**Finance Committee (FC) Meeting**

**Wednesday 8 May 2019 at 1:00pm**

**FINAL Minutes**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|

|  |  |
| --- | --- |
| **Attendees Dundonald House****Attendees Ballykelly House** | **Brian Doherty (Chair)****Seamus McErlean****Norman Fulton****David Small****Roger Downey** **Declan McCarney****Lynda Lowe****Mark Bryson (Joined at 1:45pm)****Fiona McCandless****David Reid****Robert Huey**  |
|  | **Nuala Hennessy (Secretariat)** |
|  |  |
| **Apologies** | **Sean McGrade** |
|  |  |

 |  |
|

|  |  |  |
| --- | --- | --- |
| **Item** | **Description** | **Paper Reference / Action Owner** |
|  | **Welcome and****Minutes and Action Points from Previous Meeting**  | **FC 11/19** |
|  | The Chair welcomed members to the meeting.It was noted that there were no minutes from the previous meeting as papers had been agreed by correspondence. Declan McCarney confirmed that there were no action points outstanding.  |  |
|  | **2018/19 Provisional Outturn** | **FC 12/19** |
|  | Declan McCarney presented the paper and informed the FC that the Department’s Resource PO was 99.89%, the Capital PO was 99.92% and therefore the Department had achieved the business plan target of a Resource and Capital PO of between 99% and 100%.David Reid congratulated Declan McCarney and the Financial Planning Branch team on the fantastic result and the achievement of the business plan target. He also recognised the contribution of the work carried out by the Finance Teams within Business AreasThe FC noted the contents of the paper. |  |
|  | **June Monitoring Round** | **FC 13/19** |
|  | Declan McCarney presented the paper and discussed the Resource and Capital proposals in this exercise. The FC noted the contents of the paper and agreed that the Resource and Capital proposals should be actioned. It was noted that this was the highest Capital allocation that the Department had ever received and that it could be challenging to spend out. It was agreed by all that Declan McCarney should commission a short exercise seeking details of any further capital projects that could be actioned in 2019/20. **Action Point****Short exercise to be commissioned seeking details of any further capital projects that could be actioned in 2019/20.** | **Declan McCarney** |
| **4.** | **TB Envelope** | **FC 14/19** |
|  | Declan McCarney presented the paper on the feasibility of setting a ring-fenced budget for Bovine Tuberculosis (bTB). The risks and issues in relation to managing the bTB costs within a defined budget in 2019/20 were discussed. It was accepted that it would not be possible for 2019/20 but that in principle work should commence in this year in order to potentially support such a position in future years subject to the outworkings of the business case currently being prepared. It was also recognised that managing a ring fenced budget would require changes in policy and would therefore require ministerial approval. **Action Point****Finance to work alongside VSAHG to potentially establish a ring-fenced bTB budget in 2020/21.** **Provide Denis McMahon with an update on the position of a ring-fenced bTB budget.**  | **Financial Planning Branch****David Reid** |
| **5.** | **Aged Debt Report** | **FC 15/19** |
|  | Lynda Lowe presented the paper and the FC discussed the overall debt position of the Department. It was noted that whilst the Department has an obligation to make efforts to recover all debts consideration must be given to cases where the profile of the debt is so aged that costs of recovery would exceed the actual value of the debt. The FC noted the contents of the paper. **Action Point****Financial Policy Branch will produce a report to show trends of bad debt for 2018/19 against 2017/18.** | **Lynda Lowe** |
| **6.**  | **Post Project Evaluations** | **FC 16/19** |
|  | Lynda Lowe presented the paper and the FC discussed the position. It was noted that there were a number of contracts of significant value with PPEs still outstanding and that this was not acceptable. There was a discussion around mechanisms available to ensure compliance with the requirements to complete PPEs including the claw back of grants.  The FC noted the contents of the paper. **Action Points****Financial Policy Branch to provide a further update to ARAC.**  | **Lynda Lowe** |
| **7.** | **Contract Compliance** | **FC 17/19** |
|  | Lynda Lowe presented the paper and informed the FC that compliance in terms of value of POs was 98.27% in March 2019 which is above the Compliance target of 98% published by Account NI. The number of Compliant POs in March 2019 was 98.03%. The FC noted the contents of the paper. |  |
| **8.** | **Direct Award Contracts** | **FC 18/19** |
|  | Lynda Lowe presented the paper and informed the FC that new guidance had been issued to Business Areas in November. Lynda Lowe confirmed that her Branch was there to support business areas and that early engagement is recommended. The FC noted the contents of the paper. |  |
| **9** | **Prompt Payment Statistics** | **FC 19/19** |
|  | Mark Bryson presented the paper and informed the FC that 92.16% of all invoices were paid within the 10 day target against the NICS target performance target of 92%. It was noted that some of the comparison statistics are skewed due to the changing structure of the Department in 2018/19. Mark also confirmed that Financial Systems Branch is happy to work directly with Branches to improve performance. The FC noted the contents of the paper.**Action Point****An article is to be included in the Team Brief to highlight the importance of Prompt Payment within the Department.****Additional analysis of the figures was requested, mainly in relation to number and value of invoices that failed to meet the 10 day target.** | **Mark Bryson****Mark Bryson** |
| **10** | **Travel Section Statistics** | **FC 20/19** |
|  | The FC noted the contents of the paper.  |  |
| **11** | **AOB** |  |
|  | Roger Downey informed the FC that a Budget Exercise was going to be commissioned shortly looking at 3 years Resource and Capital. Estate Transformation Capital would be sought to inform projected profits over a 10 year period.  |  |

 |  |