MINUTES OF DfT EXECUTIVE COMMITTEE

Date: Tuesday 8 February 2011
Time: 0925-1120
Venue: Room 5/13, Great Minster House

ExCo Members
- Lin Homer (Chair)
- Bronwyn Hill
- Richard Hatfield
- Steve Gooding
- Clare Moriarty
- Christopher Muttukumaru

Attendees for Agenda Items
- Richard Bruce (Items 2 and 3)
- **** (Performance Management Team)
- (Items 2 and 3)
- Valerie Vaughan-Dick (Item 4)
- Noel Shanahan (Item 7)
- Helen Morris (Item 7)

Other Attendees
- **** (Private Office)
- **** (Board Secretariat)

Item 1: Update from Permanent Secretaries’ and Ministers’ Meetings

1. ExCo members were asked to think about suitable visits for Sir Gus O’Donnell to make or take part in.

Item 3: Delivery Reporting to DfT Board and its Sub-Committees

2. Richard Bruce introduced the paper, which reported back from the second meeting of the Spending Review Delivery Board, which had made the decision that there was benefit in the committee monitoring all major DfT commitments, rather than only those required by the Spending Review.

3. Clare Moriarty reported that feedback from HM Treasury on DfT’s delivery reporting had been good. She felt, however, that detailed work was required to provide assurance to the DfT Board that delivery commitments were being monitored. Lin Homer added that it was essential for a Board chaired by the Secretary of State to be confident that delivery was being monitored effectively throughout DfT.

4. Lin added that she wished to attend Delivery Board meetings whenever possible but not necessarily to chair them. They would comprise a useful forum to hold her DGs to account for delivery within their Groups, and could potentially replace the quarterly one-to-ones previously held.

The names of non-SCS staff have been redacted in accordance with DfT’s publication policy.
5. This raised the question of how the Delivery Sub-Committee would sit alongside ExCo. It was agreed that, with delivery being monitored elsewhere, ExCo would be free to concentrate on current issues and organisational matters. It was possible in time that its frequency could be reduced; this would be reviewed in six months’ time.  

**Action:** Secretariat to bring forward ExCo frequency for review following the August break

6. ExCo noted that delivery monitoring arrangements had been designed to avoid overlap in reporting to different DfT Board sub-committees and also to minimise duplication with reporting to the Cabinet Office Efficiency and Reform Group (ERG). This would continue to be looked at in light of the setting up of the joint ERG/HM Treasury-run Major Projects Authority (MPA) which had the potential to replicate reporting requirements.  

[Post-Meeting Note: A paper on the role of the MPA and its implications for DfT will be coming to the 22 March meeting of the Board Investment and Commercial Sub-Committee.]

7. Other issues raised by ExCo, which would be considered as part of ongoing work to develop performance-reporting arrangement, included:

- the current lack of any reporting to the DfT Board on the performance of the DfT Agencies;
- the need for the DfT Board/Delivery Sub-Committee to be able to see performance trends as well as snap-shots;
- the need to include cross-cutting workstreams such as the Better Regulation agenda;
- the need to include the indicators of most interest to the public – such as the extent of damage to road surface condition (“pot-holes”), road congestion and rail overcrowding.

8. ExCo noted that public-facing indicators were already included in the transparency section of DfT’s Business Plan and there would be an opportunity to review these when the Plan was refreshed in April.

9. ExCo agreed a need for a new DfT ‘vision’, alongside a small number of key published objectives along the lines of the former Departmental Strategic Objectives.  

**Action:** Richard Bruce to liaise with Corporate Communications over this

10. Richard Bruce thanked ExCo for its input and undertook to incorporate its requests in the evolving delivery reporting regime.

**Item 3: Weekly Delivery Review**

11. Richard Bruce requested and noted updates to the Delivery Report that had been submitted to the previous week’s DfT Board Meeting.
12. ExCo agreed that, in the event of their being no red milestones and no milestones being due to be met within three months for a Structural Reform Plan (SRP) theme, the next milestone due to be met should be shown.

13. ExCo agreed that it ought to be possible to amend the target date for SRP milestones when there were sound legal or technical reasons for these dates being put back. The reasons for the change of date could be set out. It was agreed that this would be raised with the Cabinet Office.

   Action: Richard Bruce

14. ExCo noted the need to prioritise requests for decisions put to the Secretary of State.

   Action: Permanent Secretary’s office to liaise with SoS’s office

**Item 4: New Arrangements for Working on NAO/VfM Reports**

15. Valerie Vaughan-Dick introduced the paper and sought ExCo’s endorsement for new guidance setting out clearly the roles, responsibilities and processes for dealing with NAO VfM reports.

16. Among the key features of the guidance, Valerie highlighted the requirement for an SRO (generally at Director level) to take the lead on each NAO review and its follow-up. She also highlighted a need to use issues logs and meeting notes effectively to recognise and record any points of disagreement. This would enable the Principle Accounting Officer’s letter to the Comptroller and Audit General to set out clearly any residual areas of disagreement.

17. The paper’s recommendation for the provision of in-house training on issues to be aware of in carrying out work which might lead to a future NAO VfM report, as well as handling the study/report, was accepted unanimously. It was suggested that training could be prioritised, for example, for staff with a private sector commercial background and for those who would be working on HS2. The training should consider issues to be considered early in a project as well as handling NAO reviews and reports at the end of the process.

18. Lin Homer gave positive feedback on a National School of Government (NSG) course she had attended for newly-appointed Accounting Officers. She suggested that NSG had the capacity to develop a course tailored to DfT’s needs.

19. ExCo agreed that DfT’s SRO for an NAO review would be responsible for providing briefing papers for the Principal Accounting Officer in preparation for a Public Accounts Committee hearing. The “Business DG” (responsible for the area of expenditure under review) would need to have read the papers and to be in a position to sign them off; and would be

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responsible for deciding how NAO and PAC recommendations should be recorded and tracked.

20. ExCo:
   i) approved the revised principles for completion of NAO VfM Reports at Annex A to the paper – subject to the minor amendments it had requested;
   ii) agreed to issue the guidance as a Finance Advice Note on Transnet; and
   iii) agreed that suitable in-house training should be developed for DfT staff on the principles for dealing with NAO VfM reviews and reports.

   Action: Valerie Vaughan-Dick

Item 5: Winter Resilience

21. This had been covered under Agenda Item 1.

Item 6: Board and ExCo Forward Looks

22. These had been circulated to ExCo with a request for any updates and amendments. Members were requested to send these to the Secretariat.

   Action: Everyone

Item 7: Organisational Design Update

23. Noel Shanahan and Helen Morris updated ExCo on progress on the Organisational Design project.

24. ExCo highlighted the need to factor in people who were currently out of the Department on loan or for other reasons. It required total numbers for staff who would be leaving at each stage.

25. Noel and Helen thanked ExCo for its input and agreed to take on board its comments and requests.

Board Secretariat
10 February 2011