

**MINUTES OF THE OFMDFM DEPARTMENTAL BOARD MEETING
ON 29 NOVEMBER 2007**

PRESENT: Nigel Hamilton (Chair), Frank Cushnahan,
Rosalie Flanagan, George Gray, Stephen Grimason,
Jackie Kerr, Deirdre Kenny, John McMillen,
Paul Priestly and Cynthia Smith.

IN ATTENDANCE: Mark Higgins (Secretary).

APOLOGIES: Mary Bunting

Minutes of Last Meeting

1. The minutes of the meeting held on 1 November 2007 were agreed as amended.

Matters Arising

2. Outstanding action points arising from previous meetings were discussed and amendments agreed. An updated action points table would be completed and issued with the draft minutes of the 29 November 2007 meeting. **Action: Board Secretary.**

Executive Business

3. Rosalie Flanagan provided an update on the work of the Executive and advised that the 6 December Executive meeting had been postponed to 18 December which had resulted in a long agenda.
4. Ms Flanagan reported on the planned visit of the First Minister and deputy First Minister to the USA in the first week of December. Stephen Grimason advised that there were early

indications that a close interest was being shown by the US media in the visit. An impressive programme was being developed in conjunction with the Northern Ireland Bureau in Washington for the visit including meetings with senior political and business leaders. Every opportunity was being made to promote Northern Ireland by the Northern Ireland Bureau in Washington with a clear focus on attracting inward investment.

5. Rosalie Flanagan provided an update on other matters including the weekly planning meetings with special advisers, which continued to evolve and prove useful in addressing key priority issues for the Department, and recent successful North/South sectoral meetings. She also advised on plans for North South plenary meetings and a British Irish Council meeting possibly in February 2008.
6. George Gray provided an outline of the key challenges in respect of the legislative programme.
7. Members also discussed other recent matters addressed by the Executive including the house fire tragedy involving the Omagh family and the media attention that incident attracted.

Corporate Governance

8. The Board noted two papers tabled by Paul Priestly on corporate governance, the first of which recommended the formation of a Departmental Board Finance Sub-Committee and the launch of the business planning process for 2008-09 in the Department. The Board agreed to the creation of a standing Finance sub-

committee with some minor amendments to the Committee's terms of reference that would refer to the job titles of members rather than their names. It was also agreed that the sub-committee would provide a progress report on its initial work to the January 2008 Departmental Board meeting. **Action: John McMillen.**

9. Paul Priestly explained that the launch of the business planning process for 2008-09 had a good start at the 28 November 2007 Senior Management Group (SMG) meeting which proved to be a very useful forum for the process. Initial feedback from SMG members had confirmed that they valued their involvement and the clarification provided on their role as senior managers in the process and the approach and timetable which the Board is adopting in preparing business plans at corporate and divisional/branch level. It was agreed that SMG would be used as a key mechanism for the involvement of senior managers in the business planning process and that a further meeting of SMG members would be arranged for mid or late January 2008 to take stock of progress in developing directorate/ divisional plans. **Action: John McMillen.**

10. Board members approved the business planning process and timetable outlined in Paul Priestly's paper and agreed that a minute should issue from Nigel Hamilton to Directors and Heads of Division to launch the process and strategic framework for the preparation of Directorate and Divisional business plans for 2008-09. **Action: Nigel Hamilton.**

11. That minute would outline the overall aim of the process to develop a hierarchy of plans, flowing from the Departmental Plan at the top, right down to individual performance agreements and personal development plans. The minute would also outline the approach which the Board is taking in preparing the Departmental Plan and Risk Management Plan for 2008-09; set the planning assumptions which Directors and Heads of Division should use in preparing their business plans; and outline the timetable for the preparation of Directorate and Divisional business plans for 2008-09.
12. Directors and Heads of Divisions would then begin to review their current plans and agree how they will work together to agree the indicative timetable for the process. The emphasis would be on the importance of involving staff at all levels to ensure that they can participate in setting objectives and priorities, and build skills and experience in business planning. This approach would also help to construct a clear line of sight from the Departmental Plan to individual performance agreements.
13. Members agreed that a key part of the Departmental Board's role in the business planning process is to provide leadership and direction for the Department. That responsibility would ensure that work is well-planned to achieve Ministerial objectives and priorities, that performance against plans is reviewed on a regular basis, progress is reported to Ministers and risks to the achievement of objectives are managed effectively.

14. Against this background, and as outlined in paragraphs 9 to 12 above it was agreed that the Board would take forward work to prepare the OFMDFM Departmental Plan and Risk Management Plan for 2008-09 and to adopt the Balanced Scorecard as the basis for the Departmental Plan, which it would like to see being used more widely across the Department. The aim is to have drafts of these available for consideration at the Board's meeting in January 2008, then to consult on the draft plans within the Department including engagement with Ministers and advisers and to launch the Departmental Plan and the Risk Management Plan by the start of the 2008-09 business year.
15. The second of Paul Priestly's papers on Corporate Governance sought the Board's agreement to how the Board should plan for the governance and delivery of the Public Service Agreements (PSAs) in the Programme for Government for which OFMDFM is likely to have lead responsibility. The Board agreed that the Department should lead on PSAs 7, 11 and 21 but should challenge DFP on the assumption that OFMDFM should lead on PSA 6 which may be regarded as more appropriate for DHSSPS as the lead Department.
16. The Board agreed the need to position OFMDFM as an 'exemplar' Department, i.e. giving leadership to the wider system given the role of the First Minister and deputy First Minister in the implementation of the Programme for Government (PfG). The Board noted the proposed governance and delivery arrangements for the PSAs including a lead Minister and a lead department for each PSA., a single senior official identified as

SRO having accountability for the delivery of each PSA, a Delivery Board for each PSA with the SRO and Delivery Board to be responsible for reporting progress to the lead Minister and the centre. At the centre, a joint OFMDFM / DFP Delivery Team would be responsible for monitoring and reporting progress against PfG commitments, key goals and PSAs, regularly to the Executive. The Board also noted the importance of having delivery plans in place for the start of 2008-09 financial year when the PSAs go live.

Forward Plan

17. The Board secretary tabled a revised forward plan to December 2008. Deirdre Kenny recommended FOI should be included in the Forward Plan as a standing Board item and to include the corporate risk register and Departmental training plan periodically. Members discussed the need to highlight key policy issues in the plan. It was agreed that the Chair and Board secretary would consider key priority policy issues for 2008 and circulate a revised Forward Plan to members for their consideration and comments for agreement. **Action: Nigel Hamilton and Mark Higgins.**

Resource Planning

18. The Board noted a joint paper from Deirdre Kenny and Jackie Kerr which summarised the current position for workforce planning and the administration budget for 2007-08. The key point from the paper was that the Department was on course to achieve its Fit for Purpose target of 389 full time posts by 31

March 2008 and that the administrative reserve position has improved since the previous Board meeting.

Financial Reports

19. The Board noted the financial outturn information provided in Jackie Kerr's monthly report. That report provided the summary financial outturn information to 31 October 2007 including variance analysis and performance to date, a summary of Departmental Reserve levels, and a summary on prompt payment performance. The Board noted the considerable improvement in prompt payment performance and the positive impact of AccountNI going live on 3 December 2007 would have on performance. The Board re-committed to encourage budget holders to continue to improve prompt payment performance, particularly by being proactive in the lead up to the Christmas season.

20. A copy of a paper to the OFMDFM Committee which outlined the Departments proposals for the December monitoring round was also tabled for information. Jackie Kerr advised that budget holders should continue to declare easements and that the outcome of December monitoring is critical, particularly in terms of the Spring 2008 Supplementary Estimate.

21. The Board discussed liability issues and the Department's responsibilities in respect of its sponsored bodies and the need to receive assurances from those bodies in terms of robust financialmanagement. It was agreed that those matters would

be addressed by the newly formed finance sub-committee of the Board. **Action: John McMillen.**

Efficiency Sub-Committee

22. The Board approved a proposed Terms of Reference for a sub-committee on efficiency in the context of the delivery of efficiency savings, based on 2007/08 baselines, across the 3-year budget period, 2008/09 to 2010/11 of £11.1 million. It was noted that OFMDFM's efficiency proposals must be finalised and agreed by Ministers by December 2007, for inclusion in the final Budget 2007 document. It was agreed that a further paper would be tabled at the December 2007 Board. **Action: John McMillen.**

Review of Fraud Policy

23. John McMillen reported that Damian Prince is undertaking a review of the Department's policies and procedures for dealing with fraud. The review is essentially examining the Department's policies, procedures and guidance and assessing them and other actions against the Treasury and DFP checklists of measures for detecting, investigating and handling fraud. It was agreed that a report on the outcome of that review would be provided to the December 2007 Board meeting. **Action: John McMillen.**

Managing Attendance

24. Deirdre Kenny provided an update report on managing attendance and advised that a quarterly report, covering July August and September 2007, has been submitted to Ministers;

statistics for October and November 2007 were not available from Northern Ireland Statistics and Research Agency. Mrs Kenny reported that Personnel had organised a pilot awareness session in November, targeted at line managers, which provided practical advice and guidance on recognising and dealing with staff under stress. Feedback from that session is being gathered and will indicate if the programme should be rolled out across the Department. Deirdre also advised that HRConnect would provide line managers with regular reports that would assist them in being proactive in managing attendance.

NI Risk Assessment

25. Deirdre Kenny tabled a paper, for the Board's information, on the outcome of the NI Risk Assessment. She explained that the process of risk assessment is a well-established means of identifying and managing risk across a wide range of disciplines. An integrated strategy for civil contingencies risk assessment has been introduced across the UK, using a standard methodology, based on international good practice. This is being deployed at UK, regional/Devolved Administration and local levels. The risk assessment carried out for Northern Ireland addresses hazards, which are natural and accidental risks. There is a separate UK-level assessment process for threats, which are terrorist risks. The assessment for each hazard has been placed on a matrix which plots likelihood against impact.
26. It is now the responsibility of all organisations to ensure that risks are appropriately managed. OFMDFM contributes to the risk assessment and management processes through policy co-

ordination and facilitation of a wide range of cross-cutting civil contingencies activities. The Board noted the actions already being taken to address risks and the need to continue to manage identified risks, including the need for Departments to consider what further steps they should take to manage the identified risks. It was agreed that the paper on NI Risk Assessment should be tabled at a Permanent Secretary Group meeting and Deirdre Kenny would liaise with the Executive Secretariat to consider options for informing the Executive about NI Risk Assessment. **Action: Deirdre Kenny.**

HRConnect

27. Deirdre Kenny tabled a paper re-submitted from the 1 November Board meeting on the re-organisation of OFMDFM Personnel in preparation for implementation of HRConnect in late 2007. Mrs Kenny advised that Personnel would contact all Directors shortly to explain the role of the newly appointed Human Resource (HR) Business Partners, Anne Birch and Gary Dempster who would be assigned responsibility for HR issues for specific business areas. The Board noted the new arrangements and agreed that they should be monitored over the transition period for the introduction of HRConnect.

Business Change Programme Highlight Report

28. The Board noted an updated report which summarised the various priority 1 reform projects within the Business Change Programme. Deirdre Kenny advised that DFP and OFMDFM went live with the initial launch of HRConnect on 21st November 2007. The Board discussed the AccountNI go live date of 3.12.07 for

that project and issues about the need to monitor the value for money aspect of reform projects in the context of the relatively small size of OFMDFM. It was noted that the Permanent Secretary Group (PSG) regularly addresses issues about reform projects and the Board would continue to re-visit value for money aspect of reform projects through regular business change highlight reports.

Any Other Business

29. Paul Priestly advised that a paper on Maze /Long Kesh site would be tabled at the 19.12.07 Board meeting.

30. Nigel Hamilton offered his congratulations on behalf of the Board to Paul Priestly on his appointment to Permanent Secretary to the Department for Regional Development with effect from 3rdDecember 2007. Mr Hamilton stated that, although Paul has only been in the Department for 6 months, he has made an enormous contribution to the work of OFMDFM especially on important work areas such as the Programme for Government and the Regeneration of the Maze/Long Kesh site. Departmental Board members concurred that he has also enthusiastically played a full role in the operation of the Board and wished him well in his post. In response Paul Priestly thanked the Board for their good wishes and expressed his gratitude to the Board and his Directorate colleagues for their invaluable support.

31. Mr Hamilton also expressed his gratitude to John McMillen who will take up responsibility for Paul's Directorate, in addition to his

current responsibilities, until a decision is made on the vacancy created by Paul's departure.

Review of Board Meeting

32. Members agreed that that the new format and structure of Board meetings continued to facilitate focused discussions and decision making on key priorities and that this approach was an evolving process.

Date of Next Meeting

33. The next meeting of the Board is scheduled for 10.15 a.m. on Thursday, 19 December 2007 in the Glass House, Stormont Castle.

Mark Higgins

5 December 2007