

## **BUSINESS SERVICES ORGANISATION**

### **Minutes of Proceedings**

The one hundred and forty seventh meeting of the Board of the Business Services Organisation was held on Thursday 27 January 2022 at 10.00am via Video Conference.

#### **Present:**

Mrs Julie Erskine (Chair)

Mr Robert Bannon

Mr Mark Campbell

Mr Sean McKeever

Professor Dorothy Whittington

Mrs Karen Bailey (Acting Chief Executive)

Mrs Karen Bryson (Director of Finance)

#### **In Attendance:**

Mr Alphy Maginness (Chief Legal Adviser)

Mr Mark Bradley (Interim Director of CCP)

Mr Peter Wilson (Interim Director of Operations)

Mrs Paula Smyth (Director of HR & Corporate Services) Joined Meeting at agenda item 12

Miss Sarah Bell (Interim Board Secretary)

#### ***1. Apologies***

Apologies for absence were received from Miss Patricia Gordon.

#### ***2. Conflicts of Interest Declarations***

There were no conflicts of interest declared.

#### ***3. Minutes of BSO Board Meeting held on 2<sup>nd</sup> December 2021***

The minutes of the meeting held on 2<sup>nd</sup> December 2021 were agreed as a true and accurate record of proceedings.

#### ***4. Board Action Template – Paper BSO 01/22 refers***

Members noted the contents of the Board Action Template.

#### ***5. Chair's Business***

The Chair briefed members on key meetings she attended during the month of January.

The Chair attended a meeting with Richard Pengelly where he provided his approval to proceed with the BSO review and the recruitment process for several senior executive roles including, Chief Legal Advisor, Director of Operations and Chief Executive. Professor Whittington noted the remit for senior executive roles and suggested the Board should minimise the potential for issues. The Chair confirmed that she raised this issue with the Permanent Secretary and he was

supportive of growth in senior executive roles, particularly within the HSC Digital Programme. Professor Whittington was content with the Chair's comments.

The Chair updated Board members on her attendance at the Chairs Forum where discussions took place regarding budget issues for the year ahead. A letter will be issued from HSC Chairs to acknowledge the issue of budget.

The Chair made members aware of a number of complaints relating to the delays incurred by BSO to respond in a timely manner; to that end she advised that the current BSO complaints process will be reviewed in the near future.

The Chair thanked Board members for completing the Skills and Attributes survey.

The Chair noted her visit to several BSO offices during December where she delivered a number of the BSO Awards following the BSO Awards ceremony which was held virtually in October 2021.

The Chair informed members that Mr Mark Bradley has announced his decision to retire on 30 April 2022 as Interim Director of CCP.

## ***6. Acting Chief Executive's Report***

The Acting Chief Executive briefed members on key meetings she had attended over the month of December.

The Chief Executive has been working with the Chair to create an immediate plan to recruit temporary senior executive appointments. The Chief Executive asked for the Board's support whilst the BSO Review takes place to simultaneously recruit senior executive roles.

The Chief Executive informed Board members of a crisis plan for recruitment which was created in December. The plan has been pursued and finalised with Lynette Fegan's support. The plan will be taken forward and a number of work streams that have been identified and shared with the Permanent Secretary. An update report will be presented to the Rebuilding Management Board by the Acting Chief Executive and subsequently shared with Board members.

The Chief Executive informed members of a formal request via the Encompass Programme Board for a seven week pause to project work. The SRO and CDIO had expressed their concern of the limited time available from clinical professionals to devote to Encompass due to Covid-19 pressures. The seven week pause has been approved and a number of Encompass staff are to be redeployed to support Covid-19 work across the HSC. It is noted this will not affect how BSO functions. The Acting Chief Executive informed Board members that a review of Encompass project plans will take place across 2022/23 where they will interview each member of the programme board to gather comments. The Acting Chief Executive noted there are a number of on-going discussions in relation to finance within Encompass and the Director of Finance is continuing to work with the Department on this matter.

The Chief Executive informed Board members that the Digital Shared Service business case was approved by the HSC Digital Programme Board on Friday 21<sup>st</sup> January and will be forwarded to the CDIO for formal approval in his role as authoriser of the programme. It is envisaged that the Business Case will be approved with a start date of April 2022. It was suggested and agreed that Craig Young, Programme Director HSC Digital should be invited to a future Board meeting to provide an update to members.

The Acting Chief Executive noted the need for further Covid-19 planning in preparation for a change in government guidance and the relocation of staff into the office environment again.

The Acting Chief Executive informed Board members that she chaired the Regional Procurement Board. The Chair congratulated Peter Wilson on his Lifetime Achievement award.

Mr McKeever re-engaged with the Encompass matter and the potential for adverse publicity for BSO if there are delays past the seven week period. The Acting Chief Executive advised that she has noted the potential impact of the seven week pause and acknowledged Mr McKeevers concerns and to that end she has invited the Encompass SRO, Dr Dermot Hughes, to a Board meeting and speak about his outlook on the matter. It was noted that the Permanent Secretary has emphasised the importance of adhering to the agreed governance process for Encompass.

To that end the Chair asked Board members once the Encompass SRO confirms the date of his attendance at the February or March Board meeting their agreement is to meet at 9.45am to agree on the questions to be posed.

The Chair stated that she would also like to issue an invitation to Dan West, CDIO to attend a future Board meeting as he will be working alongside the new HSC Digital Programme Director.

#### ***7. Finance Report as at 30<sup>th</sup> December 2021 – Paper BSO 02/22 refers***

The Director of Finance presented paper BSO 02/22 to the Board. The Financial Report for month 9.

The Director of Finance noted the original financial plan was presented to the Board in May 2021 and an updated plan has been completed. Members were updated on the revised income and expenditure assumptions page 4 for 2021-22 which is reporting a breakeven position for this year.

The Director of Finance informed Board members that the mid-year assessment and monthly assessment of financial position has now been completed.

The financial position as at 30 December 2022 notes a small surplus of £54,000. She noted that BSO deferring income which has been used in year to support the in-year non-recurrent spending plan. This spending plan is being monitored on a monthly basis and all Directorates are working towards a breakeven.

The Director of Finance noted the ITS budget is currently £20.4 million and advised members of the significant increase in this budget year on year. The profiles spend in year is on track with cumulative expenditure to end of December 2021 of £14m.

The Director of Finance provided a Covid-19 update. Finance are working with PaLS to re-submit business cases to support expenditure in 2022-23 and beyond and the Interim Director of Operations is liaising with the DOH PPE lead.

The current capital budget for the ITS programme is £18.3 million. The expenditure is low at this stage in the year. The Director of Finance noted that the internal ITS monitoring meeting had taken place with the Director of CCP and the Head of ITS regarding the programme plans and financial plan. The ITS PMO is working closely with suppliers to ensure deliveries before 31 March 2023 and any risks is being closely monitored.

The Director of Finance referred to Encompass and noted she met with DoH to discuss expenditure. The CRL and RRL for the Programme will be reviewed due to the agreed seven week pause and the plan for the redeployment of some staff. Any forecasted easement of the in-year CRL/RRL will be notified to the DOH Investment Director as part of month 10 reporting and monitoring. The FBC whole of life costs will be reviewed by the SRO and reported to the Encompass Programme Board.

Professor Whittington queried in relation to the risks presented and asked if the extra clause within the vacancy risk can be updated.

The Chair noted issues surrounding the AfC Pay Award. The Director of Finance noted that transitional points would lead to staff being paid more than they should have been under the confirmed AfC Circular. An agreement has been reached with HR and Finance Directors on how to account for this issue in year. Mr Campbell queried in relation to the overall impact across HSC and the Director of Finance noted she is not aware of overall impact. Mr Campbell asked how the issues relating to payroll can be raised with Board members going forward and the Director of Finance stated that BSO could not foresee this issue in advance of the DOH issuing the AfC Circular. The Chief Executive noted the key issue is the timing of communications of the AfC circular from the Department. The Chair noted the strong communication links within BSO. The Chief Legal Advisor noted the potential of legal issues arising from the AfC Pay Award.

Members noted the Finance report.

#### ***8. Annual Business Plan Performance Report period ending 31<sup>st</sup> December 202- Paper BSO 03/22 refers***

The Interim Director of CCP presented paper BSO 03/22 to members and explained the RAG status to Board members. The Director of CCP noted that 72% objectives are green, 11% are amber and a number of red objectives remain. The Director of CCP stated that the RAG status is not entirely accurate as red items have been achieved in the financial year rather than within the quarter.

Members were asked to note that the business case for the establishment of a communications team has now been approved and to that end these should be rag rated Green. It is envisaged that that the Communications team will be in place by March 2022 as the recruitment process for the communications posts are currently underway.

The Director of CCP referred to the Encompass item noting BSO fulfilled what had been expected. The issue surrounding recruitment was also completed and the Director of CCP noted it is more a programme issue rather than recruitment. The Business Plan will be based on what is achievable for BSO and the accountability of this will be put through the SRO.

Mr Bannon referred to the Encompass issues in relation to recruitment and asked for an update on the position. The Acting Chief Executive noted that the difficulty remains and coaching has been offered to Encompass staff to get them to the appropriate level. It was noted that that resourcing remains an issue for Encompass and this is impacting training opportunities. The Acting Chief Executive informed Board members that any support provided to Encompass staff would be provided by HR within EPIC.

**9. Corporate Balanced Scorecard – Paper BSO 04/22 refers**

The Interim Director of CCP presented paper BSO 04/22 which set out the performance of key service areas in the BSO for the period up to December 2021. The Director of CCP highlighted the measures with a red RAG rating and explained the circumstances which led to the evaluations.

The Chair noted the Board would hold a Risk Workshop relating to any risks raised by the Director of CCP in March/ April 2022.

Members noted the BSO Corporate Scorecard.

**10. Governance and Audit Committee**

**(i) Update of the meeting on 20 January 2022**

Mr McKeever, Chair of GAC briefed members of key issues from the GAC held on 20 January 2022. Mr McKeever informed colleagues of a report presented at GAC on the cyber incident at QUB which impacted upon BSO. Mr McKeever noted he was unable to attend the Departmental Audit committee in December 2021. Mr McKeever informed Board members that the audit of Pharmaceutical services was satisfactory and the ratings will be implemented. The Risk Management Audit report was also satisfactory and Mr McKeever noted recommendations will be implemented.

GAC received an update from the from the Internal Audit Forum, where it was pointed out BSO was rated 10<sup>th</sup> position out of 16 organisations in closing off outstanding Internal Audit recommendations. The Chair of GAC emphasised the importance that GAC places on this matter and urged BSO to take immediate action to improve this position by year end.

Mr McKeever informed Board members that PWC will no longer carry out external audits and from next year ASM Horwarth will assume this role. A meeting to approve the Audit Strategy for 2022/23 is scheduled to take place on 8 February 2022.

Mr McKeever noted that Head of Internal Audit facilitated the GAC self-assessment review and it was amended by members. This will be made available to Board members.

The Chair thanked Board members for their work with GAC and confirmed she plans to attend a GAC meeting in 2022 in an observer capacity.

**(ii) Minutes of the meeting on 21 October 2021- Paper BSO 04/22 refers**

Members noted minutes.

**11. Presentations**

**(i) SBRI Presentation**

Miss Rachael Adams, Head of SBRI made a presentation to members on SBRI . The Head of SBRI provided members with an introduction to SBRI, its processes and benefits. The Head of SBRI noted health SBRI's have been operating in BSO since

2014 and 11 projects have been led thus far. The HSC has seen significant investment in innovation due to the work of SBRI and its growing project base. The future of SBRI will see a focus on the SBRI offering, rebranding, new ideas and using feedback to improve the service. Members were asked to note that SMT have endorsed the relocation of SBRI into PaLS. The Head of SBRI noted challenges with funding, seeking new projects and bridging the gap between PCP and procurement.

Professor Whittington raised a query regarding the linkage of SBRI to higher education and horizon funding. Professor Whittington noted she will provide a contact in higher education for the Head of SBRI.

## **12. *Migration of HSCB to BSO***

The Director of HR&CS joined to provide an update on the BSO HSCB Migration and noted a more detailed update will be provided to BDC in February.

The Director of HR&CS informed Board members that the HR & Staffing work stream is on track. The Staff Transfer Scheme has been finalised and the formal transfer process is scheduled to take place with the documents to come to the Board for final sign off. The Director of HR&CS noted discussions are ongoing regarding the MoU between BSO and the DoH and it is to be updated with changes. The Director of HR&CS noted a draft MoU will be brought to BDC in February to highlight the terms of BSO's roles and responsibilities. The Director of HR&CS advised of potential SLA issues as BSO may be taking on additional services in relation the migration. The role of Non-Executive directors in HSCB is currently under review as there is a need to re-shape the role of Non-Executives post-migration due to their involvement in various arenas. The Director of HR&CS noted key areas have been addressed and signed off by Oversight Board and informed members of the positive progress of the migration.

The Chair noted she received a letter in relation to role of Non-Executive Directors in HSCB post-migration.

## **13. *Covid 19 – Exception Reports***

The Chair invited executive directors to update members in relation to the additional work taking place due to Covid-19. Each Director provided members with a comprehensive update on their services areas.

The Chair thanked all BSO staff for their work during the pandemic.

## **14. *AOB***

The Interim Director of Operations briefed members on an issue which occurred whilst processing the January payment to community pharmacists and the diligent work undertaken by FPS staff to resolve the issue.

## **15. *Date of Next Meeting***

The next meeting of the BSO Board will take place on **Thursday 24<sup>th</sup> February at 10.00 am**

The Chairman thanked everyone for attending and closed the meeting.

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Chair

\_\_\_\_\_  
Chief Executive

Date \_\_\_\_\_