

**Minutes of the Management Board meeting
held on Wednesday 28 April 2010**

Those present: Malcolm Jack (Chief Executive) (Chairman)
Robert Rogers (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 Resources)
Joan Miller (Director of PICT, external member)
Alex Jablonowski (external member)

In attendance: Philippa Helme (Board Secretary)
[s.40] (Assistant Secretary)
Elizabeth Honer (Director of Savings, for item 4)
[s.40] (Head of Savings Reviews, for item 4)
[s.40] (Strategy, Planning and Performance Coordinator,
OCE, for item 5)
[s.40] (Head of Pay, Policy and Employee Relations, DR,
for item 8)
Heather Bryson (Director, HRM&D, DR, for item 9)

1. Matters arising from previous meetings

Further to item 2, **Philippa Helme** said that she had discussed with the Secretary to the Commission the possibility of the Management Board reporting risks to the Commission. The Board could discuss under item 5 whether this proposal should form part of the broader strategy it was intending to present to the Commission.

2. Risk and performance

2.1. Joan Miller said that the status of corporate risk 3b (failure to develop IT services to meet business needs) was red because Departments did not have sufficient resources available to deliver ICT projects. PICT staffing was not an issue. Departmental resources were tied up by the large number of corporate initiatives which Departments were being required to implement simultaneously. The scheduling of corporate initiatives and identification of inter-dependencies between them might be improved by the creation of a programme office. The Board would receive a paper from PICTAB the following month giving more detail about the nature of this corporate change risk and the Board's options for action.

2.2. Action: *Joan Miller to bring paper to May Board on options for mitigating the risks relating to the portfolio of agreed ICT programmes in 2010-11.*

2.3. Andrew Walker said that corporate risk 7 (procurement failure), which had been increased by the introduction of the new EU remedies directive, had now been mitigated somewhat by the actions that had been taken. The risk of challenge could be mitigated if managers ensured that they followed an appropriate procurement practice from the start of every tender process. The main risk areas were extension of contracts without retendering and aggregation of contracts across the House. In the new environment of austerity it would be important for the House Service to be able to demonstrate that it was achieving best value in all its contracts.

2.4. Andrew Walker said that additional temporary staff had been recruited to support the delivery of DR's responsibilities for Members' allowances, before these were handed over to IPSA. Existing staff would be occupied in dealing with the large number of departing Members so additional help from across the House Service would be appreciated to help to collect data from new Members. A request would be forthcoming via GEPG.

2.5. Andrew Walker said that although the FOI "clock" had stopped during dissolution, as the House had ceased to exist as a public authority for its duration, a high number of FOI requests were still being received, which would be answered once the House returned. Disclosures of information under the FOI Act would continue to be made throughout the late spring and summer. It would be important for the internal and external communications teams to be kept fully informed of what was being released, so that Members and staff could be made aware as appropriate.

2.6. In discussion the following points were made:

- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]

2.7. The Board discussed its own role in relation to the House's FOI response process. It was agreed that:

- IRIS would consult the media team about improving media handling on FOI responses;
- A communications plan would be developed detailing a handling strategy for the information which would be released after the election; John Pullinger would provide friendly challenge.
- There was a need to revisit the House's approach to FOI, including the Board's own role. The Commission would need to be briefed on the issues and its own role in the process.

- 2.8.** *Action: IRIS, media and internal communications teams to develop a communications plan for information to be released after the election; John Pullinger to provide friendly challenge.*
- 2.9.** *Action: Proposals on improvements to the House's process for handling FOI requests to be brought to the Board.*
- 2.10.** The Board considered an update on general election planning. **Philippa Helme** said that a rehearsal for the New Members' Reception Area had been successful, demonstrating good cross-House coordination, but had highlighted some issues to be resolved. IPSA's approach to the delivery of their expenses system differed from the House's approach in the past, and might be surprising to some Members. The House Service would need to manage Members' expectations of what IPSA would deliver, and make clear that from 2010/11 the House would have no role to play in the provision of allowances. A negative response from Members was a risk that the General Election Planning Group could not completely manage. Signage and branding would be improved to make clear that IPSA and the House Service were separate organisations. A joint working agreement about the respective responsibilities of IPSA and the House Service for General Election delivery had been agreed. The Board noted this risk, agreed the delegation of responsibility for operational decision-making to GEPG, and endorsed proposals for media handling.

3. Oral up-dates from Directors General

- 3.1. Andrew Walker** reported that:
- 3.1.1.** there had been a significant cash underspend in 2009/10. The resource underspend was likely to be around 4%.
 - 3.1.2.** the Members Estimate accounts were not likely to be completed until September or October, by which time audit certificates for Short Money should have been received.
- 3.2. Joan Miller** reported that a network switch had been changed and subsequently failed. The network was now reliant on a single switch. PICT was working hard to resolve the issue.
- 3.3. John Borley** reported that an invitation to tender had been issued to industry for the Offsite Vehicle Search and Consolidation Centre. A Gateway Review had been completed; it had been unduly pessimistic about the prospect of the centre being in operation by January.
- 3.4. Robert Rogers** reported that the DCCS was preparing for the post-election period. A rehearsal of the swearing-in process had been conducted. An off the record media briefing would take place on 11 May to provide factual information about parliamentary events in the post-election period.

4. Savings Programme

4.1. Elizabeth Honer said that her paper set out the fundamental elements of the Savings Programme. There were a number of questions which it would be helpful for the Board to answer. She planned to return to the Board in June with a further paper focusing on HR aspects of the savings programme.

4.2. The Chairman said that the Board should not spend too much of its time dealing with the minutiae of savings proposals. Oversight of the savings programme should not be a regular Board item, but instead be handled by a Board sub-group. The Board should be involved in the more complex or sensitive decisions.

4.3. In discussion the following points were made:

- There would be a need to identify savings greater than 9% in order to achieve 9%. Amyas Morse, the C&AG, had suggested that Government Departments would need to identify twice as many savings as they needed to achieve in order to be successful.
- The Sub-Board steering group for the Savings Programme did not need to meet on a strictly monthly basis, but as required.
- A savings culture would be a new habit for the House Service to acquire; the Board would need to provide leadership if staff were to believe it was serious. Communications to staff would be important.
- A commissioning note from the Board would give the Board's authority to the savings programme.
- Savings should be counted across the savings period to avoid giving Departments a perverse incentive to withhold possible early savings.
- Costing information would be very useful to support good decision-taking.
- It would be desirable to identify spend to save opportunities this year. There was a question about whether the pay back from investment in IT would materialise early enough to be counted in the 9% target.
- [s.36(2)(b)] and [s.36(2)(c)]
- Party manifestos contained proposals relevant to Parliament. The Board needed to convince the Commission that if it wanted to provide additional services, it would have to consider cutting other services.
- The savings programme should consider all possibilities; it was undesirable for any area of expenditure to be ring fenced. The grants to Parliamentary bodies had been ring fenced for 2010/11, following the recommendation of the Finance and Services Committee.
- It would be important to work closely with the Lords who would be interested in the investment discussions taking place in the Commons, as many of the larger expenditure items were joint.

- 4.4. The Board agreed that it did not rule out reducing the quality of services in some instances. It was agreed that 9% was an overall target to be achieved by 2012/13, it did not need to be exactly 4.5% each year.
- 4.5. *Action: Elizabeth Honer to bring a paper to the Board's June meeting on human resources aspects of the savings programme.*

5. Strategy Development

5.1. **Philippa Helme** said that the purpose of the paper was to help the Board take forward the ideas for the Board's new strategy which had been discussed at the 4 March away day. The Board would want to develop its thinking sufficiently to allow it to discuss its strategy with the Speaker and Commission.

5.2. *In discussion the following points were made:*

- [s.36(2)(b)] and [s.36(2)(c)]
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- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]
- [s.36(2)(b)] and [s.36(2)(c)]

5.3. The Board discussed its future strategy. It agreed to hold a workshop the following week, to identify the high level objectives which it needed to achieve to secure its vision. John Pullinger agreed to draft a "straw man" to facilitate discussion.

6. Parliamentary ICT Strategy

6.1. **Joan Miller** said that the draft ICT strategy provided background on the current status of ICT in the world and tried to predict likely future IT opportunities for Parliament. These included more accessibility of data through personal mobile devices and greater engagement with the public. Reputational, financial and data safety risks had been identified and assessed. The strategy assumed that Chamber and committee services were the core work for Parliament and required bespoke ICT provision. Other non-core functions did not require bespoke provision and could, ultimately, be outsourced. Email and other ICT services could be provided through a "cloud" by expert service providers. Saving money was a key priority for the Board. The strategy identified ways in which money could be saved in relation to ICT. A three year cycle of hardware refreshment was proposed. The history of Government ICT projects demonstrated that problems occurred when upgrades were delayed and undertaken in big jumps, rather than undertaken on a continuous basis. PICTAB and the Lords Management Board had approved and agreed the paper.

- 6.2. The Board endorsed the approach outlined in the paper. The ICT Strategy would need to be considered in the light of the emerging wider strategy for the House Service. The Board requested further information on the rate at which hardware would need to be refreshed.

7. Investors in People

- 7.1. The Board considered a paper setting out recommendations from the liP reaccreditation process likely to require specific Management Board action. The Board would need to consider the liP review's recommendations when developing its strategy and considering the progress of the savings programme. It would also return to the liP review's recommendations about the Board's own behaviour.
- 7.2. The Board agreed that the first review in the liP programme should take place in October 2010, assessing staff involvement in the development of the Board's strategy and the business planning process. The remainder of the programme should be agreed by the Resource Management Group.

8. Performance Award Scheme

- 8.1. [s.40] said that the Performance Award Scheme had formed part of the A to E pay agreement with the unions. Following negative anecdotal feedback on the scheme's first year of operation, a staff survey had been conducted. This showed that staff did wish to see some form of performance-related pay, but 60% wished to see the current scheme abolished. The paper presented the Board's options for the future of the PAS.
- 8.2. The Board agreed that it should respond to the findings of the survey and abolish the scheme as quickly as possible. It was agreed that PAS should continue for period 1 of the second year of the scheme (1 February to 31 May 2010), but that the scheme should then be abolished with effect from 31 May 2010. The residual funding would then be used to pay a flat rate award, by pay band, to all satisfactory performers for the period 1 June to 31 March 2011.
- 8.3. *Action: HRM&D and internal communications team to work together to draft a staff notice to communicate the Board's decision on the Performance Award Scheme.*

9. HR policies, procedures and practices

- 9.1. **Heather Bryson** said that the Board had discussed the issues relating to HR policies, procedures and practices in March and agreed that a further paper should be brought to the April Board. Since March, the

Board had corresponded about the vision statement for the proposed programme. There was agreement on the principles which should guide work in the area. The checklist of issues to be resolved would need to be revisited once the Board's vision statement had been agreed.

9.2. *In discussion the following points were made:*

- It was proposed that the programme should address practices, policies and procedures, rather than just terms and conditions because it should include matters beyond pay.
- It was preferable to talk of variations, which reflected a baseline contract from which there might be justifiable variations, rather than differences, which implied entirely different contracts.
- HRM&D would need additional resource to support the programme.
- [s.36(2)(b)] and [s.36(2)(c)].

9.3. [s.36(2)(b)] and [s.36(2)(c)]

9.4. The Board agreed a revised version of its vision statement for the HR policies, procedures and practices programme, as follows:

“The HR policies, procedures and practices of the House of Commons Service should:

- Support the strategic vision of the House of Commons Service and the effectiveness and efficiency of its staff in supporting the work of the House of Commons;
- Provide flexibility to meet the particular demands of the House of Commons and reflect the variety of roles performed and services provided, with variations that are evidence-based, understandable and defensible;
- Support the recruitment, retention and the development of a capable, committed, diverse and flexible workforce; and
- Facilitate the movement of staff between different roles and parts of the House Service.”

The order of the bullet points did not indicate order of priority.

9.5. The Board agreed that the members of the former Common Ground steering group, together with a representative of PICT, should undertake further work to establish the elements which should be included in the programme and their relative priority, for the Board to consider at a future meeting, together with the governance of the programme. Priority should be given to those issues likely to impact on business delivery.

9.6. *Action: Heather Bryson to bring a further paper to the Board setting out the blueprint for the programme and proposed governance arrangements.*

10. Any other business

There was no other business.

[adjourned at 13.00

**Philippa Helme
Secretary**

**Malcolm Jack
Chairman**

14 May 2010