

**MINUTES OF THE OFMDFM DEPARTMENTAL BOARD MEETING  
ON 19 SEPTEMBER 2006**

- PRESENT:** John McMillen (Chair – Agenda Items 1 to 5c);  
Mary Bunting, (Chair – Agenda Items 5c to A.O.B.);  
Frank Cushnahan, Rosalie Flanagan, Billy Gamble,  
Stephen Grimason, David Hanson (Minister of State),  
Deirdre Kenny and Jackie Kerr.
- IN ATTENDANCE:** Mark Higgins (Secretary),  
Kathryn Menary (PS to David Hanson)
- APOLOGIES:** George Gray, Nigel Hamilton and Denis McCartney.

**Welcome and Introductions**

1. Mr. McMillen welcomed the Minister of State, David Hanson, to the meeting for the agenda items on Business Planning and Comprehensive Spending Review 2007 and introduced the Departmental Board members who briefly outlined their areas of responsibility.

**Business Planning**

2. Mr McMillen explained that the main focus of the meeting would be to examine ways of improving the Department's business planning for the 2007-08 and beyond and to engage the Minister at an early stage of that process. Deirdre Kenny outlined the key issues, identified by a Departmental Board sub-group for business planning, which were previously disseminated to the Minister and Board members.

3. The Minister indicated that he would be interested in being involved in the development of the plans and he provided the Board with his view of the overall aim of the Department, i.e. to set a central, co-ordinating and overarching vision for government. He proposed that aim could be the basis for a future corporate and business plan which the Board should take the lead in developing, by deciding key priorities now. He concurred with the sub-group's initial proposal to produce 5 or 6 overarching targets and emanating from that, a small number of relevant targets.
  
4. The Board members contributed to a general discussion on how the business planning process could be taken forward in the context of the Minister's advice on an overall aim, the Board's leading role and the sub-group's initial recommendations. Mr Cushnahan stated that his approach to corporate planning concurred with the Minister's view and he emphasised that the planning process requires a high level of inclusiveness from all Departmental senior managers so as to achieve accountability for the outcomes. He also highlighted the importance of a business planning timetable and the need to include relevant financial performance measurements and related key performance indicators within the business planning process.
  
5. The Board agreed with the Minister's overall aim and his outline of effective corporate and business planning, including the need for the Board to take ownership, lead the process and take account of the key principles provided by Mr Cushnahan. It was agreed that the business planning sub-group would develop the

Minister's overall aim, take the process forward with Nigel Hamilton and produce a timetable and an outline strategy for consideration by the Board. The sub-group would report progress to the October Board meeting and the Board would then develop, for example through an away day or similar mechanism, a corporate and business plan. **Action: Departmental Board & Business Planning Sub-Group.**

6. The Minister indicated that he would welcome the opportunity to be kept up to date and involved in the development of the corporate and business plan.

#### **Comprehensive Spending Review (CSR) 2007**

7. Jackie Kerr explained that CSR 07 has commenced and the Department of Finance and Personnel (DFP) had requested options from Departments on how they intend to meet their respective efficiency savings targets. Mrs Kerr advised that Budget Holders and Directors have identified, over the CSR period, efficiencies cash releasing savings, administration cost reductions and cumulative reductions in the administration budgets of all sponsored bodies. Following Ministerial approval those broad, potential, efficiency proposals for CSR 2007 have been forwarded to DFP for consideration to meet the Department's efficiency target obligations.
8. The Board noted the challenges presented by the Department's CSR 2007 efficiency obligations and the relationship between that and the Department's corporate and business planning.

### **Minutes of Last Meeting**

9. The minutes of the meeting held on 24 August 2006 were agreed as amended.

### **Matters Arising**

10. Deirdre Kenny reported that the Department, along with other NICS Departments, is required to achieve Investors in People (IIP) corporate recognition by the end March 2007. In preparation for OFMDFM's application and as agreed by the Departmental Board, Gerry O'Neill, DFP will lead a half day workshop for senior staff on 15 November 2006. John McMillen reported that the, "Taking Our Place in Europe" strategy would be launched by the Minister at the Competitive Cities conference in the Waterfront Hall on 16 October 2006. Other matters arising were dealt with under the appropriate agenda items, i.e. Item 5 (d) Account NI and Item 6, Departmental Conference.

### **STANDING ITEMS**

#### **Assembly Issues**

11. Rosalie Flanagan reported that 11 to 13 October 2006 have been set as the dates for the political talks in Scotland and advised that the Preparation for Government Committee (PfGC) will publish two further reports within the next week following their first report on Economic Challenges Facing Northern Ireland. The Committee's second report, on Law and Order Issues will publish on 19.9.06 and their third report, on Rights, Safeguards, Equality Issues and Victims will publish next week.

### **Forward Plan**

12. The Forward Plan was noted and no additional items were added.

### **Resource Planning**

13. Deirdre Kenny and Jackie Kerr tabled a combined HR/Financial Analysis paper, incorporating Workforce Planning updates at 1<sup>st</sup> September 2006. The Board noted the key issues identified in the Resource Planning paper in respect of pressures on the Administration Cost reserves and bids, current vacancies, the potential impact of restored devolution and the Comprehensive Spending Review 2007.
14. The Board approved the paper's recommendation that decisions to fill vacancies are only made on the basis that the necessary recurrent financial cover exists for filling the post. The Board also approved the use of a Vacancy Notification Form which must be submitted to Personnel before any vacancy is added to the Department's vacancy list. The form provides confirmation from the relevant Head of Division that headcount and administration cover exists for a vacancy.
15. It was noted that Mr Hamilton, Mr McMillen, Mrs Kerr and Mrs Kenny would meet shortly to give further consideration to the management of the Administration Cost, headcount and staffing pressures within the Department.

## **Finance**

16. Jackie Kerr tabled a financial report that summarised outturn information for the year up to and including August 2006 and an analysis based on provisional outturn information with comparisons made against Budget Holders profiled budgets for administration and resource costs. She explained that this was the first resource based (accruals) management report which will be provided to the Board on a quarterly basis. A report showing outturn against budget for capital spend has been added to the Board's monthly finance pack which will be continuously improved to provide better accruals information and analysis. The Board welcomed the additional Management Accounts information as helpful and comprehensive management information which would assist budget holders.
  
17. The Board noted that for the October monitoring round the emphasis will be on the surrender of reduced requirements and it is highly unlikely that any bids will be met. Directors and their Budget Holders are asked to critically assess their allocated budget, identify surplus resources and make appropriate surrenders in the October Monitoring round.
  
18. Jackie Kerr tabled an implementation project plan provided by Account NI which outlined their timetable for the new Accounting and Shared Service arrangements, being established under the Account NI project, in July 2007. The Board noted that concerns had been raised with DFP, by Jackie Kerr and more recently John McMillen, regarding the feasibility of meeting the Account NI

timetables and project plans within current Finance Division resources. DFP were also made aware of the combined impact of other ongoing major projects such as eHR, Workplace 2010, and ERDMS. The Board noted the responses to those concerns from DFP officials and proposed that John McMillen raise the matter with Nigel Hamilton. **Action: John McMillen**

### **Audit Committee Annual Report**

19. Frank Cushnahan tabled for the information of the Board, his first annual report as Chairman of the Audit Committee. The report summarised the performance and key achievements of the Committee during the 2005/06 financial year. The report included the review of 2005/06 financial statements, faster closing, corporate governance issues, financial training, internal and external audit assurance, and highlighted key issues to be addressed by the Committee in 2006/07. The Board thanked Mr Cushnahan for the report as a useful and informative document and welcomed his overview that good progress had been made to excellent effect by the Committee and the Board in the reporting period.

### **Fraud**

20. Jackie Kerr advised that there were no current issues to report.

### **Freedom of Information (FOI)**

21. Deirdre Kenny advised that there were no current issues to report.

### **Managing Attendance**

22. Deirdre Kenny provided a brief verbal report on OFMDFM attendance figures for July 2006 which had increased slightly but the overall trend shows OFMDFM has consistently one of the lowest absence rates in the NICS over the reporting period

### **Staff Conference**

23. As a result of a previous board discussion, Deirdre Kenny tabled a paper which proposed that a Departmental staff conference is held in January 2007. The Board approved that proposal and an appropriate theme about a vision for the future. It was agreed that Deirdre Kenny would submit further outline proposals to the October 2006 Board on the content and format of the event

**Action: Deirdre Kenny.**

### **ANY OTHER BUSINESS**

#### **Electronic – Human Resources(E-HR) Project**

24. Deirdre Kenny explained that the Oracle HR system requires, as a baseline, full details of an organisation's structure to enable it to operate. This means that every NICS post (including vacancies) and its reporting line, must be identified and built into the system at an early stage. Once the structure is in place, it must then be populated, by entering the personal details of each postholder.

25. The OFMDFM eHR Business Change Co-ordinator has pre-populated a lot of the information on behalf of each division of OFMDFM but some of the elements, e.g. individual reporting lines, are not held centrally. Over the next week or two, Deirdre Kenny will circulate pre-populated spreadsheets to all Heads of Division to check and update information for their Division. This exercise must be completed and returned to central eHR by mid-October.
26. This is vitally important stage of the eHR project and Directors are asked to give every support in getting this exercise checked by Heads of Division and back on time to meet these deadlines.

#### **Macmillan Coffee Morning**

27. Deidre Kenny informed the meeting that Corporate Services were holding their annual coffee morning on 29.9.06 in Room E.4 02, Castle Buildings in support of Macmillan Cancer Relief's "World's Biggest Coffee Morning" event.

#### **Date of Next Meeting**

28. The next meeting was scheduled for 10.45 a.m. on Thursday 19 October 2006 in Room E4.02 Castle Buildings.

Mark Higgins

26.9.06