



Department for

Communities

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DEPARTMENTAL MANAGEMENT BOARD MINUTES

WEDNESDAY 1 April 2026

In Attendance:	Emer Morelli	Permanent Secretary (Chair)
	John Smith	Deputy Secretary for Communities, Place & Local Government
	Paul Price	Acting Deputy Secretary for Housing & Sustainability
	Kathy Sands	Obo Deputy Secretary for Corporate Services
	Cherrie Arnold	Acting Deputy Secretary for Work and Health
	Iain Greenway	Acting Deputy Secretary for Engaged Communities
	Linsey Farrell	Deputy Secretary for Operational Delivery
	Trevor Connolly	Director of Governance
	Kathy Sands	Director of Finance
	Tracy Johnston	Director of Machinery of Government
	Sharon O'Connor	Non-Executive Board Member
	Dale Ashford	Non-Executive Board Member
	Aidan McMahon	Item 6
	Paul McNaught	Item 7
	Pauline Campbell	Item 7
	George Sampson	Item 8
	Grainia Long	Observer
	Maura Heaney	Observer W&HG
	Andrew Hewitt	Observer W&HG
	Pamela Abernethy	Secretariat
	Susan McNickle	Secretariat
Apologies	John Greer	Deputy Secretary for Corporate Services



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Welcome and Apologies

Apologies were received from John Greer.

Emer welcomed all attendees, including Grainia Long, incoming Permanent Secretary, and the observers from Work & Health Group, Andrew Hewitt and Maura Heaney.

Conflicts of Interest

There were no conflicts of interest declared.

Minutes of Previous Meeting and Actions

The minutes of February's meeting were reviewed and agreed. Action points were reviewed and updated.

Stewardship Report

Kathy spoke to this paper.

SHDP clearance of business cases late in the day have secured that the Department will exceed its target for new builds of 1765. Minister has also agreed that internal easements will be directed to NIHE Stock investment.

In the absence of an agreed budget, we have now informed our Arm's Length Bodies of their allocation for Quarter 1 2026-27 which is a flat cash allocation.

Discussion was held regarding the impacts of the budget delay and the pressure being placed on future years as a result.

Departmental Business Plan



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Trevor spoke to this paper. In particular he highlighted the comments at para 7 of his paper, in relation to impacts of financial constraints on the department's ambitions.

Key pillars of the Transformation Programme are reflected as activities in the CSG section of Annex B. Proposals set out for discussion in paper.

The draft key deliverables at Annex B fully reflect the Minister's priorities for 2026, as discussed with Deputy Secretaries on Thursday 22 January 2026 and set out in Annex A of the paper.

The draft DBP will be refreshed in liaison with all Deputy Secretaries, following confirmation of the final Budget 2026-2030 allocations by the Minister.

Paul asked for discussion once budget is known in terms of his list of Ministerial priorities. Emer set out that Minister's priorities are included together with those that have been provided by business areas and will continue to be agile and will be discussed with Minister in more detail once the budget is known.

Presentation 1 – Aidan McMahon Full Fiscal Framework for NI Management Quarterly Review

Aidan spoke to the presentation.

The presentation covered the relative need of NI in comparison to England and referenced Barnett squeeze and the Holtham review for Wales in 2025.

Professor Holtham assisted DoF last year to carry out fresh review which reached the current figure of relative funding at 128%.

Presentation also covered Relative Need v Relative Funding. Emer highlighted that structural changes that we have made over the years have also impacted.



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Overview provided of Full Fiscal Framework with each of the areas set out in greater detail.

Focusing on Fiscal Devolution, Aidan focused on Stamp Duty as an example setting out the benefits for Scotland & Wales. In terms of NI SDTL revenue, we do in particular generate revenue through the purchase of 2nd and 3rd homes. Aidan went on to set out the options that would be available for the Executive if we were to devolve stamp duty.

There was a query on availability of analysis on the breakdown of reasons for purchases of second homes, Aidan confirmed that this information isn't currently held. Trevor asked how much of an impact is NIHE borrowing on the fiscal framework, Aidan explained that it is much more linked to the political negotiations on the matter. There was further discussion on the Fiscal Relative Need argument.

Emer thanked Aidan for an insightful and interesting presentation.

Presentation 2 – City Deals Update – Paul McNaught & Pauline Campbell on Digital Transformation

Paul spoke to the presentation setting out the role of the department in terms of both DfC and non DfC projects.

Belfast Region Deal area has all OBCs approved and contracts are in place.

Paul took the Board through position for schemes in Carrickfergus, Bangor and both schemes in Newry.

Mid-South West Growth – SOC's approved, Head of Terms signed and OBC's in development.

Position provided on Armagh Gaol and Ulster American Folk Park.



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Pauline spoke to the presentation in relation to Derry & Strabane and Causeway Coast & Glens Growth Deal.

Update provided in terms of Strabane Town Centre Regeneration, Walled City Regeneration and Tower Museum project for Derry & Strabane. In addition, update was provided on Coleraine Leisure & Wellbeing Centre.

Key Deliverables for 2026-27 were provided for all projects.

The strategic issues looking ahead were set out for Board including the role of CPD, Climate considerations and impact of inflation on construction.

John Smith set out the impact of construction price inflation on the schemes.

The Board complimented the team on the work that is being carried out by the team and asked about the impact of climate requirements on the schemes – Paul confirmed that work is being carried out by Councils where they can; however budgetary constraints are impacting the ability to do this to their full potential.

Emer thanked Paul and Pauline for their very helpful update and acknowledged the amount of work that has been done over the past year.

Presentation 3 – Middle East Conflict Dashboard – George Sampson

George spoke to this presentation.

An abridged conflict timeline was presented, which set out key events from 28 February to date. Comparison was also provided on the impacts at the start of the Ukraine war in 2022 with the current position in the Middle East now.

Current position was provided on energy prices and economic scenarios baseline and adverse were set out for the Board. Economic output was then set out considering impacts on inflation, labour market, housing and households. Table was



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also presented which set out the macro impacts and also potential impacts across business areas.

George informed the Board that he would be happy to share the presentation and would be happy to tailor it to present to individual groups.

The Board discussed the importance of this presentation in terms of forward planning. Paul asked if it was possible to get figures in terms of impacts on construction industry inflation impacts. It was agreed that this would be pulled out as a separate paper. There was a discussion on the impact of increased travel costs for staff.

Emer set out what is coming through in terms of sit reps and DfE role regarding energy policy and the department's role in terms of operational response.

Emer thanked George for an extremely interesting and informative presentation.

AOB

Emer thanked the Board and observers for attending the meeting.

The Board noted: PRSC Chair's Report, DARAC Chair's Report, DWP work undertaken by DfC report and the Business Continuity Plan yearly update.