

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

**Minutes of Proceedings**

The 82<sup>nd</sup> meeting of the Agency Board was held on Thursday 28 June 2007 at 2.30 pm in the Boardroom, CSA Headquarters, 2 Franklin Street, Belfast.

**Present**

Professor Sean Fulton (Chairman)

Stephen Hodkinson	Cathal Hughes
Ivan Jackson	Teresa Molloy
Hilary McCartan	Paula Sheils
Geraldine Fahy	Jacqui Kennedy

**In Attendance**

Amanda Mills

**1. Apologies**

Apologies were received from John Campbell and Sean Mahon.

**2. Chairman's Business**

Professor Fulton briefed members on his and Mr Hodkinson's attendance at the official launch by the Minister for Health of an information booklet regarding access to health and social care services for people who are new to Northern Ireland. It was agreed that the Chairman would write to Anne Basten who chaired the working group associated with this project and congratulate her on the success of the launch.

**3. Minutes**

**(i) Minutes of Agency Board meeting held on 24 April 2007**

The minutes of the Agency Board meeting held on 24 April 2007 were agreed as a true and accurate record of proceedings and were duly signed by the Chairman.

**4. Matters Arising from Minutes**

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

**5. Action Sheet Arising from Agency Board Meeting held on 24 April 2007**

The actions arising from the Agency Board meeting held on 24 April 2007 were reported.

6. **Business Performance and Development Committee**

(i) **Report of Meeting held on 29 May 2007**

Members noted the draft minutes of the BPDC Committee held on 29 May 2007.

7. **Financial Matters**

(i) **Draft Budgets for 2007/2008**

Cathal Hughes tabled a budget summary paper to members for approval. The paper set out the model used to calculate the budgets for the 2007/2008 financial year and Cathal Hughes advised members that SMT have been directly involved throughout the budget setting process. Ivan Jackson commended Cathal Hughes and his team on an excellent piece of work. Members were advised that discussions with Finance Directors on the model for calculating internal recharges is continuing with a working group being set up to consider it.

Members approved the draft budgets for 2007/2008.

(ii) **Financial Statement – Monthly Accounts to 31 May 2007**

Cathal Hughes tabled an Income and Expenditure statement for the period ended 31 May 2007, which showed a bottom line deficit of £28,000. Cathal explained the figures contained in the statement should only be taken as indicative at this stage as the carry over figures from 2006/07 have not yet been agreed with the auditors and the income position has not been finally agreed with the Agency's customers. He added that the budgets for 2007/08 have not been included. However, following Board approval today the budgets will be taken into account in future financial statements.

Members noted the position.

(iii) **Finance Directorate – Staffing Structure**

Cathal Hughes referred to the Report of the Review of Finance Function by Deloitte which had been accepted by the Board. He also explained that, as part of the overall programme of work to consolidate the Agency's substantive compliance with the Financial Management Controls Assurance Standard and to ensure that adequate management reporting relationships are in place, he was proposing a revised structure of the Finance Directorate.

After discussion members accepted the proposal.

8. **ICT Capital Expenditure Bids 2007/08**

Ivan Jackson, Chair of the ICT Steering Group advised that, at a meeting held on 26 June 2007, members approved ICT capital bids amounting to £346,500 in respect of the development of a payment gateway, further enhancement of Procon e-tendering system, Unitas E-Procurement System, purchase of Mailmeter to monitor CSA e-mails and internet traffic, and general expenditure on licences, hardware and software upgrades for main Agency applications.

A bid for Hardware/Network costs in relation to the EPES Project amounting to £25,000 was reserved as it is expected that the Department will allocate the funds as part of the EPES project. A bid of £10,000 for remote access for e-mails was also approved in principle subject to further information being submitted concerning the revenue implications. A contingency list will be produced to allow the remaining balance of £33,500 in capital funds to be spent before year end.

Members endorsed the ICT Group's recommendations.

9. **Budgetary Control**

(i) **Role of Management Accounts**

Cathal Hughes presented paper 30/2007 which set out the process to ensure the production of regular, timely and materially accurate financial information in agreed formats to facilitate the decision making process of the Agency Board and Directors. It was noted that the approach set out in the paper had been endorsed by the Audit Committee at its meeting on 1 May 2007.

Members approved the paper.

(ii) **Budget Monitoring and Financial Accountabilities**

Members considered and approved, subject to minor amendments, paper 31/2007, which clarified the various roles and accountabilities for finance staff.

(iii) **Budget Management – Critical Success Factors**

Cathal Hughes advised that, following the recent audit on Budgetary Control and the issues which arose from the Controls Assurance Standards assessments, it was decided to undertake a self-assessment exercise to provide the Agency with information on its performance against a series of critical success factors. Cathal referred to the questionnaire appended to the Agency Board agenda and advised that it will be sent to Agency's Directors and the small Agencies for completion. The questionnaire will also be sent to the Agency's non-executive Directors. Hilary McCartan expressed some doubt whether non-executive directors would be in a position to respond to all of the questions. It was agreed that Cathal Hughes and Geraldine Fahy would review the template and select the appropriate questions pertinent to non-executives.

10. **Audit Committee**

(i) **Minutes of Meeting held on 1 May 2007**

Members considered and approved the Audit Committee minutes held on 1 May 2007.

11. **Draft Governance Framework**

Mr Hodkinson presented the draft Governance Framework 2006 –2008 for approval as required under the Controls Assurance Standard. The Framework document was approved subject to minor amendments for dissemination to staff and stakeholders via the Agency’s Intranet and Internet sites.

12. **Draft Risk Annual Report**

Members considered and approved the draft Risk Annual Report. It was suggested and agreed that a “plaudit” graph be included to reflect the significant progress made.

13. **Board, Board Committees and Sub-Committees – Proposal for Change**

Mr Hodkinson advised that following the production of a Corporate Governance Framework for the Agency it was decided to reconsider the current configuration of the committees, sub committees and executive groups set up to support the work of the Agency Board to ensure that they are consonant with corporate governance standards. The following proposals were put forward to the Board for approval:-

- (i) The Agency Board should meet on a monthly basis (with the exception of July)
- (ii) The Business Performance and Development Committee meet on a quarterly basis
- (iii) The ICT Steering Group should be redesignated as a committee of the Board to be renamed “ICT Development Committee”
- (iv) A new sub-committee of the BPDC should be established to cover the work of the Chief Executive’s Office, Finance, Human Resources (including Equality) and Organisational Development and Corporate Services.
- (v) The work of the Counter Fraud Unit should come under the auspice of the FPS Sub-Committee.

Members endorsed these proposals.

14. **Circular HSS(F) 67/2006 – Payments in Respect of Litigation and Legal Services in the HPSS – Implementation of Controls**

Mr Hodkinson referred to the Department's circular of 3 October 2006 which set out the details of the controls that should be in place for payments in respect of litigation and legal services in the HPSS. Following issue of the circular, the Agency, as a user of legal services, reviewed its compliance with the required controls and also considered what additional controls should be introduced by the Directorate of Legal Services as a provider of legal services. A paper setting out the financial controls as required by the Circular was considered and approved by members. A draft letter to the Agency's clients of legal services reassuring them of the controls to be implemented was also attached for members' consideration. The draft was approved subject to an additional sentence being added giving the Agency's assurance that the Agency has operated and will continue to operate robust controls over the discharge of its service and its guardianship of public monies.

The letter will be amended and circulated to clients as a matter of urgency.

15. **Policies for Approval**

(i) **Draft Drugs, Alcohol and Substance Policy**

Members considered and formally approved, subject to a minor amendment, the draft Drugs, Alcohol and Substance policy which has previously been reviewed by the Human Resources Liaison Group (HRLG), SMT and the Remuneration and Human Resources Committee.

16. **Declaration and Register of Interests**

The Board noted the Declaration of Interest Register held by the Agency and indicated that some revisions were necessary. Mr Hodkinson undertook to arrange for members to be issued with new forms so that the necessary amendments could be made.

17. **Any Other Business**

There was no any other business.

18. **Date of Next Meeting**

The next meeting of the Agency Board is scheduled to take place on Tuesday 28 August 2007.

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Chair

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Chief Executive

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Date