT is a Senior Leadership Team (SLT) comprising of eighteen senior representatives including River Basin District Directors, Research & Development Senior Researchers and Corporate Services Managers and Directors. The SLT is responsible for supporting the CEO and SMT in the day-to-day operations of the organisation. A full listing is included in Appendix B.

At the time of our review, due to the resignation of IFI Board Members (in April and October 2022 and in January 2023) and the removal of Board members in February 2023, IFI was operating under the charge of two interim Board Members appointed by the Minister of DECC under Section 18(5) of the Inland Fisheries Act. At the time of preparing this report, the recruitment and appointment process for new Board Members, including a Chair was at an advanced stage.

The organisation has also experienced a significant level of disruption and public focus, given a number of high-profile incidents reported in the media, and recent attendance at the Public Accounts Committee (PAC). This has led to heightened concern both internal and external to the organisation regarding the appropriateness of governance arrangements and practices. Our review has been performed within this context.

In anticipation of an in-coming Board and the significant governance and operating improvements urgently required across IFI, the 'S18 Appointees' have temporarily streamlined the Board and Committee Structures to comprise a monthly Board and regular Audit & Risk Committee meetings only. Each member of the SMT of IFI are currently required to attend each meeting of the Board, and as required, at Audit & Risk Committee meetings. The Strategic HR Sub-Committee and Property Sub-Committee have been temporarily suspended. In addition, any Working and Steering Groups which were also in place (including the Joint Fish Farm Working Group and the Fish Farm Steering Group) have been temporarily stood down.

We outline in Appendix C, to our review, a summary governance structure of IFI which we understand was in place prior to the resignation of Board Members, for reference purposes.

During our review, we identified that a program of work is currently in place across the organisation, predominately driven by outputs and actions from the temporary S18 Board. This has resulted in the revision and updating of some existing governance and corporate policies and practices. Our recommendations raised in this report take into consideration this on-going work, and are designed to further improve the enhancement of governance across the organisation. Our assessment is based on the structures in place and the work completed by IFI up to 31 August 2023.

Summary Conclusions:

Our review identified and confirms fundamental corporate governance weaknesses in relation to how IFI is structured and organised to provide necessary leadership and oversight of the organisation's strategy, objectives and funding arrangements. However, from our engagement with a wide range of stakeholders, we have identified a strong passion for working in, or with IFI, together with a recognition that substantive improvements are required, to address a number of areas of concern. With partnership, teamwork, transparency and effective communication, we consider that through the implementation of these programmes of work, this will set the organisation up for future success.

In forming our conclusions, we have considered the following matters:

- **Current state of Governance operations and effectiveness:** The key strengths and opportunities for improvement, based on interviews, review of documentation and our attendance at IFI Board and Audit & Risk Committee meetings.
- **Leading Practices:** Expected practices of a leading governance models, leveraging indicative practices from the EY maturity model and based on our extensive experience of working Boards and Executive Teams.
- **Future State:** Improvement opportunities based on observations on the current state which would enable IFI to enhance the level of governance effectiveness.
- **Benefits:** The benefits to IFI, as a Board and as an organisation, of implementing the future state improvement opportunities.

We have considered IFI's existing governance arrangements, its current performance oversight and accountability arrangements with the Department, the effectiveness of IFI's delivery structures and any 'other matters' which we considered to be relevant under this review. We have made a series of recommendations across eleven substantive areas, which if embedded will contribute to the creation of impactful structural and governance improvements across the organisation.

1.0 Executive summary

1.3 Summary conclusions and recommendations

We recommend that on appointment of the new Board in January 2024, a detailed action plan is developed with the SMT, to address the actions required to implement the recommendations made in this report. This action plan should clearly set out the priority areas for implementation, details on how these recommendations are to be actioned, together with responsibilities for leading on the implementation of each recommendation.

We consider that these future programmes of work should be undertaken in a collaborative and structured way, across all directorates in IFI, and in conjunction with the new Board. It is also necessary that DECC is regularly informed of progress to implement the recommendations in this report.

Recommendations:

In this section, we outline our identified key initiatives, or programmes of work, which we consider are essential to improve not only the governance arrangements, but the success of IFI into the future. We have made a number of recommendations across eleven substantive areas in this report. In Figure 1, we summarise the eleven initiatives or substantive programmes of work. We have sought to prioritise these on the basis of priority of action (with suggested initiation of these actions being across a 3 months/6 months/12 months period from the finalisation of the action plan) .

Further detail for each is outlined on next page, and in Section 2 to this report.

	Recommended Governance Programmes of Work	Priority
1	Clear definition and agreement of the strategic remit of Inland Fisheries Ireland	
2	Realignment of Board & Committee Structures and Membership	
3	Refresh of Supporting Governance Documents and Provision of Training	
4	Training and Induction of Board	
5	Relationship between CEO and Board Chair	
6	Function and Effectiveness of the Senior Management Team	
7	Function and Effectiveness of Senior Leadership Team	
8	Board Operations and Delivery	
9	Independent Assurance	
10	Risk Management	
11	Governance Assessment	

Figure 1: Recommended Governance Programmes of Work

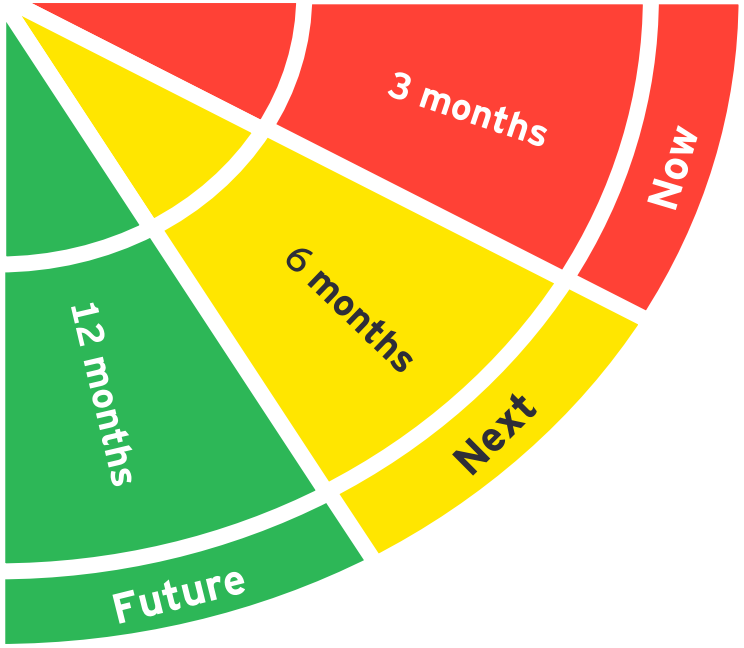
0-3 months 0-6 months 0-12 months

1.0 Executive summary

1.3 Summary conclusions and recommendations (cont.)

What needs to be done Now, Next and into the Future

Through our review we noted resource constraints and significant workloads for many individuals across IFI. It is therefore important in addressing the recommendations, to identify the required capacity and capability needs inside the IFI and to leverage the use of additional support where required for the effective and timely implementation of this programme of work. We highlight below another visualisation of these key initiatives based on three themes and prioritised in terms of importance of implementation. We recommend that an action plan is developed regarding the 11 programmes of work, identifying also resource need and external support. The implementation of this plan should be monitored closely by the incoming Board.



1. Address immediate governance concerns (to be initiated within next 3 months)

1. Clear definition and agreement of strategic remit of IFI
2. Realignment of Board & Committee Structures and Membership
3. Refresh of Supporting Governance Structures and Provision of Training
4. Training and Induction of Board
5. Relationship between CEO and Chair

2. Develop and strengthen our governance capabilities (to be initiated within next 6 months)

6. Function & Effectiveness of SMT
7. Function & Effectiveness of SLT
8. Board Operations and Delivery

3. Progress to sustainable governance capabilities (to be initiated within next 12 months)

9. Independent Assurance
10. Risk Management
11. Governance Assessment

Section 2.0

Detailed Findings

2.0 Detailed Findings

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2.0 Detailed findings and recommendations

Time-Frame:
Now (0-3 months)

2.1 Clear definition and agreement of the strategic remit of Inland Fisheries Ireland

Observation

Inland Fisheries Ireland was formed in 2010 as a result of the consolidation of the Central Fisheries Board and seven Regional Boards. Per the Inland Fisheries Act 2010:

'There stands established on the establishment day a body to be known as, in the English language, Inland Fisheries Ireland, or in the Irish language, Iascach Entire Eireann, to perform the functions conferred on it by this Act and to be referred to in this Act as IFI'. (Inland Fisheries Act 2010, Part 2, Chapter 1 6(1)).

In addition to the required functions outlined in the 2010 Act, the organisation also holds responsibility for delivery against a number of EU regulatory frameworks and directives, national development plans, and public service strategies. The remit and priorities of IFI are furthermore defined in the IFI Corporate Plan (2021-2025), and cascaded into individual strategies (as appropriate), and relevant Business Plans to support the activities of each Directorate.

From our review of key documentation and discussions with stakeholders we identified a strong passion for the relevance and importance of the organisation, particularly 'To protect, manage and conserve Ireland's Inland Fisheries and Sea Angling resources and to maximise their sustainability and natural biodiversity' (IFI Mission, Corporate Plan 2021-2025).

However, our engagement noted a **concerning level of disparity and inconsistency** regarding the purpose, remit and long-term strategic focus of IFI including:

- There is disparity across the Senior Team and key stakeholders on the consistency and understanding of the strategic remit of IFI. Whist the Corporate Plan outlines seven High Level Objectives, relating to Habitats, Fish, Stakeholders, Sustainability, Our People, Corporate Management, and Innovation, in addition to IFI's vision, mission and values, these objectives lack a coherent and clear focus. In particular, there is a lack of clear alignment between IFI's statutory, legislative and regulative remit and requirements and its strategic priorities. These matters were raised consistently by a number of stakeholders with whom we met.
- We received robust feedback from a number of stakeholders regarding the factual accuracy of the 'remit' of IFI, as outlined in the terms of reference of this governance review. This has clearly resulted in frustration and irritation by some long-standing staff members, who feel passionately about the work they do, and the difference IFI can make to Inland Fisheries and its habitats and fish versus what others (internal and external to the organisation) perceive the key focus 'to' or 'should' be.
- There is a perception of a previous lack of discussion, decision and feedback on priority papers and strategic areas of focus for IFI; with discussion and focus historically on more operational matters or particular areas of interest being favoured. We consider that certain previous areas of focus lacked a strategic focus / co-ordinated approach and/or statutory alignment. This approach has led to individual directorates focussing on specific areas; bidding for funding and progressing programmes of work, often in the absence of Board discussion and/or approval. The lack of overall strategic understanding and collaboration across the organisation has, in our opinion, created a culture of siloed working, and the risk of the widening of the defined remit and legislative functions of IFI with restricted collaborative oversight, agreement, resourcing and funding. There is a clear lack of focus on performance and accountability around outcomes.
- We consider this ongoing lack of consistent definition and clear understanding of the purpose, remit and strategic function of IFI has caused difficulties in creating a cohesive culture following the merger in 2010. In the absence of a clear strategic direction and focus on outcomes, directorates continue to operate in siloes, pursuing individual priorities, whilst creating a significant disconnect in working together to achieve a clear strategic ambition and purpose.

Recommendation

IFI should develop a clear and coherent strategy setting out the purpose, mission and values of IFI. This strategy should be developed in consultation with all key stakeholders (internally and externally).

The strategy should be supported with annual business plans, which should establish clear objectives/Key Performance Indicators (KPIs), to ensure that performance against the strategy be subject to future monitoring and reporting. Responsibility for the delivery of these objectives and KPIs should be clearly set and costed workplans developed to formally establish roles and responsibilities across IFI going forward.

Arrangements should be formally established between IFI and the Department to ensure that IFI's ongoing performance against these deliverables, be subject to appropriate monitoring and review.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Now (0-3 months)

2.2 Realignment of Board & Committee Structures and Membership

Observation

At the time of our review, with the exception of the Audit & Risk Committee, all Non-Executive Sub-Committees and Working Groups had been temporarily suspended until the appointment of a new Board.

Appendix C outlines the previous governance structure of IFI which included:

- The IFI Board:
- Audit & Risk Committee;
- Strategic HR Sub-Committee;
- Property Sub-Committee; and
- Working or Steering Groups (as required).

From our stakeholder consultations, we note opportunities to streamline and consolidate the Board, Sub-Committee structures and Working Groups, together with further clarity around the remit, roles and responsibilities of each. We note that clarity should be sought on the future nomination of members and attendees to each of these new Sub-Committees and Groups.

Further to our observations in finding 1, stakeholders have noted that previous IFI Board, Sub-Committees and Working Groups lacked a clear and strategic focus. As a result, it appears that many of these forums did not clearly deliver outcomes which contributed to IFI's strategic / business objectives and/or statutory remit. This approach, coupled with a number of unfavourable and challenging experiences by Executives and IFI staff has, unfortunately in our opinion, resulted in a culture of apprehension of many IFI Executives and staff in attending and servicing Board and Sub-Committees, and hesitation to proactively raise items for collaborative discussion or consideration.

We understand that whilst quarterly governance meetings are held between IFI and DECC, we consider that these lacked a formal and action driven approach. We also note that many of these recent meetings were not attended by senior representatives. On that basis, we consider there to be opportunity for a more formalised and structured approach to meetings going forward.

Recommendation

Governance forums, such as Boards and Sub-Committees, if established and used effectively can create a structure for driving the delivery of a successful and resilient organisation. We understand that draft guidelines have been recently prepared by IFI relating to the 'Appointment of co-opted Members to Committees of the Board'. Notwithstanding these guidelines, we consider a realignment of Board & Sub-Committee Structures and Membership. This should consider the following matters:

- The identification and agreement of the optimal number of Sub-Committees, to support the Board. These should be particularly aligned to areas of high risk and need. These could include, for example People & HR, Operations, Corporate & Finance, and Research & Development
- The clear definition of roles and functions of each, including alignment to Oversight and Partnership Agreements
- Creation of nominations process for each forum – including clarity on Executive representation and roles
- Training of both Executive and Non-Executive Members on expectations, roles, remit, functions

Furthermore, we consider it important to clarify formalisation of future engagement with DECC, including:

- IFI representation at quarterly governance meetings with the Department (including potentially Chair and or Board representation).
- Annual Departmental meetings with the IFI Board.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Now (0-3 months)

2.3 Refresh of Supporting Governance Documents and Provision of Training

Observation

There are a number of key governance documents which support the delivery of the overall governance frameworks of IFI. These include (but are not limited to):

- Board and Committee Terms of References
- Matters for Decision of the Board
- Code of Business Conduct for the Board
- Standing Orders
- Statement of Board member Responsibilities
- Relevant Policies & Procedures

There are also separate policies and procedures for staff. A full listing is included in Appendix A to this report.

We consider that the volume of documents to be unusual, with potential for duplication, inconsistency, confusion and ambiguity. We note that these matters were also identified within a review by Internal Audit in November 2021.

From our attendance at Board and Audit & Risk Committee in September 2023, we also observed a number of instances on lack of awareness and uncertainty of important protocols by members of SMT, regarding approval or notification processes and the overarching scheme of delegation, for example in relation to the disposal of fixed and capital assets. This resulted in the suggestion of an ongoing lack of notification to Board Members of issues of potential significant importance and/or the requirement for Board approval in certain key decisions.

Recommendation

Whilst we understand that work has commenced on a number of these documents, we recommend that a full end-to-end review and update of governance documents is performed with a view to the reduction and simplification, particularly with regards to the scheme of delegation and approval. Good practice would suggest that the same policy documents should be adopted for all staff and Non-Executive Board Members to ensure same standards and procedures are adhered to. Policies should also be aligned to the Code of Practice for the Governance of State Bodies and subject to regular and formal review. This should be performed in line with the requirements outlined in the new Oversight and Performance Delivery Agreements, and in conjunction with the appointment of new Board Members.

We also consider that full training should be provided as soon as possible to new Board members, and to members of the SMT and SLT (and other staff, as required), in relation to the content of these documents. This training should focus on ensuring a practical understanding and application of these documents, to ensure future and ongoing compliance.

A training plan should be developed to ensure ongoing refresher training is provided. This training should also focus on ensuring that basic good governance principles, such as managing conflicts of interest, ethical values, the importance of delegations of authority, accountability, and the relationship between the Board and the Executive, are clearly understood.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Now (0-3 months)

2.4 Training and Induction of Board

Observation

The Board of IFI is currently operating under temporary S18 appointees, with a view to appointing new Board Members by DECC in the coming months.

From our stakeholder consultations, and observations noted earlier in this report, there is a concern across Senior Management and staff at IFI regarding the role, remit and expectations of a Non-Executive Board Member. We consider that it is essential that incoming Board Members are fully briefed and trained on the context of IFI, its challenges to date, as well as their role, remit and expected behaviours as a Non-Executive Board Member. The induction and training of these appointees is of critical and significant importance to ensure successful governance practices going forward, and the effective building of trust and effective working practices with IFI Senior Management.

Recommendation

In conjunction with previous recommendations, we recommend the creation of a full induction and training programme for incoming Non-Executive Directors of IFI. We understand that work has already commenced in preparation for the induction of new Board Members. Given the unique governance and operating position of IFI , we consider that a handover period between the incoming Board and the S18 appointees would be useful in ensuring that the incoming Board members are fully aware of the challenges facing IFI.

We recommend that preparations for the induction period should be done with input from, and in agreement with, DECC, as well as the temporary S18 appointees, Senior Management, and other key stakeholders, as identified. We strongly recommend that this includes a blend of:

- Provision of documentation
- In-person training
- Site-visits across IFI
- DECC engagement.

Feedback should also be sought from in-coming Members on specific training or information needs.

It is critical that DECC is involved in the training and induction of new Board members, so as to ensure clear expectation of appointment and delivery. Mechanisms should also be established with DECC in relation to the future performance monitoring, assessment and reporting of the performance of the Chair.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Next (0-3 months)

2.5 Relationship between CEO and Board Chair

Observation

The relationship between CEO and Board Chair is of significant importance, and one which requires investment of time. The CEO, as the designated Accounting Officer for IFI, is responsible for managing IFI's Executive Team and for the effective delivery of the Strategic Plan. The Board Chair is responsible the leading the Board and in providing support, advice and monitoring to the CEO and to the organisation. It is important for each to support each other in their leadership roles, whilst maintaining a level of independence and autonomy and in doing so, to build a trusted relationship.

Given the legacy issues affecting IFI, specific focus is required to clearly define the roles of CEO and Chair, together with putting in place measures to create a balanced and effective relationship between the IFI CEO and incoming Chair. We note that this has been challenging to achieve historically.

Recommendation

We recommend that specific measures are put in place to support the CEO and Chair in creating and maintaining an effective relationship going forward. This should be undertaken in line with the requirements outlined in the Code of Practice for the Governance of State Bodies (August 2016), whereby *'The Chairperson and CEO are responsible for the effective management of the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairperson and CEO should meet in advance of the Board meeting to agree the agenda'*.

Particular consideration should be given to the following:

- The definition and clarity of respective roles and responsibilities (further to recommendation 2.3, and in line with the Code of Practice and Partnership Agreement).
- The clarity of roles and remit of the DECC in this relationship (as and where appropriate).
- The creation of escalation measures for flagging of concerns or behaviours.
- The establishment of a model of Board pre-meets for consideration of Board agendas, papers, actions and the CEO's report.
- The review and formalisation of performance management processes and reporting of CEO performance.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Now (0-6 months)

2.6 Function and Effectiveness of the Senior Management Team

Observation

The Senior Management Team (SMT) at IFI comprises Heads of Functions, supporting the CEO in leading the running of the organisation. We note that there have been a number of changes to the SMT membership over the last 12-24 months due to the retirement of long-standing staff members. As a result, a number of members of the SMT are relatively new and will require support in developing into these roles, both as an effective Heads of Function and an SMT member. Similarly, there have been changes to the SMT structures and roles and responsibilities.

Whilst a structure is in place to support the operational running of SMT by way of weekly meetings, we observed that this is not fully effective with infrequent or low-attended meetings. In addition, due to ever-changing priorities and pressures it has been difficult for this group to have the space and time to focus on constructive and collaborative longer-term planning and development. We have noted issues, and would have concerns around, excessive working by some members of this team.

Recommendation

Consideration should be given to the use of alternative models in order to support the development and effectiveness of IFI's SMT. Specifically we recommend the following for consideration:

Review of the SMT operating model to evaluate if the structures of SMT are appropriate to the functioning of the organisation and to support the effective delivery of IFI's strategy and purpose. This should include consideration of the following key areas:

- A clear definition of the expectations and required outputs from being a member of the SMT.
- A review of job descriptions and supporting roles for each member of SMT assessed against capacity, budget and direct reports.
- Aligned to Finding 2.7 – more effective use and delegation to Senior Leadership Team (SLT) members.

Enhance the Governance and Structures supporting the SMT. This should include consideration of the following:

- Development of an operating plan to support effective future SMT meetings and co-development. This should include structures to support regular and effective SMT meetings and engagement. This should include face-to-face structured discussion, off-site strategic sessions, and more informal gatherings to develop and strengthen working relationships.
- More structured and regular 1-2-1 sessions between the CEO and each member of SMT to enable the development of more sustainable business planning and monitoring, and to further develop relationships and trusted connections.
- Detailed SMT planning sessions in advance of Board and Sub-Committee meetings. This will support the development of an improved process for engagement at governance forums, and the collective alignment of programmes of work and messaging.
- Collaborative input to the Board CEO report, to ensure that when key priorities are effectively presented by the CEO on behalf of their SMT that this is one of full alignment, accuracy and agreement.
- These points should be supported by the implementation of a clear personal development and appraisal process, to ensure that ongoing performance of the SMT is effectively monitored and formally assessed.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Next (0-6 months)

2.7 Function and Effectiveness of Senior Leadership Team

Observation

During our stakeholder engagement, we met with 18 individuals who were flagged as being a member of IFI 'Senior Leadership Team' (SLT). From our engagement we identified a strong willingness from everyone we met to support and drive the organisation, but a lack of understanding of how to do so as part of this Leadership Team. In particular we noted the following:

- We were unable to ascertain a definition of 'SLT', or the requirements or remit of being a member of this group.
- Differing reporting lines and levels.
- Irregularity of meetings.
- Ambiguity or uncertainty of other areas of the business and their priorities or areas of focus.

We also gained significant feedback from this group on the lack communication from Board and SMT, often leading to the awareness of updates or events from the press or social media. We note however positivity towards recent 'road shows' from Corporate Services across the organisation in addition to proactive steps to re-establish SLT meetings.

Recommendation

The Senior Leadership Team of any organisation is a critical group to support the SMT and drive the day-to-day delivery and functions. It is imperative that the SMT of IFI recognise the significance this group can play in the delegation of key tasks and initiatives to drive the success of IFI. Similar to the previous recommendation 2.5 relating to the SMT, we recommend the following:

Review of the SLT operating model, to evaluate if the structures of SLT are appropriate to the functioning of the organisation and to effectively support the SMT in the delivery of IFI's strategy and purpose. This should include the following:

- A review of job descriptions and supporting roles for each member of SLT assessed against capacity, budget and direct reports. There also should be clear definition of the expectations and required outputs from being a member of the SLT.
- Clear delegations and accountability structures should be implemented, to ensure that each member of the SLT has clarity on their role, remit and responsibilities.
- More structured and regular 1-2-1 sessions between each member of SLT and their respective Line Manager, to enable the development of more sustainable business planning and monitoring, and to further develop relationships and trusted connections.
- Clarity of definition and composition of the SLT as a forum.
- Establishment of an effective operating model for this forum including regularity of meeting.
- Identification of roles and priorities, including key programmes of work for this forum.
- Provision of training and support to ensure the success of this group.

These points should be supported by the implementation of a clear personal development and appraisal process, to ensure that ongoing performance of the SLT is effectively monitored and formally assessed.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Next (0-6 months)

2.8 Board Operations and Delivery

Observation

Board and Committee operational running is currently led by the IFI Board Secretariat and Compliance Manager. From our review of sample minutes and attendance at September 2023 Board and Audit & Risk Committee, we observed the following:

- In the absence of the previous Board and Sub-Committee structures, as previously noted, the Board and Audit & Risk Committee currently meet on a monthly basis. This requires significant administrative input for the collation of papers, and monitoring of follow-up of actions.
- Both meetings are held on the same day and often 2-3 hours each in duration.
- Packs and number of agenda items for both meetings are lengthy – with one Board meeting noting 47 items for consideration.

We also note that the Board Secretariat and Compliance Manager holds responsibility for additional functions, and currently has vacant roles within her remit (including Freedom of Information Officer).

Recommendation

We recommend that a refresh is undertaken regarding the operational running, frequency and administration of Board and Sub-Committee meetings. This will set the tone and expectations going forward. Consideration should be given to the following:

- Review of the current role of the Board Secretariat and Compliance Manager against capacity and other responsibilities, particularly in light of recommendations raised in this report.
- Formal training of the Board Secretariat(s) and allocation of duties to support the Board, its Sub-Committees, as well as SMT meetings.
- The potential use of electronic tools, such as Diligent or Reading Room, to support the collaborative uploading and review of documentation, and issue of papers to Board and SMT Members.
- The cadence of Board and Sub-Committee meetings. There should be a focus on agendas and the quality of information being provided to Board and its Sub-Committees, together with the role of Secretariat to these forums (as previously noted in Recommendation 2).
- Identification of pre-work and reading required by Board Members so to reduce explanations and areas of non-focus at meetings.
- Clear identification of documents 'taken as read' or 'for decision-making' or 'approval' (in-line with agreed scheme of delegation).
- Frequency and timing of meetings to ensure optimal attendance and contribution.

Time-Frame:
Beyond (0-12 months)

2.9 Provision of Independent Assurances

Observation

Throughout our engagement we were provided with a large volume of reports and outcomes from independent reviews. These included reports from the following:

- Internal Audit (which is provided by an out-sourced supplier)
- Workforce Planning Review
- Departmental Functional Reviews
- Special Reviews (for example Conleth Bradley Review)

A full list is provided in Appendix A to this report.

From our stakeholder engagement, we identified a fatigue or weariness regarding external reviews, with particular concern regarding the process and rationale for reviews (in particular internal audit) and scope identification. We also noted an inconsistent process for the ongoing sign-off and acceptance of recommendations, and tracking of effective levels of implementation of recommendations and action plans.

In relation to the provision of internal audit, we also noted a lack of clarity on the accountable officer for Internal Audit at IFI. Currently, an out-sourced provider has been appointed to provide IFI with Internal Audit services. The role of Head of Internal Audit is extremely important and is a key aspect of the provision of independent assurances to IFI, in its dual reporting function to the CEO ,as Accounting Officer and to the Audit and Risk Committee (as delegated by the Board).

In addition, effective internal audit plans should be closely aligned to the key risks facing the organisation and ensure that an annual review of controls, is undertaken to adequately comply with the requirements of the Code. As noted at Recommendation 2.10, there is further work to do to develop the maturity of IFI's approach to risk management and provision of assurances (refer to recommendation 2.11). The internal audit plan should therefore be challenged to ensure that it has adequate coverage over the key areas of risk facing IFI.

Failure to appropriately plan, structure and agree focus for review and assessment has resulted in our opinion a fear and uncertainty regarding the inherent high value of such activities to the effective oversight of the organisation's strategy and processes, particularly with regards to internal audit.

Recommendation

We recommend that consideration is given to the effective use of external assessment and audit for the collaborative improvement and enhancement of the organisation.

In addition, we recommend that urgent clarity should be sought on the accountable officer for Internal Audit at IFI. This individual should be appropriately experienced and qualified to undertake this role.

The protocol for internal audit planning, engagement and execution should be agreed and clarified by Senior Management, and the Audit & Risk Committee, and a programme of work is agreed which is risk based and focused on areas of greatest need and importance to IFI.

We also recommend that a formal process is established for the tracking and follow-up of all relevant review and assurance related recommendations, with appropriate reporting to the SMT and to the Audit & Risk Committee (on behalf of the Board).

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Beyond (0-12 months)

2.10 Risk Management

Observation

At the time of our review we noted active developments in the Risk Management process across IFI under the direction and guidance of the S18 Appointees. This includes the creation of an Executive Risk Management Committee.

From our engagement with stakeholders and review of documentation, we noted that whilst a risk management process is in place including the existence of risk registers at various levels, we do not consider that the risk management process is clearly understood and embedded. For example:

- Key risks are not aligned to IFI objectives nor are they monitored consistently.
- Many stakeholders who we met with confirmed the existence of risk registers but were unclear of the process for updating and reviewing, often considering this to be a central administrative task.
- Whilst all were able to outline and discuss key risks facing their particular function, they were unsure if these risks had been captured/monitored/effectively managed in their risk register. In addition, they were unclear of risks facing other parts of the organisation.
- Risk updates to Board and Audit & Risk Committee are not consistent, succinct or clear, which may result in the loss of focus or key areas of need or support.

Recommendation

We acknowledge that risk is very much at the forefront of the minds of many individuals across IFI. However, we do not consider that the process of risk management, recording and escalating is effectively managed and executed.

We recommend that a programme of work to develop and implement an effective and robust risk management framework to support IFI is commenced. This may cover the following matters:

- Design governance and reporting structures, focussing on alignment of Risk Management with IFI's Strategic and Business Planning Process and existing governance structures.
- Review existing risk register templates to ensure that these are fit for purpose and consistently applied across IFI.
- Review and refresh IFI's risk management policies to support the implementation of the new risk management framework.
- Develop appropriate administrative and support structures to support the new framework.
- Deliver a training programme on risk management, to cover risk terminology and best practice and with the purpose to undertake a refresh of the content of each risk register.
- The roll out of risk management training across the IFI. This may tailored and tiered on the basis of foundation and advanced levels, depending on the training recipients.
- Ensuring that risk management is on the agenda and is appropriately discussed at SMT, SLT, Audit and Risk Committee and Board meetings.

2.0 Detailed findings and recommendations (cont.)

Time-Frame:
Beyond (0-12 months)

2.11 Governance Assessment Framework

Observation

Within our review, we noted a number of existing practices for self-assessment or external assessment of IFI Board or Sub-Committees. This included Board surveys, and in 2017 and again in 2021, externally commissioned assessments of Board effectiveness. This is good practice if performed effectively.

In addition, whilst a process for the signing of 'Statements of Assurance' are in place for Heads of Function, these are not deemed to be considered effective, nor are they well recognised or known across the organisation.

Recommendation

We recommend the development and embedding of a formalised governance assessment framework for IFI. This framework would formally set out the structures and requirements to ensure on-going monitoring and review of the performance and effectiveness of governance arrangements across IFI in an agreed and transparent manner. This recommendation should be read within the wider context of the recommendations previously made in this report. This could include the following points:

- Self-assessment review and analysis of Board and Sub-Committee performance.
- Regular external assessment of the Board (at least every 5 years).
- Review and improvements to the current Statement of Assurance process, ensuring that Heads of Function can use this in a collaborative and open manner. Training should be provided on the completion of these assurance statements.
- Consideration of the development of an assurance framework for IFI, which would clearly set out the range of assurances (both internal and external to IFI) which are provided and ensure that any assurance 'gaps' are identified and resolved appropriately. This framework should complement the recent implementation of assurance statements required by each member of the SMT (as noted above).

We also recommend that DECC should also be engaged in a governance assessment of Board and Committee effectiveness and evaluation going forward, including the performance management of appointed Members..

Section 3.0

Appendices

3.0 Appendices

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Appendix A: Documentation reviewed

	Documents
1	Inland Fisheries Act (2010)
2	Independent (Conleth Bradley SC) Review of Board of IFI 2022 Report, Appointment and Terms of Reference
3	IFI Board Terms of Reference
4	IFI Board Reserved Matters
5	IFI Board Code of Business Conduct
6	IFI Board Meeting Papers – 2021, 2022, 2023
7	Matters delegated to the Executive of IFI
8	DECC/IFI Oversight Agreement 2023-2025
9	DECC/IFI Performance Delivery Agreement 2023-2025
10	IFI Corporate Plan 2021-2025
11	IFI Organogram/Staffing Matrix
12	IFI Business Plan 2023 Q1 & Q2
13	IFI Corporate Risk Register May 2023 & June 2023
14	Clarion ICT Function Review Sept 2023
15	Clarion Business Development Function Review Feb 2022
16	Clarion Human Resources Function Review Oct 2022
17	C&AG Management Letters 2020 & 2021
18	Internal Audit Plan 2021
19	Internal Audit Report Energy Usage 2021
20	Internal Audit Report Review of Dormant Accounts Funding 2021
21	Internal Audit Report Review of Research and Development 2021
22	Internal Audit Report Review of HR and Workforce Planning 2021
23	Internal Audit Report Review of System of Internal Financial Control 2021
24	Internal Audit Recommendations Report 2021
25	Internal Audit Programme 2022
26	Internal Audit Report Review of System of Internal Financial Control 2022
27	Internal Audit Review of Aasleagh Lodge & Cottages 2022-23

	Documents
28	Internal Audit Programme 2023
29	Statements of Assurance for Heads of Function 2022
30	Notification of Special Audit Letter May 2022
31	IFI Workforce Plan and Business Case July 2022 Mazars
32	Audit & Risk Committee Papers September 2023
33	Property Sub-Committee ToR, Sample Minutes and Actions Log
34	Fish Farm Expert Steering Group ToR, Sample Minutes and Agendas
35	Joint Fish Farm Working Group ToR and Sample Minutes
36	HR Sub-Committee ToR and Sample Minutes
37	Review of Board Governance Policies (2021)
38	IFI draft Management Letter 2021 with Management Response
39	IFI Audit Report and Financial statements
40	Statement of Board Members Responsibilities (Updated Nov 2018)
41	IFI Standing Orders March 2021
42	Induction Packs 2019
43	Register of Interests 2022 & 2023
44	Conflict of Interest Policy and Procedures 2020
45	Gift Register 2022
46	Risk Registers
47	Risk Management Policy
48	IFI Board & Committee Meeting Attendance
49	IFI & DECC sample correspondence
50	DECC Governance Minutes
51	Data Management Standards and Plan
52	Protected Disclosures Policy V3.1
53	Additional correspondence received from stakeholder post-meetings

Appendix B: Stakeholders

	Role
1	S18 Appointee
2	S18 Appointee
3	DECC, Assistant Secretary General
4	DECC Principal Officer, Inland Fisheries Division
5	IFI Chief Executive Officer
6	IFII Head of HR, SMT
7	IFI Head of Operations, SMT
8	IFI Head of Research & Development, SMT
9	IFI Head of Finance & Corporate Governance, SMT
10	Head of ICT, SMT
11	River Basin District (RBD) Director, Eastern & Neagh/ Bann, SLT
12	RBD Director, North Western, SLT
13	RBD Director, Western Ballina, SLT
14	RBD Director, Shannon, SLT
15	RBD Director, South Eastern, SLT

	Role
16	Senior Research Officer R&D, SLT
17	Senior Research Officer R&D, SLT
18	Senior Research Officer R&D, SLT
19	Senior Research Officer R&D, SLT
20	Senior Research Officer R&D, SLT
21	IFI Data Manager
22	Finance Director, SLT
23	Logistics Manager, SLT
24	Field Services Manager, SLT
25	Communications Manager, SLT
26	Board Secretariat and Compliance Manager
27	Learning and Development, SLT
28	Director, Development Programme, SLT
29	Senior Research Officer R&D, SLT

Appendix C: Summary Governance Structure of IFI

Department for Environment, Climate & Communications

- Inland Fisheries Act (2010)
- Oversight Agreement
- Performance Delivery Agreement
- Code of Practice (2016)
- Board Appointments
- Quarterly Governance Meetings

IFI Board & Committee Structure

- IFI Board
- Audit & Risk Committee
- Strategic HR Sub-Committee (temporarily suspended)
- Property Sub-Committee (temporarily suspended)
- Working/Steering Groups (as required)

Internal Governance Arrangements

- CEO, SMT & SLT
- Governance Policies and Procedures
- Statement of Assurances
- Audit & Independent Review

Appendix D: Abbreviations

Abbreviation	Definition
IFI	Inland Fisheries Ireland
DECC	Department of Environment, Climate and Communications
EY	Ernst & Young
EU	European Union
CEO	Chief Executive Officer
SMT	Senior Management Team
SLT	Senior Leadership Team
RBD	River Basin District
R&D	Research & Development
RO	Senior Research Officer
HR	Human Resources
ICT	Information & Communications Technology
ToR	Terms of Reference
C&AG	Comptroller and Auditor General
PAC	Public Accounts Committee

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