



## MANAGEMENT BOARD

Wednesday 18 April, 10am to 12 noon in Room 1-09, Millbank House

### *Revised agenda*

- 1. Information and data security** **MB/2012/32**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Rhodri Walters  
*Peter Mason to attend.*
- 2. Oral updates**
- 3. Internal audit programme 2012/13** **MB/2012/33**  
Memorandum by Rhodri Walters  
*Paul Thompson to attend.*
- 4. Risk management** **MB/2012/34**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Rhodri Walters
- 5. Draft corporate governance statement for 2011/12** **MB/2012/35**  
*RESTRICTED ACCESS: MANAGEMENT* **35A**  
Memorandum by David Beamish
- 6. Value for money reviews** **MB/2012/36**  
Memorandum by David Beamish
- 7. Board review of effectiveness** **MB/2012/37**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Rob Whiteway
- 8. 2012-13 pay remit [RESERVED]** **MB/2012/38**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Tom Mohan
- 9. Catering and Retail Services subsidy targets** **MB/2012/39**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Jake Vaughan
- 10. Catering and Retail Services [RESERVED]** **MB/2012/50**  
*RESTRICTED ACCESS: MANAGEMENT* **50A**  
Memorandum by Carl Woodall
- 11. ICT Security - cloud computing and data** **MB/2012/40**  
*RESTRICTED ACCESS: MANAGEMENT*  
Memorandum by Joan Miller



# HOUSE OF LORDS

MB/2012  
5th Meeting  
**MB/2012/41**

**12. Parliamentary Estate Board Terms of Reference**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Carl Woodall

**13. Disclosure of transactions over £25,000**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Andrew Makower

**MB/2012/42**

**14. Any Other Business**

For formal decision:

**15. Draft Minutes of the meetings on 7 March**

*RESTRICTED ACCESS: MANAGEMENT*

For information:

**16. Draft agenda for Audit Committee meeting on 25 April**

*RESTRICTED ACCESS: MANAGEMENT*

**MB/2012/43**

**17. PICT Business Plan 2012/13**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Joan Miller

**MB/2012/44**

**44A**

**18. Period 11 finance report**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Andrew Makower

**MB/2012/45**

**45A**

**19. Transfer of responsibilities from the Printed Paper Office  
to the Department of Facilities**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Carl Woodall

**MB/2012/46**

**20. Staffing risk [RESERVED]**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Tom Mohan

**MB/2012/47**

**21. Management Board forward plan**

*RESTRICTED ACCESS: MANAGEMENT*

**MB/2012/48**

**22. Review of staffing requirement for the provision of  
catering facilities in Millbank House**

*RESTRICTED ACCESS: MANAGEMENT*

Memorandum by Carl Woodall

**MB/2012/49**

Circulated electronically only (hard copies available on request):

**Minutes of BPG on 9 and 15 March**

**Minutes of PEB on 27 February**



# HOUSE OF LORDS

MB/2012  
5th Meeting

**Draft minutes of PICTAB on 19 March**

**Minutes of House of Commons Management Board on 9 January  
9 February and 15 March**



# HOUSE OF LORDS

## Management Board

### Internal Audit Programme 2012/13

*Responsible Board Member(s)* Rhodri Walters

*Date* March 2012

*Summary  
of actions  
requested:*

- Take note of the proposed Internal Audit programme for 2012/13

1. I attach a draft internal audit programme for 2012/13. As usual, this is presented in two parts; the first contains reviews wholly within the Lords administration, the second outlines proposed shared service audits. The shared section includes all audits of joint interest regardless of the resourcing arrangements.
2. The programme will be put to the Lords Audit Committee on Wednesday 25 April. Audit Committee amendments to past IA programmes have been rare. Board members should therefore satisfy themselves at this stage that individual subject areas are suitable for IA review and that that the overall programme provides a sufficient spread of assurance.
3. Heads of Offices will be notified after the Audit Committee meeting.
4. We shall continue to consider audit sponsorship arrangements on a review by review basis. A majority will not require a formal sponsor and any issues raised can be dealt with through routine dialogue between IA and the relevant Offices. For others, I or another Board member will be asked to assume the sponsorship role, often in tandem with a co-sponsor in the Commons. I suggest that this be left to the judgement of the Head of Internal Audit.
5. I invite the views of Management Board members.

**Rhodri Walters**

**Draft audit programme for 2012/13:**

<b>Weighting Factor<sup>1</sup></b>	<b>Audit Title</b>	<b>Description</b>	<b>Corporate Risks</b>	<b>Resources</b>
<b>Lords-only reviews:</b>				
2	Car Parking Arrangements	Review of current parking arrangements for Members and House of Lords staff. Where possible the audit will be co-ordinated with a similar audit proposed in the Commons' programme. Carried forward from 11-12.	5;7	Lords IA (with joint elements)
2	Gifts and Hospitality Policy	Assessment of the practical application of the recently revised policy on Gifts and Hospitality for parliamentary officials. Review to include evidence of main controls and an assessment of utility.	4;5;7	Lords IA
2	Value for Money Review of Library Book Stocks	An examination of the current acquisition strategy, related governance arrangements and the level of co-ordination with the House of Commons Library to provide value for money assurance.	5;7	Lords IA (possibly joint)
3	Sustainability Initiatives	Review of the probity of the various data and metrics that underpin current parliamentary sustainability reporting.	6a;7	Lords IA
3	Financial Delegations	Review of suitability and application of current financial delegations in existence across the Administration.	5;7	Lords IA
3	Key Control Review: Procurement Cards	Basic controls based exercise to be reported through a management letter to the Head of Office concerned.	5	Lords IA
3	Key Control Review: Payroll	Basic controls based exercise to be reported through a management letter to the Head of Office concerned.	5	Lords IA
3	Key Control Review: Staff Expenses	Basic controls based exercise to be reported through a management letter to the Head of Office concerned.	5	Lords IA

<sup>1</sup> Refers to potential effect on annual audit opinion (2012-13 audit strategy available from the Head of Internal Audit). 1= highest weighting, 2 = lowest.

1	Member Claims	On-going, controls-based sampling of Member claims made under the revised allowances scheme. To be co-ordinated with the NAO.	5;7	Lords IA
2	Specialist Advisers	Review of current approach to locating, selecting, recruiting and remunerating select committee specialist advisers.	4;5;7	Lords IA
2	CRS Retailing Operations	Audit examination of all aspects of the current Lords retailing operation to ensure that all relevant costs are covered and that levels of reported profit are accurate.	5	Lords IA
2	Pensions Administration	Review of the operation and suitability of current outsourced pension administration arrangements.	4;5	Lords IA
3	Staff Loans	Basic systems review of arrangements for the granting and repayment of interest-free loans to House of Lords staff.	4;5;7	Lords IA
2	Registers of Sensitive Information	Examination of the adequacy and currency of recently established departmental registers of sensitive information.	5;8	Lords IA
1	Office level Business Cont. Arrangements	Review of the existence and suitability of office/departmental business continuity plans.	1;3;7	Lords IA
3	Mobile Telephone Usage	Review of current arrangements for the issuing of mobile telephones and similar devices to Lords staff. Exercise will include suitability of, and compliance with, current policies.	3;5;7	Lords IA
2	Voting & Divisions	Review of the current processes for capturing, recording and communicating votes by Lords Members. The principal focus will be to assess the accuracy and efficiency of current procedures.	7	Lords IA

**Shared Service Reviews:**

1	2 x Capital Project Assurances	Reviews of two capital projects (Curtis Green Gates and the Access Control project) to provide assurance on justification and approval, means of delivery, project management, and the realisation of expected benefits.	1;6a	Joint HoL/HoC (1 each)
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2	Royal Mail Services	Joint review of contract management arrangements, service provision and value, for both Lords-only and shared services.	5	Joint HoL/HoC
1	Projects and Programmes: Planning and Decision Making	Joint review to assess the economy, efficiency and effectiveness of the means by which projects and programmes (mainly PED and PICT) are planned, prioritised and decided upon. The exercise will encompass delegated authority.	5;6a	Joint HoL/HoC
3	Procurement of Periodicals	Review of the joint procurement exercise for periodicals planned for 2012-13. To assess specification of requirements and regulatory (EU) compliance.	5	Joint HoL/HoC
1	Management of the Cyber Threat	Technical assurance work that updates earlier reviews on network security, anti-virus and e-mail/intranet. The review is designed to give assurance that the ICT controls are appropriate, up-to-date and effective.	3;7	Lords IA
2	Key ICT Controls	Testing programme of the main ICT controls being operated within PICT and departments of both Houses, including some rotational coverage of other major controls.	3	Commons IA
2	Software Usage	VFM study to look at control over the efficient use of software. It will assess whether software is being used appropriately and whether related acquisition and maintenance costs are justified.	3;5;7	Commons IA
3	Annunciator System	Risk assessment of the current annunciator system in advance of the transfer of key responsibilities to PICT as part of the network convergence programme.	2b	Commons IA
3	PICT Service Delivery – Change and Problem Management	Changes are being made in these two areas, with the work being transferred to the business side. The review will assess how successfully this transition has been / is being achieved.	3	Commons IA
1	Fire Safety Programme	Standard assessment of programme progress and any emerging issues, along with testing of expenditure.	2b;5;7	Commons IA
2	Programme Office Checkpoints	Follow-up review of the effectiveness of the Electronic Programme Management System in PED and the use of checkpoints to control capital spend.	5;6a	Commons IA

Follow-up Reviews:

- Late Night Transport
- Prepaid Envelopes
- Centrally Determined Training
- Tothill Street Services
- Office Supplies & Stationery
- Information Security
- Procurement of Newspapers
- Members Travel Credit Card
- CRS EPOS System
- Staff Christmas Funds
- EU Liaison Officer Post
- Parliamentary Outreach
- Risk Management
- Estates Governance





### Value for Money reviews

*Responsible Board Member(s)* David Beamish  
*Paper prepared by* David Beamish  
Rob Whiteway  
*Date* 13 March 2012

*Summary* The Board is invited to:  
*of actions* • Agree the proposed cycle for future Value for Money reviews.  
*requested:* • Make suggestions for future topics of the reviews.

1. The Board has previously agreed to conduct Value for Money reviews on an annual basis. A review on professional training was recently completed and I have asked Tom Mohan to consider implementation of the recommendations.

#### ***Membership of groups conducting Value for Money Reviews***

2. The most recent review was carried out by four members of staff from different offices, with no representation from Internal Audit. I have asked Internal Audit to conduct the next review. I propose that in future Value for Money reviews be conducted on an annual basis alternately by Internal Audit one year, and a group of staff without a representative of Internal Audit the next. **I invite the Board to agree this proposal.**

#### ***Topics for future reviews***

3. Paul Thompson has suggested that the topic for the next review should be library bookstocks. **I invite the Board to agree this proposal.**
4. I would also be grateful for suggestions from Board members for future topics for reviews.

**30 March 2012**

**David Beamish**