

**MINUTES OF THE OFMDFM DEPARTMENTAL BOARD MEETING
ON 18 JUNE 2008**

PRESENT: Sir Nigel Hamilton (Chair), Mary Bunting,
Frank Cushnahan, Rosalie Flanagan, George Gray,
Stephen Grimason, Jackie Kerr, Deirdre Kenny,
John McMillen and Eddie Rooney.

IN ATTENDANCE: Mark Higgins (Secretary).

APOLOGIES: None.

Minutes of Last Meeting

1. The minutes of the meeting held on 13.5.08 were agreed as amended.

Matters Arising

2. Updates to outstanding action points from previous meetings and recorded on the Action Points table were agreed. An updated table would be completed and issued with the draft minutes of the 18 June 2008 meeting. **Action: Board Secretary.**
3. Rosalie Flanagan reported that Assembly Section have put arrangements in place to assist in improving the Department's performance for answering Assembly Questions (AQs). These arrangements include various prompts and reminders from Assembly Section to policy officials and the Ministers Private Office of impending deadlines.
4. Rosalie thanked officials for the significant improvement in draft responses being submitted to the Private Office within the 3 day deadline, although she advised that further work

needs to be done to improve performance, including continued review and analysis of performance and identification of bottle necks and pressure points. The Board would be provided with further reports on the Department's performance in answering AOs.

Executive Business

5. Rosalie Flanagan reported on some changes on the arrival of the new First Minister, including those at Departmental Ministerial level and a new special adviser to the First Minister, Richard Bullick. Rosalie advised that the next Executive meeting on 19 June would be followed by the last two meetings, on 3 and 24 July, before the summer recess.
6. John McMillen reported that the Chair and some members of OFMDFM Committee had planned to visit the Office of the Executive in Brussels the following week. Sir Nigel reported that he was attending a Committee meeting on 2 July to provide them with the opportunity to discuss any matters before his retirement on 11 July 2008.

Departmental Board Strategic Planning Day

7. As agreed at the previous Board meeting members discussed holding a Board strategic planning day later in the year. It was agreed that a framework paper would be tabled at the next Board meeting which would set out the key themes for a planning day to be scheduled for August 2008. **Action: John McMillen.**

Forward Plan

8. The Board noted an updated Forward Plan and members provided further items for inclusion in the plan to December 2008. Members agreed with Eddie Rooney's proposal that the Plan should be issued to Directors (**Action: Secretary**) to consider, in particular, items for the, "Policy Issues" column of the Plan. **Action: Directors.**

Operational Plan 2007-08: Annual Outturn Report

9. Deirdre Kenny tabled a revised Annual Outturn Report which outlined progress and provided detail on performance against the Operational Plan targets for the year 1 April 2007 – 31 March 2008. Deirdre explained that a column has been added to the report for those targets that have not been achieved with text provided by business areas that explains the implications of non-achievement.
10. Jackie Kerr advised that the Department's Resource Accounts 2007-08: Annual Report should include, as an NIAO requirement, explanations for those PSA targets that were not achieved or were partially achieved with performance reported through the 2007-08 Operational Plan business targets.
11. It was agreed that Directors would provide final urgent comments before the end of the week on performance against the targets and on the implications for those targets that were not achieved. **Action: Directors.** The latter explanations would also provide the necessary performance information on PSA targets for the Resource Accounts 2007-08, Annual Report. A simplified classification was agreed for targets, i.e.

targets would be described as achieved, not achieved or not achieved but likely to be achieved by a specified time.

Resource Planning

12. Deirdre Kenny and Jackie Kerr tabled a joint Corporate Services/ Finance paper. The paper provided details of the number of staff in post at 392 (380 full time equivalent) and the number of vacancies at 25, along with an update on the position regarding the vacant posts. Directors were asked to critically review and advise Deirdre Kenny urgently of any vacancies that were not required to be filled. **Action: Directors.**

13. The paper also outlined the resource planning position for 2008 -09 financial year, including the administrative and Resource position. John McMillen advised that there may be resource pressures arising from OFMDFM's potential lead role in the context of Sir David Varney's Second Review report on the competitiveness of the Northern Ireland economy, should those recommendations be accepted by the Executive.

Financial Reports

14. Jackie Kerr tabled a financial report which detailed the key issues in financial performance including details on outturn information and variances against profiled budget for administration, resource and capital expenditure for April 2008. Other key issues covered in the paper, included forecasts for the 2008-09 year end outturn, an outline of the Department's proposals for June monitoring, the Department's prompt payment performance and progress on the timetable for faster closing which commits the

Department to a revised submission date to NIAO of the 30th June 2008.

15. An outturn performance review for the last 3 financial years, 2003-04 to 2007-08 by Directorate, was also included as requested by Frank Cushnahan, to enable the Board to critically review previous spending trends. That report included an analysis of OFMDFM final/provisional outturn and the percentage of opening and closing budget spend for the previous 3 years. It was agreed the report provided useful financial management information and identified that financial monitoring was robust. However it was noted that there was room for improvement in forecasting across the Department, particularly as the Committee for Finance and Personnel have recommended that a challenging target figure of 1% underspend should be set for current expenditure for all Departments.
16. The Board's discussion on outturn for April 2008 focused on variances and the need for budget holders to closely monitor and identify potential overspends and underspends and take quick remedial action. The Board noted with concern the drop in prompt payment performance, partly due to the ongoing difficulties with the transition to AccountNI which re-emphasised the need for Directors and budget holders to ensure payments are processed as quickly as possible.

Resource Accounts 2007-08: Draft Annual Report

17. It was agreed that Directors would review their input to the report with particular emphasis on the Future Events section

and provide urgent responses to Jackie Kerr to facilitate the finalisation of the report as soon as possible.

Audit Committee

18. Frank Cushnahan provided a report on the key issues that were discussed at the latest Audit Committee meeting held on 28 May 2008. The minutes of that meeting would be issued to Board members for information as soon as all Audit Committee members had provided comments. The secretary noted amendments by the Audit Committee chair to the latest draft minutes of that meeting and a number of points for action arising from that meeting.

Office of the Legislative Counsel (OLC)

19. Deirdre Kenny tabled a paper which asked the Board to agree a way forward to address immediate and long term staffing issues in OLC, including filling the Principal Legal Officers and Assistant Solicitor posts as soon as practicable. A number of recommendations were made including:
 - a) Permanent Secretaries should be advised of the need to ensure that Bill teams were properly resourced and to take a personal interest in ensuring that Instructions to the OLC were of good quality and provided in a timely manner
 - b) Oswyn Paulin would be asked again about the potential for DSO to play a role in the production of paper Instructions.
 - c) OFMDFM to ask the Head of Policy Profession for NICS to establish if there is a lack of expertise in the policy legislation

field and if so, to gauge the extent, and how it can be best addressed;

d) carry out an independent assessment of the training required for a drafter to allow valuable drafting resources to be freed up; and

e) investigate interchange/ remote working/ short term contracts from other jurisdictions.

20. George Gray outlined the resource difficulties as a result of a number of staff movements due to retirements, career breaks and maternity leave which will impact significantly on the OLC staff compliment. Jackie Kerr raised two points, firstly that attracting the necessary staff is essential and in that context a pay review is relevant and secondly a corporate recruitment approach may also be valuable in securing the required professional skills for OLC.

21. The Board agreed that the recommendations outlined at paragraph 19 above should be taken forward in conjunction with Jackie Kerr's two suggestions, at paragraph 20 above, on attracting the required level of professional skills for OLC.

Action: Deirdre Kenny. It was also agreed that this matter would be tabled for discussion, at the earliest opportunity, at a Permanent Secretary Group (PSG) meeting. **Action: George Gray.**

Annual Training Plan 2008-09

22. Deirdre Kenny tabled a paper on a proposed learning and development plan for the Department from August 2008 to end of March 2009. The Board approved the plan including

meeting the cost of the training plan in full and the allocation of additional funding for staff training. It was also agreed that Directors would review the annual training plan for their business areas and provide Training and Development Unit with any amendments they wish to make. **Action: Directors.**

23. The Board noted that the cost of cancellation due to non-attendance at courses remains high. It was agreed that Directors would raise awareness among their line managers about non-attendance and enforce a policy of attendance or very early cancellation to reduce cancellation costs.

Staff Annual Reports

24. Deirdre Kenny advised that a high number of annual reports for staff had not been returned by the required date. She reminded Directors that staff whose box markings were not recorded on HRMS by the end of June would not receive their pay award with the rest of the NICS. While it will be paid eventually, it is not possible at this stage to say when it will be paid. It was agreed that Directors would take active steps to ensure all outstanding reports are returned to Personnel as possible.

Freedom of Information (FOI)

25. Deirdre Kenny provided an outline of the current position which showed that the Department was continuing to perform well in meeting the statutory response time for FOI requests.

Business Change Programme: Highlight Report

26. The Board noted the monthly report on the various priority 1 projects within the Business Change Programme. Deirdre Kenny reported on the next important phase of HRConnect including the planned launch of non-industrial pay. Jackie Kerr requested that Directors ensure there is sufficient cover over the summer period to process payments through the AccountNI system.

ANY OTHER BUSINESS

NI Central Crisis Management Arrangements

27. Deirdre Kenny provided an outline of progress to date with the above arrangements and reported that the installation of the NI Central Crisis Management Suite was complete and testing of the system and equipment was ongoing.

Managing Attendance

28. Sir Nigel advised that the latest available sickness absence figures for April 2008, reported by Bruce Robinson at the 13 June 2008 PSG meeting, did not show an improvement for any Northern Ireland Department compared to the previous period. Directors agreed to convey that to their business areas and to continue to be proactive in managing attendance.

Visit of President Bush

29. Stephen Grimason reported on the recent visit of the President of the United States, George Bush to Northern Ireland. Stephen gave an outline of visit programme including the President's meeting with the First Minister, deputy First Minister, Prime Minister and the Taoiseach and a visit to an integrated school in east Belfast.

Sir Nigel's Retirement

30. Sir Nigel advised that as this was his last attendance at the Departmental Board before his retirement on 11 July 2008 he wished to use the opportunity to express his sincere thanks to the Board for their tolerance, support and hard work during his time as Head of the Department and Head of the Civil Service and to convey his gratitude to their staff for their dedication and support. Sir Nigel added that he felt privileged as Head of the Department and Head of the Civil Service in what was challenging times for everyone concerned. He expressed his gratitude for the collegiality of colleagues in meeting those challenges and for the achievements that have been made.

31. John McMillen expressed on behalf of the Departmental Board their thanks to Sir Nigel for the excellent leadership he has shown as Head of the Department and Head of the Civil Service, particularly during difficult times in Northern Ireland and his personal contribution in helping to achieve successful outcomes. On behalf of the Board, Mr McMillen offered his best wishes to Sir Nigel and his family on his retirement. Frank Cushnahan also offered his best wishes to Sir Nigel who, he stated, had shown a high level of integrity and inclusiveness as Head of the Department and Head of the Civil Service.

Date of Next Meeting

32. It was agreed to re-schedule the 31 July 2008 meeting to a date in early August. **Action: Secretary.**

Mark Higgins

26.6.08