

**Minutes of the Management Board meeting  
held on Thursday 18 April 2013 at 3.30 pm**

**Those present:** Sir Robert Rogers KCB (Clerk and Chief Executive)  
(Chairman)  
David Natzler (Clerk Assistant and Director General of  
Chamber and Committee Services)  
John Borley CB (Director General of Facilities)  
John Pullinger (Director General of Information Services)  
Andrew Walker (Director General of HR and Change)  
Joan Miller (Director of PICT, external member)  
Myfanwy Barrett (Director of Finance)  
Alex Jablonowski (non-executive member)  
Barbara Scott (non-executive member)

**In attendance:** Matthew Hamlyn (Board Secretary)  
Ben Williams (Assistant Secretary)  
Reg Perry (Head of Employee Relations, Pay & Policy)  
item 4 only  
Marianne Cwynarski (Head of Internal Communications)  
item 4 only  
Gavin Berman (Staff Survey Project Team) item 5 only  
Jo Regan (Staff Survey Project Team) item 5 only

**1. Matters arising from previous meetings**

1.1 **Matthew Hamlyn** updated the Board. Action 8: Further work was being done to improve the quality and presentation of the off-contract spend data. Action 9: Implementation was waiting on other changes being made to the data on sickness absences which should be completed ahead of the next Board meeting. Action 11: **Andrew Walker** asked Board Members to remind staff in their department to complete the on-line disability awareness training.

**2. Performance and risk**

2.1 **The Chairman** noted the recent improvement in the quality of the information presented in these reports.

2.2 **John Pullinger** raised the concern of the Media and Communications Service (MCS) that they sometimes struggled to get media lines agreed internally in time to respond to press enquiries. This could be mitigated by involving the MCS at an earlier stage. The **Chairman** endorsed this approach remarking that the media team provided an excellent service and could be trusted to be involved in highly sensitive discussions. **Andrew Walker** and **John Borley** asked that Heads of Departments be copied into all e-mails about media lines.

2.3 The **Chairman** reported that he had increased the target risk score for his two risks as the House Service was used to managing these risks at their

present level. **John Pullinger** agreed that the House Service was used to managing these risks at their current levels on a day-to-day basis, but the Board should reflect on the long term effects of the increased risk level on the House Service's ability to deliver its strategic priorities.

- 2.4 The **Chairman** asked for an update on getting information on the performance of planned maintenance. **John Borley** reported that a scoring system was under development but was dependent on integrating data from the hand-held reporting devices with Archibus.
- 2.5 **Alex Jablonowski** reported that the Audit Committee had raised concerns about the HAIS system. **Myfanwy Barrett** reported that mistakes had been found in the payroll data due to inputting errors, and that there were also some emerging issues on pension data. The change of pension administrator would bring about some improvements.
- 2.6 The **Chairman** noted that lack of consistency of RAG statuses for programmes and projects and suggested that the OCE and the portfolio manager should be given greater licence to challenge SROs' assessments. He emphasised that the most important factor was how likely the project was to deliver its outcomes rather than the quality of the project management process. **Andrew Walker** noted that a new portfolio manager had been appointed and the intention was to develop that challenge function. **John Pullinger** noted the need to work closely with the secretaries to PEB and PICTAB. *The Board agreed that the OCE and the portfolio manager should have greater licence to challenge SROs' assessments of their projects and programmes RAG status.*
- 2.7 The **Chairman** asked for assurance that the dependencies arising from the AV programme were being managed. **John Borley** assured him that they were.
- 2.8 **John Borley** and **John Pullinger** reported that they were exploring options for generating income from selling the tiles that had been replaced as part of the encaustic tiles project.
- 2.9 **John Borley** noted that the performance and risk report said that the increase in the number of accepted applications for waivers from the 70:30 procurement rule meant that there was greater acceptance of the procurement rule. It might equally show that CSD now had a greater understanding of the needs of the business. **Myfanwy Barrett** agreed that both CSD and the business now had a greater understanding of each other's priorities.
- 2.10 The **Chairman** asked what action was being taken to address the level of non-compliant spend. **Myfanwy Barrett** said further work was needed to clarify what was actual non-compliant spend and what was showing up as non-compliant due to poor data entry. Once this had been done more work would be needed to present this information in an informative way.

2.11 **Myfanwy Barrett** reported that her department's sickness figures were improving as action had been taken to address cases of long-term absence due to sickness.

2.12 **Myfanwy Barrett** spoke to the Budget forecast paper. The total resource underspend was just under £19m. The majority of the underspend was accounted for by early delivery of savings, changes in property valuation, and unused contingency in the provision made for pay and reward. This left £7m of "real" departmental underspend. The main components of this were: £4.6m in DCCS related to level of business; £1.8m in PICT and £1m for IT programmes. A series of stewardship meetings had been arranged with Business Managers and departmental finance leads to see if there is any additional capacity in departmental budget.

2.13 The Board considered the paper. In the discussion the following points were made:

- There was still a problem with departments' ability to forecast accurately.
- The DCCS underspend primarily consisted of savings on printing costs and some staff costs. The fluctuating nature of Parliamentary business made this budget very difficult to predict. It was understandable that staff with such unpredictable budgets would overprovision.
- The DCCS budget had been reviewed and reduced over the last three years.
- Rather than setting budgets for the maximum possible spend, budgets could be reduced and additional funds requested if required, although there was a reluctance to pursue this approach in case there were problems in accessing additional funding when it was needed.
- The demand-led element of the budget could be reported on separately. However, including it in the main departmental budget encouraged staff actively to manage this expenditure.
- In the 2013/14 budget, the major areas of uncertainty were pay and reward, as well as fluctuations in pensions and property costs.

### 3. Oral updates from Board members

3.1 **Andrew Walker** asked the Board to agree to changes in the membership of the senior pay panel. It was proposed that Aileen Walker replace Sue Harrison on the main Committee and that Christine Sillis join the sub-Committee to fill the consequential vacancy . *The Board agreed the changes to the membership of the senior pay panel.*

3.2 **Andrew Walker** reminded Board members of the need to complete PDMs and senior staff reviews. It was suggested that Heads of Department should write to their senior staff to remind them of the timetable, ask them to lead by example, and offer places on the L4P module on performance management. **Alex Jablonowski** welcomed the approach to supporting middle management. **Barbara Scott** said that the focus should be on the quality of the performance conversations. **Action: Andrew Walker to**

*provide a message for heads of department to send to their senior staff on the end of year review process by the end of April.*

- 3.3 **Andrew Walker** reported that Heather Bryson had left the House Service and her duties were being split between the existing Directors in DHRC. The House Service had just been awarded the “Louder than Words” charter for the services and accessibility it offered to those with hearing impairments. The **Chairman** congratulated all those involved in this achievement.
- 3.4 **Barbara Scott** asked if the membership of the leadership discussion groups could be revisited as a number of her regular attendees had dropped out (for legitimate reasons). **Action: Matthew Hamlyn** to ask the internal communications team to review the membership of the senior leadership discussion groups.
- 3.5 **John Pullinger** reported that the pilot co-location of Select Committee and Library Research teams was working well.
- 3.6 **David Natzler** noted that the recall of Parliament following the death of Lady Thatcher had gone well, as had the Houses’ involvement with the funeral arrangements. The House was likely to prorogue on Monday 29 April. The **Chairman** noted that this would probably mean that the April Commission meeting would be cancelled.
- 3.7 **Matthew Hamlyn** reported on a well attended event on programme and project management which had included speakers from the Royal Parks – who spoke on their work on the Olympics - the Restoration and Renewal programme, and the SPIRE and HIAS programmes. The Board thanks Jane Rumsam for organising the event.
- 3.8 **John Borley** reported that the restructuring of catering had started with the launch of the targeted VES scheme for this business area. This would be a difficult period but was being helped by the responsible approach taken by the Trade Union representatives. At the Leader’s request he had briefed him on the Restoration and Renewal programme. The Post Office counter workers planned to take industrial action on the afternoon of 19 April. Managers would cover and there would be little impact on services.
- 3.9 He reported that Andrew Cunningham, Principle Project Leader in PED had sadly passed away. The Board expressed its sympathy to Mr Cunningham’s family for their loss; the Chairman said that he had written to Mr Cunningham’s widow.
- 3.10 **Myfanwy Barrett** noted the recent turnover of staff in the Savings team but was confident of the quality of the new staff.
- 3.11 **Joan Miller** reported that staff turnover in PICT meant there were three vacancies for Business Relationship Managers, which would be advertised across Parliament.

3.12 **Alex Jablonowski** said the Audit Committee had been briefed on the Financial Improvement Plan which was progressing well. The number of outstanding actions from audit reports had started to increase again, Heads of Departments were asked to remind their staff of the importance of completing these actions. The Committee had also received a paper on fire safety and had been impressed by the progress being made.

3.13 The **Chairman** thanked Joan and the staff of PICT for the successful installation of wifi in Members' Offices. He had raised the issue of fire safety with the Chief Whips and asked them to encourage Members, and their staff, to complete the training. The Clerk's Apprentices Scheme would be launched soon and Heads of Departments were asked to think about areas in their business that could host an apprentice.

#### 4. Pay and reward

4.1 The Board discussed the options for taking forward the future of the pay and reward offer. The Board restated its commitment to achieving a fair and equitable single reward framework and to addressing the pay and reward issue together. The Board also agreed on the importance of effective, two-way engagement with staff on these issues.

#### 5. Staff survey 2012

5.1 The Board considered the paper on follow-up work to the survey. In the discussion the following points were made:

- Good progress was being made on Learning and Development and Performance Management which should help address some of the concerns raised.
- Managers might benefit from training in active performance management. Much of this material was covered by the CarterCorson module that would be offered to managers. This could provide an opportunity to support managers who were not managing effectively, by helping them develop their soft skills.
- Mental health awareness training was being offered to staff.
- More should be done to make staff aware of the support the Safety, Health and Wellbeing Service could provide those who needed help dealing with stress. This could include sharing stories based on fully anonymised case studies. It would be sensible to distinguish between stress and other mental health issues in discussing these issues.
- Communication about the survey should include information about work already in hand to address the concerns that had been raised, and should also link into communication about the forthcoming 2013 staff survey.

5.2 *The **Board agreed** that a summary of the findings from the follow-up work should be produced and sent to staff together with a message on what action had been taken to address the concerns raised and setting out what support was available to staff. **Action: Andrew Walker** to work with Internal Communications to produce a message to staff.*

## 6. Financial remit

- 6.1 **Myfanwy Barrett** introduced the paper. The paper provided advice on how to treat the adjustments to the Estimate and their impact on the Savings target of £210m. It also set out options for the financial remit for 2014-15 to 2017-18 which would be considered by the Finance and Services Committee and the Commission. The decision on the future financial remit was political and it was recommended that the House Service's input be limited to describing the impact of the various options in the paper. In addition to the options already set out a "flat cash" option would also be presented. The Finance and Services Committee would be asked whether it wanted to publish a formal report and whether it wished to seek another debate in the House on the Savings Programme.
- 6.2 There was a £5m current gap that needed to be met if the savings target was to be reached. This included savings which were under risk of not being realised, uncertainty surrounding savings from the security review and other emerging pressures.
- 6.3 The Board considered the paper. In the discussion the following points were made:
- The decision on the future of the House's financial settlement would be taken at the political level, but there was an attraction to freezing expenditure in real terms with an exception for additional specific Parliamentary activity or capability.
  - There was a balance to be struck between the House's contribution to public sector savings and the potential need to increase resources for scrutiny.
  - The £5m gap would be reduced by £3m if all the existing savings were delivered.
  - A second debate on the savings programme might provide an opportunity to unpick elements of the agreed medium-term financial plan.
- 6.4 *The **Board**: **agreed** to the principle underlying the adjustment to the savings target; **agreed** to add a "no cash increase" option to the Finance and Services Committee paper; noted the progress on achieving savings, and **agreed** the timetable*

## **7. Joint Security Board**

7.1 The **Board agreed** the recommendations in the paper to amend the terms of reference of the Board.

[adjourned at 6:20 pm

**Matthew Hamlyn**  
**Secretary**

**Robert Rogers**  
**Chairman**

18 April 2013