



HOUSE OF LORDS

Management Board

14th Meeting
Wednesday 16 December 2015

MINUTES

Present:	David Beamish	Clerk of the Parliaments
	Simon Burton	Corporate Services
	Rob Greig	Digital Services
	Elizabeth Hallam Smith	Information Services
	David Leakey	Access & Security
	Andrew Makower	Financial Resources
	Tom Mohan	Human Resources
	Edward Ollard	Parliamentary Services

**Audit
Committee
member:**

Liz Hewitt

Apologies: Carl Woodall Support Services

In attendance: Mary Ollard (for item 1) Change Manager

1. Development of a Diversity and Inclusion Plan

MB/2015/87

- 1.1 David Beamish introduced the paper. He noted diversity and inclusion (D&I) would be discussed at the Management Seminar on 18 December, which would mark the beginning of engagement with staff. His preference was to develop D&I in the Lords in the first instance before considering the possibility of joining up with the Commons.
- 1.2 The Board considered the paper and the following points were raised in discussion:
- A Board member agreed with the suggested Lords-only approach to D&I in the first instance and also supported the paper and the recommendations. With respect to benchmarking, they noted that the Stonewall index was highly regarded in this area and should be considered going forward. The inclusion of D&I objectives in forward job plans would send a strong message.
 - A Board member requested additional context regarding what the Administration was already doing in this area, including the extent of compliance. They remarked that this was a potentially significant piece of culture change for the Administration to undertake, which would take time and effort to achieve meaningful change. With reference to the Lord Davies of Abersoch targets, the Board member suggested that the adoption of measurable targets could be beneficial.
 - A Board member welcomed the paper and suggested aligning it more closely with existing corporate policies and strategies. There were significant business benefits from adopting such a policy and it

would make sense to consider the adoption of overarching policy goals for D&I, perhaps with reference to Civil Service and private sector norms. The implementation of the proposed approach required an appropriately graded manager who could start work in the short-term. The Board noted the Workplace Equality Networks' (WENs) reservations about the Lords function being located in the Commons, as well as the possibility of joint working being within the scope of the Bicameral Review of Joint Working. The Board member suggested recruiting a talent manager at the same time as the D&I manager as the two roles were considered to be complementary. A significant commitment would be required from management and there would also be additional costs. It was important to consider the potential risks, blockers and barriers. They noted that *[Additional information – Restricted Access]* some structures and working practices could also present barriers.

- The Finance Director welcomed the paper and endorsed the proposed consultation. The desired outcomes needed to be defined, either before consultation or as part of it. He also agreed with the suggested Lords-only approach to D&I in the first instance, with which the Director of PPCS concurred. He agreed that a D&I manager should be appointed and while he was not convinced by the paper's arguments for locating the position in the Clerk of the Parliaments' Office, considered it to be a matter for David Beamish to decide. Regarding the suggested short-term actions, he was not convinced that work for the WENs should be included in future job plans. He noted that many other initiatives were attempting to achieve culture change; but in the wider world the culture in this area had already changed so it might just be a case of tackling any outstanding areas. He considered there to be pros and cons in terms of adopting targets and David Beamish noted that this could form part of the consultation.
- A Board member welcomed the paper and considered that good progress had already been made regarding D&I within the Administration. Therefore they did not consider it to be necessary for a consultant to be appointed to identify problem areas within the Administration. It was important for the Administration to gain a better understanding of its staff profile, as well as focusing its efforts on outstanding areas, before the adoption of targets was considered. The Board noted that declarations regarding the profile of staff needed to be approached in a sensitive matter.
- A Board member welcomed the paper's general approach but considered that member involvement would be difficult to achieve due to the divergence of views. It was important to be clear about what the manager's role would be and how they would be accountable to the Board. They suggested that the Administration should benchmark itself against similar sized public sector organisations. They were not convinced by the proposal to require each Board member to adopt and publish a personal D&I objective. Another Board member also expressed doubts about this proposal.

- The Board took note of the Director of Facilities' comments in his absence. He welcomed the paper and noted that the Millbank House Project Board had submitted the construction design of 5 Great College Street to a full Equality Analysis, which had yielded valuable results and bolstered stakeholder engagement. He supported the arguments against combining the Lords' D&I work with the Commons at this stage and agreed that the D&I manager should be located in the Clerk of the Parliaments' Office.
- The Director of the Digital Service expressed a strong belief that the Lords should join up with the Commons in this area, as he considered Parliament to be one organisation with the same D&I objectives. The Commons work on behaviour would also include the Digital Service, which might create complications if a less uniform approach was adopted. He noted that a lot of what the paper proposed was already happening in the Commons so greater alignment between the two Houses should not be too difficult to achieve. He also noted that the Commons Executive Committee regularly consulted the WENs. David Beamish confirmed that he also intended the Board to meet the WENs in the short-term.
- A Board member said that the location of the D&I manager within the Administration should be determined on the basis of allowing it to operate in an optimum manner. Communicating the Administration's work in this area would require careful calibration. The approach was likely to be more cost and time intensive than the creation of the new position. They concurred with the observation about a plurality of views among members. Apprenticeships had not been covered by the paper and could perhaps merit further consideration as it was a related area. There was potential for the Administration to do more in this area, particularly regarding its poor record on diversity at a senior level, but it would not necessarily be easy to achieve. The Director of Human Resources said that the lack of diversity at a senior level could only be addressed through full external competition, as low turnover was a significant factor in this regard, and this matter also needed to be considered in the context of a small organisation. David Beamish also suggested that moving to a single jobs market within Parliament might be beneficial in this regard.

1.3 Mary Ollard noted that the Civil Service were attempting to improve their diversity data in order to inform their objectives. Experience demonstrated that improvements could best be achieved if handled in a delicate and respectful manner. She suggested that it would be worthwhile to include an entry in the new Lords strategic plan which identified D&I as a priority. The Board **agreed**. The consultation would be key to building confidence and trust among staff that the Board was taking this area seriously and policy goals should emerge from that consultation. Once the job description for the D&I manager was produced it would be matched with the grading guidance. Including D&I objectives in forward job plans, including work undertaken voluntarily for equality networks, and appraising performance in that respect, was an approach being adopted by the Civil Service.

- 1.4 With regard to the location of the D&I manager David Beamish said that he considered that locating it in the Clerk of the Parliaments' Office would provide the position with the necessary clout and influence. He also intended to be accountable for the delivery of the manager's objectives, including to the Board.
- 1.5 A Board member suggested that before proceeding any further it might be useful to identify any low hanging fruit. Opening up separate facilities currently provided for particular groups of staff was suggested as a possibility in this regard. More generally, the Board noted that the House's brand sometimes made it difficult to promote itself positively in some areas. However, the Chamber event on diversity was noted as a positive development [*Additional information – Restricted Access*]. The Director of the Digital Service referred to his experience of improving D&I at a theatre, noting that to achieve significant progress required a great deal of time and effort.
- 1.6 The Board **agreed**:
- To conduct a full consultation exercise in order to develop a diversity and inclusion plan which had the support of the widest range of stakeholders.
 - To appoint a manager for diversity and inclusion, and that further consideration should be given to how such a position would sit within the Administration.
- 1.7 The Board also considered a number of suggested actions that could be implemented in the short-term to demonstrate its commitment to the promotion of diversity and inclusion throughout the Administration, and **agreed** the following:
- To use corporate communication channels proactively and systematically to promote the values of diversity and inclusion, for example by publicising and celebrating the work of the WENs, by promoting role models and disseminating information about other diversity and inclusion activities. The Board noted the opportunity presented by the appointment of a new Internal Communications Manager in this respect.
 - To be more systematic in involving the WENs in what the Administration does, and in inviting them to participate in member- and staff- engagement events.
 - To require that staff participating in selection panels should undertake training about unconscious bias.
 - To require Board papers and business cases to include consideration of the potential equality implications of any proposed action, and to require a full Equality Assessment wherever the initial screening indicates that would be appropriate.
 - To take the opportunity specifically to encourage applications from more diverse candidates when senior vacancies were externally advertised.

- To include a link in the Administration’s online recruitment materials to the Parliamentary Role Models guide, to demonstrate to potential applicants a diverse and inclusive environment.

1.8 The Board also **agreed** to consider further, in due course, how each Board member could adopt a personal diversity and inclusion objective; how best to acknowledge the voluntary work which staff did to contribute to the working of the WENs; and the possibility of including diversity and inclusion objectives in annual development plans.

2 **Draft Supplementary Pay Offer – December 2015 [RESERVED]**

MB/2015/88

2.1 Tom Mohan introduced the paper and tabled revised proposals on allowances. He provided an overview of the pay offer, which was designed to bring the Administration almost completely into line with the Commons. *[Additional information – Restricted Access]*

2.2 *[Additional information – Restricted Access]*

2.3 The Board **agreed**:

- The terms of a supplementary pay offer.
- The proposed abolition of the Band C1 grade (subject to the outcome of the pay and grading review).
- The proposed new descriptors for pay bands.
- That more work should be conducted on the proposed approach to recording days worked and not worked.
- Both the proposed general and specific approach to allowances.

2.4 The Board also noted that it would need to consider performance management and performance-related pay in more detail in the near future.

3. **Risk report: Staff [RESERVED]**

MB/2015/89

3.1 Tom Mohan introduced the paper and agreed to circulate revised turnover figures to the Board in due course.

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

- The Reading Clerk noted the BPG’s earlier discussion about the staff corporate risk and endorsed the paper’s proposed approach.
- *[Additional information – Restricted Access]*
- *[Additional information – Restricted Access]*
- The Board considered the ownership of the staff corporate risk.

3.3 The Board:

- **Took note** of the current residual risk score of 9 (Amber).
- **Agreed** a risk appetite of Cautious, a target risk of 9 (Amber) and to “Treat” this risk.
- **Took note** of the mitigating actions underway or planned.
- **Agreed** to encourage managers at all levels to engage with the management development programme.

- Considered whether the sub-risks were correctly described and **agreed** the suggested changes.

4. Any other business

- 4.1 The Board noted that a package of enhanced security measures for MPs was due to be announced and considered the situation in the Lords.
- 4.2 The Board noted that the staff Christmas party would take place on 21 December.
- 4.3 The Director of the Digital Service confirmed that the network issues that had occurred over the last two days were due to a software fault, and were being addressed by the relevant contractor as a priority. Staff would continue to be kept updated.

5. Minutes of the Joint meeting on 2 December 2015

- 5.1 The minutes had been previously agreed by correspondence.

Next Meeting: 15 January 2016 at 10.00am

Management Board Secretary
17 December 2015

ACTIONS

Meeting date	Minute item	Action	Owner	Deadline/ Status
17 December	1.3	Include reference to diversity and inclusion as a priority area in the new Lords strategic plan.	SPB	January 2016
17 December	1.7	That staff participating in selection panels should undertake training about unconscious bias. To take the opportunity specifically to encourage applications from more diverse candidates when senior vacancies were externally advertised.	HRO	2016
17 December	1.8	To consider further how each Board member could adopt a personal diversity and inclusion objective; how best to acknowledge the voluntary work which staff did to contribute to the working of the WENs; and the possibility of including diversity and inclusion objectives in annual development plans.	DRB/ MO	January 2016
17 December	2.4	To consider performance management and performance related pay in more detail in the near future.	TVM	2016