



HOUSE OF LORDS

Management Board

10th Meeting
Wednesday 2 July 2014

MINUTES

Present:	David Beamish Liz Hallam Smith David Leakey Andrew Makower Joan Miller Tom Mohan Edward Ollard Simon Burton Carl Woodall	Clerk of the Parliaments Information Services Black Rod's Department Financial Resources Director of Parliamentary ICT Human Resources Parliamentary Services Corporate Services Facilities
Audit Committee members:	Liz Hewitt Ian Luder	
In attendance:	Paul Martin (for item 1) Richard Ware (for item 2)	Parliamentary Security Director Restoration and Renewal Programme Director

- I 2014-19 Strategic Plan for Parliamentary Security [RESERVED] MB/2014/49**
- 1.1 Paul Martin introduced the paper. The main source of information for the Plan, which was the first of its kind, was the 2013-14 Review of Parliamentary Security. *[Additional information – Restricted Access]*
- 1.2 *[Additional information – Restricted Access]*
- 1.3 The Board discussed the paper *[Additional information – Restricted Access]*.
- 1.4 The Board **took note** of the 2014-19 Strategic Plan for Parliamentary Security and endorsed the strategic aim and guiding principles set out in part 2 of the Plan.
- 1.5 Paul Martin provided an oral update about the progress of the Security Arrangements Renewal Programme (SARP) *[Additional information – Restricted Access]*.
- 1.6 The Board **took note** of the SARP oral update.
- 2 Restoration and Renewal: Next stage mandate & interdependencies MB/2014/50**
- 2.1 Richard Ware introduced his paper.
- 2.2 *[Additional information – Restricted Access]*

2.3 The inclusion of the wording, “in the context of its surroundings”, in the draft mandate related to the interdependencies. While the wider World Heritage Site and issues relating to traffic management in Parliament Square had been ruled out of the programme’s scope, interdependencies such as this would still be taken into account. This was considered to be an important distinction.

2.4 The Board noted that the 2007/08 risk assessment would be refreshed.

2.5 Regarding the possibility of certain work being brought forward, some work was already underway [*Additional information – Restricted Access*]. With respect to Archives accommodation the consultants had been asked to assume that it would be relocated with the clear proviso that no decision had yet been made in this respect.

2.6 The Board discussed the inclusion of the words “in the context of its surroundings” in the draft mandate and the following points were raised in discussion:

- A Board member considered that inclusion of these words, and the activities listed against the WHS dependency in the annex, presented a risk of “scope creep” and should be deleted. Attempting to lead on a World Heritage Site masterplan would detract from making progress on the main programme and would increase cost. Any comparison with the Washington DC or Ottawa parliamentary sites was not realistic since they were master-planned from creation and had appropriate governance.
- A Board member said that while the programme should not set out to create its own context it should nevertheless take account of the context.
- A Board member suggested that the procurement sub-group would help mitigate any risk of scope creep.
- A Board member said that they were confident that the programme team could distinguish the legitimate focus of the programme from other factors. The significant size of the programme required it to be examined in the widest possible context in order to consider possible opportunities.
- The Board noted that the draft text would be agreed by the Clerks.

2.7 A Board member said that if work could be progressed in the meantime that would provide learning for the wider programme then that would be beneficial. Fire and safety were also paramount in this context.

2.8 [*Additional information – Restricted Access*]

2.9 [*Additional information – Restricted Access*]

2.10 The Board **took note** of the draft mandate, the schedule of interdependencies and actions that may be required to maintain strategic consistency.

3 Towards the Financial Plan 2015/16 – 2018/19 [RESERVED]

MB/2014/51

3.1 Andrew Makower introduced the paper. Following the Board's discussion a version of this paper would be presented to the House Committee and the Planning Instructions would be issued to Heads of Offices.

3.2 The Board noted the proposal to invite bids from Offices to use some budget headroom strategically under the headings *Resourcing for increased attendance* and *Resourcing for change*.

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

- A Board member expressed concerns about the assumption regarding the number of members, which they considered might be considerably higher depending on the results of the General Election.
- A Board member said that capacity was an issue which should be taken account of during the bidding process by Offices. Some funds might need to be reserved for ICT, especially regarding networks which had been discussed during the previous agenda items.
- A Board member supported the allocation of additional resources to salaries, whether it was derived from new resources or the reallocation of existing resources. The Administration's approach to this could be planned and delivered more efficiently in future.
- A Board member said that IT costs would increase in line with any further increase in the size of the House.
- A Board member said that a further increase in the size of the House would result in less space for the Administration's staff and impact upon the planned decants.
- Regarding members' ICT requirements, the Board discussed who should incur the cost of members' mobile phones and noted that MPs were required to bear this expense in the Commons.

3.4 The Board **agreed** its position on pay; agreed to use some budget headroom strategically; agreed to increase the indicative maxima to £3m in total; adopted the planning assumptions, and took note of future events and the communications implications of increasing the resource budget.

4 Performance report:

a. 2013/14 end of year performance report

MB/2014/52

4.1 The Board **took note** of the end of year performance report.

b. Review of performance management framework

MB/2014/53

4.2 Simon Burton introduced the paper. He suggested that it might be beneficial for the Board to consider all of the information currently collected or produced annually at the corporate level (including performance reports, risk registers, governance statements, business plans and annual reports) to see if greater alignment and less duplication could be achieved, as well as ascertaining what information the Administration required and found most useful.

4.3 The Board discussed the paper and **agreed** that further work was required on the proposals which could then be agreed by correspondence.

SPB/MBT

5 Corporate risks:

a. Review of corporate risks

MB/2014/54

5.1 Simon Burton introduced the paper.

5.2 Regarding the proposed establishment of a Parliamentary Services risk, discussions with the Clerk Assistant had produced alternative wording for such a risk, which it was proposed would not be owned at the corporate level but would be reported to the Board annually. It was considered important to increase the visibility of this risk and allow the Board to take account of it within the corporate risk framework.

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

- A Board member suggested splitting the Reputation risk between risks arising from the conduct of the Administration, which the Board could control, and the conduct of members, which the Board could not control. The Board needed to focus on the risks that it could control and which could potentially prevent the House from functioning. The following list of key risks was suggested:
 - Major attack.
 - Cyber attack.
 - Fire.
 - Reputation – split between the Administration and members.
 - Staff
 - House of Commons.
- Another Board member agreed with the suggested division of the Reputation risk and requested advice from the BPG accordingly. The following list of key risks was suggested:
 - Member relations (Parliamentary Services).
 - Buildings and Facilities (including R&R).
 - Security (physical and cyber).
 - Reputation.
 - People.
 - Resources and support services (including ICT).
 - House of Commons.
- A Board member suggested that it was unlikely that the House would ever lack the financial resources that it required to function. The Finance Director suggested that if the Board were content to delegate the management of the Finance risk to him, beneath the corporate level, it could then be escalated to the Board whenever necessary.
- A Board member noted that while the corporate risk register was currently broken down according to the different functions of the Administration it could instead be broken down by possible developments.
- A Board member suggested that the new corporate risks that were proposed in the paper could instead be addressed through performance management.

- The Board noted that the Commons Board were also considering their corporate risks.

5.4 The Board **agreed** that a more fundamental review of the corporate risks should be conducted; and that a joint approach with the Commons Board to achieve greater alignment between each Board's set of corporate risks and approach to risk management would be desirable. In the meantime the Board **agreed** that some of the paper's proposals could be agreed by correspondence.

SPB/MBT

b. Corporate risk register as at 20 June

MB/2014/55

5.5 The Board discussed the corporate risk register and noted that the Facilities risk score had moved from red to amber, following activity undertaken since the Board meeting on 6 June. The Director of Facilities said that good progress had been made in mitigating and addressing the issues which resulted in the red risk score and noted that the concerns expressed by the Board at previous meetings were helpful in prompting action in this regard.

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

c. Risk report House of Commons

MB/2014/56

5.7 David Beamish introduced the paper.

5.8 The Board **agreed** a risk score of 12, a risk appetite of "Cautious", a target risk of 8 and a response of "Treat".

6 Any other business

- **Audit Committee agenda, 7 July 2014**

6.1 The Board **took note** of the agenda.

- **Joint meeting of Audit Committee agenda, 16 July 2014**

6.2 The Board **took note** of the agenda.

- **Oral Updates**

6.3 David Beamish invited suggestions for honours nominations from Board members.

7 Period 12 Finance report

MB/2014/57

7.1 The Board **took note** of the Period 12 Finance report.

8 Continuous Improvement – update

MB/2014/58

8.1 The Board **took note** of the Continuous Improvement update.

9 Annual Environment Update 2013/14

MB/2014/59

9.1 The Board **took note** of the Annual Environment Update for 2013/14.

10 Minutes of the meeting held on 13 June 2014

10.1 The Minutes had been previously agreed by correspondence.

Next Meeting: Wednesday 28 July 2014 at 10.00am

Management Board Secretary
3 July 2014

ACTIONS

Meeting date	Minute item	Action	Owner	Deadline/Status
2 July 2014	4.3	To conduct further work on proposed changes to the performance management framework and seek the Board's agreement by correspondence.	SPB/ MBT	28 July 2014
2 July 2014	5.4	To conduct a more fundamental review of the corporate risks, including examination of the possibility of achieving greater alignment between each Board's set of corporate risks and approach to risk management. To seek the Board's agreement on some of the paper's proposals by correspondence in the meantime.	SPB/ MBT	Autumn 2014 28 July 2014