

**NICS BOARD
16 DECEMBER 2016, THE GLASSHOUSE
MINUTES**

PRESENT: Paul Sweeney (Chair), Brenda King, Noel Lavery, Peter May, Andrew McCormick, Leo O'Reilly, Richard Pengelly, Nick Perry, David Sterling, Hugh Widdis, Olive Maybin (Secretariat)

IN ATTENDANCE: Katrina Godfrey (for items 3 and 4), Colin Lewis.

1a. Apologies

Apologies were noted from Sir Malcolm McKibbin.

1b. Minutes of Last Meeting

The minutes of the last meeting were agreed subject to amendments.

1c. Matters Arising

The Board noted the position on matters arising.

1d. Declaration of Interests

There were no new declarations of interest.

2. Brexit

David Sterling reported on the meeting with Irish Government officials on 13 December which had been convened following the NSMC Plenary on 18 November at which it was agreed that senior officials would meet to review developments. He also provided an update on the discussions with UK Government officials on the effectiveness of ongoing bi-laterals.

3a. Programme for Government

Katrina Godfrey provided an update on the ongoing stakeholder engagement and consultation process which would close on 23 December. She also reported on the First Minister's and deputy First Minister's attendance at the Executive Office Committee and the Committee's constructive report on PfG.

She introduced a paper on the roles of Outcome Owners and SROs and proposals on reporting arrangements. On reporting arrangements the Board was broadly content with the proposals subject to a greater focus on the interaction between the budget and PfG. Leo O'Reilly also reminded the Board that it would be important to consider local government community plans and targets in the context of PfG.

The Board was also broadly content with the proposed roles, responsibilities and allocation of Outcome Owners and Delivery Plan SROs. Permanent Secretaries agreed to reflect further on the detail of the paper and provide views to Katrina particularly on the issue of target or goal setting.

[Action: Permanent Secretaries]

3b. Budget

David Sterling provided an update on the Budget position, the process for engagement with departments on high level allocations and the revised timeline for Executive and Assembly approvals. The Board noted the position.

3c. Investment, Economic and Social Strategies

The Board noted the position regarding the ISNI, Economic and Social Strategies which would be published for consultation once agreed by the Executive.

4. NICS of the Future

Katrina Godfrey reported a brief synopsis of the Grade 5 360° composite reports for the Board and departments which were expected by mid-January. It was agreed that Katrina would ask Cora Robinson to present the findings and conclusions to the Board and individual departments.

[Action: Katrina Godfrey]

Invitations to participate in the Grade 3 leadership development programme would be issued w/c 19 December. Katrina would draft a letter from HOCS.

[Action: Katrina Godfrey]

Permanent Secretaries were asked to check the list of eligible participants and advise Katrina of any changes.

[Action: Permanent Secretaries]

David Sterling advised that he was considering Grade 6/7 development and would bring proposals to the Board.

[Action: David Sterling]

On the Grade 5 recruitment competition Colin Lewis agreed, following discussion to bring forward options on the selection process.

[Action: Colin Lewis]

5. Governance

a. Improving Capacity and Performance in Departments

Permanent Secretaries were asked to provide written comments on the paper to David Sterling by 6 January ahead of a substantive discussion at PSG on 20 January.

[Action: Permanent Secretaries]

b. Review of Internal Audit Centralisation

David Sterling presented the final report on the centralisation of Internal Audit. The Board welcomed the report and commended Michelle Anderson for the way in which the review had been conducted and its conclusions. There was still a slight concern about how the new arrangements would fit into the governance structures and the sustainability of the quality of the audit service. David proposed a stocktake at the end of the first year which would examine how well things had improved as a result of centralisation and revisit the hard charging arrangement. The Board agreed the recommendations and suggested that further consideration should be given to succession planning in terms of the current

cadre of auditors and the value of audit experience in the overall development of civil servants.

[Action: David Sterling]

7. Corporate HR Report

Colin Lewis presented the report for the Board's consideration.

The Board considered the NICS Workforce and Paybill Monitoring report for Quarter 2 which showed, in overall terms, that the NICS FTE posts had reduced by over 18% since April 2014. The cumulative net paybill savings were projected to increase to £152 million by the end of the 2016/17 year. The Board commended Colin for his strong leadership throughout the period and noted the PAC hearing scheduled for 25 January 2017.

The Board also noted the consultations on exit payment reforms undertaken by the Cabinet Office and the Treasury. It would be for the Finance Minister to determine whether such changes should be considered in Northern Ireland.

8. AOB

Paul Sweeney gave an update on the DE Permanent Secretary competition.

Permanent Secretaries noted the very positive RVH visit on 9 December and the presentation on the Bengoa report.

Olive Maybin advised the Board on the Fresh Start quarterly review meeting which took place on 14 December and the legacy roundtable discussions that were currently underway.

David Sterling would be meeting the NIAO on the issue of Independent Board Members on 19 December.

Noel Lavery reported on the launch of the TB Strategic Partnership Group's long-term strategy document on TB eradication.

9. Date of Next Meeting

The next meeting of PSG will be on Friday 6 January 2017 and the next meeting of the NICS Board will be on Friday 27 January 2017 in the Glasshouse, Stormont Castle.

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20 December 2016