



MANAGEMENT BOARD

22 November, 5pm to 6pm in Residence I
24 November, 10am to 12noon in Committee Room G

Agenda

- 1. House Committee meeting on 7 December**
Oral Update
- 2. Review of the Administration** **MB/2010/138**
RESERVED
RESTRICTED ACCESS: MANAGEMENT
Memorandum by the Clerk of the Parliaments
- 3. Corporate Strategy and priorities to 2015** **MB/2010/139**
RESTRICTED ACCESS: PRIVILEGE
Memorandum by Andrew Mackersie
- 4. Corporate Responsibility** **MB/2010/140**
RESTRICTED ACCESS: MANAGEMENT
Memorandum by Rhodri Walters
- 5. Draft ICT strategy for the UK Parliament** **MB/2010/141**
RESTRICTED ACCESS: MANAGEMENT
Memorandum by Joan Miller
- 6. Corporate Risk Register at 17 November** **MB/2010/142**
RESERVED
RESTRICTED ACCESS: SECURITY
Oral Updates
- 7. Financial Plan 2011/2015 Further Consideration** **MB/2010/143**
RESERVED
RESTRICTED ACCESS: MANAGEMENT
Draft Savings Strategy 2011/15 **MB/2010/143A**
RESTRICTED ACCESS: MANAGEMENT
Forecast Outturn 2009/10 **MB/2010/143B**
RESTRICTED ACCESS: PRIVILEGE
Memorandum by Philippa Tudor
- 8. Second Quarter Financial Report** **MB/2010/144**
RESTRICTED ACCESS: MANAGEMENT
Memorandum by Philippa Tudor
- 9. Accommodation: Strategic Principles and Plan** **MB/2010/145**
RESTRICTED ACCESS: COMMERCIAL
Memorandum by Carl Woodall
- 10. IRD update** **MB/2010/146**
Memorandum by Rhodri Walters

- 11. Risk Report: Staff** **MB/2010/147**
RESTRICTED ACCESS: MANAGEMENT
 Memorandum by Simon Burton
- 12. Risk Report: ICT** **MB/2010/148**
RESTRICTED ACCESS: MANAGEMENT
 Memorandum by Joan Miller
- For formal decision/information:
- 13. Draft Minutes of the Meeting on 20 October**
- 14. Minutes of the House Committee on 12 October and draft Minutes of the House Committee on 2 November**
RESTRICTED ACCESS: PRIVILEGE
- 15. Minutes of the BPG on 21 & 29 October**
- 16. Minutes of PICTAB on 11 October**
- 17. Minutes of HRSG on 11 October & 9 November**
- 18. Minutes of House of Commons Management Board on 21 October**
- 19. Millbank House fit-out phase** **MB/2010/149**
RESTRICTED ACCESS: COMMERCIAL
 Memorandum by Carl Woodall
- 20. BPG response to Workstream B report on “The Administration’s Strategy”** **MB/2010/150**
RESTRICTED ACCESS: MANAGEMENT
 Memorandum by Rhodri Walters
- 21. Core Competences: Initial Report** **MB/2010/151**
 Memorandum by Simon Burton
- 22. Staff Survey Action Plan** **MB/2010/152**
 Memorandum by Simon Burton
- 23. Green Travel Plan** **MB/2010/153**
 Memorandum by Carl Woodall & Rhodri Walters
- 24. Report from the Senior Pay Panel for 2010** **MB/2010/154**
 Memorandum by David Beamish
- 25. Pay remit 2011/12** **MB/2010/155**
RESERVED
RESTRICTED ACCESS: MANAGEMENT
 Memorandum by Simon Burton
- 26. Progress Against 2010/11 Business Plan** **MB/2010/156**
RESTRICTED ACCESS: MANAGEMENT

Memorandum by Simon Blackburn

27. Awaydays

Memorandum by Simon Blackburn

MB/2010/157

28. Any Other Business



International Relations Directorate

Responsible Board Member(s) Rhodri Walters
Paper prepared by Rhodri Walters
Date 16 November 2010

Summary: This paper updates the Board on progress with the project to establish an International Relations Directorate (IRD) for Parliament and seeks the Board's agreement on a number of issues. A similar paper was considered by the Commons Management Board on 18 November. These papers have been agreed with the Clerk of the Overseas Office, House of Commons, and the Secretaries to CPA UK and BG IPU.

Summary of actions requested: The Management Board is invited to agree the following:

- the establishment of the IRD with effect from 1 April 2011;
- that the British American Parliamentary Group should not be required to join the IRD (para. 11);
- the proposals on governance and strategy (paras. 15-20);
- the organisational structure and in particular the involvement of the Reading Clerk in the IRD Senior Management Team (para. 21);
- the 73:27 funding split (para. 29).

Background

1. The decision in principle to set up an IRD was taken by the House of Commons Commission on 8 March 2010. The House Committee were informed at their March meeting. They welcomed the principle and reserved a final opinion until greater detail became available and the views of the member groups were known. (It will however not be practicable for this House to remain completely independent of an IRD if it goes ahead.) A Working Group, which includes the Reading Clerk, has since developed these proposals further.
2. Although the proposal to establish the IRD pre-dates the current savings programme, its objectives and the approach taken to its implementation accord with the Commission's aim of using that programme to achieve a radical redesign of the House of Commons service. Clearly these are considerations of interest to the Lords administration too in the context of our own drive for savings.

IRD's activities and programme

3. The main function of an IRD will be to deliver an international relations strategy as approved by the Commission and the House Committee. The aim is to bring greater clarity to the organisation and funding of activities and to ensure that Parliament becomes a more effective contributor to better targeted parliamentary strengthening activities. The IRD will rationalise the support provided for a range of Parliament's international activities and will enable the development of a more strategic approach

with clear priorities, underpinned by specific objectives. The main activities will include:

- maintaining and developing relations with overseas parliaments
 - maintaining and developing parliamentary strengthening programmes
 - arranging programmes for visiting parliamentary delegations, parliamentarians, parliamentary officials and others
 - supporting the work of formal delegations to international parliamentary assemblies
 - arranging outward visits for Commons Members
 - arranging outward visits for bilateral parliamentary delegations and officials, including to conferences attended as representatives of the two Houses
 - arranging conferences, seminars and workshops
 - managing responsibilities for protocol/VIPs (except for matters of Royal protocol, State visits etc.)
 - managing relations with devolved assemblies
 - maintaining the House of Commons National Parliament Office in Brussels
4. It should be noted that in neither House will Speaker travel be included, though the IRD will support that in whatever way necessary. For the Lords, the National Parliament Office will continue to be maintained by the Committee Office. Representative travel by peers and staff will continue to be funded and managed by the Lords Overseas Office. The Clerk of the Overseas Office and the Visits Co-ordinator will act as the intelligent customers of the IRD for all other services.

Benefits

5. An IRD will:
- bring greater clarity to the organisation and funding of Parliament's international activities
 - ensure that Members of both Houses can be supported more effectively in their work in parliamentary diplomacy
 - maintain Members' key roles in determining what activities are undertaken and who participates in them
 - help Parliament become an even more effective contributor in parliamentary strengthening activities
 - deliver a service to Members greater than the sum of the services provided by the individual component parts
 - enable the plans and work programmes drawn up by Members to be part of a more coherent package contributing to a strategy developed by those involved in the activities and approved by those that fund them
 - allow improved control over some of the reputational risks associated with overseas travel
6. In addition, staff of the inter-parliamentary bodies should benefit from being part of a large organisation for human resource and financial purposes.
7. Most important of all, an IRD will enable a strategic approach to be taken in an area where currently there are many players and little co-ordination or sense of mission.

That strategy will be for the IRD itself to develop (see paragraph 20 below). Early next year the Working Group intend developing interim strategic objectives for the transitional early months.

Timetable

8. It is intended that the IRD will be established on 1 April 2011. By then it will be important to have in place the management structure, the finance (including that transferred by the bodies) and the staff (it is intended that the transfer of staff will be completed by or on that day).
9. The House of Commons Commission are expected to consider a paper on the IRD on 13 December and the House of Lords House Committee will consider a paper at their meeting on 18 January. The decisions taken at these meetings will feed into meetings of the executive committees of the inter-parliamentary bodies in December and January. In February and March the bodies will need to hold special general meetings to agree to wind up their affairs ahead of a transfer to IRD on 1 April 2011.

Consultation and views of the affected bodies

10. Members of both Houses have been consulted through the executive committees of the inter-parliamentary bodies, the delegations to the international parliamentary assemblies, and through a web-based exercise. This work will continue.
11. The views of the Executive Committees of the inter-parliamentary bodies are set out below.
 - The CPA Executive Committee has formed a small working group of the officers of the group to consider the implications of the creation of the IRD. It held its first meeting on 25 October. The Executive Committee is broadly supportive of the establishment of the IRD.
 - The interim BGIPU Executive Committee (the remaining members of the BGIPU Executive Committee of the last Parliament) agreed at their meeting on 26 October to write to the Commission asking for reassurances that the establishment of the IRD would not proceed without proper consultation with its successor. The BGIPU will elect a new Executive Committee on 24 November.
 - BIPA's UK Board has accepted the creation of the IRD and that it will be part of it. The issue was discussed at a recent meeting of BIPA's UK Board and while there was no great enthusiasm for the IRD and some suspicion about it, there was no overt animosity towards it.
 - The BAPG Executive Committee wishes to retain its present status as an autonomous grant-aided body and not be incorporated into the IRD. (The absence of BAPG will not seriously compromise the IRD's ability to meet its objectives. Its grant in aid from both Houses in 2010-11 was £110,000. It employs one part-time

¹ CPA UK's reserves will provide more than 60% of CPC 2011 which is to be hosted by Parliament. Therefore as a company limited by guarantee and a charity CPA UK's existing governance arrangements must continue to exist in parallel with the IRD governance arrangements until the CPC 2011 budget is closed down and an external audit of CPA UK as at 31 March 2012 has taken place. Only then can a general meeting be called to wind up CPA UK as a company and a trust. However, this should not hinder the establishment of the IRD.

member of staff. The Commons Management board recommended to the Commission that BAPG's wishes be respected and the remainder of this paper assumes that the BAPG will not be part of the IRD.)

12. Officers of the inter-parliamentary bodies have asked for a letter from the Speaker and Lord Speaker to their Executive Committees to trigger the process for formally winding up their affairs. It is proposed that the Commission and House Committee should be asked to agree to invite the bodies to participate in the creation of the IRD and to transfer their staff, assets and known liabilities. Such a letter should be sent in January after the House Committee has considered a paper on the IRD.

Views of affected staff

13. Affected staff see the creation of IRD as a broadly positive move both in terms of being able to improve the service that is provided and the benefits that being part of a larger organisation will bring. Staff are naturally concerned about the jobs they might have under the new structure and it will be important to provide clarity and specific reassurance as soon as is consistent with obligations under the TUPE regulations which will be incurred by the House of Commons.

Communications with all staff

14. The decisions of the Management Boards and in due course of the Commission and House Committee need to be communicated to all staff and a communications strategy is being prepared by the Working Group. It will be desirable for the Lords Head of Internal Communications to be involved in this.

Governance

15. The proposals on governance are perhaps more complicated than is strictly needed for the IRD to function effectively but the working group judges that this is necessary in order to secure the agreement of the members of the inter-parliamentary bodies, whose main concern is focused on any potential loss of independence and identity. The proposals are intended to reassure them about the role of Members in shaping the IRD's strategy and work programmes.
16. The IRD will be located within the House of Commons' Department for Chamber and Committee Services. The House of Lords will be represented by the Reading Clerk on the IRD's senior management team to provide accountability via the House of Lords Management Board to the House of Lords House Committee. Staff activities will be governed through the IRD's management structures under the authority of the Management Boards in each House.
17. The Working Group proposes three levels of Member involvement in the governance arrangements for the IRD. These are:
 - the delegations and successors to the current executive committees, which will ensure that the individual identities of the current bodies are maintained. Each will develop its own work programme but will no longer be responsible for finance or staffing. The BGIPU and CPA UK successors will nominate delegations for

conferences and bilateral exchanges (in accordance with agreed criteria as to composition).

- an advisory body, the International Relations Consultative Committee (IRCC), will represent those aspects of Parliament’s work on international relations that do not fall to either the groups or the delegations, resolve any differences of opinion between the delegations and successor bodies over priorities and pull together the overarching strategy for submission to the Commission and House Committee. It will advise the IRD senior management group on:
 - the development of the IRD’s business plans; and
 - how the services the IRD provides for Members should be developed in the medium- to long-term.
- the Commission and the House Committee, which, advised by the IRCC, will agree the strategy and decide questions of finance and resource, advised where appropriate by the Finance and Services Committee in the Commons.

18. The proposed model of governance is shown in figure 1.

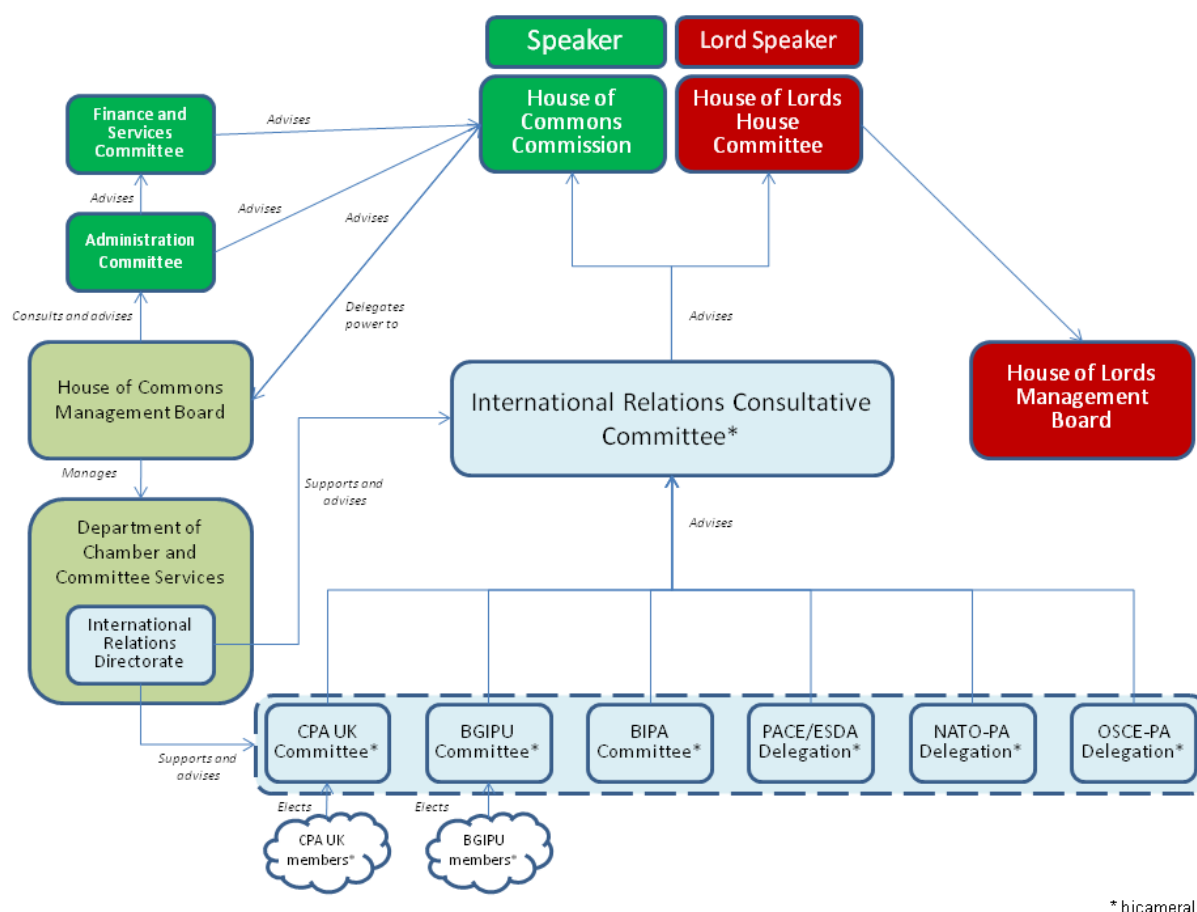


Figure 1: IRD governance arrangements (Note: The House of Lords Management Board will be represented on the IRD’s senior management group)

19. The proposed membership for the IRCC is shown in figure 2. The working group recommends that:

- total membership of the IRCC be 20 (14 Commons and 6 Lords)

- most places on the IRCC be filled ex-officio with two members from each successor body, two from each delegation and the Chairs of the Foreign Affairs Select Committee and International Development Committee in the Commons and the EU Committee in the House of Lords being invited to be members
- the Speaker and Lord Speaker appoint the remaining five members of the IRCC to ensure that the correct bicameral and party balance is maintained. Appointment, rather than election, is recommended because achieving these balances through elections would be very difficult
- the members of the IRCC elect their Chair from amongst their number for a period of one year, renewable once. Rotation of the chair between the Houses should over time reflect the 73:27 funding split
- the IRCC would advise the Commission and House Committee on matters to do with Parliament's international relations
- however, neither the IRCC nor the successor bodies would be formally constituted as committees or joint committees in either House.

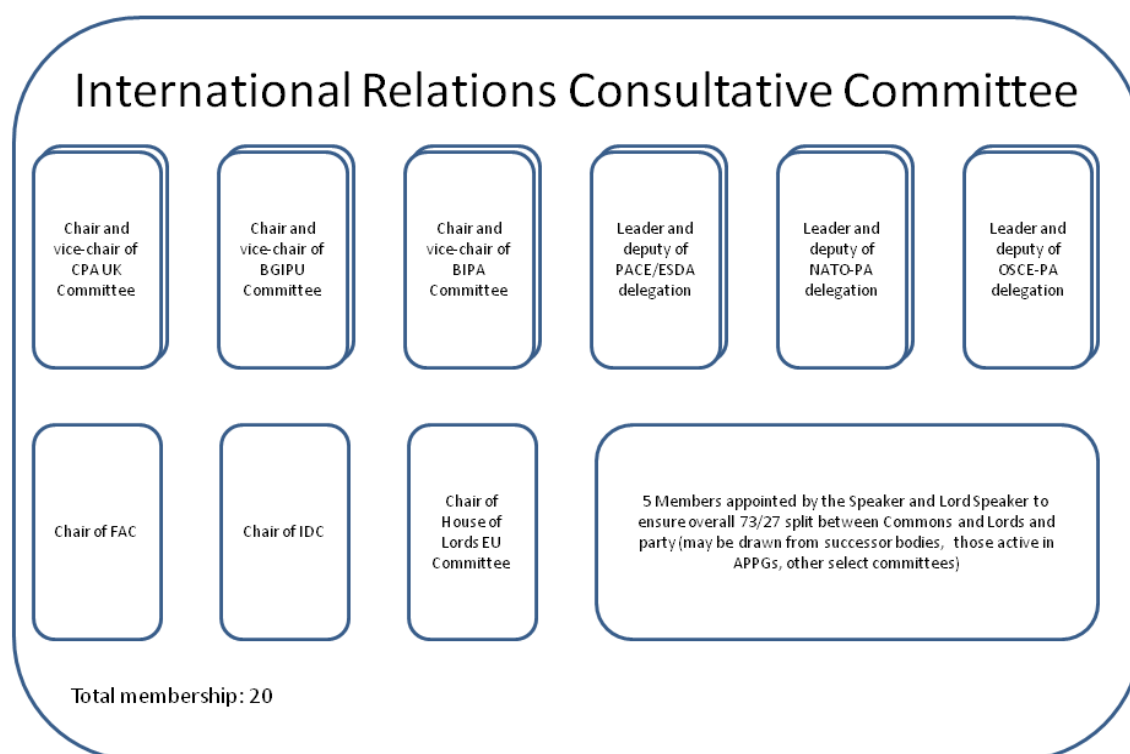


Figure 2: IRCC membership

20. Initially the strategy will be largely focused on delivering activities that are already planned and recognising synergies so as to develop programmes with clear objectives and planned follow up activities. This will include everything that is currently being done by the component parts of the IRD, in particular their plans for activities and continuing programmes in 2011/12. Thereafter one of the first tasks of the IRD will be to facilitate the development through the Member committees of a strategy encompassing all those activities, but going on to build on areas of overlap and synergy to create programmes and projects with clear objectives and planned follow-up activities. Over time the intention is to develop a co-ordinated and coherent strategy,

a mission statement, and supporting programmes each with clear aims and objectives which are measurable and evaluated, based on the priorities identified and recommended by Members and agreed by those who fund the activities.

Management and top of the office

21. The Head of the IRD would be accountable to the Commons Management Board via the Director General of the Department for Chamber and Committee Services. The House of Lords would be represented on the senior management team by the Reading Clerk and Clerk of the House of Lords Overseas Office, who would answer to the Lords Management Board.
22. The IRD senior management team would be responsible for ensuring that the different elements of the IRD worked together to deliver the strategic aims and objectives; ensuring that work on parliamentary diplomacy and parliamentary strengthening were coordinated. Senior staff would carry out specific duties in respect of the CPA and the IPU internationally, such as CPA Regional Secretary and supporting Members on those bodies' international executive committees. The senior management team would be supported by three or four staff working on strategy, planning and communications.

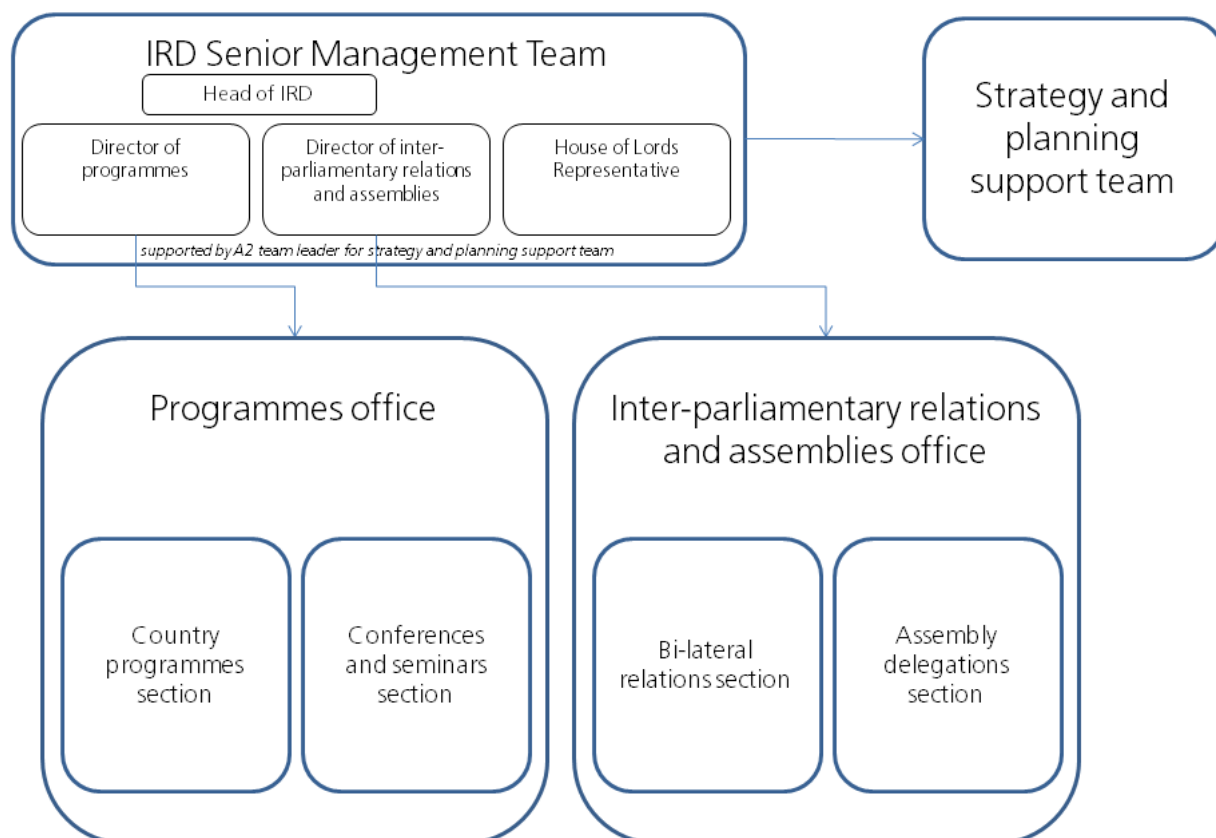


Figure 3: IRD organisational structure

Programmes office

23. The programmes office would contain two sections: one responsible for designing and delivering country programmes with an emphasis on parliamentary strengthening and

capacity building; the other focused on planning and running a range of conferences, courses and seminars.

Inter-parliamentary relations and assemblies office

24. The inter-parliamentary relations and assemblies office would contain two sections: one focused on supporting the delegations to CPA and IPU assemblies, PACE, NATO, and OSCE; the other would manage bi-lateral relations by planning and organising inward and outward visits. The Assembly delegations section would also support BIPA, using the services provided to it by the conferences and seminars section. This office would also provide support to the steering committees (successors to the current executive committees).
25. A further paper on business planning processes within the IRD will be submitted to the Board early next year.

The House of Lords and governance arrangements

26. The interests of the House of Lords will be protected in governance arrangements in a number of ways as set out in preceding paragraphs and it is useful to draw these together:
 - Lords Members will still belong to the successor bodies to the current executive committees of the inter-parliamentary bodies and take part in bi-lateral delegations in the ratio 70:30.
 - Lords Members will still belong to the delegations to the international assemblies as now.
 - Lords Members will belong to the proposed International Relations Consultative Committee (the IRCC) in the ratio 73:27, and occupy the chair on a rotating basis.
 - the Reading Clerk and Clerk of the Overseas Office will be part of the IRD's senior management team.
 - the IRCC's strategy for international relations will come to the House Committee as well as the Commission.

Finance

27. The budget for the IRD will be an aggregate of the budgets for its component parts. For 2010-11 that is around £5.5 million. The £3.4 million provided to the parliamentary bodies as grants-in-aid is shared with the Commons contributing 70% and the remaining 30% coming from the Lords. Participation by Members of each House in activities under the badges of the successors to the inter-parliamentary bodies will continue to reflect those proportions.
28. Expenditure on delegations to parliamentary assemblies reflects the current membership split following the appointment of the new delegations of 78% Commons and 22% Lords. Administrative costs for supporting the delegations have hitherto been borne entirely by the Commons (i.e. the European Section of the Overseas Office). In future years the House of Lords will make an increased contribution to reflect its share of i) parliamentary assembly committee visits to the UK (an extra £6k) and ii) staff costs in the European section of the Commons Overseas Office (an extra £36k).

29. Based on the current spend with adjustments described in paragraph 28 and the new funding ratios for the newly appointed delegations, the overall funding split between the two Houses will be 73:27 (see Annex 1).
30. Staff transferring to the House Service as a result of the creation of the IRD will join the House of Commons Staff Pension Scheme and may transfer in their accrued benefits. The staff of CPA UK are currently members of the Principal Civil Service Pension Scheme which provides equivalent benefits to the House scheme, while staff of the BGIPU and BIPA have private stakeholder pensions.

Assets and liabilities

31. The CPA UK is a registered company and a charity and the process for determining ownership of assets is relatively straightforward. BIPA and BGIPU are unincorporated bodies and their assets are held by their existing members jointly. Their members need to agree to transfer the groups' assets to Parliament. The rules of the bodies should determine how such a decision is taken but it is most likely to be in the form of a resolution put at a general meeting of the body. This question needs to be settled before any transfer can take place and advice has been sought from the Commons Legal Services Office. The four inter-parliamentary bodies all hold reserves and those held by the CPA UK and BGIPU total just over £2 million. The CPA UK will use its reserves to help fund the CPA centenary conference. Remaining reserves could potentially be surrendered to the two Houses.
32. The House of Commons will succeed only to those liabilities which are expressly transferred. This places an obligation on the bodies fully to disclose any current liabilities.

Support for APPCGs

33. The BGIPU currently provides some modest financial support in the form of grants of not more than £5000 for certain activities (including inward and outward visits) organised by a small number of All Party Parliamentary Country Groups (APPCGs) affiliated to the BGIPU. Bids for such funds must meet certain criteria. These mainly concern the processes for selecting the delegations to travel, which must represent more than one party and as far as possible include both genders. APPCGs must also declare that their delegation selection processes are open and fair. In recent years the total annual spend has been less than £20,000. The working group considers that it is desirable that IRD should be able to continue this practice and that bids should continue to be subject to a cap. Explicit reference to these matters may need to be made in the ambit of the relevant Estimates.

Savings programme in both Houses

34. The component parts of the IRD have been asked by the Commons authorities to develop budgets for 2011/12 to 2014/15 based around (i) business as usual, (ii) the impact of an overall cut of 10% in the current level of funding, and (iii) a cut of 20%. All scenarios assume that inflationary pressures, including any pay awards, are absorbed.

35. The working group notes that the House of Lords has recommended a 10% cut in the budgets/grants of all four inter-parliamentary bodies from 1 April 2011 and at this stage no further reduction thereafter (although since these are cash sums inflation will eat away over the 3-year period).
36. Operating common support services across the IRD will deliver efficiency savings against the previous levels of grant-in-aid. Savings will also be possible on professional fees (such as auditing and accountancy fees) and printing costs. Further budget reductions may arise from the work being undertaken as part of savings programme in both Houses. Depending on the scale of further cuts required it is possible that these may impact on services provided to Members. Large cuts to the IRD's budget before it has a chance to become established would be seen by some Members as confirming their worst fears about the creation of an IRD and its impact on services provided to Members.
37. Once the cut in the component budgets for 2011-12 has been agreed, additional costs savings measures should be identified only after the IRD has been established and when it will be possible to take a strategic and coherent view of the scope for future savings.

Work on international relations across the Parliamentary service

38. Work on international relations is undertaken to some degree by all departments in both Houses and much of this work is well co-ordinated. For example, some departments and offices receive overseas visitors without the involvement of the Overseas Offices; the Commons Department of Information Services and POST have undertaken capacity building programmes; and some departments send staff on their own budgets to attend overseas conferences in a representative capacity. While there are no activities which need to be transferred before 1 April 2011, in due course it may be appropriate for the IRD to be involved in some of these activities.

Human resources

39. Staff from the inter-parliamentary bodies will transfer to the House Service under the TUPE Regulations. There is no intention that the transfer of staff should give rise to any compulsory redundancies and everyone with a contract extending beyond 31 March 2011 is expected to have a transfer right. If the savings programme results in significant cuts to the budgets of the IRD's component parts it may be impossible to establish the IRD without some reductions in posts. Any voluntary or compulsory redundancies resulting from these reductions would be part of the savings programme and would be unconnected with the TUPE transfer.
40. The services of the IRD can be restructured as described in this paper while fulfilling House of Commons obligations under the TUPE Regulations. Under the Regulations, transferring staff retain their existing terms and conditions although, where possible and practical, they will be transferred onto House of Commons terms and conditions.

Accommodation

41. There are no plans for any significant changes to accommodation in the short-term but any opportunities to co-locate staff will be taken. A brief on future accommodation needs is being prepared so that the IRD can be taken into account in the development of the wider strategies for accommodation being developed in both Houses.

Review of IRD

42. The working group recommends that any review at the end of the first year should take the form of a benefits realisation study and should be led by the House of Commons internal audit team. Having reviewed all four interparliamentary bodies, the team has some knowledge of their activities. Furthermore it is currently developing a number of benefits realisation reviews as part of its ongoing work. Such an audit would form part of the joint audit programme and be referred to the Lords Audit Committee.

16 November 2010

Rhodri Walters

Annex I

Indicative funding split for the IRD

Budgets for 2010/11 were used to calculate the funding split going forward. The funding split in 2010/11 was 70/30 on grants-in-aid to bodies and 85/15 on delegations. Keeping the budget totals constant but applying the new delegation split gives the following:

	Commons	Lords	Total
Shared services			
Grants-in-aid	£2,406,600.00	£1,031,400.00	£3,438,000.00
Delegations	£1,300,177.60	£370,414.12	£1,670,591.71
Commons Overseas Office costs	£306,996.52		£306,996.52
Total			£5,415,588.24
Funding split for shared services	73%	27%	



Core Competences: Initial Report

Responsible Board Member(s) Simon Burton
Paper prepared by Simon Burton & HRSG
Date 11 November 2010

Summary: Presentation of revised core competences for Senior Staff.

Summary of actions requested:

- The Board is invited to agree the revised competences.

Introduction

1. This paper, prepared by HRSG, reviews and recommends initial changes to the House of Lords core competences. This work follows on from the consideration of competences by the Board in May on the basis of a paper from a group chaired by the Clerk of Committees. In considering that previous review the Board agreed:
 - i. the administration should continue to have core competences;
 - ii. competences for different grades should align; and
 - iii. development opportunities should support the competences.
2. Neither the former review nor this paper establish the competences required for specific posts. That needs to be done by management on a case by case basis as necessary.
3. This paper focuses initially on the core competences for the senior grades. Work on the other competence sets will follow with a view to developing a single set of competences for Bands A-E which will link into the senior competences proposed here. Specific learning and development propositions will also be presented linked to the core competences at all levels. As indicated in the Learning and Development Strategy on which the Board is consulting separately, these will include propositions for senior staff development.

Current competences

4. The current core competences of the administration for staff in the different grades are set out (in summary form) in Table 1 (see Annex). The existing management guidance is also summarised, as the previous review called for that guidance to be amalgamated with the competences. The principal themes of competence sets used by other comparable bodies summarised in Table 2 (see Annex).

Changes needed

5. Only one change of principle is proposed. The purpose of having competences is to enable people to see what they need to do to help the administration deliver its objectives. The current competences accordingly need to align more specifically to the

Administration's objectives. The competences accordingly need to reflect more closely:

- i. objectives and tasks of the Administration as set out in the Business Plan;
 - ii. priorities for the Administration as agreed by the Management Board in commissioning the 2010 Office business plans;
 - iii. corporate risks; and
 - iv. core values of the Administration.
6. The following are accordingly reflected in the revised competences although the simplicity of the current framework has been maintained and the number of entries under each heading has in fact been reduced:
- distinguishes the needs of the House from the needs of individual members and understands the House as an institution;
 - ensures efficient delivery and/or savings;
 - deals with ambiguity and uncertainty;
 - sets priorities in such a way that actions which can be deferred without significant detriment can be deferred;
 - shares knowledge;
 - shows mediation skills;
 - works to a common purpose, in line with strategic task 5;
 - works with, and where appropriate manages, corporate risks;
 - works within the corporate performance framework;
 - respects corporate communication principles;
 - manages changing expectations among the workforce;
 - is committed to deploying resources in line with corporate priorities and the administration's common purpose;
 - is willing to assist other offices where appropriate;
 - evaluates training undertaken by self and others;
 - works within the framework of employment law and HR best practice;
 - recognises the achievements of others;
 - creates a culture of support, consultation and empowerment.

Proposed new framework

7. The proposed new framework for senior competences, with points added to reflect these developments but within an overall simplified structure and with a few things removed, is on the next page. HRSG is of the view that all entries under each heading are of equal weight and that the order of bullets in each case accordingly is not significant. If the overall priorities of the Administration change (e.g. as a result of the work of the Business Planning Group) the competences could be further adapted. HRSG also advises that further communication is needed of the corporate communications principles referred to in the competences.

Finance and communications

8. The revision of competences has no financial implications and has been carried out using only in-house resources. The competences will be communicated directly to

senior staff, and to staff generally through RCN and the intranet. The TU side will be informed.

11 November 2010

Simon Burton

Annex I: Proposed Senior Competences

<p>Leadership</p> <ul style="list-style-type: none"> • is visible and approachable and inspires and earns the respect of others • acts decisively, having assessed choices and risks • is aware of own limitations and manages them • accepts responsibility for the actions of the team • demonstrates commitment to the administration's common purpose and core values • initiates and manages change in pursuit of the administration's objectives 	<p>Management of people</p> <ul style="list-style-type: none"> • makes full use of the skills and competences of others in delivering corporate priorities • establishes and communicates clear standards and expectations, and manages changing expectations • manages good and bad performance effectively • encourages and evaluates staff development • encourages, and responds to, feedback from staff • is aware of, and works to implement, current policies, for example on diversity and equality
<p>Management of financial/other resources</p> <ul style="list-style-type: none"> • secures value for money, making savings where appropriate including by challenging existing practices • negotiates for resources to do the job, taking account of wider priorities, and commits resources to meet key corporate priorities • uses management information to monitor and control resources • manages contracts and relationships with suppliers and Third parties, the Commons and PICT effectively • demonstrates high level programme and project management skills • ensures data and records are managed in line with agreed procedures • manages risk effectively, including where appropriate corporate risks 	<p>Personal effectiveness</p> <ul style="list-style-type: none"> • displays confidence in own judgement but responds constructively to alternative ideas • effectively manages relationships with Members of the House to shape and deliver corporate priorities • adapts quickly and flexibly to change • shows resilience, stamina and reliability under pressure • shows commitment to own personal and professional development • mediates effectively, including between competing priorities • demonstrates high standards of integrity, honesty and fairness <p style="text-align: right;"><i>continued on next page</i></p>

<p>Planning and delivery of results</p> <ul style="list-style-type: none"> • organises effectively to produce results on time, on budget and to agreed or accepted quality standards and in line with agreed House wide priorities, while also being prepared to defer actions when necessary evaluates organisational performance in line with corporate standards • incorporates lessons learned into future plans and seeks continuous improvement • works effectively with key contacts including in the House of Commons and PICT • develops, influences and implements strategic aims, anticipating demands, opportunities and constraints even when faced with uncertainty or ambiguity • reconciles day to day demands with long term objectives 	<p>Expertise/professional competence</p> <ul style="list-style-type: none"> • develops professional expertise and competence including appropriate managerial competence in finance and human resources • seeks and applies best practice from within and without the House including where appropriate in parliamentary practice and procedure, ICT and information management • earns credibility and influence through application of depth and breadth of expertise • encourages innovation and appropriate taking of risks while ensuring that unnecessary mistakes are avoided and any necessary remedial action taken swiftly
<p>Judgement, creativity and analysis</p> <ul style="list-style-type: none"> • understands the House as an institution, and distinguishes the needs of the House from those of its members • understands and operates effectively within the political framework, recognising constraints and working effectively within them • identifies key issues and displays sound assessment of priorities • offers insights and generates ideas with practical application • displays high level of analytical skills 	<p>Communication</p> <ul style="list-style-type: none"> • communicates effectively in line with agreed corporate communications principles • listens to what is said and is sensitive to others' reactions • is concise and persuasive orally and in writing • is effective in a representational role including with the media • builds, maintains and uses an effective network of contacts • readily shares information • drafts with clarity and edits others' work to high standard

Table 1: Current House of Lords Core Competences (summary of headings)

SENIOR STAFF	A-D GRADES	AFS	RD STAFF D2/E2	MANAGEMENT BEHAVIOURS
expertise and professional competence	developing and applying expertise	procedural knowledge	developing and applying expertise	learning and improving
intellect, judgement and creativity	-	intellectual qualities	-	thinking strategically
communication	communicating	communication	communicating	communicating
personal effectiveness	-	Authority, self-confidence; resilience	-	-
planning and delivery of results	planning for service delivery		planning for service delivery	planning for service delivery
leadership	leadership		leadership	leadership
management of people	team working	working with others	team working	team working
management of financial and other resources	-		-	-
-	building relationships		building relationships	

Table 2: Comparators

LORDS SENIOR STAFF	COMMONS	CIVIL SERVICE (SCS 1)	CIVIL SERVICE (G6 and 7))
expertise and professional competence		analysis and use of evidence	analysis and use of evidence
intellect, judgement and creativity	strategic involvement	strategic thinking	-
communication		communications, marketing	-
personal effectiveness	continuous improvement; relationship building; personal impact; influencing		
planning and delivery of results	managing objectives	Programme/project management	Programme/project management
leadership			
management of people	setting objectives; encouraging learning; teamworking	people management	people management
management of financial/ other resources	managing resources	financial management	financial management
	valuing others; building relationships		



Staff Survey Action Plan

Responsible Board Member(s) Simon Burton
Paper prepared by Simon Burton, Alison Couch
Date 16 November 2010

Summary of actions requested: • The Board is invited to agree the final Staff Survey Action Plan.

Introduction

1. HRSG and the Board considered a draft action plan arising from the Staff Survey before the summer recess. All Offices were asked to discuss the Survey findings over the summer and at the last meeting the Board considered some additional actions arising from those discussions. This paper incorporates into the previous draft action plan the further actions the Board agreed at the last meeting on the basis of those office discussions. The Action Plan focuses on the principal actions to be undertaken across the administration. These will be supplemented by further actions including actions within individual offices.

Finance and communications

2. The Action Plan will be produced and disseminated in House using existing resources. Any costs arising from implementation of the actions in the plan will be met from resources in existing financial plans including that of HRO. The Plan will be communicated to staff through RCN, Heads of Office and the next All Staff HR meeting which is scheduled to take place before Christmas.

16 November 2010

Simon Burton



2010 Staff Survey Action Plan (FINAL DRAFT)

The Management Board has agreed a corporate action plan to follow up the results of the 2010 All Staff Survey (attached) carried out earlier this year.

Many of the survey results were positive, demonstrating high levels of engagement among most staff. Many respondents were satisfied with their jobs and felt they have the tools and resources to do their jobs properly, Many more staff than in 2008 understood how their job contributed to the aims and objectives of the House of Lords administration. As in 2008 there were consistently high positive responses to questions concerning line management. Other increases from 2008 scores included managers encouraging staff to perform to the best of their abilities and ratings of line managers' performance.. There were also strong scores on knowledge sharing, team working and cooperation between staff within departments or offices.

On the other hand, there are some areas where scores showed room for improvement. Staff perceptions that the administration continually seeks ways to improve its work scored slightly lower than in 2008. and when staff were asked "what could be done to make the House of Lords a better place to work?" a large number of comments cited improvements to management, training opportunities and communications. These three areas are accordingly the focus of the administration's action plan and the principal actions are set out in the attached table under the headings of Management; Learning and Development; and Communications.

The administration has also decided to seek liP re-accreditation this year and any actions recommended as a result of that process will be taken forward in conjunction with this action plan.

Staff Survey Action Planning Process

A copy of the survey narrative report and the comments report was distributed to staff. Heads of Office subsequently held meetings with staff to agree actions for their office. The corporate action plan was developed from the survey results and the comments report, and feedback from individual offices and the Internal Communications Group (ICG). Updates on the action plan will be provided to the Management Board and communicated to staff through Red Carpet News. If you have any comments on the plan please contact Simon Burton, Director of Human Resources, on x3185, email: burtons@parliament.uk or Alison Couch, Internal Communications Manager, on x4155, email: coucha@parliament.uk

The Action Plan

ACTION BY THEME	OWNERS	DELIVERY DATES
1: Management		
Review administration's business strategy and priorities	Management Board	November 2010
Enhance staff engagement with the business planning process	Clerk of the Parliaments' Office (CPO)	From July 2010
2: Learning and Development		
Review competences for all grades	Human Resources Office (HRO)	From July 2010
Develop management training	HRO	From September 2010
3: Communications		
Promote staff terms and conditions (e.g. total reward package) and opportunities to influence the work of the administration (e.g. staff feedback opportunities).	HRO & CPO	From October 2010
Clearer guidance for staff on career progression and development opportunities	HRO & Human Resources Strategy Group (HRSG)	By end 2010
Streamline information resources and channels used in communication with staff	CPO	From July 2010
Initiate staff discussion about the administration's values	HRO	By end 2010
More information to staff on the environmental sustainability of the House of Lords buildings and operations	Department of Facilities	From November 2010



Green Travel Plan

Responsible Board Member(s) Rhodri Walters, Carl Woodall
Paper prepared by Jo Guy, Interim Head of Fire Safety and Environment, PED
Date 3 November 2010

Summary: This paper updates the Board on progress towards a Parliamentary Green Travel Plan.

Summary of actions requested:

- Support the current scope and purpose of the Plan, and endorse it.
- Agree to ongoing updates to the Plan, on the basis of Board consultation before any expansion of the scope or purpose.
- Take note of the draft paper for the Administration & Works Committee.
- Agree that the Plan should be endorsed by the two Management Boards.

Introduction

1. The Board will recall that it has previously endorsed the Parliamentary environmental strategy (in April 2009) and environmental policy statement (in December 2009). As part of the work in this area, a Green Travel Plan has now been prepared.
2. The Government encourages the production of corporate green travel plans to support and help organisations' employees and visitors to use alternatives to single-occupancy car-use. Our location in central London means that few staff and visitors to the Parliamentary Estate use private motor vehicles to travel here. The plan has been produced, however, both to match best practice and to help staff and visitors reduce Parliament's environmental impact.

Scope and purpose of the Plan

3. This first version of the Plan is limited to Members, staff (including contractors), Members' staff, deliveries and visitors to the Estate. It does not cover the private residences on the Estate or official Member travel. The primary purpose of this version will be to provide information to help those covered by the Plan to make more informed choices about how they travel: there will be no compulsion towards modal shift and the Plan does not propose any changes such as reductions in the number of staff parking permits. **The Board is invited to support the scope and purpose of the Plan.**
4. It is intended that the Plan will develop over time, based on travel surveys, assessments of behaviour, and costs and options appraisals; and that it will be reviewed and updated annually by PED. The Board will be consulted before any expansion of the scope of the Plan, or any significant changes to travel and parking provision currently available to staff. **The Board is asked to agree that there should be ongoing work on the Plan on this basis.**

Content and endorsement

5. The plan has been designed to be placed online, and thus largely consists of links to information available on other pages on the intranet, Parliamentary internet or external websites (such as TfL). The full content of the plan has been approved by the Parliamentary Estates Board and is available to Board members on request from the Board Secretary. The topics covered are:
 - Information about the current environmental impacts of travel to the Parliamentary Estate;
 - Access information for all Estate buildings, including detail of (cyclist) showering provision;
 - Information relating to: walking/jogging; cycling (including detail of on-site cycle parking); public transport in London (including nearby Underground lines, National Rail stations and bus routes); river services; motorcycles (including detail of on-site motorcycle parking); taxis and minicabs; cars (including advice on reducing emissions);
 - Information in staff handbooks relating to business travel, and to the Travel Office;
 - Existing staff travel incentive measures, including interest free ticket loans, bicycle loans, and late night taxi services;
 - Reducing travel through teleconferencing and virtual meetings;
 - Information for visitors (including security, tours and visitor services, and visitor cycle parking information);
 - Deliveries (to be updated when the new arrangements have been implemented).
6. In line with the approach adopted for the Parliamentary environmental policy statement, it is proposed that the Plans should be endorsed by the Management Boards, with the Director of Facilities (and the Director-General of Facilities in the Commons) signing the Plans on the Boards' behalf. The endorsement reads:

The Management Boards of both Houses of Parliament recognise that their activities have a significant environmental impact and take this issue very seriously. The Business Plans of both Houses state that a principal goal is to increase and demonstrate the environmental sustainability of the services delivered.

This travel plan is one of many ways the Management Boards are seeking to help staff, Members, Members' staff and visitors to reduce their and our environmental impact. Not only will the information and proposals in this plan help us to make more informed choices about how we travel, whether commuting to work or travelling on business, but they should help to reduce the strain of travelling.

7. **The Board is asked to approve this endorsement.**

Financial implications

8. There are no additional financial implications that arise directly from this iteration of the Green Travel Plan.

Communications

9. Staff will be informed of the adoption of the Plan through *Red Carpet News* and will be able to access it via the intranet. Members will be informed about the proposed Plan

initially through memoranda to the Administration & Works Committee. **The Board is invited to take note of the draft memorandum to the Administration & Works Committee** (annex 1). The information on the intranet will be available to all Members and will be promoted in *Red Benches*.

3 November

Rhodri Walters, Carl Woodall



Report from the Senior Pay Panel for 2010

Responsible Board Member(s) David Beamish
Paper prepared by Senior Pay Panel (David Beamish, Allan Roberts, Jacqy Sharpe, Benet Hiscock, Jonathan Seller (Secretary))
Date 10 November 2010

Summary: This paper consists of the version for the Management Board of the annual report of the Senior Pay Panel. The Clerk of the Parliaments has approved our recommendations. Personal information in our report to the Clerk of the Parliaments has been removed, so this version of the report is suitable for disclosure and this paper is not reserved, nor is access restricted.

Summary of actions requested: • The Board is invited to take note of the report, in particular of paragraphs 20–22, which record a new approach to setting the levels of non-consolidated awards.

Introduction and membership

1. This is the annual report to the Management Board from the House of Lords Senior Pay Panel. Pursuant to a proposal by the Internal Auditor in a report on bonus schemes (completed in late 2009), the Panel has acquired an AI member, Benet Hiscock (Director of Public Information), initially as an extra member. So the current membership is:

David Beamish (chairman)
Allan Roberts
Jacqy Sharpe (House of Commons)
Benet Hiscock
Jonathan Seller (secretary)

Terms of reference

2. The Internal Auditor's report on bonus schemes also recommended that the terms of reference of the Senior Pay Panel should be clarified. As revised (and placed before the Audit Committee in June 2010), our terms of reference are now:

“The Senior Pay Panel is responsible for:

- Considering reporting officers' recommendations on box markings and determining the size of any non-consolidated payment (standard, enhanced, or high); and
- Monitoring the results of decisions on salary and non-consolidated payment to ensure consistency and fairness, and to ensure that there is no bias in relation to, for example, gender or working pattern.

The Panel may also comment on the quality of managers' evidence and recommendations so that, if necessary, improvements are made for the next year.

The Panel will meet in private, and its decisions will not be published, although a record will be kept. The small number of Senior Staff in the Lords means that publication of the

distribution of box markings or the number and size of non-consolidated payments awarded by, for example, pay band or gender, would be likely to identify individuals or breach confidentiality.

The Panel will report each year to the Clerk of the Parliaments and to the Management Board. The report to the Management Board will exclude recommendations and comments in relation to individuals.”

Format of this report

3. The Internal Auditor’s report also recommended that Panel reports “should follow a standard format suggested by the Director of Human Resources and agreed by the Clerk of the Parliaments”. The remainder of this report incorporates the agreed headings, and also includes additional material appropriate to this year’s report. For ease of future reference, the standard headings are as follows:

- Terms of reference
- Introduction and membership
- Timetable
- Consistency and fairness
- Reporting standards
- Quantum of pay increases and non-consolidated payments
- Levels of non-consolidated payments
- Comparative data
- Other recommendations

Additional sections are identified by headings in *italics*.

Changes in the reward scheme for senior staff

4. This report is being made against the background of a dramatic change in the reward scheme applicable to the Senior Civil Service and thus to House of Lords staff in the senior structure. Hitherto satisfactorily performing staff have received a consolidated pay increase calculated (as a percentage of salary) by reference to their box marking, and some staff have received a non-consolidated one-off payment on the basis of recommendation by reporting officers. On 10 March 2010 the annual report of the Senior Salaries Review Body on senior salaries was published (Cm 7804) and the then Prime Minister announced¹ that he accepted the SSRB recommendation that there should be no increase in consolidated pay for senior staff. He rejected a recommendation to raise the minimum of SCS Band 1.
5. On 19 March the Cabinet Office wrote to HR Directors in Government Departments with instructions concerning non-consolidated awards for the year to 31 March 2010. These included a cap on individual awards (£15,000 for Band 3, £12,500 for Band 2, £10,000 for Bands 1A and 1), and the following new cap on the proportion of awards:

¹ Commons Hansard, 10 March 2010, Column 18WS
(<http://www.publications.parliament.uk/pa/cm200910/cmhansrd/cm100310/wmstext/100310m0001.htm#10031062000021>)

“The total number of non-consolidated payments made, however, **can not exceed 65% of the departmental SCS workforce**. You may though make payments to more than 65% of the staff within a grade. Please **note that the 65% figure is an absolute cap**. Therefore if you had 27 members of the SCS you could make payments to no more than 17 (62.9%) as payment to 18 members of staff would equate to 66.7% of staff.

The application of this policy will almost certainly result in a proportion of the performance pay pot being unspent. Departments may re-deploy this money. Although it may not be used to make any further pay awards for members of the SCS.”

6. Although it does not affect the current round, it may be worth adding that on 16 May 2010 the new Prime Minister announced: “The budget for performance related pay for senior civil servants for 2010/11 will be reduced by two thirds, delivering savings of around £15 million. Only the top 25% of performers will receive a bonus so that in future only those making an exceptional contribution will be rewarded.”²
7. Last year our report made the following two recommendations for the reform of our reward arrangements:
 - Recommendation 6:** Subject to consultation with those concerned, consolidated pay increases should, from 2010/11, be in the ratio 1:2:3 for box markings of 3, 2 and 1.
 - Recommendation 7:** Instead of a common level of bonuses for all SCS staff, bonuses for Bands 1, 1A and 2/3 should in future be in the ratio 4:5:6.

Against the background of the developments described above, we decided not to pursue either recommendation for the time being. It would be strange to consult on the allocation of consolidated pay increases at a time when no such increases are on offer and the longer-term future is uncertain; and the impact of Recommendation 7 at a time of no pay increases would simply be to transfer money from those in Band 1 to more highly paid staff in Bands 2 and 3.

Timetable

8. We noted in our last report that the likelihood of a general election in May 2010 provided an opportunity for more timely completion of the appraisal process than in 2009. Disappointingly, the process has again taken much longer than it should have done (with one self-assessment not even submitted to the reporting officer until October).
9. There will be a compelling need for timeliness in 2011 as a consequence of the retirement of the Clerk of the Parliaments in late April. He is reporting or countersigning officer for all but one of our 28 senior staff. We therefore recommend that, exceptionally, the appraisal period should run to the end of February, with forms issued then, and that, in cases where the Clerk of the Parliaments is countersigning

² <http://www.number10.gov.uk/news/latest-news/2010/05/cuts-to-senior-civil-service-and-nhs-manager-bonuses-50176>. The use of the word “bonus” is noteworthy – it does not occur in the Cabinet Office guidance of 19 March.

officer, all reports should be submitted to him by reporting officers by the end of March.

Recommendation 1: We recommend that in 2011 the reporting period should run to the end of February, that report forms should be issued by then, and that reporting officers should be required to submit their reports to the Clerk of the Parliaments as countersigning officer by the end of March.

Consistency and fairness

10. Our terms of reference require us to monitor “the results of decisions on salary and bonuses to ensure consistency and fairness, and to ensure that there is no bias against, for example, gender or working pattern”. The numbers involved are so small that any statistical analysis would be unsatisfactory, but on the basis of careful study of the reports we are again satisfied that there is no such bias in relation to gender or working pattern (full-time/part-time).
11. In the light of the expectation of a reduced number of awards of non-consolidated payments, we looked carefully at the arrangements for ensuring consistency between different reporting officers. While we concluded that there were no obvious anomalies, the case for some awards was not as well made as it should have been. In future, against the background of the restraints on awards, we recommend that the guidance should be modified to make it explicit that there should be a formal conversation between reporting officer and countersigning officer before a recommendation (including a recommendation for no non-consolidated award) is made. Where an award is recommended, the case for it must be set out in the relevant section of the report form.

Recommendation 2: We recommend that in 2011 the guidance should make clear that reporting officers must meet countersigning officers to discuss in advance their proposed recommendations in relation to awards of non-consolidated payments, and that where an award is recommended the relevant section of the report form must set out a convincing case for it.

12. While we reserve the right to recommend salary adjustments to reduce or remove anomalies, we have not thought it appropriate to do so against the background of the pay freeze described in paragraph 4 above.

Reporting standards

13. In general we were satisfied with the quality of reporting this year, though in one or two cases we felt that self-assessments were not as balanced as they might have been, focusing too much on successes. Recommendation 2 above is intended to help to achieve greater consistency of standards across the organisation, and we recognise that the maintenance of consistency is something that will require continued vigilance.

Proportion of staff receiving non-consolidated awards

14. The Cabinet Office guidance quoted in paragraph 5 above imposed an “absolute cap” of 65% on the proportion of staff who could receive a non-consolidated award. We gave

careful consideration to the question whether the same cap should apply in the House of Lords.

15. Out of 28 staff, 21 will receive an award, i.e. 75%. This is a defensible figure: it is consistent with levels in previous years and, with three levels of award available and thus four options, an approximately equal division reflecting differential achievement seems appropriate. Moreover, we would find it difficult to suggest which 3 of the 21 staff should have the award withdrawn in order to comply with the 65% cap, having satisfied ourselves that all the recommendations were warranted.
16. On the other hand we recognise that the media or anyone else looking at the percentage of awards may perceive or seek to present the House administration as an institution which is swimming against the tide in seeking to award “bonuses” to nearly all senior staff. Staff in Bands A to D, where a smaller proportion of staff receive a much smaller non-consolidated payment, may also resent the appearance that senior staff look after their own interests.
17. We recommend below that the level of non-consolidated awards should be substantially reduced, with the result that only a third of the sum available for awards will be used. This appears to be significantly less than the pattern in Government departments and would achieve the necessary savings by concentrating on the size, rather than the number, of awards. Bearing in mind that the 65% cap was announced retrospectively only a few days before the end of the year to which it related, we believe that this alternative approach is both fair and defensible.

Recommendation 3: Despite the 65% Cabinet Office cap on the proportion of staff in the Civil Service who may receive a non-consolidated award, we recommend that reporting officers’ recommendations for awards to 21 staff should be accepted. This means that the proportion of staff receiving an award will be 75%.

Quantum of pay increases and non-consolidated payments

18. This year there is nothing to be said about the quantum of pay increases, as no increases are on offer. We note only that this could produce unfairness between two people whose efforts were recognised in one case by a higher box marking and in the other by a higher non-consolidated award. Normally both would get some financial reward, but this year the former would not. In practice we are satisfied that no such unfairness has occurred.
19. The SSRB’s 31st Report provided that 8.6 per cent of the pay bill should be available for non-consolidated payments in relation to the year 2009/10 as it was in 2008/09. The Cabinet Office guidance referred to in paragraph 5 above indicated that in practice the caps on individual awards meant that the whole pot was unlikely to be used.
20. In previous years we have considered whether we should use the whole amount available for non-consolidated awards, and have concluded that we should. This year, as indicated above, we have reached a different conclusion, for several reasons:
 - (1) The Cabinet Office guidance made clear that Government departments would not be using the whole available pot.
 - (2) We have previously expressed reservations about the adequacy of our appraisal system for delivering in a fair manner bonuses as large as they had become.

- (3) The large differential between senior awards and the bonuses payable to those in grades A–D (at most a few hundred pounds) have become a source of controversy and ill-feeling.
 - (4) Last but not least, we are now in a climate where substantial savings in public expenditure are being sought. A reduction in the level of payments will not only deliver a saving but also show leadership in setting an example on the part of those in the senior structure, demonstrating that they are not insulating themselves from the effect of seeking savings.
21. At the Senior Management Awayday on 27 September, in reply to a question the Chairman of the Panel revealed that the Panel was thinking of recommending substantially lower levels of award than hitherto. Anecdotal evidence is that this was well-received by most though not all of those present. We recognise that this change could be seen as retrospective, but the same is true of the Cabinet Office caps on awards, and we believe that it is the right thing to do.

Levels of non-consolidated payments

<p>Recommendation 4: This year the levels of non-consolidated award should be £2,000 (standard), £4,000 (enhanced) and £6,000 (high).</p>
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22. This compares with equivalent figures last year of £4,900 (standard), £9,800 (enhanced) and £14,600 (high). The effect of our recommendation is that, of the theoretically available “pot” (£186, 525 – 8.6 per cent of a salary bill of £2,168,903) we shall use only £62,400, or 33.5%.

Mitigation of pay anomalies – meeting with Professor Mike Horsman

23. On 17 June 2010 we held a meeting with Professor Mike Horsman, external member of the Commons Senior Pay Panel and former director of the Office of Manpower Economics (which supports the SSRB). The purpose was to discuss the possibilities for adjusting salaries of certain staff, notably those near the bottom of Band 1, in order to mitigate anomalies (so-called “bumping along the bottom”) without introducing new ones. He advised against a draft scheme that we showed him for moving people up the pay band on the basis of a formula multiplying an uplift amount by the number of years spent in the grade and abating the result by a percentage of the amount by which someone was already above the band minimum – in at least one case this would have produced leapfrogging. Instead he recommended a fixed salary uplift (£500 or £1000) for all those in the lower part of the band (the threshold being chosen so as to avoid anomalies at that point).
24. We have reluctantly concluded that it would not be appropriate to implement such an arrangement at a time when senior salaries in the public sector have been frozen – it could appear as an attempt to circumvent the pay freeze – so we will return to the matter when it seems appropriate.

Comparative data

25. The Internal Auditor's report recommended "Each SPP report should contain a summary of the proportion of senior staff bonuses in the House of Lords together with comparable figures for the House of Commons and the Civil Service. Significant disparity should be explained."
26. The House of Commons kindly provided us with data on the number and levels of awards, which we have recorded in our report to the Clerk of the Parliaments. For reasons of confidentiality we do not record it here, other than noting that they have adopted a slightly different arrangement, making it difficult to compare percentages directly.
27. In relation to the Civil Service, the Cabinet Office has indicated that it is not able to provide any outturn figures for 2009/10 at this stage. The following Civil Service information is available in respect of 2008/09, but is of little value in the light of the developments described in paragraph 5 above:

"Almost three quarters (73%) of the SCS received a bonus compared to 67% in the previous year. The average bonus was £8,441 (10.8% of the overall median salary), compared to £8,880 (11.6% of median salary) in 2007/08"³

Other recommendations

27. We noticed that at least one appraisal form used an out-of-date template. As the forms are updated slightly year by year, we fear that it needs to be made explicit that the latest version of the template must be used.

Recommendation 5: When report forms are circulated it should be made clear that they are not identical to those used previously and that old forms must not be re-used.

29. We also noticed that one or two self-assessments had not been carefully proof-read and contained typographical errors. As these appraisals may well be seen by promotion boards, it is in the interests of those concerned to check carefully what they write, and it would be a kindness if reporting officers could call attention to any errors.

Recommendation 6: The guidance should encourage job holders to take care to avoid typographical errors in their self-assessments, and should invite reporting officers to call attention to such errors in time for them to be corrected.

30. In some cases reporting officers experienced difficulty in recording their box markings electronically. We suggest that the report form should be reviewed to ensure that it is as easy as possible to record the box marking without the need to seek out a tick (or square root!) symbol.

³ From http://www.civilservice.gov.uk/Assets/GovernmentEvidenceSSRB2009Annexes_tcm6-34814.doc (Annex C).



Awaydays

Responsible Board Member(s) Rhodri Walters
Paper prepared by Simon Blackburn
Date 9 November 2010

Summary: This paper formalises the aspirations for Management Board awaydays, provides feedback from the senior management awayday, and asks for Board approval for the draft agenda for the middle management seminar.

Summary of actions requested:

- Approve the Management Board awayday policy.
- Note the feedback from the senior management away.
- Approve the draft agenda for the middle management seminar.

Management Board Awaydays

1. One of the recommendations of the Parker review of the Management Board (April 2007) was for the Board to hold awaydays which would allow time for strategic debate:
4.12 There does not seem to be huge enthusiasm for the Management Board meetings. Whilst many of the Members of the Management Board have clearly worked together in the House of Lords in a variety of roles for many years, nevertheless they do not really seem to work together as a cohesive corporate board. A structured away day, with an appropriate facilitator, would be worth considering where time could be spent on rigorous strategic debate. Even simpler than this would be just getting together as a team for a sandwich lunch after Board meetings, with perhaps a social dinner occasionally.
2. Since 2008/09, the Board has taken steps to meet this recommendation: both this year and last it has held a half day on site meeting to discuss the results of the review of the Board (including training this year) and a full day offsite meeting to discuss long-term issues such as performance measurement. These meetings have taken place at minimal expense, using Government or other public sector properties.
3. These meetings have, on the whole, been viewed as a success. The Board is therefore asked **to agree that it will continue with the current pattern of 1.5 days per year of meetings to consider “non-immediate” business.** I also invite the board to note that, although the budget for offsite meetings has been reduced, when these events are provided on an economical basis they can accrue additional benefits (including experience of how other organisations provide services). The Secretary to the Management Board will continue to liaise with the Chairman regarding the content for these meetings.
4. The board is also invited **to agree that it should hold a full day meeting in February 2011 to allow the next Clerk of the Parliaments to set out his or her proposals.**
5. Achievement of the final sentence of the Parker recommendation has been patchier, although the handful of times that the Board have dined together have been productive and enjoyable occasions. As a relatively small organisation with long-serving

staff, it is likely that Board members already socialise more often than their equivalents in larger organisations and, subject to the Board's views, I therefore do not propose to take this recommendation forward in any way other than reminding Board members of its existence.

Senior management awayday 2010

6. Annex 1 contains a summary of the feedback obtained for the senior management awayday in September. The Board is invited to **take note**, and to note that it considered the output from the discussion of the Administration's strategic plan earlier on this agenda. It is proposed that the 2011 awayday take place during the September sitting weeks; the Director of Corporate Services and the BPG will propose an agenda for the day for Board approval next summer.

Middle Management Seminar 2010

7. The draft agenda, as proposed by the Director of Corporate Services and the BPG, for the middle management seminar on 10 December is at Annex 2. The main topic will be the Administration's reputation, led by Liz Hallam Smith. **The Board is invited to approve the agenda.**

9 November

**Simon Blackburn
Secretary to the Management Board**

Annex I

Senior Management Awayday 2010

1. The feedback provides a mixed picture. Opinions of the day overall remain positive, with all respondents grading it “useful or “very useful”; some comments suggest it was a very valuable day. Looking at the individual sessions:
 - a. The warm-up session really split opinion: 31% found it “very useful” and 31% “not very useful”. This was perhaps due to a lack of clarity about what will happen to the comments. (The BPG kept these in mind while drafting the new corporate plan.)
 - b. The update from the Clerk of the Parliaments remained popular (94% “very useful” or “useful”).
 - c. The session on strategic priorities received strong support (94% “very useful” or “useful”) with a clear appetite for the work to be continued.
 - d. The score for the business plan previews was considerably lower than last year (100% “very useful” or “useful”, but only 33% of these were “very useful”, down from 60%). Comments suggest this was because some people went into too much detail and did not relate back to the earlier session.
2. The comments supported a lunch area which allows circulation, and overall the smaller room received praise for promoting a business-like environment. We maintained strong support for holding the awayday in September. There is broad support for the return of an external speaker from Whitehall or elsewhere in the public sector: the BPG will work to achieve this in 2011 and suggestions from outside the Group will be welcomed.
3. Some comments relating to the location and purpose of the day prompt the question: is there still a need for an awayday? It might be possible to replace the day-long meeting with a better organised programme of senior management meetings (covering business as usual), seminars & training (with internal and external speakers), workshops (on topics such as HR) and a half-day session on business planning. The BPG will consider this question in the next 12 months.

Comments and full question scores have not been circulated but are available on request.

Annex 2

Middle Management Seminar 2010

The draft programme for the day is as follows:

10:00 am	Welcome	Rhodri Walters, Director of Corporate Services
10:05 am	Issues for the Administration	Michael Pownall Clerk of the Parliaments
10:35 am	The Administration's Financial Plan 2011-15 and Savings	Philippa Tudor, Finance Director
10:55 am	The Administration's Strategic Plan 2011-15	Rhodri Walters, Director of Corporate Services
11:00 am	Break	
11:10 am	Managing reputational risk	Liz Hallam Smith & Benet Hiscock
11:30 am	Working groups to discuss reputational risk	Chairs and rapporteurs
12:10 pm	Rapporteurs report back from working groups	Liz Hallam Smith & Benet Hiscock
12:40 pm	Question and answer session and round-up	Michael Pownall Clerk of the Parliaments
1:00 pm	Close	