



# HOUSE OF LORDS

## Management Board

8th Meeting  
Friday 6 June 2014

### MINUTES

<b>Present:</b>	David Beamish Liz Hallam Smith David Leakey Andrew Makower Joan Miller Edward Ollard Simon Burton Carl Woodall	Clerk of the Parliaments Information Services Black Rod's Department Financial Resources Director of Parliamentary ICT Parliamentary Services Corporate Services Facilities
<b>Audit Committee members:</b>	Liz Hewitt	
<b>Apologies:</b>	Tom Mohan Ian Luder	Director of Human Resources Audit Committee member
<b>In attendance:</b>	Mark Egan (for item 1) James Taylor (for item 3)	Digital Service Preparation Team Deputy Director of Human Resources

David Beamish introduced Liz Hewitt to the Board.

## I Preparations for the new Parliamentary Digital Service

**MB/2014/37**

1.1 Mark Egan introduced the paper and paid tribute to the work of the Digital Service Preparation Team.

1.2 He summarised the discussion and decisions reached by the Commons Board on the same paper at its meeting on 5 June.

1.3 The Board **agreed** not to take any substantive decisions on the paper at this stage, but to hold an additional Board meeting the following week. That meeting would be informed by the minutes of the Commons Board's deliberations.

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

- A Board member reiterated the background to the proposals for a Digital Service from the Lords perspective, including the strategic review of WIS.
- It was important to affirm that the Digital Service would support the two Houses in achieving their digital ambitions more efficiently rather than taking the lead in this area.
- Based upon an analysis of the risks which may arise during the period between the Director of PICT's retirement and the start date of the new head of the Digital Service, a Board member suggested that the

CTO should be recruited at an earlier stage in order to fill that gap and mitigate the risks. This suggestion was not supported by other Board members. However, other Board members did emphasise the need for robust interim arrangements to be established, not least to maintain staff morale.

- A Board member suggested that accountability mechanisms could be improved by the agreement of an SLA and appropriate KPIs.
- It was important for both Houses to agree the same aspirations, or aims and objectives, for the Digital Service but this need not require the adoption of a one-size-fits-all approach, particularly regarding editorial control of the website. The current draft aspirations would require further work in that respect, particularly the section about shared priorities, as that might be read as precluding the development and promotion of a distinct Lords voice.
- Board members suggested a number of areas for possible inclusion in the aspirations including the free provision of Parliamentary data; the use of mobile technology (particularly in the context of Restoration & Renewal); improved data security; and the use of standard hardware and software.
- A Board member suggested that it might be useful for the application pack for the post of Head of Digital to include metrics, including the likely number of staff in the new Digital Service and the size of its budget, among other things.
- A Board member said that it was important for an appropriate handling strategy to be adopted regarding the involvement of members in the proposals.

1.5 The Board discussed whether the paper should be published during the following week, given that no decisions had yet been taken, and **agreed** that it should be made available on the basis that the covering communications accurately reflected the current state of play.

## 2 Millbank Phase Three [RESERVED]

MB/2013/39

2.1 Carl Woodall introduced the paper. A Strategic Outline Case had been prepared, which was expected to be agreed shortly. The design team would then prepare the Outline Business Case, which was scheduled to be considered by the Board in November.

2.2 The Members' Focus Groups had expressed concerns about the number of unused desks across the Estate and understood the requirement to use the site as flexible decant space.

2.3 *[Additional information – Restricted Access]*

2.4 The Board **took note** of progress with the business case *[Additional information – Restricted Access]*, and of the feedback received on future requirements from the Members' Focus Groups and potential future issues, and **agreed** that the Information Office should begin communicating developments in consultation with the legal team and the Chairman of Committees.

CVW

- 3 2014 Pay: Bands A to E, SCS and AFS [RESERVED] MB/2014/38**
- 3.1 In the absence of Tom Mohan, James Taylor introduced the paper.
- 3.2 The Board noted that the ballot on CRS flexible hours would end on 19 June.
- 3.3 *[Additional information – Restricted Access]*
- 3.4 *[Additional information – Restricted Access]*
- 3.5 The Board discussed the 2014 pay remit *[Additional information – Restricted Access]*.
- 4 Relocation Office Accommodation Arrangements [RESERVED] MB/2014/40**
- 4.1 The Board:
- **Agreed** the accommodation allocation proposals set out in the paper and the annexed plans.
  - Recognised the limitations of the accommodation standards and the need to ensure that these were reflected in local business continuity plans and arrangements.
  - *[Additional information – Restricted Access]*
- 5 Draft Resource Accounts 2013/14 MB/2014/41**
- 5.1 Andrew Makower introduced the paper.
- 5.2 Jonathan Smith said that the NAO had commenced their audit of the accounts and were content so far. Feedback would also be welcome from Board members over the next two weeks regarding points of substance as well as clarification. He noted that the final House of Lords Staff Pension Scheme valuation figures for 2013/14 were still awaited from the Government Actuary's Department, and that the pension figures for inclusion in the Remuneration Report were also still awaited from MyCSP, the pension scheme administrator. The receipt of this information was not expected to delay the signing of the Accounts and the NAO were aware of the situation and had no concerns at this stage.
- 5.3 Jonathan Smith noted that the total length of the Accounts was increasing, and in particular the Governance Statement. In line with developments in central government, a Statement of Parliamentary Supply had also been separated out in the Accounts and was accompanied by notes.
- 5.4 The Board noted that the two external members of the Audit Committee were due to review the Accounts ahead of the Committee's consideration of the same on 7 July. An invitation to this review of the Accounts had been extended to all members of the Committee and one member was expected to participate.
- 5.5 The Board noted that a reference to the Committee Office would be inserted under "Parliamentary Services" in the Statement of Operating Costs on page 37 of the Accounts.
- 5.6 The Board **agreed** the Resource Accounts for 2013/14.

## 6 Sharing ratios

MB/2014/42

6.1 Andrew Makower introduced the paper. He noted one clarification to the reference to “delegation support” in Annex A. Discussions were ongoing on this point and had not yet been determined, contrary to what was indicated in the paper.

6.2 He explained that the intention was to simplify the ratio arrangements. The Lords Board’s decisions would be considered by the Commons Board.

6.3 Jonathan Smith said that, if agreed, the impact of the changes in terms of their reflection in the next set of Resource Accounts may result in presentational issues, the communication of which would have to be carefully handled.

### 6.4 The Board **agreed**:

- A new set of drivers for cost-sharing ratios for services, contracts and programmes shared (or joint) between the two Houses, and a new set of ratios largely based on those drivers.
- To bring pension costs within the recharge arrangements for shared services (already included for PICT), to exclude all accommodation costs (currently recharged only for PED) and to allocate cleaning costs to individual buildings (currently shared across the whole Estate).
- A new ratio for Digital Services of 70:30 rather than 80:20.
- In the context of the consequential cost transfer, to invite the Commons to accept new situations regarding Security Officer posts and the Underground Car Park without further adjustment or cross-charging.
- To implement these changes with effect from 1 April 2015, subject to agreement with the House Committee and the House of Commons.
- A default ratio of 70:30 for any new shared service or contract unless there are good reasons to the contrary.
- To review the situation again in 2018 and sooner if advised by the Finance Directors.

## 7 Corporate risk register as at 28 May

MB/2014/43

7.1 The Board discussed the corporate risk register.

7.2 *[Additional information – Restricted Access]*

7.3 *[Additional information – Restricted Access]*

7.4 *[Additional information – Restricted Access]*

7.5 *[Additional information – Restricted Access]*

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

- 8 Risk reports:**
- a. Facilities (i)** **MB/2014/44**
- 8.1 Carl Woodall introduced the paper.
- 8.2 *[Additional information – Restricted Access]*
- 8.3 *[Additional information – Restricted Access]*
- 8.4 The Board **took note** of the level of assessment for risk 2i and **agreed** the proposed score of 16 for risk 2i and a red status, and the target risk of 4 for risk 2i with a green status and a “cautious” risk appetite. The Board **agreed** that David Beamish would consider this matter further with Carl Woodall and press for action as a matter of urgency, and provide a further update to the Board on 2 July. DRB/CVW
- b. Information** **MB/2014/45**
- 8.5 The Board **took note** of the steps taken over the past twelve months to mitigate information security risks together with additional proposals to ensure there is a satisfactory level of assurance.
- 8.6 The Board **agreed** a likelihood of 3 and an impact of 3 for the current (Amber) risk; a trend of steady; and a likelihood of 2 and impact of 3 for the target (Amber) risk. The Board also **agreed** to the proactive publication of certain additional categories of information in line with ICO recommendations.
- 9 2015 Year of Parliament** **MB/2014/46**
- 9.1 The Board **took note** of the plans for the 2015 Year of Parliament.
- 10 First World War Commemorations** **MB/2014/47**
- 10.1 *[Additional information – Restricted Access]*
- 10.2 The Board **took note** of the plans for the First World War Commemorations.
- 11 Commons dashboard portfolio** **MB/2014/48**
- 11.1 The Board noted the entry concerning SARP.
- 11.2 The Board **took note** of the Commons dashboard portfolio.
- 12 Any other business**
- 12.1 *[Additional information – Restricted Access]*
- 13 Minutes of the meeting on 7 May 2014**
- 13.1 The minutes had been previously agreed by correspondence.

**Next Meeting:** Friday 13 June 2014 at 2.00pm

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Management Board Secretary  
9 June 2014