



HOUSE OF LORDS

Management Board

2nd Meeting
Friday 6 February 2015

MINUTES

Present:	David Beamish Liz Hallam Smith David Leakey Andrew Makower Matthew Taylor Tom Mohan Edward Ollard Simon Burton Carl Woodall	Clerk of the Parliaments Information Services Black Rod's Department Financial Resources Acting Director of Parliamentary ICT Human Resources Parliamentary Services Corporate Services Facilities
Audit Committee member:	Liz Hewitt	
In attendance:	Paul Thompson Dr Marianne McDougall Veronica Daly	Head of Internal Audit Head of the Parliamentary Safety Team Director of Parliamentary Procurement and Commercial Service

The Board noted the success of the Magna Carta event, which had taken place in the Robing Room and Royal Gallery on 5 February.

- 1 Draft Corporate Business Plan 2015/16** **MB/2014/9**
- 1.1 The Board considered the draft Corporate Business Plan.
- 1.2 The Board agreed to revise the wording of some parts of the strategic plan to take account of developments regarding Restoration and Renewal (R&R). David Leakey suggested incorporating a reference to business resilience into any future version of the strategic plan.
- 1.3 A Board member suggested including a reference to the Administration's principal financial assumptions in the business plan. Andrew Makower agreed to consider this.
- 1.4 The Board **agreed** the draft Corporate Business Plan for 2015/16, with amendments, for submission to the House Committee.
- 2 Review of Corporate Risks & Proposed management responses to Internal Audit report on risk management arrangements** **MB/2013/10**
- 2.1 Simon Burton introduced the paper. Paul Thompson said that he considered the proposed management responses, and the proposed new set of corporate risks, to be positive.

2.2 The Board considered the paper and the following points were raised in discussion:

- A Board member asked if each Internal Audit recommendation would have a named individual against it. Paul Thompson agreed to insert these. Simon Burton noted that in this instance it would be the BPG for the majority of the recommendations.
- The Board discussed the future management of the three corporate risks which it was proposed should be delegated, including the implications for the risk management framework more generally. A Board member suggested referring to Commons practice if helpful and raised the possibility of issuing quarterly prompts to the delegated risk owners. Simon Burton said that it was the responsibility of the owners of the delegated risks to escalate these to the Board if considered necessary. It was intended that quarterly reports on office-level risks would still be issued to the risk owners. This, among other matters, would be considered by the BPG as part of the revision of the risk management guidance.
- A Board member said that the finance risk was about management, stewardship, counter-fraud and achieving value for money, rather than the risk of adequate funds not being available for the House. The Board **agreed** that the proposal to delegate the Finance risk should be presented to the Audit Committee on this basis.
- The Board noted that the Commons had neither a security nor ICT risk at the corporate level. The Board noted that Simon Burton would discuss the bicameral management of these risks during a meeting with the Commons risk champion and that the Digital Services Board could also consider the management of the bicameral ICT risk further.
- The Director of Facilities endorsed the new Buildings & Facilities risk but suggested that R&R might have to be the subject of a separate corporate risk in due course, as it concerned broader change management issues rather than just facilities.
- A Board member said that risk considerations should form a core part of Board papers more generally in future.
- In the interests of visibility the Finance Director suggested recording that the ICT, Finance and Information risks had been delegated to the Director of the PDS, Finance Director and SIRO, respectively, on the face of the corporate risk register. The Board **agreed**. The Board noted that risk management already formed part of senior manager job descriptions and objectives.
- The Board discussed the creation of a new risk of 'failure to maintain the confidence of members', including alternative wording; noting the wording of the similar Commons corporate risk. A Board member suggested describing the risk as 'Failure to maintain effective governance arrangements between the Administration and members'. The Board **agreed** to decide an appropriate form of words offline.

2.3 The Board **agreed** the proposed changes to the corporate risks, and the proposed management responses to the recommendations in the Internal Audit report on risk management arrangements.

3 House of Commons Governance Committee: implications for the House of Lords

MB/2014/11

3.1 The Board considered the paper [*Additional information – Restricted Access*].

3.2 The Board noted that its discussion would inform the preparation of the paper to be considered by the House Committee on 24 February.

4 Safety Management Update

MB/2014/12

4.1 Dr Marianne McDougall introduced the paper. She noted that a safety assurance request had recently been issued to departments and offices across Parliament. The returns from the Lords already looked very positive. She said that the key requirement was to achieve a culture change and adopt a targeted approach to key risk areas rather than trying to do everything at once. The level of bureaucracy involved also needed to be reduced in order to focus staff's efforts on doing things rather than writing things down. A vision and values statement had been prepared which would be circulated. It was also important for staff to become more aware of their responsibility for safety matters.

4.2 The Board considered the paper and the following points were raised in discussion:

- The Board noted that the concerns that had been raised about safety matters in Black Rod's Garden, were now being addressed.
- A Board member said that some current practices in Parliament would benefit from scrutiny by the Parliamentary Safety Assurance Committee.
- Veronica Daly noted that she had been working closely with Dr McDougall in this area. There was now a much clearer contractual position and contractors could be required to stop working if required. The new approach to contract management could help facilitate the desired culture changes.
- The Board noted that next joint meeting of the Audit Committee might consider safety matters again, focusing on the highest risk areas.
- The Board noted that PED had decided to put the "Contractor Host" element of the Control of Contractors' Policy out to contract. The Director of Facilities considered that this would negatively impact the ownership of health and safety by Project Leaders.
- Simon Burton suggested that safety could be included in the next round of business planning guidance. It would also be helpful for senior staff to be reminded how to handle safety issues.
- A Board member asked if it would be beneficial for Parliament to engage with the Health & Safety Executive (HSE). Dr McDougall replied that Parliament already had a good relationship with the HSE, which would not become involved in Parliamentary issues unless invited to do so. The Board discussed the merits of adopting an internal or external approach to health and safety matters, including the resource implications.

4.3 The Board **agreed** its commitment to safety by supporting arrangements to put the safety policy into effective practice.

5 **New Bicameral Procurement Rules**

MB/2014/13

5.1 Veronica Daly introduced the paper and noted that this was the first set of combined procurement rules for Parliament. The ethos of the new rules was to be proportionate, user friendly, administratively simple, and to strike the right balance. Andrew Makower expressed his full support for the proposed policies.

5.2 A Board member asked about the total value of smaller contracts within the scope of current expenditure. Veronica Daly replied that visibility of spend had not been available in the past but the new system would address this. The Board member suggested that as more data became available the thresholds should be reviewed to see if they were set at the correct level.

5.3 A Board member asked if FAQs could be made available. Veronica Daly replied that they could. The Board member said that it would be important to be transparent about why the waiver was applied. Veronica Daly said that it should not be a one-size-fits-all process and that the business benefit should always come first.

5.4 The Board welcomed and **agreed** the new bicameral Procurement Rules ('the Rules') and **agreed** that the Finance Directors should have discretion to amend the Rules in future, referring only significant policy changes to the Management Boards.

6 **Risk report: Finance**

MB/2014/14

6.1 The Board **took note** of the current residual risk score of eight (amber) and **agreed** an appetite of Cautious, a target score of nine (i.e. no change), a response of Tolerate and to amend the third limb of the risk to delete the reference to "PICT".

7 **Corporate risk register as at 28 January 2015**

MB/2014/15

7.1 The Board noted that the scoring of the Reputation risk had reduced to amber.

7.2 The Board **took note** of the corporate risk register.

8 **Third quarter performance report**

MB/2014/16

8.1 The Board **took note** of the third quarter performance report.

9 **Any other business**

• **Oral updates**

9.1 David Beamish informed the Board that it had been agreed that he would act as the line manager of the Director of the Parliamentary Digital Service, in consultation with the Acting Clerk of the House of Commons. This arrangement would be reviewed in due course.

9.2 Matthew Taylor made summaries of the report of the Speaker's Commission on Digital Democracy available to the Board. The Board noted that the Information Committee would consider the report at its next meeting.

10 Parliamentary Portfolio Dashboard**MB/2015/17**10.1 The Board **took note** of the Parliamentary Portfolio Dashboard.**11 Period Nine Finance report****MB/2015/18**11.1 The Board **took note** of the Period Nine Finance Report.**Next Meeting:** Wednesday 11 March 2015 at 10.00amManagement Board Secretary
9 February 2015**ACTIONS**

Meeting date	Minute item	Action	Owner	Deadline/ Status
6 February 2015	1.3	To consider including a reference to the Administration's principal financial assumptions in the business plan.	AM	11 March 2015
6 February 2015	2.2	Record the delegation of the ICT, Finance and Information risks to the Director of the PDS, Finance Director and SIRO, respectively, on the face of the corporate risk register.	MBT	11 March 2015
6 February 2015	2.2	Agree definition of new Governance corporate risk.	DRB/ SPB/ MBT	11 March 2015
6 February 2015	3.1	Further consideration of content and presentation of governance paper to the House Committee.	DRB	February 2015