



## Management Board

5th Meeting  
Wednesday 18 April

### MINUTES

<b>Present:</b>	David Beamish Liz Hallam Smith David Leakey Andrew Makower Joan Miller Tom Mohan Edward Ollard Rhodri Walters Carl Woodall Malcolm McCaig	Clerk of the Parliaments (Chairman) Information Services Black Rod's Department Financial Resources Director of Parliamentary ICT Human Resources Parliamentary Services Corporate Services Facilities Audit Committee Member
<b>In attendance:</b>	Peter Mason (for items 1 and 11) Paul Thompson (for items 3, 4, 5 and 6) Jake Vaughan (for items 9 and 10) Tim Lamming (for items 9 and 10)	Parliamentary Security Director Head of Internal Audit Chairman of CRS Profitability Group Head of Catering Services

#### I Information and data security

**MB/2012/32**

Peter Mason attended for this item.

1.1 Rhodri Walters introduced his paper, which set out information and data security governance arrangements. A number of improvements had been made in the last year which replicated the model in the public sector. This included the reconstitution of the Data Security Group (DSG). The structure proposed provided Senior Information Risk Owners (SIROs) with the assurance required that information was treated as appropriate.

1.2 Peter Mason endorsed the evolution of the role of SIROs and Departmental Information Risk Owners [known as Information Security Coordinators in the House of Lords]. Consideration needed to be given to the governance structure to ensure it worked effectively; this should be reviewed in the next year.

1.3 In discussion, the following points were made:

- Concern was expressed over the multiplicity of groups involved in the governance of data security, which might lead to overlap between the work and decisions of different groups. It was important to ensure that governance was not overcomplicated. The relationship between the DSG and Information Management Board (IMB) was particularly important.
- The Commons Management Board had agreed to review the proposed governance structure in six months once a new Parliamentary Security Director had been appointed. They had proposed that the Chair of the IMB should also be a member of the DSG to ensure the two bodies worked together effectively.

- Although not explicit in the terms of reference, the SIROs reported to the Management Boards of both Houses.
- *[Additional information – Restricted Access]*.

1.4 The Board **agreed** the proposed governance arrangements, subject to a review following the appointment of a new Parliamentary Security Director. The Board agreed that the Chair of the Information Management Board be invited to join the DSG.

## 2 Oral Updates

2.1 There were no oral updates.

## 3 Internal audit programme 2012/13

**MB/2012/33**

Paul Thompson attended for this item.

3.1 Rhodri Walters and Paul Thompson introduced the programme.  
*[Additional information – Restricted Access]*.

3.2 *[Additional information – Restricted Access]*.

3.3 The Board **approved** the proposed audit programme 2012/13.

## 4 Risk management

**MB/2012/34**

Paul Thompson attended for this item.

4.1 Rhodri Walters introduced the Business Planning Group’s proposals for changes to the corporate risks. After discussion, the Board made the following decisions on the revised corporate risks (all risk numbers refer to BPG proposals (annex 1 of paper)):

- Risk 2, Facilities:
  - Proposed risk 2(ii) would retain “Environmental management” as part of the risk.
  - A new limb 2 (v) would be added to the risk - “the M&E programmes failing to deliver expected benefits on time and to budget”.
  - Reference to the decant requirements of projects would be added to risk 2 (iv).
- Risk 4, Staff:
  - Proposed 4 (i) to be replaced with new limb - “to be sufficiently agile to respond to changing demands for staff or skills”.
  - Proposed 4 (ii) to be redrafted to read – “to comply with legal requirements relating to Human Resources and relevant best practice”.
- Risk 5, Finance:
  - Proposed 4 (i) to be replaced with new limb – “in financial planning and management” in order that the risk was wider than the proposal.
  - Proposed 4 (iii) to be accepted with drafting change – “to engage effectively with PICT, the Commons and contractors as providers of business-critical services” to avoid describing PICT as a third party.
  - Proposed 4 (iv) “to engage with Commons Savings programme” to be removed, as this would be covered by a separate risk (see 4.2) and replaced with original (iv) – “to secure value for money” as

value for money was one of the Administration's values.

4.2 The Board discussed the proposal for a new risk relating to the House of Commons: "disruption to the strategic plan objectives as a result of a failure to work effectively with the House of Commons." The Board agreed the risk, to be owned by the Clerk of the Parliaments. *[Additional information – Restricted Access]*.

4.3 *[Additional information – Restricted Access]*.

4.4 *[Additional information – Restricted Access]*.

4.5 The Board **agreed** the proposals for revised corporate risks as amended and the revised risk framework and guidance. These would be implemented following Audit Committee discussion of both on 25 April.

4.6 The Board discussed the frequency of when risk owners should bring risk reports to the Board. The Board **agreed** that all risks should be reported annually, except the Security and ICT risks which would be reported twice a year and the Facilities risk which would be reported annually, but split into three sections and reported in three separate risk reports. A revised reporting timetable would be considered as part of the new risk register at the next Board meeting.

4.7 The Board **agreed** that, when the risk register was circulated to the Management Board, deletions to the risk register should be marked and additions highlighted.

## **5 Draft corporate governance statement for 2011/12**

**MB/2012/35**

Paul Thompson attended for this item.

5.1 David Beamish introduced the draft corporate governance statement (replacing the former Statement of Internal Control). He noted that the National Audit Office had been given the opportunity to comment on an earlier draft and had recommended that more detail on a number of aspects was included.

5.2 The Board discussed the length and level of detail in the draft; a number of Board members felt the draft was too long. It was suggested that increased quantity did not necessarily mean increased transparency and that information could be provided through allusion to other documents, such as the Annual Report, rather than including it in full in the statement. It was noted that there were not yet any examples from other departments with which to compare the draft.

5.3 The Board **took note** of the draft and agreed that the draft should be compared with that of the House of Commons.

## **6 Value for money reviews**

**MB/2012/36**

Paul Thompson attended for this item.

6.1 The Board discussed the purpose of value for money reviews. A Board member suggested that value for money reviews were increasingly similar to Internal Audit reviews. Others felt that the value of the reviews was in considering how services could be provided differently. The savings

programme had acted as a driver for this sort of review in the House of Commons. *[Additional information – Restricted Access]*.

6.2 The Board discussed the proposed value for money review of library book stocks. Liz Hallam Smith asked that the review consider the controls in place as well as value for money.

6.3 The Board **agreed** the proposal to conduct a value for money review every year as a rule of thumb (alternating between being conducted by senior managers and internal audit), although more reviews could be carried out if appropriate topics arose.

**7 Board review of effectiveness MB/2012/37**

7.1 Discussion of this item was postponed to a future meeting.

**8 2012-13 pay remit MB/2012/38**

8.1 Tom Mohan introduced his paper. *[Restricted Access Annex]*

**9 Catering and Retail Services subsidy targets MB/2012/39**

Tim Lamming and Jake Vaughan attended for this item.

9.1 Jake Vaughan introduced his paper. *[Additional information – Restricted Access]*.

9.2 *[Additional information – Restricted Access]*.

9.3 *[Additional information – Restricted Access]*.

**10 Catering and Retail Services MB/2012/50**

Tim Lamming and Jake Vaughan attended for this item.

10.1 Carl Woodall introduced his paper. *[Additional information – Restricted Access]*.

10.2 The Board **took note** of the paper.

**11 ICT Security - cloud computing and data MB/2012/40**

11.1 Joan Miller introduced her paper, the purpose of which was to inform the Board of the activity underway to inform a decision of the two Management Boards on whether to pursue cloud computing in January 2013. This work included examining common questions about cloud computing: was data secure; could data be retrieved if payment for cloud services were ended; and what categories of data would be best suited for storage in the cloud? PICT was conducting pilots to gather information on which the decision in January 2013 could be based. *[Additional information – Restricted Access]*.

11.2 In discussion, the following points were made:

- PICT would monitor and control the pilots carried out in both Administrations and would prevent departments from using cloud services where necessary, looking to the Management Boards for support if required.
- Before purchasing a cloud service, it was important to ensure that data put in cloud services was retrievable if the Administration chose to no longer pay for that service.

- A higher proportion of the material that Parliament produced could be made freely available compared to most Government departments – this opened up use of the cloud for a number of categories of data.
- The costs and benefit of cloud services needed to be considered carefully before any services were purchased. This included the cost of something going wrong, as well as the cost of it working effectively. *[Additional information – Restricted Access]*.
- The importance of the user experience of cloud services was noted. This was being considered by the Strategic User Network user group. A model office would be made available for interested staff and presentations were planned for members.

11.3 The Board welcomed and **took note** of the work set out in the paper.

<b>12</b>	<b>Parliamentary Estate Board terms of reference</b>	<b>MB/2012/41</b>
	12.1 The Board <b>agreed</b> the proposed changes to the terms of reference.	
<b>13</b>	<b>Disclosure of transactions over £25,000</b>	<b>MB/2012/42</b>
	13.1 Andrew Makower introduced his paper. In discussion the following points were made:	
	<ul style="list-style-type: none"> <li>• <i>[Additional information – Restricted Access]</i>.</li> <li>• The Finance Department was able to meet the timetable for publication.</li> <li>• The Finance Department would consider whether any of the information was commercially sensitive before publication. [Andrew Makower later confirmed that anything that was covered by the proposals would have had some sort of tender, so the overall contract values and specifications would be in the public domain if subject to an OJEU (Official Journal of the European Union) exercise. The proposal was to publish the amount of payments to suppliers; what was published would not, except in broad terms, offer a description of what had been purchased, or what particular contracts were covered by a payment.]</li> </ul>	
	13.2 The Board <b>agreed</b> the proposals for publication of transactions over £25,000.	
<b>14</b>	<b>Any Other Business</b>	
	14.1 There was no other business.	
<b>15</b>	<b>Draft Minutes of the meetings on 7 March</b>	
	15.1 The Board <b>approved</b> the draft Minutes.	
<b>16</b>	<b>Draft agenda for Audit Committee meeting on 25 April</b>	<b>MB/2012/43</b>
	16.1 The Board <b>took note</b> of the draft Minutes.	
<b>17</b>	<b>PICT Business Plan 2012/13</b>	<b>MB/2012/44</b>
	17.1 The Board <b>took note</b> of the Business Plan.	
<b>18</b>	<b>Period 11 finance report</b>	<b>MB/2012/45</b>
	18.1 The Board <b>took note</b> of the finance report.	
<b>19</b>	<b>Transfer of responsibilities from the Printed Paper Office to the Department of Facilities</b>	<b>MB/2012/46</b>

19.1 [Following the meeting, Joan Miller noted an error in paragraph 5 of the paper. The paper reported that the PICT member of staff who had supported the database used to record pre paid envelopes had been given voluntary early retirement. The member of staff concerned had in fact been a contractor who had left because they had finished their contract.]

19.2 The Board **took note** of the paper.

**20 Staffing risk** **MB/2012/47**

20.1 The Board **took note** of the risk report.

**21 Management Board forward plan** **MB/2012/48**

21.1 The Board **took note** of the forward plan.

**22 Review of staffing requirement for the provision of catering facilities in Millbank House** **MB/2012/49**

22.1 The Board **took note** of the paper.

**Next Meeting:** Friday 11 May at 11am.

Secretary to the Management Board  
18 April 2012

**ACTION PLAN**

Date	Minute item	Action	Responsible	Deadline/Status
July 2009	18	Arrange training on communications for all managers	TVM	October 2010
Nov 2010	5	Report on cloud-based services feasibility study	JM	July 2011
July 2011	6	Report on success of PICTAB governance arrangements (1 year review)	JM	July 2012
July 2011	1	Report on review of Information Office	EHS	July 2012
Dec 2011	4	Report on findings of audit of space	CVW	April 2012
Dec 2011	4	Report on fire safety decant requirements	CVW	April 2012
Jan 2012	4	Propose a terms of reference and membership for a reconstituted Human Resources Steering Group.	TVM	May 2012
Feb 2012	4	Report on assessment of update of web and intranet pages.	EHS	March 2012
Feb 2012	7	Report on figures for changes to staff complement.	TVM	March 2012
April 2012	1	Report on review of revised Information Security governance arrangements		2012 (following appointment of new PSD)