

FROM: KAREN PEARSON

EXECUTIVE OFFICE

5 August 2020

TO: MARK BROWNE

STRUCTURES

We had a helpful overview meeting with NICS HR yesterday about the changes Andrew and I are progressing. We were asked to set these out. Further work will be needed on:

- Business case for the Recovery work with firm costs;
- JESP forms and grading for the two grade 3 posts (the forms are with me and I will be working on these today);
- Any remaining documentation needed for the two Brexit g7 posts (in a follow up exchange with HR yesterday, this is now closed and we have confirmation that the posts do not need to the JEGS'd); and
- An estimate of the additional bid needed for October monitoring (please see below).

2. The remainder of this note sets out the rationale and gives an estimate of costs. This will be firmed up in the business case process.

Developments since March

3. The business year has been dominated by COVID 19 across all departments. In TEO, this has coincided with the return of Ministers shortly beforehand, the need to progress NDNA and the continuation of Brexit developments.

4. From mid March, we were firmly in crisis response mode with the hub stood up, daily CCGNI meetings and the development of an Executive crisis response strategy. From mid March, myself and NR and her team moved across to COVID work.

5. The immediate response phase has wound down to a very large degree, but with considerable activity still underway on remaining restrictions.

6. TEO has moved resources to accommodate the activities needed to this point, with the following effects:

- myself, **NR** and her team moved to Covid response from mid March. This meant Andrew has been without one of his three teams, as well as myself, over that period. **NR** and her team have returned to Operational Readiness work as well as leading on Brexit related legislation;

- Peter Toogood and his PfG team also moved to COVID. Peter has lead the preparatory work on Recovery in this period, and the PfG team have provided ongoing support to DoH on regulations, briefings and debates. This has meant Chris has been without one of his key teams, and Chris has personally provided support to DoH on the regulations, briefings and debates;

- during the hub stand up phase, most Departments contributed resources to the overall effort, and colleagues were brought in from other Departments to lead the effort in the first phase. TEO resources were deployed in this part of the response too, from all parts of the office, and including some from the Brexit teams.

Response into Recovery – where are we now

7. The hub stand down was carefully timed. Work on restrictions did not stop at the same time as there was more to do on that front, and some more still to do. The current situation can be described as follows:

- If the Executive's Covid pathway continues, there is some work still to do to remove restrictions;
- The Executive approved a way forward on Recovery on 22 July and further preparatory work is in hand to prepare for more detailed Executive consideration in the Autumn;
- The Executive also commissioned a new PfG for 1 April 2021;
- There has been a review of the hub, with proposals on how to develop and build on the CCGNI arrangements for the medium to long term;
- Gail's team are back on Operational Readiness and legislation.

8. This does not take us back to the pre Covid position as we now need to configure for:

- The Executive's approach to Recovery;
- The Executive's plan for a PfG from 1 April; and
- Winter planning for flu and weather events, EU Exit reasonable worst case scenario, and localized outbreaks of Covid which may arise concurrently with implications for the hub; and
- Medium term aspirations for the hub development.

9. Configuration needs to be seen in the context of the other vital work of the Department including NDNA activities, and the limitations on resources and people availability.

New structures

10. Following discussions at senior level in TEO including with HOCS, the arrangements will be as follows.

EU Exit

11. The structure for EU Exit prior to Covid was basically sound provided posts were filled. The preparatory work shifted considerably at the point the entered into a withdrawal agreement with the EU. Up to that point, the focus had been on No Deal planning while influencing as far as possible the negotiations. The focus this year shifted to the Protocol and, obviously, with the return of Ministers, towards supporting the Executive and Assembly scrutiny. While the language of No Deal has largely fallen away, there is real possibility that the negotiations will not result in the type of arrangement that UKG aimed to achieve. In tandem, rest of world negotiations are also underway. Uncertainty on the outcome of the UK EU negotiations, and the ongoing need to clarify the precise nature of the Protocol, means that we have to prepare for a range of outcomes. Operational Readiness is now a priority. There is also a large number of SRs to be progressed in the Assembly which require very careful management and this is an important workstream too.

13. On that basis, it is not sustainable for Andrew to continue to carry the vacant g3 post and it has been agreed that the post will be filled asap.

14. Andrew has three g5 commands on EU Exit. The plan is for NR and her team to remain with me given the close alignment with Recovery. Gail will lead on Operational Readiness, Legislation and support to the Executive and Assembly.

15. Lorraine Lynas leads on the policy developments and negotiations, liaison with UKG and other devolved administrations. This includes UK internal market issues, common frameworks, support to Ministers on their engagement with UKG and other DAs, and support to HOCS on overall governance. Lorraine would report to the EU Exit grade 3.

16. Lynsey Moore leads the team in the Brussels Bureau and a Belfast based team. The work of the Bureau continues to be vital and both of her teams will have a key Protocol role going forward. That is because the withdrawal agreement and Protocol requires a high degree of ongoing alignment with EU developments on goods. This will be delivered of course from outside of the EU structures. There are challenges here for how we know about, influence if we can, communicate and implement EU initiatives from the outside. Ongoing surveillance and delivery structures have to be built into our systems. Lynsey would report to the EU Exit grade 3.

17. Taking these challenges together, the case has been made for the g3 post to be filled quickly on a temporary basis until I can return to the post of Director EU Relations. As Andrew noted yesterday, it is unlikely to be a clean end to the transition period on 31 December and some ongoing work will be required into next year.

18. Andrew is clear that a high amount of flexibility and team working will be essential to ensure that the Operational Readiness work and the other EU Exit activities have to move forward together. To manage risk, Andrew will chair a weekly meeting with the EU Exit grade 3, NR Lorraine, Lynsey, and the Recovery grade 5. Andrew proposes to extend an invitation to the hub grade 5 if Chris is content with that.

Recovery

19. The Executive has focused, rightly, on the immediate crisis. There is no clear break point between crisis management and Recovery. It is more a case of emphasis and we are nearing the point where, provided transmission rates remain low and manageable, the remaining work on restrictions can be set in a Recovery context. The Executive has approved a direction of travel for this and HOCS has convened a senior group to manage the process in support of the Executive which will retain overall control and ownership.

20. The plan is for me to remain with Covid for some time until I return to the EU Exit post. This will involve supporting HOCS and the Executive, running down the remaining restrictions, overseeing the production of a Framework for Recovery and a communications strategy, and overseeing the co-ordination of departmental Recovery workstreams and plans.

21. Recovery will be the context in which Operational Readiness planning will be taken forward, and this is the basis on which we decided that the two sit well together.

The hub

22. The above is neat provided that transmission rates remain low and manageable. However, we will need to plan for the hub to be stood up again and there are many variables to this. Stand up may be needed primarily for EU Exit, or for concurrency with Covid. As above, there are plans also for the medium term development of the hub.

23. I mention this as context for where we might find ourselves in the Autumn.

Recovery resources – current position

24. As of today, I have access to the EY team for a number of weeks. They are supporting me on Recovery and restrictions, and are providing some assistance to **NR** on Operational Readiness.

25. There will be a separate procurement exercise for hub analytics which is a different matter and requirement.

26. Peter Toogood has supported me on Recovery planning and there will be a decision on his return from leave as to whether he remains with me or returns to **NR** to lead PfG.

27. A budget needs to be established for my areas and this will be set out in a business case shortly.

28. There are no NICS staff in my team with the exception of Peter (but see above) and some support which **NR** provides from within her existing resources, for which I am very grateful.

Overall position on resource requirements

29. More consideration is needed through the business case process but headline issues as of today are:

- Andrew has funding for the EU Exit post;
- Half of my time can be funded through Brexit money;
- Half of my time will need additional resource allocation;
- There will be a need to fund a Recovery grade 5, leaving Chris's budget intact for PfG work;
- I will need some NICS resource for Recovery and I have sketched out my initial thoughts in the table below, subject to further consideration;
- We need to align the current EY costs to me, and we can do that as we move through the mechanics of setting up structures and cost codes etc; and
- There will need to be a budget for the new hub analytics contract either aligned to **NR** or me, subject to what makes best sense.

Recovery posts	Responsibilities	Cost (fully built up using 19/20 calculator, 1 September to 31 March)
Karen Pearson (already in post)	Overall lead on Recovery and EU Exit Operational Readiness	£156,072 50% of 7 months = £45,521
Grade 5	Recovery lead	£125,129 100% of 7 months = £72,991
Grade 7	Support to recovery lead	£82,884 100% of 7 months = £48,349
DP	Support to recovery lead	£65,604 100% of 7 months = £38,269
EO1	Office and PMO support	£43,947 100% of 7 months = £25,635
PA (already in post)	Support to grade 3 and grade 5	Funded from Brexit currently
Total		£230,765

Summary

30. I hope this is a useful overview of our thinking and plans.

KAREN PEARSON

Cc: Andrew McCormick

Chris Stewart

Jill Minne

NR

