

**Minutes of the Management Board meeting
held on Thursday 10 October 2013 at 3.30 pm**

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 (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)
John Benger (Chair, Respect Policy Working Group) (item 2)
Paul Martin CBE (Parliamentary Security Director) (item 3)
Emily Baldock (Deputy Parliamentary Security Director) (item 3)
Christina O'Kelly (SARP Renewal Programme) (item 3)
Reg Perry (Head, Pay and Reward Programme) (item 4)
Richard Ware (Programme Director, Restoration and Renewal) (item 5)

1. Matters arising from previous meetings

- 1.1 The **Board** expressed its thanks to Matthew Hamlyn, former Board Secretary, for his hard work and dedication as Board Secretary and Head of the OCE and paid tribute to his many achievements during his three years in post. The Board welcomed Tom Goldsmith to his first meeting as Board Secretary.
- 1.2 **Andrew Walker** updated the Board on Action 1. A decision had been taken to postpone the unlocking potential pilot until next year, as there were not enough business areas interested in participating due to a lack of capacity in teams and a need to embed the competencies framework. The target was for all teams to have started using the competency framework, and 50% of staff having finished the first cycle of using the framework, by the end of the financial year.

The Change Team should be able to produce an analysis of the take-up of the competency framework and departmental readiness to participate in the unlocking potential pilot. **Action: Andrew Walker and Tom Goldsmith to agree how the Board could best be informed on progress implementing the competency framework.**

2. Oral updates from Board members

- 2.1 **John Benger** updated the Board on the Respect policy.

2.2 The **Board** postponed discussion of oral updates to further down the agenda.

3. Security

3.1 The Board considered the security update paper. In discussion the following points were made:

- Cyber security remained one of the most serious security risks facing Parliament. There was both an information security and a physical security aspect to this risk. User awareness of the risk needed to be increased to produce a change in behaviour.
- The move to Office 365 and Cloud-based technology had the potential to deliver security benefits but this would depend on how the new system was implemented.
- Technological changes would form one part of the mitigation actions for the cyber security risk, although staff management and usage polices would be equally important.
- The cyber security risk overlapped with an information security risk which was owned by the SIRO. There was a good match in the mitigation actions being taken to address both risks.
- Creating a challenge culture amongst staff would not be straightforward. Research was planned to identify the barrier to staff challenging those not wearing passes, which would inform an action plan to increase staff's willingness to challenge.
- The personnel security group had been restarted and had put in place a programme of work addressing the perception of security.

3.2 The **Board** endorsed the approach to the management of security being taken across the parliamentary estate.

3.3 The **Board** asked for further information on the actions being taken to promote a challenge culture in the House Service. **Action: Paul Martin to provide the Board with an update on the actions planned to create a challenge culture.**

3.4 The **Board** agreed the proposed risk appetites and target scores outlined in this paper; and noted the significant mitigation actions currently planned and/or in progress.

3.5 The Board considered the Security Arrangements Renewal Programme (SARP) update paper.

3.6 The **Board** took note of the paper.

4. Pay and reward

4.1 The **Board** discussed pay and reward.

5. Restoration and Renewal

- 5.1 **Richard Ware** introduced his paper. The bids to conduct the independent options appraisal would be received shortly and the programme was currently on track to award a contract by mid-December. The paper identified a number of challenges that the two administrations would need to address; these included: whether archives and broadcasting would continue to be provided from within the Palace, the interdependencies with the Northern Estate decant and the need to increase the House Service's capacity.
- 5.2 The Board considered the paper. In discussion the following points were made:
- The House needed to ensure that it had the capacity to act as an intelligent client with the bodies that would be delivering the restoration and renewal works. However, it was difficult to know what capacity to develop until a decision had been taken on what option to pursue.
 - Further consideration was needed of the workforce planning implications of a possible decant.
 - It was important that sufficient time was spent developing the vision for the way the building might be used; if no work was done until a possible decision to decant was taken that process would be rushed.
 - It was important that any preparatory work did not pre-judge any decision that would be made by Member bodies.
 - The programme team were keen to apprise stakeholders of the engineering arguments for renovating the palace before moving on to discuss the opportunities that a renewal would create.
 - The programme team were aware of the needs to engage effectively with Members and this was likely to include consulting Members on a one-to-one basis.
 - Parliament needed to ensure that it learned lessons from other heritage renewal programmes and other Parliaments' experiences.
 - It was important to be clear who the stakeholders for the programme were.
- 5.3 The **Board** agreed that the paper had identified the significant impacts, interdependencies and risks and that processes were in place to ensure that decisions are made in a timely way.
- 5.4 The **Board** agreed that the R&R Programme team should continue to work with those engaged in strategy and business planning in both Houses, and with the Portfolio Office (HoC) to develop high level plans charting interdependencies and decision points across all relevant strategies and submit these for review by both Management Boards in the spring of 2014.

6. Oral updates from Board members (continued)

- 6.1 **David Natzler** provided an overview of Chamber business; including the arrangements for the election of the First Deputy Chairman of Ways and Means.

- 6.2 **Barbara Scott** reported that she would be Chairing the Senior Leadership Event. She suggested that the senior leadership discussion groups be reviewed to ensure that they were all still meeting regularly.
- 6.3 **Myfanwy Barrett** updated the Board on the unified procurement consultation which would close on 4 October. A note had been sent to the Clerk and there was a meeting scheduled on Monday to take a final decision, where the issue of a joint department would be reconsidered. The discussion of this issue at the Lords Board had been positive and they appreciated the approach the House of Commons was taking. A workshop would be held with both procurement teams next, to discuss how the two teams would integrate with each other, what the structure of a single team would look like and what it would be able to offer its customers.
- 6.4 **Andrew Walker** said that the staff survey follow up work would start next week with the focus groups meeting in November and a report being produced in December. The Investors in People interviews would start in late October and run through November. The Learning Management System would be piloted in DHRC shortly and extended to the rest of the administration in January. A data collection exercise on zero-hour contracts would be undertaken soon, it was important that the evidence base presented to the Finance and Services Committee was robust.
- 6.5 DHRC would be undergoing another re-organisation due to the need to make further savings. There had been a consultation within the department and there would be further consultation with other groups. The **Chair** said that he wanted the Board to have an opportunity to comment on the proposed changes at the next Board meeting, with a consideration of the impacts on other departments. **Andrew Walker** noted that this would delay the programme slightly. **Action: Andrew Walker to bring a paper on the DHRC departmental review to the November meeting of the Management Board.**
- 6.6 **Joan Miller** reported that over 100 staff were now using Office 365 e-mail as part of the technical pilot and 4-5 MPs would join the pilot in October. Members of the Strategic Users Network (SUN) would be working with business areas to prepare them for the introduction of Office 365.
- 6.7 **John Pullinger** reported that the number of people who went on summer tours was 20,000 higher than last summer despite the impact of the recall. He updated the Board on the IPSA round table meeting that he had attended on possible annual reporting by MPs.
- 6.8 **John Borley** reported on a number of operational issues in his department; including the Intellikey system, Catering ICT, division bells and room booking software. There did not appear to be a common cause.
- 6.9 **Dame Janet Gaymer** briefed the Board on the main themes arising from the meeting of the Audit Committee. The House's risk management system was good but further work was needed to integrate it into decision making processes. In its discussion of the audit of sickness absence record the

Committee had noted the need for consistent and reliable data. The Committee had also discussed slippages in implementation of agreed audit actions and had suggested that this be reflected in senior staff appraisals. **Andrew Walker** noted that this was part of a wider culture of non-compliance in the House, which might indicate there were too many tasks for managers to cope with. **Dame Janet Gaymer** said that the internal audit report on sickness absence reporting had been discussed and the Committee had asked to see the action plan together with the supporting evidence.

6.10 **Tom Goldsmith** briefed the Board on the plans for the senior leadership event, including the proposal to send senior leaders a questionnaire ahead of the event. The Board would meet next week for its first quarterly performance review.

6.11 The **Chair** updated the Board on developments with the Intelligence and Security Committee. The Commission and House Committee would be asked to agree to it being hosted by the House of Commons Service. The Chair briefed the Board on his meeting with the Chief Executive of IPSA.

7. Education Centre Update **[5.25pm]**

7.1 **John Pullinger** briefed the Board on the proposed Education Centre.

8. Draft Estimate for 2014/15 and draft MTFP **[5.45pm]**

8.1 **Myfanwy Barrett** explained that the report was being produced early to allow the Finance & Services Committee to publish its report in October, and thanked departmental finance leads for their work. The overall position was that the bottom line was much improved and the House was now projected to come in below the saving target. This was due to: movement in pension costs and the subsequent impact on the financial benefits of the scheme merger; further savings found in DCCS from the Q&A project and the Print Production Unit; and a review of resource requirements for programmes in Estates. Another significant change was the impairment charge on the Northern Estate refurbishment work because this expenditure could not all be capitalised as had been expected. It could be argued that this should be treated as outside the scope of the savings target.

8.2 There were a few loose ends that needed to be addressed which included: decant space requirements for the Northern Estate works; revenue implications of ICT work including the programme running costs and depreciation that would be considered by PICTAB; a new income generation business case; the Intelligence and Security Committee and the conference costs associated with the UK's Presidency of the Council of the EU in 2017. A final figure would go to the Commission in December.

8.3 **David Natzler** said that it was important to be clear what could be treated as outside the scope of the savings programme. The **Chair** confirmed that it was

new activities that provided a significant enhancement in parliamentary capability.

9. Any other business

[6.00pm]

- 9.1 **The Chair** noted that he had some issues with the take note paper on the work of the change team but that he would take these forward when the Board discussed the DHRC departmental review at its next meeting.

[adjourned at 6:00pm]

Tom Goldsmith
Secretary

Robert Rogers
Chairman

23 October 2013