

**Minutes of the  
DoF Departmental Board Meeting**

Held Online

Monday 14<sup>th</sup> December 2020, 1515

<b>Board Members / Deputies</b>	<b>In Attendance</b>
Sue Gray	Jonathan McNaught (Board Secretary)
Claire Archbold	Anne McCusker (Boardroom Apprentice)
Des Armstrong	
Stewart Barnes	
Siobhan Carey	
Joanne Dowling	
Paul Duffy	
Joanne McBurney	
Mark McLaughlin	
Bill Pauley	
Ian Snowden	
Anne Breen	
Tom Taylor (NEBM)	
John Smyth (NEBM)	
Liz Ensor (NEBM)	

**1. Welcome/Apologies**

Sue Gray welcomed Members to the meeting, noting an apology from Jill Minne (Anne Breen deputising).

No conflicts of interest were registered.

**2. Minutes and Matters Arising**

Members confirmed they were content with the minutes.

**3. Finance Update**

Sue Gray reminded Members of previous discussions following the Chancellor's Spending Review, noting the gloomy picture for the Department and for NICS. Stewart Barnes said he would come onto that, however for this year's current budget position, the Department has identified a resource easement of c.£3.8m.

He confirmed to Sue we had returned c.£1-2m resource and c.£6m capital this year to date. This compared to c.£900k resource last year. We have until 4<sup>th</sup> January to make returns on January monitoring and Stewart asked that Directors continue to examine their budgets.

Stewart echoed Sue's initial comments about future budgets, noting c.£15m pressures had been identified (down from £18.4m a month or so ago). This includes the expected loss of income from a revised LPS Fees Order and continued loss of Land Registry income due to Covid-19. That could be interpreted as a 9-10% reduction in the budget. We have made Covid bids of c.£5m, however Stewart was unsure if the Executive would allocate those funds to us given the need elsewhere. That leaves the question for the Board, how is the Department going to find savings of c.£15m?

Stewart said it was likely therefore we would need to stop some big ticket projects in addition to not making any new commitments. We won't make the level of savings we need by small changes, big changes across the Department will be needed.

Joanne McBurney agreed with Stewart's assessment and confirm that while there was Covid funding available this was being held in light of uncertainty around potential future restrictions and the support businesses need. Stewart reiterated this means we need to work on the basis of making c.£15m savings. Sue Gray said that every NICS Department is in the same situation and that a couple are facing even bigger reductions. She asked Directors to look closely within their own areas, focusing on staff resourcing, and to work closely with Stewart and his team to identify savings. Sue doesn't want to enforce standard cuts even if she doesn't foresee the Covid bids being successful. The Executive are due to meet tomorrow after which the Minister might make a statement to the Assembly on the budget.

Stewart said he would soon be writing to Directors seeking responses on how they could meet their pressures. He is scheduled to meet Sue next week and would need responses before then. He also informed Directors that it was not possible to move costs into following years as the position was very likely to be the same then as in 2021/22.

Paul Duffy said we needed to make decisions ahead of the new financial year. He noted that most project costs are staff costs and that stopping projects meant a need to move staff and their costs to other areas, however that takes time. Sue agreed, stating most costs for all NICS Departments are staff costs. She repeated her request that Directors work together to identify the savings needed.

Ian Snowden asked Stewart Barnes about the figures in his paper, noting he had profiled for LPS not filling all vacancies and that it appeared other Directors had worked on the basis their vacancies would all be filled. He also asked what slippage was built into future years or if we were content to accept a £4m risk. Stewart said we had been driving down slippage year on year until this year, which was due to Covid and the difficulty in planning. We will build in some slippage for next year but that will need further analysis.

Sue Gray said we will come back to this topic at the next meeting of the Board, by which stage she and Stewart will have had time to reflect on Directors' plans to meet anticipated pressures.

#### **4. HR Update**

Joanne Dowling said the current focus of NICS HR is resourcing and she echoed the points made earlier on the need to carefully consider vacancies and the need and affordability of them. Joanne said there were currently 331 vacancies in DoF and that Directors needed to alert NICS HR if there was a change in their business areas, including the future budgeting for the posts.

The NICS Board have agreed that no further vacancies will be added to the 4,500 identified in November, recognising this may have an impact on priority posts. Joanne highlighted that there are currently 317 temporary promotions in the Department, 118 of which are over 12 months in duration, 104 are deputising chains and 121 are vacancy related. A detailed update of the review undertaken in each business area will be provided to Sue Gray at a meeting to discuss TP arrangements in January 2021.

Joanne reiterated the message for staff to take their annual leave, noting that although the Department had an 18% increase in October 2020 versus last October, we were still down 28% on year to date figures.

Sue Gray said she had a very good discussion with TUS colleagues on this matter. She told them the costs of annual leave carry over and the pressure taking these next year would cause business areas meant we had to encourage staff to take their leave as soon as possible. She agreed with a suggestion from TUS to consider extending the end date from 31<sup>st</sup> January to 31<sup>st</sup> March, and was speaking with Michael Cooke in NICS HR about this.

#### **5. BREXIT and Operational Readiness**

Bill Pauley said Members would be aware of the ongoing trade discussions from the press and media coverage, confirming his understand that the outstanding issues are those that have been at the centre of negotiations for the last number of months. It is Bill's view that there will be some period when no deal is effective even if a deal is reached at this late stage given the need to legislate it and secure the agreement of the 27 EU Member States.

The Department is leading on the future policy and funding workstream. DAERA is likely to be ok for next year, the shared prosperity fund will have a 1 year gap and the UK Government intends to use its powers in the Internal Market Bill to manage that fund.

#### **6. Communications Update**

Mark McLaughlin asked Directors to ensure any Ministerial submissions were with the Private Office by 5.30pm this Wednesday as the box would then be closed for Christmas; of course urgent submissions could still be made at any time. He also asked Directors to make sure they used the current templates that are on the Intranet, failure to do so is increasing the workload of the Private Office at an already very busy time. Mark said there was a need to ensure

mailboxes were monitored as there was potential for Executive business to continue over the Christmas period.

In terms of press and media, Mark advised Members:

- an announcement on £20m dormant accounts funding had been made this morning;
- there is continuing interest in the Localised Restrictions Support Scheme;
- the Minister had announced funding for local airports;
- the Open Data Fund for this year has opened for applications;
- preparatory work on the budget has commenced;
- staff webinars are being arranged e.g. managing difficult times;
- the next DoF staff engagement event is scheduled for Wednesday, and will feature GRO and NISRA experiences;
- the People Survey is still open and Directors should encourage their staff to complete it; and
- the number of FoI requests etc. remains high

## **7. Covid-19**

Sue Gray thanked Bill and his SPAR team for developing the announced package for local airports. Sue said that both DfE and DfI were unwilling to do this work and, as in most cases, it was left to our Department but it continued to prove our staff were up to the task. Ian Snowden said we had paid c.£49m in LRSS claims and that we had c.2,000 left to process. ¼ of non-essential retail claims had also been paid. Sue congratulated Ian and his LPS teams, saying she was keen to let everyone know that DoF were managing all of these schemes on top of business as usual, and doing them very well. She said there were some issues the Executive and DoH still needed to address e.g. 'wet pubs' and that she hoped payments would be enabled in January.

Sue was keen that staff involved in delivering our support schemes were able to take a break, including Ian. Ian said the expectation is that more restrictions will be introduced in January and that, together with LPS business as usual (collecting rates, doing valuations and preparing for new rates bills), he envisaged an extremely busy 3-4 months ahead.

## **8. AOB**

Sue Gray noted the circulation of Stewart Barnes' contract management paper. Stewart said the paper contained Board level information, that more detailed reports were available at business level via nominated key contacts, and he would like some feedback on whether Members were content with the level of detail provided for inclusion in future Board reports. Sue Gray said this was a useful resource and asked Members to respond to Stewart with feedback on content and format in the next couple of weeks.

**Action: Members to provide feedback on contract management reports.**

Sue said that she was surprised that Directors' assurance statements were virtually all green, full compliance. She said she was not afraid to see red areas, using staff resourcing as an example that she thought should be marked red. Although DARC had discussed and agreed that the question set needed further work, Sue thought there was a need to revisit statements. Tom Taylor agreed. He said across the 11 areas there are 396 questions. If we omit the not applicable responses 91% of them are rated as green, full compliance with 9% amber, partially compliant. Tom thought that if ever there is a time to expect some red, non-compliance it is now. Although we need to reset the questions, that's longer term and we need to consider our responses now. He said he didn't believe the 100% compliance with the areas of risk, fraud and declarations of interest; we need stronger evidence of this. Sue said she was uncomfortable with this.

Ian Snowden said that although LPS had experienced fraud, the question was have you followed the policy in response and therefore the correct response was yes, green and compliant. Sue said we needed though to challenge ourselves, that it's not just about answering the question in front of us. She said we can't all say everything is full compliance. Tom Taylor advised Members he had spoken with Internal Audit and they agreed that issues were always being raised even though the assurance statement notes full compliance. John Smyth also noted there was no definition of partial compliance i.e. was that 20%, 45% or 60%. Ian said that DfC used a different template for their assurance statements to the Accounting Officer, that it was narrative based, which provided an opportunity for Directors to raise various issues. He offered to send an example to Sue. Sue said the Department had made significant progress but she did expect to see more challenge and more red areas.

Sue Gray reminded Members about the change to leased car parking in Belfast City Centre and advised that we had put in place interim arrangements for those required to work in the office rather than from home. She thanked Desi McDonnell and his team for their work on this and said we would review the position in January but that any interim arrangement should end in March at the latest.

Sue Gray ended the meeting by wishing everyone a merry Christmas, thanking them for their support and hoping for a better 2021.

The next meeting is scheduled for Wednesday 27<sup>th</sup> January 2021.

**Jonathan McNaught**  
Board Secretary