

**Minutes of the Management Board meeting  
held on Thursday 24 March 2011**

**Those present:** Malcolm Jack (Chief Executive) (Chairman)  
John Borley (Director General of Facilities)  
John Pullinger (Director General of Information Services)  
Robert Rogers (Director General of Chamber and  
Committee Services)  
Andrew Walker (Director General of Resources)  
Myfanwy Barrett (Director of Finance designate)  
Joan Miller (Director of PICT, external member)  
Alex Jablonowski (external member)

**In attendance:** Matthew Hamlyn (Board Secretary)  
[s.40] (Assistant Secretary)  
Bryn Morgan, Tim Youngs and [s.40] (Information  
Services and PICT, for item 4)  
Elizabeth Honer (Director of Savings, Resources, for  
item 5)  
Paul Dillon-Robinson (Director of Internal Audit, for item 6)  
James Robertson (Director of Accommodation Services,  
Facilities, for item 7)

**1. Matters arising from previous meetings**

**1.1.** The **Chairman** welcomed Myfanwy Barrett to the Board.

**1.2. Matthew Hamlyn** said there were very few actions outstanding. Further to action 1 (capturing corporate risk 3b in the new Balanced Scorecard), a revised corporate risk register would be sent to the Board the following week. The Balanced Scorecard would be called the Performance and Risk Report from April, and would be further refined over subsequent months. **John Borley** asked whether it would be possible to release the new report. **Matthew Hamlyn** said that it had been designed so that aspects of it, such as the monthly performance dashboard, could be published.

**1.3. Alex Jablonowski** noted that the Audit Committee had requested sight of management information on risk.

**1.4.** Further to action 3 (Board to agree individual to take forward work identified in the General Election Planning Group (GEPG)'s report), **Matthew Hamlyn** noted that the Administration Committee would now not be considering GEPG's report until 9 May.

## 2. Risk and performance

2.1. The Board considered staff pressures and morale. In discussion the following points were made:

- .Morale had fallen in DR because of the amount of change it was undergoing. That was being managed at departmental level.
- DIS was under a lot of pressure, but morale was high. The department had received good feedback for its Budget briefings. The only area of low morale was in Visitor Services where staff had raised concerns that terms and conditions did not match other parts of the House Service. That would be addressed by the HR PPP project.
- Facilities had recently had a well attended social night. Morale among Catering Staff had dipped when the areas for review under the savings programme were released, as they had been alarmed by the terms of reference for Market Testing.
- DCCS had also received good feedback for its Budget work. Staff in the department were working under great pressure, with no sign of work easing off in future. It was increasingly difficult to find volunteers for additional duties. There were also signs of initiative fatigue. Some concerns had been raised by the terms of reference for the Market Testing and People and Work reviews.

[s.43]

Staff were having difficulty understanding the Board's vision for the House of Commons Service.

- From an outside perspective, the atmosphere in the House was very positive and compared well to local government. Staff were clearly very dedicated.
- Surveys carried out in PICT showed no signs of low morale, although they also demonstrated that only about half of staff understood the implications of the ICT strategy. Pay progression was also consistently mentioned.
- It was important for the Board and managers to communicate to staff about the benefits as well as challenges of the savings programme.

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

2.3. **Robert Rogers** asked whether it would be possible to amend the annual reporting system so that promotion boards could see staff appraisal reports for non-SCS staff. Dissatisfaction had been expressed about the current policy. **Andrew Walker** said that the reasons for that policy were not straightforward and he would come back to the Board on that.

2.4. *Action: Andrew Walker to report to the next Board meeting about the reasons for the current policy of non disclosure of non-SCS staff appraisal reports to promotion boards.*

- 2.5. Alex Jablonowski** noted the delays to the Procedural and CPIMF programmes and asked whether a Gateway review was needed. **John Pullinger** said that the main reason for the programmes' red status was the announcement that the Hansard Project within the Procedural Data Programme would be delayed until 2012. PICTAB had discussed that delay the previous week and a contingency plan had been proposed. That option would cost more money and a proposal was being put together for the Finance Directors to consider. In the meantime the primary risk of the failure of the inadequate PIMS system was not being mitigated. There had been a major incident the previous week, when briefings on the Budget and Libya had only been published following assistance by the webcentre.
- 2.6. Joan Miller** noted that the performance report had been completed before the recent difficulties with HAIS, which would be scored red the following month. The problems were due to the technology used to update HAIS. Work was underway to ensure HAIS continued to meet requirements, but the system remained fragile. **Andrew Walker** said that the failure had stretched DR's business continuity plans. There was a link to morale, as staff had had to work overtime and weekends to catch up on the working days lost at a crucial time in the financial year. **Joan Miller** noted that the finance team had been very cooperative.
- 2.7. Myfanwy Barrett** reported that there was now a predicted underspend of £6.5 million. As part of the year end Stewardship Report, she would be talking to departments to try to understand the reasons for the underspend and to put forward plans to improve the quality of forecasting. In 2011/12 FMD would produce monthly forecast reports from Month 2 as part of the new Performance and Risk Report. That would include analysis of the reasons for any variance by department.
- 2.8. Robert Rogers** asked whether there was any scope for spend that would reduce the scale of the predicted underspend. **Myfanwy Barrett** said that it was very limited.
- 2.9. Robert Rogers** noted that that might cause difficulties among unsuccessful applicants to the Voluntary Exit Scheme.

### **3. Oral updates from Directors General**

- 3.1.** The **Chairman** noted that the House of Lords' administration review appeared to be broadly moving in the direction of the Commons. There were likely to be significant changes to the Lords Board as a result, including to the Finance and HR functions.
- 3.2. Andrew Walker** thanked those involved in the Voluntary Exit Scheme. The scheme had been handled very well, given the short amount of time available. 46 applicants had been granted voluntary exit in the

Commons, and 5 in PICT, at respective costs of £2.05 million and £340k. The Board considered communications. In discussion the following points were made:

- It was important to note the contribution of those leaving the House and to emphasise the value of those who remained.
- Names of successful applicants should not be released. Instead departments should release names of those leaving and joining as usual.
- It was important for departments to act consistently.
- Some departments wished to release the names of their staff.
- Two departments had already issued details of successful applicants, as the information had effectively already become public.

The Board agreed that departments could release the names of those of their staff leaving the House under the scheme.

**3.3. Andrew Walker** reported that A to E band pay negotiations were ongoing. The remit for SCS pay still needed to be agreed by the Commission.

**3.4. John Borley** reported that the Administration Committee had not yet agreed its report on catering.

**3.5. John Borley** reported that the House had recently won an employment tribunal and thanked DR and the Legal Services Office for its support. **Andrew Walker** noted that that showed it was worth fighting such cases. The case had been strengthened because Facilities managers had kept good records.

**3.6. Robert Rogers** reported that, like the IPU, CPA UK had decided not to join the proposed International Relations Directorate (IRD) and that in due course he would need to discuss the budgetary implications with Myfanwy Barrett. The uncertainty over the IRD would delay finalising the DCCS Business Plan, although that delay should not be too long. DCCS would have to find staff for a new Joint Committee on the Draft Defamation Bill.

[s.24]

He asked when updated annual reporting guidance would be posted on the intranet.

**3.7. Andrew Walker** said that SCS appraisal guidance had been posted three weeks ago. No revisions were planned for the A to E PDM system guidance: the system operated throughout the year, and was not intended primarily as a year-end reporting system.

**3.8. Joan Miller** reported that the PICT healthcheck was now underway. PICTAB would receive a summary report on 6 April.

#### **4. DIS Departmental Activity Report**

**4.1. Bryn Morgan, [s.40]** and **Tim Youngs** presented DIS's Departmental Activity Report.

**4.2.** The **Chairman** asked whether new Members' expectations had been met. **Bryn Morgan** said that DIS had received good results in the Members' survey. New Members were using the Library as much as returning Members. The period after the election had been a good opportunity to reengage with Members, as they did not all yet have staff. **Tim Youngs** added that signposting had also been improved.

**4.3. Joan Miller** asked about the extent of involvement by the administration in the intranet information architecture review. It was a new product so the previous difficulties were understandable, but it was now entering a new stage. **Tracy Green** said that her team needed time to make changes properly, but was very much focused on the intranet's audiences. Together with the OCE, work was also being done on improving the corporate portal on the parliamentary internet. **Andrew Walker** said that there were still some difficulties with finding information quickly on the intranet. For example, Members' staff were confusing information about their terms and conditions with those of House staff. Segmentation of customers had to be improved. **Joan Miller** agreed. **Alex Jablonowski** asked whether the House's information architecture was benchmarked. **[s.40]** said that the website used an annual benchmarking survey to measure its performance against those of other parliamentary websites. The UK parliamentary internet always performed very highly in those surveys and was often cited as an example of best practice. Annual usability testing had shown a steady rise. The main area now needing work was publications. **John Pullinger** said that the Procedural Data Programme was critical to that.

**4.4. Robert Rogers** noted that good work was being done on linking DIS to DCCS. Bryn Morgan attended DCCS's Committee Office Management Group. The Table Office had also worked with the Library to increase new Members' awareness of the latter's services. He asked how far planning had developed for the "Parliament week".

**4.5. John Pullinger** said that that had been discussed for the first time at the Group on Information for the Public the previous day. The idea had been developed in correspondence between the Speaker and Jimmy Hood following the success of the Festival of Politics in Scotland. The aim was to hold the event at the end of October. Planning was being led by Aileen Walker with an advisory group of Members. He agreed to update the Board when more information was available.

**4.6.** *Action: John Pullinger to produce take note paper for the Board on the Parliament week once plans were more developed.*

**4.7.** **John Borley** asked whether there was any indication that Members were using the reading rooms less given the rise of new technologies. **Bryn Morgan** said that the numbers of users were still high, although Members were using the rooms differently. The Library was keeping the set up of the rooms under review to reflect changing patterns of use.

## **5. Savings Programme**

**5.1.** The Board considered the Programme Governance paper. In discussion the following points were made:

- Good management of the reviews' dependencies was critical.
- The Board did not have the time to take over management of the programme, but it was vital for it to retain policy control.
- The governance proposal was very sensible. DGs had ownership of the reviews and policy questions would come to the board. The savings presence on each of the review teams also provided eyes and ears on the ground. The Savings Programme Board had worked very well to date and could escalate any issues to the Management Board.
- The terminology of the Savings Programme should not be changed
- The portfolio function of the new Department of HR and Change would help to manage potential dependencies. It would pull together information on projects and programmes on a quarterly basis for the Board, in a new slot in the Performance and Risk report.
- It was important for the Board to keep driving the programme or else it would not be delivered.
- The Board needed visible ownership of the programme, with regular special meetings to determine policy and check progress. The Board needed to challenge those leading the reviews to ensure they did not diverge from the business.
- The Board's Secretary sat on the Savings Programme Board and provided another link to it.
- The leader of the Market Testing review should be a fixed term appointment at SCS1 level, as that was a sensitive and important area in which a special set of skills were needed.

**5.2.** The Board agreed that:

- the model for governance of the programme should be one of "active assurance", with the Board retaining control of all matters of policy and acting as a point of escalation from the Savings Programme Board, and visibility of the work of the Programme, and the Savings Programme

Board remaining responsible for managing interdependencies, programme-level risk and appraisal of benefit and savings;

- the review leaders and groups identified in the paper were correct (with the addition of Bryn Morgan leading on public engagement) and that it was appropriate to have a savings presence on all the groups;
- it should be for the relevant DG to decide how to resource their strand;
- finding the resources to lead the Market Testing review was a priority and that John Borley should talk to the Chairman and Andrew Walker about a fixed term SCS1 appointment;
- the Board should hold special meetings to discuss its policy on Market Testing and People and Work, in that order;

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

- the Board should also hold special meetings to take stock of progress on the Savings Programme;
- the name of the Savings Programme should not be altered.

**5.3. Action:** *Office of the Chief Executive to set up dates for special meetings on the Market Testing and People and Work Reviews. John Borley to seek agreement to SCS1 fixed term appointment from Malcolm Jack/Andrew Walker.*

## 6. Internal audit plan for 2011/12

**6.1.** The Board considered the Internal Audit Plan for 2011/12. In discussion the following points were made:

- It appeared that a lot of the audits required IT resource and so the scheduling of the audits would be very important.
- In respect of the “Paper” audit, it might be necessary to wait for some of the preliminary work on Print to Web.
- The forecasting audit did not need to cover the risk of expenditure exceeding estimate.
- The audits should focus on achieving simplicity.
- The IA team should identify and communicate wider lessons across the House Service.
- The risk management audit relied to a large extent on self assessment.
- Self-audit could be quite valuable.

**6.2. Paul Dillion-Robinson** said that he was putting together a resourcing plan. Internal Audit wanted to get terms of reference agreed early so that planning could take place upfront. Not all the audits covering systems required IT support. The Forecasting audit should be about the accuracy, rather than effectiveness, of forecasting.

**6.3. Myfanwy Barrett** said that she welcomed the audit plan, as a lot of the reviews would help her to understand and shape her new role as

Director of Finance. She suggested that she should be the sponsor of the Governance audit. **Matthew Hamlyn** agreed.

**6.4. John Borley** asked whether the Audit programme was achievable, or whether resources would be spread too thinly. **Paul Dillon-Robinson** said that the shortest audits were two weeks and the longest eight. His team took the approach of seeking to add value and moving on quickly if after a couple of weeks it was clear that nothing was going to be found.

**6.5.** The Board approved the draft Internal Audit Programme for 2011/12 with minor amendments.

## 7. Accommodation

**7.1. James Robertson** introduced the House of Commons Accommodation Policy, which had been revised following consideration by the Board on 27 January. In discussion the following points were made:

- The effect of the future reduction of 50 Members on accommodation requirements was not fully reflected in the policy. It was important to start discussing that with the whips.

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

- The reduction should reduce pressure on the estate and was also likely to diminish calls to refurbish the Upper Committee corridor windowless offices.

- By agreeing the policy, the Commission would be signing up to Members only having, on average, two members of staff on the estate.

- The rule on numbers of staff had caused difficulties in the past.
- It would be better to create incentives to move staff off the estate rather than having rules which might not be adhered to. At present the costs of having staff on the estate were disguised. They should be made explicit.

- The reference to IPSA should be strengthened. Its rules could be analysed to identify whether they were creating perverse incentives to house Members' staff on the estate.

- The Speaker's submission to IPSA's consultation had made that point. IPSA's new scheme would be published on 25 March.

- There were IT costs in supporting staff off the estate.

- The paper had to build in value for money incentives. Currently there was a certain acceptance of the status quo. Value for money should be mentioned in every statement of principle,

- The Education Centre had been agreed by resolution of the House but it was not included in the policy.

- The paper should describe the criteria the Board would use for third party users. Some decisions about third party use would be for the Commission.



- The principle on decant space would be going to the Lords Management Board the following week. PED was now trying to sequence the House's accommodation programmes.
- The reference to the impact of electronic communication was unhelpful and should be removed.

**7.2.** The Board amended the Accommodation Policy and agreed that a revised Policy should be circulated for agreement by correspondence before it was submitted to the May meeting of the Commission.

**7.3.** The Board considered the Education Centre paper. In discussion the following points were made:

- It was not possible to meet the brief for the Education Centre within the present estate.

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

- In the meantime all options for expansion of the existing service should be included.
- It could be difficult to be seen to be taking away a service for Members (the Members Centre) to provide space for educational visits.
- Library Room D had also been suggested as a possible site.
- Some Members were keen to reconsider the earlier proposal to build a centre on Victoria Tower Garden.
- At the moment the Education Service was unable to meet the level of demand. It had received 21,000 calls in three hours when opening for school bookings.

**7.4.** The Board agreed:

- to approve the expansion of the current operation for education visits and to defer the construction of an Education Centre;
- to seek agreement from the Administration Committee to a derogation allowing the use of the Grand Committee Room on Fridays in school term time for educational visits;
- to continue to explore options to use the ground floor of Portcullis House and the CPA UK and IPU meeting rooms, as well as any other potential locations.

**7.5.** The Board considered the 2 The Abbey Garden paper.

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

- The Commissioner for Standards was content with the proposal.
- It was important to retain a location for the Association of Former Members.
- The Association was currently operating out of 1 Parliament Street.

**7.7. The Board agreed:**

- that the Commons should serve a Section 26 Notice on the Landlord of No 2 The Abbey Garden with the intention of bringing the leases of No 1 and 2 The Abbey Garden to an end in March 2012;
- that the occupants should be relocated in Autumn 2011 to give PED the time and access required to complete dilapidation works prior to lease end.

**8. Off-Site Consolidation Centre**

**8.1. James Robertson** explained that the Board was being asked to endorse the exemptions from the OSCC process. It was important to ensure the exemptions were limited.

[s.24; s.43]

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

- The facility was impressive. It also provided an income generating opportunity for other organisations which might want to piggy back on the service. There was also great potential for storage, saving space on the parliamentary estate.
- The focus should be on getting the facility running first.

**8.3.** The Board agreed the process under which departments could apply for an exemption.

**9. Any Other Business**

**Matthew Hamlyn** reported that there had been an FoI request for Members' comments on IPSA in the Survey of Members' Services. The information was anonymous and would be then released. IPSA would be informed in advance.

[adjourned at 18.23]

**Matthew Hamlyn**  
Secretary

**Malcolm Jack**  
Chairman

March 2010