



HOUSE OF LORDS

Management Board

16th Meeting

Wednesday 29 November 2017

MINUTES

Present:	Ed Ollard	Chairman
	Mostaque Ahmed	Financial Resources
	Simon Burton	Parliamentary Services
	Tracey Jessup	Digital Services
	David Leakey	Black Rod
	Jane May	External member
	Jonathan Smith	Head of Finance
	Nigel Sully	Human Resources
	Jake Vaughan	Corporate Services
	Carl Woodall	Support Services
	Rob Cooper	(for item 3) Project manager, Millbank House development project
	Brian Finnimore	(for items 3 and 4) Director, Strategic Estates
	David Hemming	(for items 3 and 4) Director, Estates Investment, Strategic Estates

I. Medium Term Financial Plan – second review

MB/2017/105

I.1 Jonathan Smith introduced the paper.

I.2 The Board **noted** that the figures had increased since the last consideration of the financial plan, and the reasons for the change, principally security costs and the revaluation of the Parliamentary estate. It was also noted that the Financial Plan shows an increase that would result in the House of Lords not meeting its financial remit in 2020-21. There were other uncertainties remaining, such as the outcome of the Strategic Estates prioritisation exercise, which would result in changes mainly to the capital budget; and any decision on the Westminster streetscape projects, which would impact on the resource budget.

I.3 The Board discussed the possibility of reviewing the remit for the next financial planning round. Tracey Jessup said it would be helpful for the two Houses to be aligned in their approach with respect to which components of extraordinary expenditure were excluded from the remit. It was **agreed** that the remit should be reviewed before the planning instructions were issued for 2019/20. It was **agreed** that Mostaque Ahmed would return to the Board with a proposal.

I.4 The Board **agreed** to submit the financial plan to the Finance Committee for their recommendation to the Commission.

2. Westminster Streetscape Projects [RESERVED]**MB/2017/106**

- 2.1 Eric Hepburn introduced the paper. He acknowledged that the process for agreeing the proposal was sub-optimal.
- 2.2 Concern was expressed about the process by which the proposals had arrived at the Board and, to some extent, about the objectives underlying the proposals. Specifically the absence of a business case, detailed costs and time scales, risk assessment and governance and contractual arrangements were questioned.
- 2.3 The Board **agreed** that the proposal would need to be supported by more detailed documentation before it could be agreed, at the very least a short form business case, with more detail on the governance arrangements with the partner bodies.
[Additional data – restricted access].
- 2.4 It was **agreed** that a strategic steer on the proposals would be sought from the Commission at its next meeting, after which the Finance Committee would consider a paper on Streetscapes as part of its final review of the financial plan. It was **agreed** that the costs would not, at this stage, be included in the financial plan.

3. Millbank House development project [RESERVED]**MB/2017/108**

- 3.1 Carl Woodall introduced the paper. Rob Cooper, David Hemming and Brian Finnimore attended for this item.
- 3.2 The Board **noted** that the financial position of the project and the reasons for delay to date.
- 3.3 The Board **declined to endorse** the funding approach recommended by the Project Board, which was to allocate additional funding of £363k, on the grounds that insufficient evidence had been provided to support a change from the Board's previous decision on funding in July.
- 3.4 The Board **noted** that the business case for the Estate Wide Electrical Infrastructure (EWEIR) programme would need to be reviewed to ensure that there were sufficient funds to pay for the work to provide HV supply to Millbank House. **The Chairman asked the Carl Woodall to work with the Finance Director on this.**
- 3.5 The Board **agreed** that it should be kept informed of progress on the project.

4. Strategic Estates review action plan**MB/2017/112**

- 4.1 Ed Ollard introduced the paper. David Hemming and Brian Finnimore spoke to the paper.
- 4.2 The Board **commented** on the action plan and advised Brian Finnimore and David Hemming on what changes to make to the plan before presenting it to the Commission.
- 4.3 It was **agreed** that the action plan should not be presented to the Commission in its current form.

5. Apprenticeships**MB/2017/107**

- 5.1 Nigel Sully introduced the paper.
- 5.2 The Board **agreed** that the HR office should work with Heads of Office to identify and plan the opportunities for a more strategic, targeted approach to apprenticeships for the 2019 cohort
- 5.3 The Board **agreed** to embark upon another cohort of ‘untargeted’ apprenticeships for 2018, noting that bids for six apprenticeships had been submitted by offices in their business plans.
- 5.4 The Board **agreed** that the Administration should not at this stage commit to meeting the public sector target of 2.3% of the workforce taking up new apprenticeship starts between 2017-2020.
- 5.5 It was noted that there was a possibility of employing apprentices using a cheaper contract model with lower on-costs. However, it was desirable to remain aligned with the House of Commons who used a fixed-term direct employment model with the usual benefits attached to that.

6. Corporate risk register as at 17 November**MB/2017/109**

- 6.1 The Board **took note**.

7. Shared services – implementing Internal Audit recommendation**MB/2017/110**

- 7.1 The board **formally approved** that the Finance Director should negotiate with the Commons to ensure the provision of more meaningful management information on shared services.

8. Review of bicameral Board sub-groups

- 8.1 The Board **formally approved** that the Chair should write, jointly with the Chair of the Commons Board, to the Chairs of the bicameral Board sub-groups asking them to review their terms of reference. **MB/2017/111**
- 8.2 Tracey Jessup asked for the process to be carried out in a joined-up manner, using the same approach for all three bi-cameral sub-groups.
- 8.3 The suggestion was made that the sub-groups should consider Business Resilience when reviewing their terms of reference.

Oral updates

9. The Chair informed the Board that notice had been given to Crown Entertainment on their license for the Sports & Social Club, which was due to expire in 2018.
10. The Chair informed the Board of the work carried out by the Leader-led working group on support for victims of harassment and bullying,

Next Meeting: Wednesday 20 December at 10 am

Secretary to the Management Board

29 November 2017

Meeting date	Action	Owner	Deadline/ Status
26 June	To return to the Board with a proposal for resources required for PSAB	CW	December meeting
19 July	To reference risk more consistently in Board papers and to promote risk-based assessments	All Board members	Ongoing
11 Oct	To provide quarterly reports on compliance with mandatory training to the Board, and monthly reports to Heads of Office	JT/NS	From February 2018
11 Oct	To consult the trade unions about ensuring compliance with mandatory training	JT/NS	End 2017
29 November	Mostaque Ahmed to return to the Board with a proposal for reviewing the financial remit	MA	April 2018
29 November	Carl Woodall to keep the Board informed of progress of the MBH development project	CW	Oral update at 20 December meeting
29 November	Carl Woodall and Mostaque Ahmed to establish available funds under EWEIR programme for MBH HV work	CW & MA	Oral update at 20 December meeting