



HOUSE OF LORDS

Management Board

13th Meeting
Wednesday 5 November 2014

MINUTES

Present:

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

Audit Committee members:

Ian Luder
Liz Hewitt

In attendance:

Talitha Rowland	Private Secretary to the Clerk of the Parliaments
Mark Egan	Digital Service Preparation Team
Mary Ollard	Change Manager
Jonathan Smith	Head of Finance
Martina Hunter	Deputy Head of Finance
Caroline Shenton	Archives Accommodation Programme Director

1 Jenkins Report on Security Governance [RESERVED] MB/2014/84

1.1 The Board noted that the House of Commons Commission had welcomed the report on 27 October.

1.2 The Board discussed the paper [*Additional information – Restricted Access*].

1.3 The Board discussed the presentation of the report to the House Committee.

1.4 The Board **agreed** the principal recommendations of the Jenkins report, including the establishment of a bicameral implementation team.

2 Preparations for the new Parliamentary Digital Service MB/2014/85

2.1 David Beamish emphasised his view that the current implementation activity should not be perceived as simply a rebranding of PICT and that the Director of Parliamentary Digital Service (PDS), once appointed, should feel sufficiently empowered to make decisions about the direction of the new service.

2.2 Mark Egan introduced the paper and invited the Board to make decisions regarding the governance and corporate functions of PDS. The annex concerning the development of performance measures was work in progress and a decision was not required from the Board at this stage. He suggested that it would be beneficial for the two Boards to discuss the results of the workshops on 'aspirations and opportunities' in due course. Challenges which would need to be addressed included concerns among a number of staff about the strength of working relationships across Parliament to make the PDS a success, including the bicameral dimension.

2.3 The Board discussed the paper's recommendations on governance and the following points were raised in discussion:

- A Board member asked what role members would have in shaping the PDS. It would be important to ensure that the strong service ethic continued during the transition. It would be important for the Lords to build up its intelligent client capability in order to work well with the PDS. The Information Management Board had an important role to play in this area.
- A Board member expressed surprise that the proposed functions of the Digital Service Board (DSB) did not include a 'challenge' role. Limiting attendance at the DSB to four members from each Board would be more sensible than allowing all Board members to attend. If there was disagreement in the DSB then the logical place to resolve this would be at a joint Board meeting rather than the Boards meeting separately.
- A Board member noted that the proposed DSB function of advising on funding was subject to the outcome of the joint meeting of the Boards on 21 November, which would consider the establishment of a single investment board for ICT and estates.
- A Board member expressed concern that the Director may be encumbered with too much governance and suggested that the Director should chair the DSB. If the DSB was to adopt a more strategic focus then perhaps it did not need to meet as regularly as PICTAB did at present. Closed meetings would also be preferable.
- A Board member said that a senior member of either Board should chair the DSB and it might be appropriate for the Corporate Officers to assume a lead role in the initial stages despite this approach being ruled out by the paper.
- A Board member said that it would be important for strong links to be established between the DSB and other parts of the business and senior management.
- A Board member said that it would be important to be clear about the DSB's responsibilities, in relation to changes arising from the Jenkins report, particularly regarding cyber security.
- A Board member said that the lack of detail in some of the recommendations was necessary to allow the structures to be adapted in the light of experience and with the benefit of input from the new Director.

2.4 The Board **agreed** the paper's recommendations on governance, in general terms, subject to further work being conducted on the detail.

2.5 The Board discussed the paper's recommendations on corporate functions. The Board noted that the Commons DHRC's preference was to assume responsibility for PDS's HR functions in the short-term. The Board welcomed the proposed review of PDS's HR function in 2017. The Board **agreed** the paper's recommendations on corporate functions. The Board also **agreed** that it would be useful for a single constitutional document to be prepared, which articulated the relationship between both Houses and the PDS regarding each function.

2.6 The Board **agreed** the paper's recommended approach to the development of performance measures. The Board noted that a joint meeting of the BPG and Commons Business Management Group had been proposed in order to consider this area further.

2.7 The Board noted the aspirations and opportunities which staff across Parliament had communicated to the Preparation Team in relation to the creation of the PDS and **agreed** the proposed plans for further work in this area.

2.8 The Board **agreed** that further work should be conducted on analysing the equality implications of the establishment of the PDS.

2.9 Mark Egan provided an overview of the timetable of future work, including the development of a digital strategy. After their appointment the Director of the PDS would be provided with the Boards' deliberations and the strategy options arising from workshops. The Director would also be encouraged to gauge the Boards' priorities and take things forward accordingly. He noted that it had already been agreed that the Director would present a draft digital strategy to the Boards at a joint awayday early next year.

2.10 On behalf of the Board David Beamish thanked Mark Egan and the Digital Service Preparation Team for their helpful work in this area so far.

3 Further steps towards the Financial Plan 2015/16 - 2018/19

MB/2014/86

3.1 Andrew Makower introduced the paper.

3.2 The Board **agreed** that all bids for "Resourcing for Change" should go forward to the House Committee. The Board noted that its consideration of these bids did not constitute approval of new posts, which must be obtained in the normal way. If approved by the Committee it would only authorise the incorporation of "ring-fenced staff provision" within budgets. A Board member suggested that the BPG could play a role in this process in future.

3.3 The Board noted that the bid for a "digital intelligent client function" from the Information Office was the largest bid and **agreed** that the

Finance Director should convene a meeting between all concerned in order to clarify the bid's relationship with other departments.

3.4 The Board **agreed** that the Finance Department's bid for additional PPCS staff should be removed from the list and proceeded with immediately due to its urgency and bicameral nature and the fact that it was already approved by the Staff Adviser and the Clerk of the Parliaments.

3.5 The Board discussed the planning assumptions, in relation to sitting days and members' attendance, and **agreed** that they should be revised as follows:

	Sitting days	Average attendance
2015/16	135	500 520
2016/17	140 145	500 530
2017/18	140	500 530

3.6 The Board noted that the change in assumptions would need to be communicated to all concerned due to the financial implications of increased attendance.

3.7 The Board noted the development of a market sector allowance in the Commons, including the potential implications for the Lords.

3.8 The Board **agreed** that the costs and savings in the Printing & Publishing Business Case should be built into departmental budgets.

3.9 The Board noted that revised targets had been requested from CRS, which took account of the potential benefits of flexible working, as well as raising the possibility of achieving a downward trend on the overtime budget. The Director of Facilities said that he was confident that this could be achieved. A Board member said that it was important for the Lords to be aware of comparisons with the Commons in this regard.

3.10 The Board **agreed** that the relocation contingencies funds should be held in central budgets. A Board member noted that while the Commons Finance & Services Committee was already aware of the relocation work, the House Committee's consideration of the financial plan would bring this to its attention for the first time.

3.11 The Board discussed the reserves and **agreed** the proposed construction.

3.12 The Board **agreed** the proposed approach to a supplementary estimate.

3.13 The Board **agreed** that the ambit should be altered from 2015/16, as proposed, and noted that this would need to be agreed with the Treasury.

3.14 The Board noted the proposed approach to communications and **agreed** that this should be focused. A Board member endorsed the paper's recommendation that close co-operation between the communications teams in both Houses, both internal and external, would continue to be essential and that the Lords communications teams must be fully involved in all digital and ICT communications activity.

4 Archives Accommodation Programme: Update on options shortlist and benefits sought

MB/2014/87

4.1 Caroline Shenton introduced the paper.

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

- A Board member suggested that security considerations should be referred to more explicitly in the heritage criteria of the paper. Another Board member noted that international standards applied in this area, including consideration of risks.
- With reference to the evaluation criteria a Board member said that support for the work of the Houses was a critical success factor, in relation to the location of the Information and Records Management Service, which would need to remain close to the centre of business.
- A Board member asked whether the option of a temporary building had been considered. Caroline Shenton replied that this option had been ruled out during the preparation of the strategic outline business case on grounds of cost and the increased risk of damage to the records.

4.3 The Board **took note** of the shortlist of options being appraised, and the time-critical interdependency with Restoration and Renewal. Subject to the consideration of the Commons Board the Board **agreed** amended weighting criteria of 10% for 'better physical access for more of the public' and 20% for 'greater understanding of Parliament today' on the ground that the latter was a corporate strategic objective to which the former contributed. This weighting, once agreed, would enable evaluation of the options shortlist and identification of a preferred one by March 2016.

5 Risk reports:

a. ICT [RESERVED]

MB/2014/88

5.1 The Board agreed to defer consideration of the report to the 3 December meeting.

b. Reputation [RESERVED]

MB/2014/89

5.2 Elizabeth Hallam Smith introduced the paper and thanked the BPG for its consideration of her proposed new approach to the Reputation risk on 22 October.

5.3 A Board member suggested that the risk should reflect Lords reform proposals which may arise during the general election campaign, including

the Administration's response, if any. Another Board member said that communications on any reform proposals should fall to the members.

5.4 The Board noted concerns about the lack of consistency in how Offices approached risk, and that this would be considered as part of fundamental review of corporate risks.

5.5 The Board **agreed** the proposed new approach to the Reputation risk, agreed a risk target of 12 and a risk appetite of Cautious.

6 Corporate risk register as at 27 October

MB/2014/91

6.1 The Director of Facilities provided an update on the red Facilities risk. Engagement with the Parliamentary Safety Team about this matter was ongoing.

6.2 David Beamish said he was planning to actively promote the importance of safety across the Administration and noted that this topic would be discussed at the Management Seminar on 28 November.

6.3 The Board expressed serious concerns about this area and **agreed** that the current issues should be addressed as a priority.

7 Second quarter performance report

MB/2014/90

7.1 The Board **took note** of the second quarter performance report.

8 Any other business

8.1 No other business was discussed.

9 Management Board forward plan 2015

MB/2014/92

9.1 The Board **took note** of the 2015 forward plan.

10 Security culture survey [RESERVED]

MB/2014/93

10.1 The Board **took note** of the security culture survey.

Next Meeting: Monday 10 November 2014 at 4.30pm

Management Board Secretary
10 November 2014