

**MINUTES OF THE OFMDFM DEPARTMENTAL BOARD MEETING
ON 22 MARCH 2006**

- PRESENT:** Nigel Hamilton (Chair), Mary Bunting,
Frank Cushnahan, Rosalie Flanagan,
Billy Gamble, Deirdre Kenny, Jackie Kerr,
Denis McCartney, Greg McConnell and
Paul Sweeney.
- IN ATTENDANCE:** Claire Archbold, Mark Higgins (Secretary) and
Ciaran Murphy.
- APOLOGIES:** George Gray and Stephen Grimason.

Welcome and Tributes

The Board welcomed Deirdre Kenny to her first meeting as Director of Corporate Services with effect from 20 March 2006 and wished her well in her new post.

The Board offered congratulations to Paul Sweeney on his recent promotion to Permanent Secretary, in the Department of Culture, Arts and Leisure. The Board also thanked him for his invaluable contribution to the Board, his role as Accounting Officer and his work as director covering the reinvestment and reform initiative, corporate services, the Brussels Office and Washington Bureau and acting director for the economic policy and public service directorate.

The Board paid tribute to Greg McConnell and his team for their work on the Review of Public Administration (RPA), including the support his team provided to the panel of independent experts and the day to day work they carried out which led to the final decisions on the RPA announced by the Secretary of State on 21.3.06

Minutes of Last Meeting

1. The minutes of the meetings held on 9 February 2006 were agreed as amended.

Matters Arising

2. There were no matters arising from the previous meeting.

STANDING ITEMS

Assembly Issues

3. Rosalie Flanagan reported on potential political developments.

Departmental Board Forward Plan

4. The Board approved the updates to the plan which would be circulated with the request for agenda items for the April 2006 Departmental Board meeting.

Finance and Accountability

5. Jackie Kerr tabled a report on provisional outturn information which detailed expenditure split by Directorate, between administration and resource costs for April 2005 to February 2006. An analysis of underspends against budget holders profiles for year end at March 2006 was also included. The report outlined February 2006 in-year monitoring information including detail on declared reduced requirements across various programmes, projects and business areas.
6. Mrs Kerr advised that work was underway with Budget Holders to agree and set Budgets for 2006-07 and that salary budgets are being set and based on actual staff-in-post figures. The

intention is to create an administration departmental reserve from which budgetary cover can be allocated for approved posts as they are filled. The departmental reserve will need to be bolstered by savings achieved through the delivery of workforce planning reductions during the year. The success of this approach will depend to a large extent on the identification and quick delivery of staffing reductions. It was agreed therefore that Corporate Services and Finance Division would provide the April and subsequent Board meetings with papers outlining the up to date position on progress with workforce planning commitments and related financial implications. **Action: Deirdre Kenny and Jackie Kerr.**

7. Mrs Kerr also advised that other new and additional administration costs pressures have been identified in respect of a range of NICS wide reform initiatives which would impact in the 2006-07 financial year. In most cases there will be an additional cost to the Department over the existing administration cost provision.

8. Mrs Kerr explained that Resource budgets have been proposed on the basis of projected spend, taking account of previous years' outturn trends, which will also create a resource departmental reserve. A decision on Resource budgets will be required in time for the June monitoring round and the Board would be advised on final quantum and implications of both Administration and Resource reserves at its April meeting.

9. The Board noted the financial report and discussed the key points including areas of underspend, forecasts for year-end outturn on administration costs and the implications of both Administration and Resource reserves which would be discussed at its April meeting. Mr Hamilton emphasised that any budgetary assumptions made by Directorates in terms of forecast year end accruals etc must be delivered.
10. The financial report also outlined the purpose and current position in respect of 2005/06 pay remits for the Department's Non-Departmental Public Bodies (NDPBs) which they are required to submit to DFP/Secretary of State for approval of pay settlements.
11. The Board also noted that Finance Divisions training courses had been well attended by staff and of the feedback comments received, 86% rated the training as good or very good.
12. The report also outlined OFMDFM's prompt payment performance for the month of February at 98% and for the financial year to 28 February was 93%.

Faster Closing

13. Jackie Kerr tabled an updated plan and timetable on faster closing of financial statements for 2005/06, 2006/07 and 2007/08 financial years. The Board noted the target dates and current status of tasks for the preparation and audit of those financial statements.

NIAO Memorandum of Matters Arising

14. Jackie Kerr tabled an updated schedule of actions taken to date and proposed actions to address the NIAO recommendations arising from the audit of the department's financial statements for the year ended 31 March 2005. The Board noted key NIAO recommendations including a previous Audit Committee discussion on the high number of suspense accounts which had now been addressed by setting a target to limit the number of such accounts.

7.3.06 Audit Committee meeting

15. Frank Cushnahan outlined key points arising from the 7.3.06 Audit Committee meeting, including a standing item on financial matters which had been addressed earlier in the meeting. He advised that the Committee also discussed lessons to learn from the Northern Ireland Audit office (NIAO) report and Public Accounts Committee (PAC) hearing on the Emerging Business Trust. The report and hearing had raised concerns about governance issues and conflicts of interest. The Committee also reviewed the Corporate Risk Register and received an update from the NIAO on its work in progress.
16. The Committee meeting was also attended by David Thomson, Treasury Officer of Accounts, DFP who led a detailed discussion on corporate governance, financial skills training and related matters. It was agreed that minutes of Audit Committee meetings would be circulated to Board members. **Action: Audit Committee Secretary.**

Freedom of Information (FOI) Update

17. Ciaran Murphy, Departmental Information Manager provided an update on FOI requests received to 17 March 2006 which showed that 93 % had been completed and of those 98% within the 20 day statutory time limit. Ciaran also reported a noticeable increase in the number of requests received during the last quarter of 2005 which has continued during 2006. The Board discussed the need to continue to give priority to requests and to continue to maintain its excellent performance record for response times. An e-mail will be sent to staff at Grade 7 level and above to highlight this issue. The Board also discussed awareness of the type of requests received and agreed that requests should be copied to directors for information. Mr Murphy would undertake an exercise to gauge the impact of FOI on OFMDFM's affiliated bodies for the information of Board members. **Action: Ciaran Murphy.**

Managing Attendance

18. Deirdre Kenny reported on the Department's absenteeism statistics for January 2006 which showed a slight increase to 4.7% in January from 3.4% in December but that seasonal upwards trend at this time of the year would seem to reflect a fairly normal pattern. Mrs Kenny advised that Personnel Division would continue to monitor absenteeism carefully and take action where necessary.

Workforce Planning

19. Paul Sweeney tabled a paper which summarised the current position in relation to the Department's workforce planning

commitments. The Board noted the requirements for directorates to critically examine vacant posts and guard against increases resulting from new areas of work, which must be offset by reductions elsewhere. It was agreed that Deirdre Kenny would provide updated information to the April Departmental Board on, "proposed reductions in posts" for all directorates for the financial years 2006-07 and 2007-08 as part of the joint Corporate Services/Finance Division paper outlined at paragraph 6 above. **Action: Deirdre Kenny.**

Draft 2006-07 Business Plan

20. Paul Sweeney tabled a draft 2006-07 Business Plan which had been compiled from inputs received from Directors. It was agreed that Directors should provide final contributions to Corporate Services Division for the 2006-07 Business Plan by 31.3.06 to enable it to be submitted for final approval by the Board and submission to the Minister for publication as early as possible in April 2006.

21. The Board also noted a paper by Jackie Kerr which she circulated to Board members in advance of the meeting. The paper contained some initial observations and proposals to critically review the format and content of the Department's future annual plans. The Board agreed that Mrs Kerr's proposals provided a useful basis for further work by a sub-group, to include, initially, Jackie Kerr, Deirdre Kenny and Paul Sweeney's replacement. The sub-group would look at the 2006/07 business plan in light of Jackie Kerr's paper, including ways in which it might be improved within the times available but its main focus would be

to examine the Department's approach to business planning, including the content and format of the 2007-08 Business Plan and provide a paper to the September 2006 Board on recommendations for the way forward. **Action: Business Planning Sub-Group.**

Report on Review of Equality Scheme

22. Billy Gamble tabled a paper on OFMDFM's Equality Scheme Review Report. The Board was invited to approve the submission of the report to the Equality Commission. Claire Archbold provided an outline of the background to the review and explained that the Department was required, under Schedule 9 to the Northern Ireland Act 1998, to review its Equality Scheme five years after implementation and to submit a report on this review to the Equality Commission. The report fulfilled that statutory obligation.
23. Claire explained that the Department has made significant progress in implementing section 75 in the last five years and has comprehensive systems in place for operating the duties and a significant degree of institutional learning has taken place, although there is also room for more improvement. The report identified those areas for improvement and outlined the next steps in the process.
24. The Board congratulated Billy Gamble and his team on a comprehensive and professional report and approved the issue of the report to the Equality Commission.

Tour De Table

25. Billy Gamble reported on progress towards the new 10-year strategy for children and young people and a related Written Ministerial statement by the Secretary of State on 21.3.06 on significant child protection measures. These included steps to strengthen the sex offences law, new vetting and barring arrangements and a single Regional Safeguarding Board
26. Denis McCartney requested that as head of the Departmental Solicitors Office he should be kept informed of FOI requests and related issues. He also reported on a recent judicial review decision in relation to employment agencies and employment rights which is being considered in terms of the implications for employers.
27. Paul Sweeney reported on developments on the appointment of a new Chief Executive to the Ilex Regeneration Company.
28. Greg McConnell updated the Board on the most recent announcement by the Secretary of State on the final decisions on the Review of Public Administration (RPA) which reported on a reduction in the number of public bodies, i.e. executive agencies and NDPBs, mainly by merging bodies or transferring complete functions to local or central government. He also advised that the Local Government Boundaries (Northern Ireland) Order 2006, which is relative to RPA decisions, would be laid on 22.3.06 and the Northern Ireland Grand Committee would be meeting on 28.3.06 to discuss the RPA.

29. Mary Bunting reported on a reception in the Navan Centre on 7.3.06 to acknowledge the invaluable contribution that Board Members of the North/South Implementation Bodies and Tourism Ireland Limited had made to the work of those organisations. The Secretary of State and Dermot Ahern, Irish Minister for Foreign Affairs attended the successful event.

Any Other Business

Senior Management Group (SMG)

30. Paul Sweeney reported on two matters arising from the 16.3.06 SMG meeting for the Board to note, i.e. Parliamentary Questions (PQ) and proposed guest speakers to address SMG. He advised that Assembly Section had issued PQ statistics to Board members in advance of the meeting which indicated that OFMDFM answered the fewest number of questions on time. The Board noted the statistics and Assembly Section's plans to examine recent PQs and identify the main reasons for lateness and lessons to learn for improving performance
31. Mr Sweeney also advised that SMG had proposed that a number of speakers, including Frank Cushnahan, are invited to attend a SMG quarterly meeting to share their experience and expertise. Mr Cushnahan accepted the invitation and it was agreed that Corporate Services would liaise with his office on the timing and content of his session. Corporate Services would also take forward the arrangements to identify two other speakers to present relevant topics at separate SMG meetings. **Action: Corporate Services Division.**

DB 02/03/06

Date of Next Meeting

32. The next meeting would be held on Tuesday 25.4.06 at 10.45 a.m. in the 5th Floor Conference Room E5.27, Castle Buildings. The Board meeting would be preceded by an Audit Committee meeting.

Mark Higgins

Secretary

28 March 2006