**OFFICIAL DAERA MINUTES**

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| **MEETING TITLE** | Finance and Major Projects Committee (FMPC) |
| **DIVISION/BRANCH REFERENCE** | FMPC 20/24a |
| **VENUE** | Clare House and MS Teams |
| **DATE/TIME** | 15 May 2024 14.00-15.30 |
| **LIST OF ATTENDEES** | Shane Lynch Non-Executive Board Member (Chair)  Brian Doherty Deputy Secretary, Strategic Planning & Corporate Services Group (via MS Teams)  Liz Loughran Deputy Secretary, Environment, Marine & Fisheries Group  David Reid Chief Executive, NIEA (left meeting at 15.30)  Roger Downey Finance Director  Declan McCarney Finance Deputy Director  William Peel Deputy Finance Director  Briege Lafferty Head of In Year Financial Planning  Nuala Hennessy Head of Programme and Project Support Branch  Helen Mullan In Year Financial Planning (via MS Teams)  Beverley Bhatia In Year Financial Planning (Secretariat) |
| **APOLOGIES** | None |
| **KEY POINTS DISCUSSED**  **Minutes and Action Points of Previous Meeting**   * Members agreed minutes of 6 February 2024 Finance and Major Projects Committee meeting. * action point from 6 February 2024 meeting confirmed as complete.   **budget 2024-25**  William Peel:   * reminded members that the Department made a Budget return to DoF on 16 January 2024 in line with a previously commissioned DoF exercise; * advised that on 18 February 2024, following the restoration of the NI Executive, DoF formally commissioned a further information gathering exercise seeking Resource DEL bids as well as Capital bids from a zero base; * highlighted that as part of this exercise, DAERA identified existing statutory obligation and contractual pressures; * confirmed that following the submission of Budget 2024-25 bids to DoF, the DAERA Minister attended a Budget Bilateral Meeting with the DoF Minister on 27 March 2024; * added that the NI Executive approved Budget 2024-25 allocations on 25 April 2024; * detailed Capital DEL proposals which have been submitted to the DAERA Minister for approval; and * advised that Finance Division is working on a number of Resource DEL allocation scenarios and once Minister has approved allocations, opening budgets will be disseminated to business areas across the Department.   There were discussions between members on the funding required for Lough Neagh. Roger Downey added that Lough Neagh is a priority for the Minister and reallocations of funding may be required.  **Provisional outturn 2023/24**  Briege Lafferty:   * reminded members that Provisional Outturn is a measure of Departmental spend against the Final Budget position; * confirmed that the Provisional Outturn return issued to DoF on 14 May 2024; * highlighted the Department’s 2023-24 Total DEL Provisional Outturn was 99.9%, broken down as Resource DEL 99.9%, Ringfenced Depreciation DEL 99.1% and Capital DEL 99.9%.   Brian Doherty acknowledged the excellent work involved in achieving the 99.9% Provisional Outturn figure.  **update on equality screening**  William Peel:   * informed members on the requirements for departments regarding equality duties under Section 75 and Schedule 9 of the Northern Ireland Act 1998 as part of the Budget 2023-24 process; * reminded members that DAERA’s 2023-24 opening allocations were confirmed in the Secretary of State for NI’s Written Ministerial Statement on NI Finances 2023-24 on 27 April 2023; * detailed the four key savings in relation to Strategic Environment Programmes, Forest Service Subsidy, General Admin Expenditure and Council Animal Welfare Enforcement, to be managed during 2023-24; * advised that screening of the DAERA Budget 2023-24 allocations was completed on 16 May 2023 and confirmed that the screening template had been published on the DAERA website; * provided detail on the monitoring of the equality impacts of these four key savings at the financial year end; and * highlighted correspondence between Ms Logan, Chief Executive of the Equality Commission and the DAERA Permanent Secretary in relation to DAERA’s Budget 2023-24 Equality Screening in which Katrina Godfrey noted that she was content that, operating in an exceptionally difficult context, the Department had complied within its Equality scheme in relation to Budget 2023-24.   There were discussions between members regarding the Budget 2024-25 Equality screening process and members **agreed** that the monitoring of the process should be included in the FMPC workplan for the November meeting in addition to the May meeting – **Action Point**.  **major programmes and projects**  Nuala Hennessy:   * provided a background on the role of the Programme and Project Support Office; * informed that DoF issued DAO (DoF) 05/23 - Revised arrangements for engagement with Gateway Review and the SRO appointment process, on 30 November 2023, which replaced both DAO (DoF) 02/20 and DAO (DoF) 06/21; * highlighted that one of the most significant changes of the new DAO is that the financial threshold for engagement with the GatewayTM/Assurance Review Process and SRO appointment has increased from £1m to £5m; * recommended agreement from members that £5m should also be the threshold that applies to the Major Programmes and Projects falling within the scope of the FMPC; and * detailed DAERA’s 15 Major Programmes and Projects and the risks identified.   There were significant discussions between members around the future financial position of the Department and the ability to fund all Major Programmes and Projects, as well as the role that this Committee should take to support the Accounting Officer around investment decisions. The Chair agreed to raise this with the Departmental Board - **Action Point**.  Members **agreed** the £5m threshold and that this threshold should be included in the terms of reference for the FMPC.  **Casework Committee Update**  William Peel:   * provided an update on the five business cases considered since the last update in February 2024; * confirmed that an exercise to refresh the Casework Committee tracker was recently completed to ensure completeness, with dates as accurate as possible; * highlighted a summary of Business Cases with estimated Casework Committee dates; * advised that a NIAO Business Case recommendation raised in the 2022-23 Report to those Charged with Governance was considered; * confirmed that in response to that recommendation, a review of the Business Case approval process which ensures that authorising legislation and Department delegations are taken into account, was completed. The review identified areas where amendments are needed in Business Case templates and guidance; and * added that a Casework Committee checklist is being developed that will capture that legal authority is in place and that Department delegations are adhered to.   It was agreed that the updated Casework Committee Terms of Reference would be presented to the next FMPC meeting in September – **Action Point**.  **FMP Committee draft workplan**  Shane Lynch:   * presented the draft FMPC workplan for 2024-25; * highlighted how assurances from the Agencies and NDPBs will be reported; and * recommended agreement from members to remove the Contract Compliance paper from the workplan, as this paper has a stipulated reporting requirement to Audit and Risk Assurance Committee (ARAC) only.   Members **agreed** the FMPC workplan for 2024-25 with the addition of equality screening included for the May and November meetings and to the removal of Prompt Payment reporting, members also agreed the change to the Terms of Reference.  **Prompt Payment Performance**  William Peel:   * confirmed that the 2023-24 year end 10 Day performance figures achieved 92.7% exceeding the 92% target. The 30 Day performance figures achieved 98% exceeding the 97% target; and * advised that the April 2024 10 Day performance figures achieved 95.4% and the 30 Day Prompt Payment achieved 98%.   The Committee **agreed** that Prompt Payment reporting would be removed from the workplan as it is reported regularly in the Finance Report to DB.  **niao major projects follow up report**  Declan McCarney:   * advised that the NIAO Major Capital Projects follow-up report was published on 27 February 2024; * highlighted the Lessons Learned within the report; and * confirmed that the Department awaits the DoF formal response to the report to determine any implications for the delivery of Major Capital Projects with DAERA.   **ANY OTHER BUSINESS**   * The next meeting is scheduled for 11 September 2024.   Shane Lynch closed the meeting at 15.38. | |
| **ACTION POINTS/OFFICIAL RESPONSIBLE/TARGET DATE:**   * Monitoring of Equality screening to be added to the FMPC workplan for the November meeting. To be completed by 31 May 2024 – Declan McCarney * To discuss with the Departmental Board how best to support decisions on Major Programmes and Projects – To be discussed at the next DB meeting   – Shane Lynch   * Casework Committee Terms of Reference to be presented to the next FMPC meeting in September. To be completed by 11 September 2024 - William Peel | |
| **Minutes written by:** Beverley Bhatia | **Date:** 16 May 2024 |