HOUSE OF LORDS

Management Board

5th Meeting
Monday 7 April 2014

MINUTES

Present:	David Beamish	Clerk of the Parliaments
	Liz Hallam Smith	Information Services
	David Leakey	Black Rod's Department
	Andrew Makower	Financial Resources
	Joan Miller	Director of Parliamentary ICT
	Tom Mohan	Human Resources
	Edward Ollard	Parliamentary Services
	Simon Burton	Corporate Services
	Carl Woodall	Facilities

Audit Committee member:	Ian Luder	

In attendance:	Paul Martin (for items 1 & 2)	Parliamentary Security Director
	James Taylor (for item 3)	Deputy Director of Human Resources
	Paul Thompson (for items 6 & 7)	Head of Internal Audit
	Talitha Rowland	Private Secretary to the Clerk of the Parliaments

1	**2013-14 Review of Parliamentary Security [RESERVED]**	**MB/2014/19**

1.1   Paul Martin introduced the paper. *[Additional information – Restricted Access]*

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

2	**Cyber Security questionnaire [RESERVED]**	**MB/2014/20**

2.1   Paul Martin introduced the paper. *[Additional information – Restricted Access]*

2.2   The Board **agreed** on the Board's answers to the cyber security questionnaire.

3	**Draft People Strategy/Business Plan**	**MB/2014/21**

3.1   Tom Mohan introduced the paper and explained that the document, once agreed, would be owned by the Board rather than the HR Office. It was intended to be a practical plan for action rather than a visionary strategy.

3.2   The Board discussed possible titles for the document. Tom Mohan said that there were good arguments for changing its name to "People Business Plan" as this underlined that it supported the objectives in the Administration's Corporate Business Plan.

3.3   The Board noted the developments with the pay deal in the House of Commons and the potential implications for the Administration.

3.4   The Board noted that the key barriers to the creation of a more open jobs market across Parliament were terms and conditions, grading, pay and pension issues, as well as the question of accreditation with the Civil Service as a "fair and open competition" employer. All needed to be examined in more detail.

3.5   The Board discussed the five strategic choices set out in the paper. James Taylor noted that choices concerning the greater differentiation of reward through performance-related pay and alternative ways to enter the AFS scheme had given rise to the most interest in the staff workshops. He also suggested that there would be merit in further engagement with Department of Facilities/CRS staff about the content of the strategy, including with respect to learning and development.

3.6   The Board discussed whether the House of Lords should remain broadly in line with the House of Commons on pay or move to greater autonomy. Some Board members indicated that it was desirable to remain broadly in line. One Board member said that staying broadly in line was desirable in the short-term but that greater autonomy in the long-term should not be ruled out. Another Board member said that it would not be possible to remain broadly in line with respect to pay unless the Administration also remained broadly in line with respect to terms and conditions.

3.7   The Board discussed how far the Administration should seek greater consistency on conditions of service, especially rules for leave, between Offices. A Board member suggested that the best approach was to consider the balance between leave and other forms of time management. The Board discussed the merits of being more up-front about leave arrangements. *[Additional information – Restricted Access]*

3.8   *[Additional information – Restricted Access]*. A separate paper concerning leave arrangements could be brought before the Board in due course. A Board member noted that the Department for Facilities had time recorded for the last three years.

3.9   The Board discussed whether the Administration should move to a more open jobs market with the House of Commons. Some Board members expressed support for such a move, including a single office pilot; others were against it.

3.10   The Board discussed whether the Administration should move to a greater differentiation of reward through performance-related pay. The Board noted at least one member's opposition to such a move. Another Board member suggested that the creation of a Digital Office was significant in this regard and that this matter had also been touched upon in the staff survey. The Board discussed the role of business culture in the context of

performance-related pay and whether the focus should be on individual or team work.

3.11   The Board discussed whether procedural jobs should be opened up to a wider range of staff at A2 (including staff who had not come through the AFS scheme), or to more junior staff not on the AFS scheme. A Board member suggested that this should be considered in the context of talent management more generally. David Beamish suggested that there might be merit in examining how the House of Commons and Civil Service handled individuals coming off the AFS stream. A Board member said that in their experience the House of Commons adopted a more flexible approach in this regard, which was based upon competences. The Board agreed that this matter would merit further consideration.

3.12   Tom Mohan noted that, at present, unlike the House of Commons, the Administration was not formally accredited by the Cabinet Office as a "fair and open competition employer". This meant that, although staff did have access to some Civil Service jobs, they were not eligible for all Civil Service jobs. The Administration's recruitment processes were closely based on those used in the wider public sector, but these would need to be audited by the Cabinet Office before accreditation could be granted. This issue was linked to the question of a more open jobs market between the two Houses of Parliament.

3.13   The Board noted that progress on each strategic choice would be influenced by the Administration's response to the staff survey.

3.14   A Board member expressed doubt as to whether the Administration should encourage wider use of flexible and part-time working, as proposed.

3.15   With reference to the Department of HR and Change in the House of Commons a Board member asked if the Staff Adviser would be transferred from the Clerk of the Parliaments' Office to the HR Office in due course. Tom Mohan replied that the Staff Adviser's workforce planning function would effectively transfer to the HR Office for the duration of the pay and grading review.

3.16   Some Board members suggested that the document should be called the "People Plan". The Board agreed that the name of the document should be considered further during further engagement with staff about its content.

3.17   A Board member suggested that the implementation of the strategy, alongside other initiatives including in particular the transfer of the pension scheme, would require a considerable resource commitment from the HR Office and Finance Department. Tom Mohan agreed that greater resources were likely to be required but that it would depend on the final content of the strategy.

3.18   The Board **agreed** the suggested plans for further staff engagement about the strategy, including further engagement with Heads of Office.

4   Corporate Risk Register as at 28 March   MB/2014/22

4.1   The Board noted that the Reputation risk entry on the risk matrix should have indicated a level rather than an increased score. The risk owner suggested that this risk may benefit from fresh examination, including how it was scored and the mitigations that applied.

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

5   Risk report: ICT [RESERVED]   MB/2014/23

5.1   Joan Miller introduced the paper. She emphasised that there continued to be risks surrounding staff retention, particularly in the context of organisational change.

5.2   The Board discussed the telephony risks and potential mitigations.

5.3   The Board **agreed** a score of 12 for the ICT risk; a risk appetite of "Cautious" for existing systems and "Open" for future developments; a target risk of 9; and a Board response of "Treat".

6   Draft Corporate Governance Statement 2013/14   MB/2014/24

6.1   David Beamish introduced the paper.

6.2   The Board noted that the statement would form part of the Resource Accounts that would be published in July.

6.3   The Board noted the reasons for the qualified assurance provided by the Director of Information Services in relation to the Web and Intranet Service.

6.4   The Board **took note** of the draft Governance Statement and **agreed** that it should make reference to business resilience matters and the new arrangements for the Intelligence and Security Committee of Parliament.

7   Internal Audit Programme 2014/15   MB/2014/25

7.1   Paul Thompson introduced the paper and noted that resource restraints within the internal audit function had affected the completion of some 2013/14 internal audit reviews, and resulted in the scheduling of fewer Lords-only reviews for the coming year.

7.2   The Board agreed that the proposed scope of the review of Administrative Overtime and Allowances should be extended to cover CRS staff by deleting "Administrative".

7.3   The Board noted that the Director of PICT would discuss the proposed audits of PICT with the Heads of Internal Audit of both Houses.

7.4   The Board **took note** of the proposed Internal Audit Programme for 2014/15.

8   Any other business

8.1   David Beamish noted that two Board members had already volunteered to become WEN champions and requested further volunteers for the remaining WENs.

9   Tracking of outstanding audit recommendations   **MB/2014/26**

9.1   The Board **took note** of the outstanding audit recommendations.

10   Follow-up Internal Audit report on corporate governance   **MB/2014/27**

10.1   The Board **took note** of the follow-up Internal Audit report on corporate governance.

11   Commons dashboard portfolio   **MB/2014/28**

11.1   The Board **took note** of the Commons dashboard portfolio.

12   PICT Business Plan 2013/14   **MB/2014/29**

12.1   The Board **took note** of the PICT Business Plan for 2013/14.

13   Minutes of the meeting on 5 March 2014

13.1   The minutes had been previously agreed by correspondence.

Next Meeting: Wednesday 7 May 2014 at 10.00am

Management Board Secretary
9 April 2014