



HOUSE OF LORDS

Management Board

11th Meeting
Wednesday 4 November 2015

MINUTES

Present:	David Beamish Simon Burton Rob Greig David Leakey Andrew Makower Tom Mohan Edward Ollard Elizabeth Hallam Smith Carl Woodall	Clerk of the Parliaments Corporate Services Digital Services Access & Security Financial Resources Human Resources Parliamentary Services Information Services Support Services
Audit Committee member:	Liz Hewitt	
In attendance:	Virginia Hawkins Jonathan Smith Martina Hunter Benet Hiscock Paul Thompson	Project Manager, Pay & Grading Review Head of Finance Deputy Head of Finance Director of Public Information Head of Internal Audit

1. Pay (Oral update)

- 1.1 Tom Mohan delivered a presentation on pay and reward. *[Additional information – Restricted Access]*.
- 1.2 Tom Mohan noted that the new pay system in the House of Commons had entered into force from 1 September 2015. Following the pay rises in April 2014 and April 2015, House of Lords pay was now close to being broadly in line with the House of Commons and the aim of the final pay deal was to achieve almost exact parity. *[Additional information – Restricted Access]*.
- 1.3 *[Additional information – Restricted Access]*.
- 1.4 *[Additional information – Restricted Access]*.
- 1.5 *[Additional information – Restricted Access]*.
- 1.6 *[Additional information – Restricted Access]*.
- 1.7 The Board **took note**.

2. Further steps towards the Financial Plan 2016/17 – 2019/20

- 2.1 Andrew Makower introduced the paper, a version of which would be considered by the House Committee on 17 November 2015. He noted that the Board had received an email providing updates on the Archives Accommodation Programme (AAP), Restoration and Renewal (R&R) and Digital Service figures and he also tabled additional figures for the Board's reference, which were explained.
- 2.2 He noted that House's savings story remained strong: for example the Journal Office had driven the cost of standard deliveries down by £200,000, and CRS had achieved savings of £70,000 as a result of staff restructuring. The Board noted the Information Committee's decision to cease the provision of broadband lines to members after 1 March 2016; the Liaison Committee's recommendation to establish an international relations committee, and the agreement of new prices for visitor tours by the Administration and Works Committee. Andrew Makower noted that the House of Commons Commission had decided not to tighten its financial remit but had encouraged the House of Commons Service to conduct an ongoing drive for efficiencies. The Director General's review was also likely to be more wide ranging than originally envisaged. David Beamish confirmed that a House of Lords representative would be involved in this review.
- 2.3 The Board considered the presentation and the following points were raised in discussion:
- The Board noted that year 3 would incorporate a figure for the potential capital cost of a new building for the Archives Accommodation Programme. This was a Lords-only figure at the moment but it was possible that the Commons would seek a stake in due course. The Board considered the inclusion of this figure. Jonathan Smith said that it was necessary to include such a figure in accountancy terms. Andrew Makower agreed to insert an explanatory note setting out the context for the benefit of the House Committee.
 - Andrew Makower agreed to provide more information in the House Committee paper regarding the R&R budget increase and the figures for the Relocation Contingency Programme. The Board discussed the assumptions in relation to financial support for members. The Board agreed that the House Committee paper should focus on the most significant strategic increases, including R&R, AAP and Digital, as well as stating why the assumptions had been made and what the consequences would be.
 - The Board noted the Director of Digital Services' appearance before the House of Commons Finance Committee regarding the proposed increase in the Digital Service budget. *[Additional information – Restricted Access]*.
 - Regarding the Security budget, the Board noted that the increase in the number of police staff resulted from changes to the Metropolitan Police's employment arrangements.
 - *[Additional information – Restricted Access]*.

- Regarding income generation, the Board agreed that the BPG should consider this area further and revert to the Board.
- The Board agreed the suggested approach to vacancies and new posts, including the vacancy factor.
- The Board agreed the proposed approach to reserves.
- Regarding Savings, Andrew Makower noted the Liaison Committee's invitation to the House Committee to examine offsetting savings, in the context of the proposed international relations committee being an additional unit of activity. *[Additional information – Restricted Access]*. Andrew Makower agreed to enhance this section of the paper to incorporate more examples of savings made by Offices. He also agreed to redraft the references to the potential Digital Service and Security savings.
- *[Additional information – Restricted Access]*.

2.4 The Board **took note**.

3. **Corporate risk register 5: mitigations**

MB/2015/74

3.1 The Board noted that the House Committee was due to consider a summary form of the corporate risk register on 17 November 2015. *[Additional information – Restricted Access]*.

3.2 *[Additional information – Restricted Access]*.

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

3.4 The Board **took note** and agreed that the residual risk score should be lowered to 12. The Board also noted that corporate risk 5 would be considered at the 15 January 2016 meeting.

4. **Corporate risk register as at 28 October 2015**

MB/2015/75

4.1 Liz Hewitt said that she would discuss the corporate risk register with the House Committee, as well as explaining how the framework operated and highlighting significant changes. This would emphasise how actions were managed, including the prioritisation of any red scores.

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

5. **Q2 2015/16 Performance Report**

MB/2015/76

5.1 The Director of Human Resources noted that the figure for the number of jobs advertised had doubled since the equivalent quarter in the previous financial year. It now took an average of two days for an advertisement to be placed after the position had been approved. The sifting stage still took an average of 15 days and the Human Resources Office would consider if this process could be improved.

5.2 The Board **took note** of the Q2 2015/16 performance report.

6. Business Planning Group membership

MB/2015/77

6.1 The Board **agreed** that the following individuals could share membership of the BPG:

- Matthew Taylor and Tracy Green;
- Chloe Mawson and Kate Lawrence.

7. Minutes of the meeting on 14 October 2015

7.1 The minutes had been previously agreed by correspondence.

Next Meeting: Joint meeting with the House of Commons Executive Committee on Friday 20 November 2015 at 11.00am

Management Board Secretary
5 November 2015

ACTIONS

Meeting date	Minute item	Action	Owner	Deadline/ Status
2 November	2.3	BPG to consider income generation and revert to the Board.	SPB/ MBT	January 2016
2 November	2.3	Preparation of paper for House Committee, reflecting Board's discussion.	AM	8 November 2015