Dear Accounting Officer

ISSUES RAISED IN THE WESTMINSTER PUBLIC ACCOUNTS COMMITTEE (PAC) REPORT ‘GOVERNANCE ISSUES IN THE DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT’S FORMER LOCAL ENTERPRISE DEVELOPMENT UNIT’

Background

1. I wrote to Accounting Officers on 18 July 2006 advising of the publication of the Memorandum of Reply to the above Westminster PAC report and highlighted a number of actions required of departments. I also indicated that DFP was taking forward work on two of the Committee’s conclusions.

2. The purpose of this DAO is to advise on the outcome of this work and put in place guidance on the retention of papers in relation to the appointment of Board Members (Conclusion 7) and on the sharing of information with regard to other public appointments which an individual might hold (Conclusion 8).

Retention of Board Members’ appointment papers etc

3. The Westminster PAC recommended that DFP should take the lead in reviewing the retention policy in relation to the appointment papers of Board members. DFP had discussions with the Public Records Office NI (PRONI) as to the appropriate period for the retention of appointment papers and also papers associated with the performance of Board Members.

Guidance

4. Following those discussions it has been agreed that departments should now retain all papers associated with an individual appointment for a
period of 7 years after the appointment (including reappointment) ends. In the case of an individual holding appointments in more than one public body, each department should independently manage their own files in line with this guidance. The 7 year retention period also applies to any performance papers held separately from appointment papers.

5. Departments are required to submit their Departmental Disposal Schedules to PRONI every 3 years. PRONI has agreed that it will amend these schedules to reflect this guidance on the next occasion that the schedules are submitted to it.

Sharing of Information

6. The Westminster PAC also indicated that it was important that departments share information in a joined-up way to ensure that where there may be concerns about the performance or probity of a board member, this is taken into account in relation to any other public positions which they hold or may apply for. We have discussed the appropriateness of the sharing of this information with Central Appointments Unit (CAU) in OFMDFM and the Departmental Solicitors Office in relation to possible data protection issues and agreed guidance.

Guidance

7. Departments and NDPBs that may have significant concerns over probity/conflicts of interest and/or performance issues about a particular board member should establish whether the individual holds other public appointments. Departments should consult the CAU who will be able to confirm current appointments from their database. If other public appointments are held, the department should then contact the other relevant sponsor department(s) to alert them to their concerns. It will be up to individual departments to take appropriate action in relation to appointments in their own area of responsibility.

8. Departments considering new appointments or reappointments should consult the CAU database to validate information regarding previous or other current public appointments to ensure that there are no areas of concern before making any appointment or reappointment. Departments are also reminded of the importance of fully exploring any potential probity or conflict of interest issues when considering initial appointments or re-appointments. It is the responsibility of the employing body to take all reasonable steps to verify applications.

9. Departments should consider the need to take legal advice on a case by case basis if they have any concerns about the sharing of any information.
Action

10. Departments, NDPBs, including the agreed list of Third Party Organisations and other relevant organisations that come under the spirit of the Commissioner for Public Appointments Code of Practice should implement this guidance with immediate effect.

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Treasury Officer of Accounts