



Driver & Vehicle Agency
Strategic Management Board (SMB)
Minutes of Meeting

Date: Thursday 24 November 2011
Time: 9.30 am -1.00 pm
Venue: Conference Room, Corporation Street, Belfast

Members: Stanley Duncan Chief Executive
Trevor Evans Group Director, Licensing
James Hutchinson Group Director, Business Development
Bernie Rooney Group Director, Driver and Vehicle Testing and Standards
Shannon Caldwell Independent Board Member

Attendees : Lucia O'Connor Licensing Finance
Colin Berry Testing Finance
Helen Richmond Secretary

Apologies: Steve Hare Director, HR & Organisational Change Division, DOE
Jacqui Wallace HR & Organisational Change Division, DOE
Paul Duffy Director, Finance and Business Planning Division, DOE

		Action
1	Welcome and Introductions	
1.1	Stanley Duncan welcomed everyone to the meeting and apologies were noted. He referred to the fact that this was Bernie Rooney's last board meeting as she was moving to DSD on promotion. He thanked Bernie for her immense and valuable contribution to the work of the Agency and wished her well in her new post.	
2	Conflict of interest declaration	
2.1	There was no conflict of interest declared.	
3	Presentation on official statistics	
3.1	Martin Mayock, Analytical Services Branch, gave a presentation on official statistics. He outlined the key elements that should be taken account of in handling statistics including the code of practice for official statistics; the requirement for pre-announced publication dates; the requirement for formal publication before statistics are used or quoted; and who can have pre-release access.	

3.2	Board members agreed that further urgent consideration should be given to the publication of a regular DVA statistical report either on an annual or six-monthly basis.	J Hutchinson/J Furphy to co-ordinate
4	Minutes of Previous Meeting and Action Update List	
4.1	The minutes from the SMB meeting held on 28 October 2011 were reviewed and endorsed.	
4.2	The action point list was considered. Under action point 1 Trevor Evans advised members that at a recent video conference update DVLA representatives had again raised concern about the sick absence levels in the licensing section compared to DVLA levels.	
4.3	In relation to action point 2 about driver licensing accommodation and Mill House, board members were pleased to note that work had recommenced on the refurbishment of the library building in Coleraine with a target completion date of April 2012.	
4.4	Under action point 18, and following discussion by board members, it was agreed that MOT2, BSP and the strategic review of vehicle testing should be standing items on the board agenda. Shannon Caldwell emphasised the importance of ensuring board members were kept informed about any potential financial impact on DVA these issues could have.	Board secretary to co-ordinate by 15 December 2011.
4.5	Action point 19 – board members noted that a presentation and paper on maintaining vehicle testing delivery standards would be brought to the board for consideration and discussion at the December meeting.	Board secretary to co-ordinate by 15 December 2011.
4.6	As the required work has been undertaken it was agreed to close action points 5, 9, 10 and 11.	
5	Finance	
5.1	<u>Licensing</u>	
5.1.1	Lucia O'Connor presented the financial report for Licensing. Under DVLA expenditure she advised that by October a spend profile in the region of 58% would be expected. Expenditure to date was at 57%. The main underspend was in salaries and non capital purchases (i.e. replacement of PC's and printers). The salaries forecast for the year had been reduced and the profile of non capital expenditure was weighted towards the end of the year.	
5.1.2	Lucia referred to a £151k easement in the DVLA budget across a number of expenditure types. The main expenditure easements were a reduction in provisions, premises security and the charge from AccountNI. Lucia also reported that discussions with IT Assist to identify if there were any other charges outstanding had identified a small additional charge for Microsoft licences.	
5.1.3	Board members noted that the budget for vehicles capital had reduced by £17k due to a decision not to upgrade the ACD system at present.	

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5.1.4	On the DOE side, Lucia advised that a total of £250k had been surrendered in January monitoring due to additional receipts of £68k and reduced expenditure of £182k. The reduced expenditure was due to a reduction in salaries costs due to suppressed posts, the cessation of the drivers data card contract and a reduction in medical referrals.	
5.1.5	The spend profile of 57% was marginally below the 58% expected by end of October. Capital spend to date was in line with profile.	
5.1.6	Board members noted the prompt payment statistics. Members also noted that there significant work would still be required to fully develop the AccountNI budget process.	
5.1.7	It was agreed to check the status of the post project evaluation (PPE) for the options for delivery of driver licensing project.	L O'Connor to action by 15 December 2011
5.2	<u>Testing</u>	
5.2.1	Colin made a short presentation outlining how the standard hour cost (SHC) and aggregated cost efficiency (ACE) targets were calculated	
5.2.2	He also presented the financial reports for Testing. All financial targets were currently being met. The year to date SHC was £61.73, an improvement of 6.21% against the target of £65.75. Return on capital employed for the year to September was 31.53%, still considerably ahead of the target of 3.5%. At 5.54%, ACE performance was also higher than the target of 2.00%. For the seven months to October 2011 the Agency had achieved a surplus of just over £2.581m and a net bank balance of just over £9.96m.	
5.2.3	Colin reported that the enforcement section had released £320,000 at the monitoring round, mainly due to lower than anticipated staffing costs. Final outturn for 2011/12 year was now expected to be £2.024m. The team had also bid for a small capital resource to cover completion of the Larne weighbridge facility and the weighbridge plinth at Omagh.	
5.2.4	Board members noted the prompt payment statistics and also that in relation to AccountNI on the testing side considerable work was still required to provide meaningful reports to budget holders.	
5.2.5	As this was also Colin's last attendance at a DVA board meeting, Stanley on behalf of all board members thanked Colin for the valuable contribution he had made to DVA over the years and wished him well in his new post.	
6	Matters Reserved for SMB Approval	
6.1	<u>Compliance and Enforcement Strategy</u>	
6.1.1	James Hutchinson spoke to the paper and referred members to the strategy. Members endorsed its contents and agreed that as it was for internal use there was no requirement to send it to the Minister for approval. Board members agreed to review the strategy annually as	Board Secretary to co-ordinate.

	part of the mid year board review.	
6.2	<u>Review of Property Services and Procurement - Final Report & Board Paper</u>	
6.2.1	Following discussion board members endorsed the recommendations in the report including the additional recommendation to identify a DVA accommodation officer for County Hall, Coleraine. Members also agreed that DOE Core should be kept informed about progress with implementing the recommendations from the report.	
6.2.2	Board members also agreed that as some specific responsibilities for property services (and ICT) fell to HROCD it would be helpful if a report on these responsibilities was also presented at each board meeting in addition to the report on HR issues.	Board Secretary to co-ordinate.
6.3	<u>Six-monthly Health and Safety Reports</u>	
6.3.1	Gary Carson presented the six-monthly health and safety reports. He outlined progress on ongoing themes such as procurement of personal protective equipment / clothing. Board members noted the significant amount of expenditure this involved and agreed it was important to highlight this to staff including at the next Whitley meeting in early December 2011.	JH to co-ordinate by 5 December 2011
6.3.2	Gary also spoke about the current priorities and future challenges for the team. Current priorities included the defence of civil claims, new asbestos management surveys and HSENI inspections at four test centres. Under future challenges Gary referred to reducing numbers of HS1 accident reports; improvements to PPE - for example, hearing protection; and developing the wider departmental role that DVA staff had now acquired.	
6.3.3	On behalf of all board members Stanley thanked Gary for his presentation and for his team's continued contribution to delivering a safe and healthy working environment based on best practice.	
6.4	<u>Business Case for Armagh LVLO Refurbishment</u>	
6.4.1	Trevor Evans presented the business case for the refurbishment of Armagh LVLO. Board members endorsed the implementation of option 3.	
6.5	<u>Disabled Drivers Seeking to Become Approved Driving Instructors.</u>	
6.5.1	The board agreed that the forthcoming consultation exercise should reflect the proposed removal of the requirement for the ADI practical driving test and the test of instructional ability to be conducted in a car with a manual transmission, in order to facilitate disabled drivers who wished to become approved driving instructors.	
7	Matters for Board to Note	
7.1	There were no matters to note.	
8	Balanced Scorecard 2010-11	

8.1	The Board reviewed the Agency's balanced scorecard. It was noted that driving tests volumes were back on target. Members also noted that although initial work had been carried out further work was required on improving on-line channel usage.	
9	Corporate Services	
9.1	As there was no representative from HROCD in attendance board members agreed to postpone discussions on corporate services until the December SMB.	
10	Corporate Governance	
10.1	The Board noted the full suite of corporate governance reports provided.	
10.2	<u>Risk Register</u> The update on the risk register was noted. Under risk 8 (Health and Safety) board members noted that detailed sick absence reports would not be available for this year's annual report and accounts.	
10.2.1	The independent board member was due to attend the DVA Audit Committee and would report back on any issues.	
10.3	<u>DVA Outstanding Audit Recommendations</u> Board members noted the updated report and the significant progress that had been made since the previous report.	
10.4	<u>Outstanding recommendations relating to MOT2</u> Board members noted the report.	
10.5	<u>Fraud Update</u> Trevor Evans told members about a problem with a number of cash losses of exactly £100 each on the licensing side. Although the evidence suggested that the problem was likely to be a systems issue, and investigations were ongoing, it had been decided that the matter should be reported in the meantime as a potential fraud.	
11	Progress Reports	
11.1	The board reviewed and noted each of the progress reports presented and associated statistical information.	
12	Team Brief	
12.1	The board noted the departmental team brief, and noted that any other relevant issues had been covered in the course of the meeting.	
13	AOB	
13.1	Trevor Evans indicated that work was continuing on the feasibility study into systems integration for vehicle licensing.	
13.2	Members noted that the Customer Service Excellence (CSE) partners	

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	lunch was scheduled for 7 December 2011 and that the CSE re-accreditation assessment for the Agency would take place between 5 and 7 December 2011.	
13.3	Stanley advised that the Permanent Secretary had been invited to attend the December board meeting.	
14	Date of Next Meeting	
14.1	The next board meeting will be on Thursday 15 December 2011 in Corporation Street, Belfast.	

DVA Outstanding Action Points

	Ref	Action	Who	When	Review/Comments
1.	21 December 2010 (1)	Obtain NISRA report in relation to absence management	Chief Executive	Review on monthly basis with HR OCD	Ongoing – may require additional functionality from HR Connect.
2.	21 December 2010 (7)	Request ongoing progress reports in relation to Driver Licensing accommodation and Mill House.	James Hutchinson	24 November 2011	Update _Work has recommenced on library building – expected completion date April 2012
3.	28 July 2011	Provide report on breakdown of overtime costs and raise incapacity of HR Connect with HROCD	Colin Berry Group directors	24 November 2011	Update – Finance and Operations looking at alternative solutions.
4.	28 July 2011	Consider Agency-wide leadership development programme for line managers.	James Hutchinson	31 January 2012	Ongoing
5.	28 Sept 2011	Keep SMB informed about ministerial decision on driver licensing fees	Trevor Evans	24 November 2011	Update – Stanley to update
6.	28 Sept 2011	Keep SMB informed about securing Agency assistant statistician	James Hutchinson	24 November 2011	Ongoing -NISRA is due to bring in a new intake of assistants during January and DVA is likely to be appointed one of these new recruits. It has been emphasised to NISRA Corporate Services that the post in DVA is very specialised, and the preference would still remain for an experienced Assistant.
7.	28 Sept 2011	Seek further advice on payment of subsistence allowance.	Board Secretary	24 November 2011	Ongoing – HROCD seeking further advice from CHR
8.	28 October 2011	Keep SMB informed about MOU with HROCD	James Hutchinson	24 November 2011	Ongoing – Statement of Service from HROCD under consideration

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9.	24 November 2011	Give consideration to publication of DVA statistical report	James Hutchinson/J Furphy	31 January 2012	Actioned. The proposal is to publish an annual statistical bulletin in late May, following the receipt of the DVA Audit Certificate but prior to publication of the Annual Report.
10.	24 November 2011	Include MOT2, BSP and strategic review as standing items on board agenda	Board secretary	15 December 2011	Actioned
11.	24 November 2011	Include paper and presentation on maintaining vehicle testing delivery standards for December board meeting.	Board Secretary	15 December 2011	Closed – Stanley to advise
12.	24 November 2011	Check status on PPE for options for delivery of Driver Licensing project.	L O'Connor	15 December 2011	Actioned – PPE completed September 2011
13.	24 November 2011	HROCD to provide report on all relevant corporate service business areas	Board secretary	15 December 2011	Actioned
14.	24 November 2011	Report on expenditure on PPE at Whitley meeting	James Hutchinson	5 December 2011	Actioned