

**Minutes of the Management Board meeting
held on Thursday 5 June 2014 at 3.30pm**

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

In attendance: Tom Goldsmith (Board Secretary)
Ben Williams (Assistant Secretary)
Amanda Colledge (Head, Management Accounting)
(item 4 only)
Mark Egan (Digital Service Preparation) (item 5 only)
Mary Ollard (Digital Service Preparation) (item 5 only)

1. Actions arising

1.1 **Tom Goldsmith** updated the Board on actions arising from the previous meetings.

Action 10: The OCE had pulled together a consolidated list of management responsibilities from a number of documents used by different parts of the House Service. This was too long and detailed to be issued to all managers; David Vere had been asked to create something that could usefully be shared across the House.

2. Oral Updates

2.1 **Andrew Walker** updated the Board on the annual report process. 50% of PDMs had been completed and declared as records. This completion rate was significantly higher than the previous year. Performance for senior reports was not as high; 30 of the 80 reports had been completed. Responsibility for Members' staff training would transfer from Capita to in-house L&D during July. E-mails had been issued to staff about this year's staff survey. The survey itself would be sent out on Monday 9 June and staff would have a fortnight to complete it. This was the last year of the current contract for the survey and DHRC was working with BMG on requirements for the new contract.

2.2 **Barbara Scott** reported that the review of the senior leadership discussion group had been completed and thanked Vasilis Gialias for his work on this project.

2.3 **David Natzler** reported the petitioning process from H2S had been very well run, with extremely positive feedback from members of the public.

- 2.4 **John Pullinger** noted that Parliament had hosted an ECPRD conference, and that the House's TedEx conference would include very high level contributions which would increase the impact of the event.
- 2.5 **John Borley** updated the Board on the progress with negotiations to acquire a decant building. The Board would be consulted on a draft Finance and Services Committee paper on this subject at its next meeting. The terms of the lease would be negotiated to allow for subletting to allow the House to retain flexibility.
- 2.6 **Joan Miller** reported that the Office 365 event for Members had been successful and that additional demonstrations were being arranged in the Library and PICT local to meet the level of demand. Pilots of the new functionality provided by Office 365 including Sharepoint and the OneDrive were now under way involving 25 teams from within the Administration. The first data sets had been released externally as part of data.parliament and feedback from user groups had been positive.
- 2.7 **Janet Gaymer** reported that her senior leadership discussion group had welcomed the opportunity to have an input to the development of the House's new strategy; similar feedback had been received from other groups.
- 2.8 The **Chair** reported that he and the Clerk of the Parliaments had asked Sir Paul Jenkins to conduct a review of security governance. This short, high level review was expected to begin shortly. He also reported on his meeting with Paul Kane, President of Community DNS and a member of the Speaker's Commission on Digital Democracy, who had been extremely positive about the House Service staff he had met, commenting on their creativity, open-mindedness and energetic commitment.

3. Performance and Risk

- 3.1 The Board discussed the Information Services ICT Programme. The Programme had originally been designed to manage the replacement of the CPIMF products as they reached the end of their life. However it had increasingly had to deal with more urgent projects relating to integration with procedural data projects and income generation – including ticketing and retail management. The income generation project had been more difficult than expected, due in part to a lack of experience with transactional systems. The delay meant that the project the programme had originally been established to manage was at risk of not being completed. A solution was being developed and the Board would receive a further update next month.
- 3.3 The Board discussed 53 Parliament Street. A new contract for the required works would be in place next week.
- 3.4 The Board discussed security clearance performance. In addition to short term efforts to fill the vacant posts, longer term plans were being developed to re-organise the Pass Office and the Members' Staff Verification Office to address retention issues.

- 3.5 The Board discussed the Board level risk register. The Board agreed to add a risk to reflect the high level of turnover in Board membership. **Action:** The **OCE** to draft a risk relating to changes in Board composition and circulate it to Board members for agreement. **Robert Rogers** – and, from 1 September, his successor - would be the risk owner. The Board would also be considering the unified risk platform at its next quarterly performance meeting.
- 3.6 **John Borley** noted an error in the fire safety information on page 24 of the report. Under the double knock system, if the second alarm is activated the Palace will then be evacuated, rather than investigations continuing.

4. Financial Monitoring and Stewardship Report

- 4.1 The Board discussed the financial monitoring report. There had been an increase in the size of the contingency and the number of potential calls on the contingency. The additional possible calls on the contingency included additional funding for colocation and the possible need to re-categorise some spending from capital to resource. This re-categorisation was partly due to project leaders spending less time than had been expected on capital projects. Thought should be given to what additional support could be given to project leaders and how to minimise the amount of time they spent obtaining approval for projects from several different sources.
- 4.2 The report contained a list of known likely calls on contingency and a range of estimates as to their likely costs. Where possible departments were trying to manage these additional demands within their own budgets. The fact that the Board and departments had a clear picture of these risks shows an improvement in financial awareness in the House Service.
- 4.2 The Board discussed the stewardship report for the previous financial year. There had been little change from the figures the Board considered last month. The total resource underspend had been £16.2m, but £9m was due to technical adjustments or one-off large variances, and there had also been some early delivery of savings. There was £3.3m of underspend in last year's budget that required further investigation and would be focused on in the challenge meetings. The Director of Finance and Head of Management Accounting had met Heads of Department and their Finance leads to discuss forecasting following the recent Internal Audit review. These meetings had been productive and most departments had introduced changes since the audit had been undertaken.

5. Preparations for the new Parliamentary Digital Service

- 5.1 The **Chair** said that the Board had decided to focus on the first five issues raised in the paper, as these were key strategic questions. The Board had decided that the other issues would be better decided by the two Clerks, advised by relevant Board Members.
- 5.2 **Mark Egan** introduced his paper. Most of the decisions sought from the Board were issues relevant to the recruitment process. It would also be helpful if the

Board could consider a balance between setting the agenda for a Director of Digital and ensuring he or she had enough freedom to innovate and shape the service. A series of clear decisions would help reduce uncertainty amongst staff.

5.3 The Board discussed the paper on the Digital Service. In discussion the following points were made.

Aims of the Digital Service.

- The aspirations would be more accurately described as “aims”
- The Digital Service needed to be embedded in the strategy for both House Services.
- The aims should be tested with external experts to ensure that they would resonate with likely candidates for the Director of Digital role.
- The nature of the Director of Digital role varied across organisations and there was no standard job template. In Government departments that role often focused on operational transaction; the role in Parliament might be more aligned with those found in media/communication organisations.
- An incoming Director of Digital would want to be assured of both Houses’ commitment to making the Digital Service a success; this commitment should be reflected in the aims.
- It should be made clear that the Digital Service would help the two Houses deliver their strategies.
- The level of autonomy of a Director of Digital should be made explicit.
- **The Board agreed the overall direction of travel outlined in the aims but asked that they be amended to emphasise:**
- A clear expression of both organisations’ commitment to making the digital service a success and a commitment to working in partnership.
- That the task of the Digital Service would be to help deliver both Houses’ Strategies.
- **The Board agreed to circulate the aspirations (retitled “aims”) to Paul Kane, John Drori, Baroness Martha Lane Fox and Denise McDonough for comment.**

Digital Strategy Development

- The Director of Digital would want to make his or her mark on Parliament’s Digital Strategy and it would be counter-productive to develop a strategy before the Director was in post.
- The Commons Board was working on its own Strategy for the 2015 Parliament; the Digital Service would be an enabler of that strategy.

- A group should be established to develop options for the strategy, which the Director of Digital could then consider on appointment. The preparation team could form the core of that group, with additional members from across both Houses and PICT. This would be a way of harnessing current ideas and enthusiasm for a digital service; it could also be a mechanism for engaging staff outside WIS and PICT with the creation of a Digital Service and encouraging them to think about what the implications might be for their area of service. The transition would be the most risky period of the process, the challenge being to maintain momentum behind existing work while preparing the organisation for change.
- **The Board agreed that a group should be established to work up options for the strategic direction of the digital service, which its new Director could assess and use to create a digital strategy. This work should be led by the Preparation Team, drawing on a wider pool of staff from across the organisations.**
- There would be value in holding a joint away day with the House of Lords to discuss the Digital Strategy. One of the outcomes of the away day should be to articulate clearly the purpose of the Digital Service.
- **The Board agreed to hold a joint away day to consider the draft digital strategy, once the new Director of Digital was in post.**

Organisational Arrangements

- Abolishing the joint department would involve TUPE-ing a large number of staff from PICT to one of the House Service departments. It would also require a decision by the House of Commons Commission and a debate on the floor of the House of Lords.
- One of the attractions of a shared service model was the possibility of not requiring separate corporate functions. It should be considered whether these outcomes could be achieved under a joint department model. The new Director of Digital should be consulted on the desirability of separate corporate functions for ICT.
- PICT's status as a separate body was one of the reasons why it could prove difficult to integrate technology considerations into the core business. Thought should be given to how to minimise the separation between the Digital Service and the two Houses.
- Another cause of separation between PICT and the rest of Parliament arose from the complexity of being between two Houses as a joint department. It would be important for the two Houses to align their expectations of the Digital Service.
- A governance review in 2017 would allow the Director of Digital to have an input to the set-up of the department with experience of the joint department

model and knowledge of the alternative arrangements used to deliver services to both Houses.

- **The Board agreed that the new Service should be a joint department and that a governance review of the new Service be held in 2017.**

Board Membership

- Given the importance attached to creating a digital parliament it was essential that the Director of Digital be a member of the Commons Management Board.
- The Director of Digital would need to be ultimately responsible to the two Clerks for the delivery of their objectives. However this did not mean that day-to-day operational management necessarily needed to be done by the two Clerks.
- There were advantages to having a single line manager for operational purposes. There were risks associated with having two people responsible for line managing one individual and the current arrangement relied on a degree of goodwill.
- **The Board agreed that the Director of Digital should serve on the Commons Management Board.**
- **The Board agreed that the Director of Digital should be ultimately accountable to both Clerks but for day to day operational line management there should be one identified individual; this role might be performed by one of the Clerks.**

Other requested decisions

- **The Board agreed that all other decisions asked for in the paper should be taken by the Clerk of the House and the Clerk of the Parliaments, advised as necessary by relevant Board Members.**

6. AOB

- 6.1 The Chair noted that this would be the last Board meeting that John Pullinger attended. The Board thanked John for his many achievements as Director General, Information Services, and congratulated him on his new position.

[Adjourned at 17:15]

Sir Robert Rogers KCB
Chair

Tom Goldsmith
Secretary