

**MINUTES OF THE OFMDFM DEPARTMENTAL BOARD MEETING
ON 31 MAY 2007**

- PRESENT:** Nigel Hamilton (Chair), Mary Bunting,
Frank Cushnahan, Rosalie Flanagan,
Stephen Grimason, Jackie Kerr, Deirdre Kenny,
Paul Priestly, John McMillen and Cynthia Smith.
- IN ATTENDANCE:** Mark Higgins (Secretary).
- APOLOGIES:** George Gray.

MINUTES OF LAST MEETING

1. The minutes of the meeting held on 26 April 2007 were agreed as amended.

MATTERS ARISING

Action Points

2. As agreed by the Board, action points arising from meetings would be listed in a table and the status of that action reported, by the responsible member, under matters arising at each Board meeting. The Board noted an, "Action Points" table compiled by the secretary of all action points arising from the 26.4.07 Board meeting.
3. It was agreed that members should provide updates to that table to the secretary within the next two working days. In future Action Point tables would be issued by the secretary with Board minutes to members to provide tracked changes. Action points

would be removed from the table as they were signed-off under matters arising at each Board meeting.

STANDING ITEMS

Assembly/ Restoration Issues

4. Rosalie Flanagan provided a synopsis of arrangements for Executive meetings including the timetable for business items for the draft agenda and Ministerial Representatives meetings. She explained that Departments had been notified and would be kept up to date on the business cycle for Executive meetings, pre-brief meetings and deadlines for the handling of draft papers for consideration by Ministers. The meeting also briefly discussed the process for Assembly Questions and Ministerial statements to the Assembly and reviewed the experience of members in the first week of restoration.

Forward Plan

5. The Board agreed that an Away Day should be held within the next few months for members to focus on corporate and business planning. It was also agreed that a full attendance of all members will be required at the event with emphasis on the need for members to be personally involved and avoid delegating attendance to their staff. The Board secretary would make the necessary arrangements. **Action: Board Secretary.**

Resource Planning

6. The Board noted a joint paper from Deirdre Kenny and Jackie Kerr which summarised the current position for the Department's Fit for Purpose target set by the Department of Finance and

Personnel (DFP) which would require a reduction of eight full time equivalent posts in 2007-08 to continue to be on target. The Board agreed that no new posts will be approved unless prior approval has been obtained from DFP Supply that the posts may be ring-fenced outside Fit for Purpose targets and Finance Division confirm that funding is available, or an offsetting reduction has been identified elsewhere.

7. The paper also outlined the administration budget position for 2007-08 and advised that, taking account of pressures arising from Restoration and other areas a shortfall in the administration budget is likely which would require re-assurance on funding support.

Review of OFMDFM Structures and Capacity

8. John McMillen tabled a paper which recommended that the Board:
 - a) seek the agreement of Ministers on the priorities to be addressed by the Department, and which will form the basis for determining resourcing requests in the context of continuing financial constraints;
 - b) agree that Delivery and Innovation Division, DFP be engaged to undertake a review of organisational structures, staffing and capacity; and
 - c) specify the parameters for that study, as outlined in Mr McMillen's paper.
9. The Board noted that the paper and agreed that a review should be undertaken within the Department's current boundaries, roles

and functions. John McMillen would draft terms of reference for the review within the parameters defined above and in conjunction with relevant officials and would advise Ministers accordingly. **Action: John McMillen.**

Financial Reports

10. The Board noted the summary of financial outturn performance for the 2006-07 financial year provided by Jackie Kerr and the actions being taken in response to the key underlying factors giving rise to the year-end underspend.

11. The Board also noted the current draft of the 2006/07 Annual Report, which will form part of the Department's 2006/07 Resource Accounts and that a few sections related to financial performance and control remained to be completed by 31 May 2007. Mrs Kerr advised the final draft of the report, together with the 2006/07 resource accounts would be considered by the Audit Committee on 6 June, and presented to the Northern Ireland Audit Office by 11 June 2007 to meet faster closing deadlines. An updated Faster Closing timetable for the production of Resource Accounts for 2006-07 was also included in the Finance reports for the Board's information.

12. Mrs Kerr's report also outlined outturn information for the 2007-08 financial year to April 2007, including a synopsis of variances against planned expenditure for each directorate and detail on reserves and prompt payment performance at April 2007.

13. Jackie Kerr provided a paper on OFMDFM's June 2007 monitoring round proposals with a draft submission on those proposals from the First Minister and deputy First Minister to the Minister of Finance and Personnel for the deadline for Departmental returns of 6 June 2007. The Board approved the submission, including the need to register a number of pressures that will form the basis of bids in subsequent monitoring exercises in-year. **Action: Jackie Kerr.**

14. The Board discussed a submission from Jackie Kerr issued in advance of Board papers to members on OFMDFM's Priorities and Budget 2007 return to DFP, and as the basis of the Department's performance management framework for the Comprehensive Spending Review (CSR) period, 2008/09 to 2010/11. The Board noted that further work was required to finalise OFMDFM's return and agreed that the corporate and business planning work emerging from this exercise would be addressed in the Board's Away Day to be arranged for later in the year, as specified at paragraph 5 above.

15. Jackie Kerr advised that there were no matters to report in respect of fraud but highlighted the requirements of the Department's Fraud Policy and Fraud Response Plan. Paul Priestly advised that there was a case for reviewing compliance with the Department's guidance and procedures on consultancy arrangements. It was agreed that a quarterly reporting system would be introduced by John McMillen in his role as Accounting Officer. He would also consider the need for a review of

consultancy arrangements and appropriate guidance for staff.

Action: John McMillen.

Freedom of Information (FOI)

16. Deirdre Kenny reported on an increase in the number and complexity of FOI requests and the Board agreed that priority needed to be given to all requests and that would be emphasised to all staff through the June Departmental Brief. A FOI seminar for Grade 7 staff and above would be arranged for later in the year.

Managing Attendance

17. Deirdre Kenny reported on latest available attendance figures which showed that the Department's absence rate for March 2007 fell from 5.3% to 4.3%. The Department's absence rate for 2006/2007 was 10.4 working days lost per member of staff against a target of 10.2, the increase for that year being largely due to the numbers on long term sick absence. All cases are currently being actioned appropriately in line with NICS policy. Central Personnel Group is to review current policy and research innovative ideas for improvement.

Management of Departmental Board

18. Paul Priestly updated the Board on the second meeting of the sub-group tasked with reviewing the management, role and responsibility of the Board. He also referred to his recent minute to Board members which summarised that work, including progress on an updated Corporate Risk Register for 2007-08 and the first draft of an OFMDFM Corporate Governance Framework

document which would be tabled at the 6 June Audit Committee meeting in advance of a final draft being submitted for the Board's approval. Mr Priestly also reported that the group has been focusing on rationalising and re-focusing the various management information reports that come to the Board with the aim of producing reports which present information more meaningfully and which focus on issues which should be of interest/concern to, or for decision by, the Board. Mr Priestly emphasised that this will be an evolutionary not revolutionary process.

19. Mr Priestly also advised that the group had a first discussion about the types of strategy and policy issues which should be considered by the Board to formulate proposals for consideration by Board members. The sub-group recommended the adoption of the Balance Scorecard as the business planning framework for OFMDFM, to be introduced for the 2008-09 financial year. The Board noted the progress to date and approved the approach being taken by the sub-group including the recommendation to adopt the Balanced Scorecard.

Review of the Effectiveness of Section 75

20. Cynthia Smith reported that under Schedule 9 of the Northern Ireland Act 1998, the Equality Commission is tasked with the responsibility of keeping the effectiveness of Section 75 under review. Mrs Smith explained the background to that process and explained that five years after implementation of the legislation, the Commission launched its first strategic review of the legislation in 2005/06. The review was completed by December

2006 and the Commission's report and the six associated commissioned pieces of independent research underpinning the review were published on its website on 7 May 2007.

21. The six commissioned projects, each of which informed the Commission's final recommendations, included:
- an independent audit of compliance with the Section 75 duties;
 - an independent assessment of the Commission's duties and powers in respect of Section 75 and how that role, set out in the Northern Ireland Act, has been carried out ;
 - an assessment of the impact of implementation of Section 75 on individuals within the nine strands with regard to equality of opportunity and three strands with regard to good relations;
 - an assessment of the impact of implementation of Section 75 on the development and implementation of public policy in Northern Ireland;
 - an assessment of the role and effectiveness of OFMDFM in promoting and securing implementation of Section 75; and
 - an assessment role of the voluntary and community sector in representing the views of persons likely to be affected by Section 75.
22. Mrs Smith advised that amongst the key findings were that, whilst Section 75 has resulted in considerable culture change within the public sector and more responsive policy making,

there has been too much focus on process and on reducing potential impacts and not enough on measurable benefits and on actually promoting equality of opportunity. The report contains a significant number of recommendations. No change to the legislation was proposed. There would be more of a focus on impacts and outcomes and less on process. There would be more focus on specific areas or sectors with persistent inequalities and less on monitoring compliance with the processes. It was also recommended that government focus on developing baseline data/indicators to monitor compliance and focus on persisting inequalities. Finally, Mrs Smith outlined the proposed handling of the report which was out to consultation until 6 August.

Business Change Programme

23. Deirdre Kenny tabled a report which summarised the various priority 1 projects within the Business Change Programme. Mrs Kenny advised that the report is intended to provide a more concise update than is normally provided by the Board's standing items such as AccountNI, HRConnect and RecordsNI as well as include an update on the other projects.

24. Mrs Kenny explained the key issues for each programme and that the programme status is determined by individual project managers and is represented by a traffic light RAG (Red, Amber, Green) indicator. Mrs Kenny advised that the summary report was one of the recommendations of the Board sub-group tasked with a review of the management of the Board. The Board noted the summary report as a useful and informative document and

agreed that it should be adopted for future Board meetings and that a similar approach should be used, for example, for financial and other corporate papers.

Any Other Business

Investors in People (IiP)

25. The Board approved the proposal to use an IiP consultant, Eric Jenkinson to do a preliminary assessment of the Department's readiness to apply for corporate recognition.

Citizen- Centred Service Transformation

26. John McMillen reported on a recent agenda item of the Permanent Secretary Group (PSG) which discussed the work of PSG sub-committee E on citizen-centred service transformation in Northern Ireland.

Date of Next Meeting

27. The next meeting of the Board is scheduled for 10.45 a.m. on Thursday, 28 June 2007 in the 4th floor conference room, E4.02 Castle Buildings. John McMillen will chair the meeting in Nigel Hamilton's absence on other business.

Mark Higgins

15 June 2007