

**NORTHERN IRELAND CENTRAL SERVICES AGENCY FOR THE
HEALTH AND SOCIAL SERVICES**

Minutes of Proceedings

The 71st meeting of the Agency Board was held on Tuesday 25 October 2005 at 2.30 pm in the Boardroom, CSA HQ, 2 Franklin Street, Belfast.

Present

Professor Sean Fulton (Chairman)

Geraldine Fahy	Stephen Hodkinson
Ivan Jackson	Neville Jones
Hilary McCartan	Jacqui Kennedy
Sean Mahon	Paula Sheils
	Teresa Molloy

In Attendance

Amanda Mills

1. **Apologies**

John Campbell

2. **Chairman's Business**

Professor Fulton reported that he along with Hilary McCartan and Ivan Jackson recently attended a breakfast seminar hosted by the Audit Committee Institute of Ireland.

Professor Fulton reminded members that the Permanent Secretary will be arriving at 11.00 am on 27 October 2005 for a brief tour of the Agency's new accommodation before officially opening the building at 11.30 am.

3. **Minutes of the Meeting held on 20 September 2005**

- (i) The minutes of the Agency Board held on 20 September 2005 were approved and signed.

4. **Matters Arising from Minutes**

It was noted that any Matters Arising were covered in the agenda for today's meeting.

5. **Action Sheet from Agency Board meeting held on 20 September 2005**

The actions arising from the Agency Board meeting held on 20 September 2005 were reported. Mr Hodkinson advised that he is meeting with Irene Hewitt on 31 October 2005 to discuss the programme for the Agency Board/SMT workshop in December.

6. **Financial Matters**

(i) **Financial Statement for Period ended 31 August 2005**

Neville Jones presented the Income and Expenditure Statement for the period ended 31 August 2005, which showed a cumulative deficit of £366k and a forecast deficit at year-end of £876k. Work is ongoing to re-categorise the income figures into the correct budget headings and it was agreed that a balance sheet should be produced along with the income and expenditure statements each month. Part of the expected deficit resulted from the imposition of a fee reduction of £250k by the Boards to reflect savings to be surrendered by the Agency but not until 2007/2008 at the earliest.

(ii) **Financial Position and Efficiency Savings**

Neville Jones advised that the Agency must take radical action regarding income and expenditure to address forecast deficit for year end. Members were advised that the Agency has a "break-even" duty imposed upon it and so must operate within specific ceilings on either deficits or surpluses (0.5% of turnover). It was agreed that the current forecast deficit is unacceptable and that the deficit must be addressed either by securing more income or finding efficiency savings without reduction in service delivery. In the situation where the Agency cannot meet its break-even duty it is expected to draw up a Recovery Plan showing how it proposes to rectify the position. A paper was tabled to members detailing a number of areas for consideration where efficiency savings could be achieved. These included ensuring that all services undertaken by the Agency on behalf of other bodies are invoiced, review use of staff overtime, review appointment of employment agency staff, review need for acting up allowances or additional responsibilities allowances. This matter will be discussed at the next meeting of SMT on 26 October 2005.

7. **Audit of Accounts for 2004/2005 – Update**

Neville Jones advised that the auditors have raised concerns about the accounting treatment in the 04/05 accounts regarding roll cages. To this end Finance and RSS staff are currently undertaking a substantial amount of work to substantiate a material figure in the accounts and it is hoped to have this matter finalised in the near future.

8. **Appointment of Director of Finance**

Mr Hodgkinson presented paper 34/2005 which set out the 3 options for the recruitment process to appoint a Director of Finance. After careful consideration it was agreed that the post should be advertised in the press on a secondment basis for a period of two years.

9. **Declaration of Interests Register**

An updated schedule showing the interests declared by members was noted.

10. **Any Other Business**

(i) **Business Continuity at RSS**

Teresa Molloy advised members that RSS successfully undertook its first “dry run” of the business continuity process earlier today. This is a pilot for the Agency’s overall business.

11. **Date of Next Meeting**

The next meeting of the Agency Board will take place on Tuesday 20 December 2005 at 2.00 pm in the Boardroom, CSA HQ, Franklin Street, Belfast.

Chairman

Chief Executive

Date _____