

**Minutes of the Management Board meeting
held on Thursday 13 December 2012 at 3.30 pm**

Those present: Robert Rogers (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)
Alex Jablonowski (external member)
Barbara Scott (external member)

In attendance: Matthew Hamlyn (Board Secretary)
Ben Williams (Assistant Secretary)
Jane Hough (Strategy, Planning and Performance Manager) (item 4)
Richard McLean (Programme Manager, ICT Strategy) (item 6)
Matthew Taylor (**Director of Operations and Member Services**) (item 6)
Lieutenant General David Leakey (Black Rod) (item 7)
Martin Fenlon (Business Resilience Co-ordinator) (item 7)
John Thursfield (Secretary to the Business Resilience Group) (item7)

Apologies: Myfanwy Barrett (Director of Finance)

1. Matters arising from previous meetings

- 1.1. On action 6, **Andrew Walker** reported that Business Partners had been offering departments informal guidance on managing temporary promotions and fixed term appointments. Formal guidance would be issued in the New Year.
- 1.2. The Board discussed next steps on the alcohol policy.

2. Performance and risk

2.1 John Borley reported that he would be presenting a paper to the Finance & Services Committee on staffing and recruitment issues in the PED project delivery team. The figures presented in the performance and risk report did not reflect the fact that some of the posts were being temporarily filled by interns and consultants. While it was true that the PED Design Authority was only at 50% capacity, it was a new body that had been established for less than a year.

2.2 John Pullinger reported that one of his Board level risks on website search functionality had now scored as "red"; and DIS was unlikely to reach the planned searchability target this year. The issue should be

resolved through improvements that would be introduced to the Hansard reporting suite next year. He undertook to update the Board on progress.

2.3 John Borley raised Board level risk 2 – relationship with the House of Lords. The Chairman noted recent activities that had served to mitigate this risk.

2.4 The Chairman noted the recent Parliamentary Question on sickness levels in the House Service.

2.5 Andrew Walker reported that his department was likely to exceed its budget by approximately £400,000 during this financial year, a variation of 5.7%. This was due to factors including additional agency staff costs, training overspend and increased corporate recruitment costs due to the level of demand from the wider business. He was willing to reduce expenditure, but this would have an impact on service levels. In light of the level of the overall underspend across the House Service the Board saw no immediate need for DHRC to reduce its expenditure; formal approval for the overspend would be sought from the Director of Finance.

2.6 The Chairman raised the issue of the timeliness of performance information for the Board. There was a tension between receiving the data soon enough for it to be relevant and ensuring the information was complete and accurate. The Head of Internal Audit had recently completed a review of the accuracy of the information in the performance and risk report that had been shared with the Board. The Board would want to take this forward as part of their effectiveness review in January. **Matthew Hamlyn** noted that the Board effectiveness questionnaire included a question on the timeliness of information that the Board received.

2.7 In the absence of the Director of Finance, the **Chairman** raised the issue of whether a supplementary estimate might be needed in the current financial year; in the context of a likely underspend on the Administration Estimate. **Andrew Walker** noted that if the total underspend in the financial year were greater than 5% at the end of the financial year, the NAO would be required to comment when they reviewed the accounts. Some of the current underspend might be needed to fund voluntary exit schemes and pay reform. It was noted that a supplementary estimate might be used to return the underspend arising from the revaluation of the Estate. The Board agreed to take a final decision on the issue in January.

3. Oral updates from Directors General

3.1 John Pullinger raised the need to relocate the souvenir shop from St Stephen's Hall to allow for the next stage of the encaustic tiles project. The **Chairman** reported that he had spoken to David Beamish about this issue, including in particular the proposed new location for the shop, and they would shortly be issuing a joint statement to colleagues concerned to set out a clear direction of travel.

3.2 John Pullinger had briefed Mr Speaker on progress in establishing an Education Centre. The current proposal was to have a temporary centre in place by 2014; a paper would be sent to the Commission in February following a Parliamentary Estates Board meeting in January. He had held a positive meeting with Westminster Council on the possibility of holding democracy themed events in Parliament Square.

3.3 John Pullinger reported that Parliament week had been a success; 26% of MPs had been actively involved and 95 organisations had partnered with the House to deliver events.

3.4 Alex Jablonowski briefed the Board on the future work of the Audit Committee. The Committee's focus would be on supporting the House Service in achieving substantial assurance. It was also interested in reforming the process for letters of assurance. The Head of Internal Audit was looking at examples of best practice to be shared with heads of department. The process did not need to be bureaucratic; departments should be able to provide evidence to support their letters from existing assurance sources. The Committee would continue to follow up delays implementing agreed audit actions; these actions need to be agreed and owned by managers. **John Pullinger** noted that this would benefit from the maturing approach to the audit relationship from both departments and internal audit. The Committee was also keen to do additional work on HR capability and capacity and on value for money.

3.5 Joan Miller reported that the "Plan B" Wi-Fi roll out was progressing. Wi-Fi would be delivered to the Ways and Means corridor by the end of the following week. The project was confident of meeting the delivery date of the end of March. The project was communicating its plans to Members. A bug in SPIRE that was affecting network speed had been identified and was being resolved by the supplier. PICT would be upgrading the operating system from Vista to Windows 7. The Board was assured this transition would go smoothly. **Barbara Scott** said her own experience of transferring to Windows 7 had not been straightforward and suggested that PICT give users a short crib sheet setting out the changes. **Joan Miller** said that the way parliamentary applications were packaged meant that the operating system upgrade should not cause any problems. PICT would be piloting and testing the new system on all applications ahead of the rollout and would be producing a crib sheet.

3.6 John Borley reported that 56% of House staff had completed their online fire training. Information on departmental performance had been shared with the Resource Management Group. The **Chairman** emphasised the importance of staff completing this training.

3.7 John Borley noted that PICT staff had been given Christmas Eve off as an additional day of annual leave. This news had been poorly received in Facilities. **Joan Miller** explained that PICT was a bicameral department that had to steer a line between the practices in both

House, and that she had sought advice from HR; and understood that this was a matter for departmental management. PICT staff had been working very hard all year and this announcement had greatly improved their morale. The **Chairman** noted that this news had been less good for morale elsewhere in the House Service; Heads of Department should consider how such decisions affected on other departments.

- 3.8 Matthew Hamlyn** proposed that, starting in the New Year, papers submitted by the House Service to the Administration Committee should be seen first in draft in the Office of the Chief Executive. He had raised this idea with the Clerk of the Committee and the Secretary to the Commission who were content. The Board agreed to this new practice. *Action: **Matthew Hamlyn** to inform senior managers that papers for the Administration Committee should be shared in draft with the OCE.*
- 3.9** On behalf of the Director of Finance, Matthew raised the Leader of the House's interest in the over-programming of capital projects in Estates. The Leader had been offered a briefing on this issue.
- 3.10 Andrew Walker** reported that, following agreement by the RMG, the roll out of multifunction devices would be starting soon, beginning with DHRC in January. As part of the governance of pay and reward implementation a project board was being established. Heads of Departments would be asked either to become Board members themselves or to nominate a senior colleague to represent them.
- 3.11 Andrew Walker** noted that there had been a recent whistle-blowing case in the Department of Facilities. Heads of Departments were reminded of the need to ensure their staff were familiar with the whistle-blowing guidance.
- 3.12** The **Chairman** reported that the Commission meeting on 10 December had been very constructive. The Commission had discussed the new pay and reward proposals in detail.
- 3.13 Andrew Walker** updated the Board on the Investors in People process. All Board Members had been sent the organisation-level report and departmental/directorate reports would be issued shortly to heads of department. The intention was to share the organisation-level report with all Commons and PICT staff next week accompanied by a message from the Clerk of the House and from Gary Inman, the principal external reviewer. Heads of Department would be responsible for communicating the findings of their own department's reports, but Andrew recommended that feedback should happen at around the same time; the second week of January was suggested as an appropriate date. The Chairman said that he was not daunted by the report, which reflected the fact that the organisation was undergoing a challenging period of change. The House Service had a number of strengths to build on, not least the quality of its staff.

3.14 Andrew Walker updated the Board on the Respect Policy.

3.15 Action: *Matthew Hamlyn/Andrew Walker* to produce a short briefing note for Board Members to use in discussions with staff. Information would also be included in the next senior managers' briefing.

4. Strategic Planning

4.1 The **Board** discussed the paper on the strategy refresh and agreed to:

- Replace the reference to “cost less money” with “provide value for money”;
- Replace the reference to “constitutional reform” to “constitutional and procedural change”, and
- Retain the reference to the Education Centre.

The rest of the draft was agreed without amendment.

4.2 The Board thanked Jane Hough for her work on the refresh of the strategy.

5. Liaison Committee report on select committees

5.1 The Board considered the paper. The following points were made during the discussion:

- The Liaison Committee might expect a Commission response, rather than one from the Management Board.
- These were matters that the Commission had delegated to the Management Board; therefore it made sense for the Board to respond to these recommendations.
- The cost of recruiting an additional SCS1 might be higher than the approximate figure suggested in the paper; it was probably closer to £0.5m than £0.4m over four years.
- It was good that the Board was considering a paper concerning the core business of the House. The Board should be engaging with the wider issue of select committee effectiveness.
- Supporting further improvements in the effectiveness of the Committee system would require coordinated effort from all departments. For example, PICT input would be needed to provide ICT support, DIS to enable closer working with the research teams in the Library and DRHC to advise on staffing issues.

5.2 The Board agreed that the Commission should be invited to write to the Liaison Committee along the lines of paragraph 2 of the paper and the Board would submit a response covering paragraphs 4 and 5, which would be shared with the Finance and Services Committee. *Action: The **Chairman** would write to the Liaison Committee along the lines of paragraph 4 and 5 of the paper. The Chairman's letter would also be shared with the Finance and Services Committee for information.*

6. ICT Strategy

6.1 Joan Miller presented her paper and noted that in January the Board would be taking a paper on the detailed proposals on the adoption of cloud computing.

6.2 The Board considered the paper. The following points were made during the discussion:

- This had been a genuine attempt at a zero-based review, looking at what the two Houses required from the ground up.
- Denise McDonagh, the new external member of PICTAB, had been able to give positive reassurance on the overall direction of travel set out in the Strategy.
- PICT had a strong record on delivering savings and was confident that the savings in the Strategy were robust. The detailed figures on infrastructure costs would be seen in February and March as they went through the business case process. The Chairman asked the Director of PICT to discuss this further with the Finance Director.
- The Commission had indicated they might accept a proposal to reduce the provision of broadband to Members which would produce around £2m of savings over 5 years.
- The Commission had emphasised the need for Members to be aware of any change to the existing system for providing them with ICT equipment, including any move to “bring your own device” (BYOD) well ahead of implementation.
- A mixed economy of PICT and personal devices would involve some Members moving outside their comfort zone as PICT would offer less support to those obtaining their equipment from a third party. It was noted that some PICT support was already provided by a third party.
- A cloud-based “thin client” system would reduce the need for technical support as the device would only need an internet connection to operate Parliamentary services.
- The paper focused on up-skilling PICT staff, but there was less focus on the impact of this transformation on the wider culture among parliamentary staff.
- PICT had a number of different types of customer and needed to be ready to respond to the numerous different ways staff used and viewed technology.
- The benefits of the new strategy needed to be made clear to staff.
- The PICT model office had been effective in showing staff the practical benefits of the Strategy; Board members would benefit from a visit.
- DIS users had held workshops with PICT to explore the opportunities offered by this new approach, other departments were welcome to arrange similar events through their Strategic User Network (SUN) user group representation.
- The move to a thin client system would deliver a number of business resilience benefits.
- There were a lot of detailed questions that staff would want to know the answer to. For example: what would happen to staff who did not

buy their own device? If your personal device broke would you be obliged to buy a replacement? What were the tax implications of a shared ownership scheme?

- This policy would raise questions about the kind of organisation the House wanted to be by, for example, raising issues about work-life separation.
- There was a need for the business to take a lead in deciding how it could use the opportunities provided by the ICT Strategy. The business should be using technology to re-design its services, rather than being driven by technological change.
- The House needed to consider how this strategy would affect the way it stored and shared its data. The House should view the data it held as a core resource.
- The strategy did not address the majority of the House's ICT needs. For example, the Deloitte review of PEB had highlighted problems with the Archibus system that was affecting productive working. PICT needed to ensure it continued to support the House's core business alongside implementation of the ICT Strategy.
- A number of staff would not want to bring their own device; they would still need to be catered for.
- The strategy was about providing Members and staff with choice: no one would be forced to buy their own device. PICT would continue to provide equipment for those who did not want to use their own equipment.

*Action: **Myfanwy Barrett and Joan Miller** to discuss the savings in the ICT Strategy. **Myfanwy Barrett** to report back to the Board when she was content that the savings contained in the strategy would be robust.*

*Action: **Joan Miller** to arrange for the Board to attend a model office demonstration in February.*

7. Business Resilience

7.1 The Board considered the papers. The following points were made during the discussion:

- Black Rod would be discussing with HR how to recruit and remunerate staff taking on the "Chief of Staff" position.
- Administrative support staff were not currently on a formal rota. Instead they were called in as required on a "best efforts" basis. This was accepted as a weakness in the current system.
- The Business Resilience Group would be considering the redrafted Incident Management Framework (IMF) in January; the Management Board might want to endorse some of the recommendations in the revised IMF.
- There would be value in rehearsing a relocation exercise using the Charlie site, as awareness of the plan was low amongst Chamber-facing staff and it was the plan most likely to be needed.
- Options for the future of the Delta site would be produced by February.

- There would be value in involving Members in IMF exercises and with co-ordinating plans with the Whips. The **Chairman** agreed to raise this during his next bilateral meeting with the Chief Whip.

7.2 The Board thanked Black Rod and his team for their work. The Board agreed to the five actions in the paper.

8. Managing PDMs in SPIRE [5.50pm]

8.1 The Board considered the papers. The following points were made during the discussion:

- The position on using passwords should be less negative – people should be allowed to use them if it made them feel more comfortable saving this information in SPIRE.
- Using passwords caused problems if people either forgot the password or left the document password-protected when they changed job. PICT was unable to re-open documents when a password had been lost.
- The large number of record officers currently involved in operating the SPIRE system presented a security concern as they were able to access all documents stored in SPIRE. Use of passwords reduced the security concern but caused other problems.
- A lot of record officers had been trained to ensure effective roll-out of SPIRE but the number should be reduced as SPIRE became part of business as usual.
- SPIRE recorded when documents were accessed and record officers would be asked to sign a personal undertaking not to access other staff's PDMs.
- Staff needed to see a clear benefit from placing their PDMs in SPIRE.

8.2 The Board agreed that all House of Commons staff PDMs and ASRs should be managed in SPIRE starting with the final report from this reporting year.

[adjourned at 17:55 pm]

Matthew Hamlyn
Secretary

Robert Rogers
Chairman

December 2012