**OFFICIAL DAERA MINUTES**

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| **MEETING TITLE** | Finance and Major Projects Committee (FMPC) |
| **DIVISION/BRANCH REFERENCE** | FMPC 11/24 |
| **VENUE** | Via Microsoft Teams |
| **DATE/TIME** | 6 February 2024 14.00-15.30 |
| **LIST OF ATTENDEES** | Roger Downey Finance Director (Chair)  Shane Lynch Non-Executive Board Member (NEBM)  Liz Loughran Deputy Secretary, Environment, Marine & Fisheries Group  David Reid Chief Executive, NIEA  David Simpson Corporate Service Director  Declan McCarney Deputy Finance Director  William Peel Deputy Finance Director  Briege Lafferty Head of In Year Financial Planning  Una O’Boyle In Year Financial Planning  Shane Doris Director of Environmental Resources Policy Division  Michael McCallion Carrier Bag Levy Manager  Beverley Bhatia In Year Financial Planning (Secretariat) |
| **APOLOGIES** | Brian Doherty Deputy Secretary, Strategic Planning & Corporate Services Group |
| **KEY POINTS DISCUSSED**  **Minutes and Action Points of Previous Meeting**   * Members agreed minutes of 15 November 2023 Finance Committee meeting. * action points from 15 November 2023  1. Casework Committee for the replacement vessel business case scheduled for 15 February. 2. Completed. 3. Financial update provided in VSAHG Estimated Provisional Outturn return.   **Contract Compliance**  Declan McCarney:   * highlighted that in Quarter 3 of 2023-24, compliance by value of Purchase Orders (POs) was 99.06% exceeding the NICS target of 98% and the number of compliant POs was 99.35%; and * confirmed that DAERA has an overall YTD compliance rate of 99.31% in 2023-24.   **Direct Award Contracts (DAC)**  Declan McCarney highlighted:   * DACs over £5k in the period 1 April – 31 December 2023 and a summary of the trends over the past three years; and * that the number and value of DACs has reduced from the same period in 2022/23.   **budget 2024-27**  William Peel:   * advised that on 8 December 2023, DoF formally commissioned an information gathering exercise seeking Resource DEL and Capital DEL requirements for the 2024-25 financial year only; * confirmed that Future Years Financial Planning Branch used returns from an internal Budget exercise provided by business areas in late 2023 to inform these returns; * highlighted details in the return made to DoF on 16 January, outlining the statutory obligations, contractual pressures and savings made; and * advised that given the restoration of the NI Executive, the Department is awaiting further instruction from DoF as to how the Budget 2024-25 will proceed.   **estimated provisional outturn 2023/24**  Briege Lafferty:   * reminded members of the purpose of the Estimated Provisional Outturn (EPO) exercises; * highlighted ongoing Resource DEL pressures reported by business areas in the January EPO exercise; * advised that additional Windsor Framework and Points of Entry funding has been secured since the last update to the Departmental Board; * confirmed that pressures continue to be flagged with DoF; * added that the next EPO exercise would be commissioned shortly with a final exercise commissioned in March; and * requested that business areas contact Finance as soon as possible to discuss any underspends or pressures identified.   There were some discussions between members on Windsor Framework funding and bTB compensation pressures.  **carrier bag levy (CBL)**  Shane Doris:   * presented the paper which detailed proposals for the CBL governance arrangements put in place for 2024-25 expenditure; and * advised that a Levy Oversight Board with representatives from NIEA, EMFG and CCSIG had been set up and held its first meeting in January 2024.   Members discussed the priorities for funding and the criteria for determining allocations from the Levy receipts. Roger Downey reminded members that the allocation of funding requires Ministerial approval.  **The committee agreed the proposals within the paper.**  **Staff Cost Affordability**  William Peel:   * advised that a confirmed Budget for 2024-25 is required to determine staff cost affordability; * reminded members that at the last Finance Committee meeting in November 2023 it was proposed to reintroduce Headcount Limits (HCLs); * confirmed that the Permanent Secretary has since agreed that Grade 3s are to be allocated their own Group staffing budget for management rather than the reintroduction of HCLs; and * bilateral meetings are to take place once Budget 2024/25 has been confirmed to discuss budget allocations.   **resource economics branch bc/ppe test drill report**  Declan McCarney:   * reminded members DAO (DoF) 08/21 requires NICS departments to conduct ad hoc “test drilling” of business cases (BC) and post project evaluations (PPE) that fall within departmental delegated limits and within the delegated limits given to sponsored bodies; * confirmed that the BC/PPE annual test drill exercise for 2022-23 is now complete; * advised that a reasonable degree of assurance has been obtained to confirm that decisions have, on balance, been taken on a proper basis (in line with the guidance) during 2022-23; * highlighted that a recurring Lesson Learnt was to ensure Better Business Case templates were used; and * added that the process for the 2023-24 test drill would be starting soon.   **AFBI Finance Update**  David Simpson:   * advised that AFBI has received the Report To Those Charged With Governance (RTTCWG) and that it will be presented to the AFBI ARAC in due course; * confirmed that a Casework Committee for a replacement vessel is scheduled for 15 February; and * provided detail on the AFBI returns for the Resource Budget 2024-27 Information Gathering Exercise, and Capital Budget 2024-25 Information Gathering Exercise.   **Prompt Payment Performance**  William Peel:   * provided detail on the 10 and 30 Day Prompt Payment Performance as at December 2023; * advised that the December 2023 10 Day performance figures achieved 93.0%, exceeding the 92% target. The 30 Day Prompt Payment target is 97% with the December performance achieving 97.6%; and * performance for YTD December 2023 was 92.0% for the 10 day target and 97.9% for the 30 day target.   Roger Downey highlighted that Forest Service were below target on the 10 day performance and requested that Liz Loughran contact the CEO in relation to this.  **Casework Committee (CC) Update**  William Peel:   * provided an update on the three business cases considered since the last update in November 2023; * highlighted a summary of Business Cases with estimated Casework Committee dates; and * advised that Finance Division have recently commissioned a refresh exercise on the Casework Committee tracker to ensure completeness and that dates are as accurate as possible.   **Aged Debt analysis**   * Roger Downey highlighted that aged debt as at 31 December 2023 was down on the aged debt as at 31 December 2022; and * Declan McCarney advised that Finance Division continue to work with business areas to manage older debts.   **fmpc terms of reference (ToR)**  Declan McCarney:   * advised that in response to Theme 4 of the DB Effectiveness Review, DB agreed to a new Board Committee Structure; * added that the three new Committee ToR were discussed at DB on the 24 January and further amendments were required; * highlighted key elements including the requirement for an annual workplan and the need to report to DB after each meeting; and * provided a draft workplan which is to be agreed by DB.   There were discussions between members on the wording regarding the oversight of the Casework Committee.  **ANY OTHER BUSINESS**   * The next meeting is scheduled for 15 May 2024.   Roger Downey closed the meeting at 15.50. | |
| **ACTION POINTS/OFFICIAL RESPONSIBLE/TARGET DATE:**   * Contact the Forest Service CEO regarding their Prompt Payment Performance. To be completed by 7 March 2024 - Liz Loughran | |
| **Minutes written by:** Beverley Bhatia | **Date:** 7 February 2024 |