

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The fifty seventh meeting of the Business Services Organisation was held on Thursday 30 January 2014 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

Present:

Mr Alexander Coleman (Chairman)

Mrs Geraldine Fahy

Mr Alan Hanna

Mr Greg Irwin

Mrs Hilary McCartan

Mr Robin McClelland

Mr Brian McMurray

Mr Sean Mahon

Mr Gerald Strong

Mr David Bingham (Chief Executive)

Mr Patrick Anderson (Director of Finance)

Mr Hugh McPoland (Director of HR &CS)

Mr Peter Wilson (Acting Director of Operations)

In Attendance:

Mr Alphy Maginess (Chief Legal Adviser)

Mrs Karen Bailey (Director of Customer Care and Performance)

Miss Amanda Mills (Board Secretary)

Mr Greg McCloskey (AD Shared Services for Agenda item 6)

1. Apologies

There were no apologies.

2. Chairman's Business

The Chairman advised that the interviews for the Director of Operations post took place on Monday 27 January 2014 and was pleased to announce that the panel had achieved a successful outcome.

The Chairman referred to the workshop held prior to today's Board meeting where members scrutinised the BSO's Corporate Risk Register. It was noted that SMT will consider the suggestions made by members at the workshop. Members were reminded that a further workshop will take place prior to the February Board meeting to review the BSO's Corporate Scorecard.

Members were advised that the Shared Services Payments Centre at Greenmount, Ballymena is now operational and suggested that it would be opportune to arrange for the Board to visit the refurbished premises. It was also noted that PaLS staff will have re-located from Bretten Hall to The Cottage in Ballymena by March, therefore it was agreed that the Board should visit both sites on the same day. To this end it was suggested and agreed that the March Board meeting should be held in The Cottage premises and incorporate a visit to Greenmount to include lunch prior to the Board meeting. The Chief Executive's office will facilitate the arrangements.

3. **Minutes of Meeting held on 19 December 2013**

The minutes of the meeting held on 19 December 2013 were agreed subject to minor amendments. Once the amendments are made the Chairman will sign the minutes.

4. **Matters arising from Minutes**

(i) ***Action Sheet Arising from Board Meeting (Paper BSO 1/2014)***

The actions arising from the BSO Board meeting held on 19 December 2013 were noted by members.

It was noted that the extension of a holistic logistics services, as is currently in place within South Eastern Trust, for Northern and Southern Trusts has been incorporated into the Pals Service Delivery plan for 2014/2015.

SMT will discuss when would be the most appropriate time to hold a Board “visioning” workshop in 2014.

An outline paper on the review of the Board Governance Self-Assessment checklist for 2013/2014 will be presented to the February Board meeting. The paper will also include details of case studies which is a requisite in the checklist.

5. **Chief Executive’s Report**

(i) ***HSC Interpreting and Translation Services***

A further meeting of the Regional Interpreting Review Implementation Group took place on Monday 20 January 2014 where a draft Project Initiation Document (PID) and a project management proposal was presented to members. Six work-streams have been identified in the draft PID which includes Governance arrangements, Accommodation, Human Resources and staffing. It was noted that October 2014 has been identified as the target date for BSO to take over the management of this service and as a first step the Chief Executive has requested that a due diligence exercise be undertaken to map out the current processes of this service.

(ii) ***Shared Public Data Centre***

Members were advised that a recruitment process is underway to appoint a Programme Director for this project. The first meeting of the Public Sector Data Centre Project Board took place on 7 January 2014 and members were briefed on the key issues raised at the meeting.

(iii) ***Article in the Detail Website Journal***

At the invitation of the Chief Executive the Chief Legal Adviser briefed members on a recent article published in the Detail Website Journal relating to the Hyponatremia Inquiry, in which it made accusations against the Directorate of Legal Services. BSO

briefed the Department's Press Office of the article and discussed the production of a response to the article however it was decided to await the final report of the Inquiry which is scheduled to be published in May 2014 as BSO may have to prepare a response to the findings.

Members noted the position.

6. **Presentation on Implementation of Shared Services**

The Assistant Director of Shared Services, Greg McCloskey, made a presentation to members on progress iro implementation of shared services in the HSC. The key areas of progress were highlighted to members, which included the formal agreement of the lease for Greenmount premises in December 2013 which facilitated the relocation of up to 130 payments and scanning staff in mid- January. Shared Services is in the middle of a Gateway Review, of which the results will be released on 30 January 2014. In answer to a question from Robin McClelland regarding Trusts retaining functions post shared services, Mr McCloskey confirmed that the degree to which the Trusts were retaining staff was undermining the validity of the business case for shared services. To that end external auditors have been appointed by the Department to review the extent to which Trusts were retaining staff and functions that would otherwise have transferred to shared services. This review is scheduled to be completed by 31 January 2014. It was noted that E Recruitment is scheduled to go live in BSO and the regional bodies on 4 March 2014.

The Chairman on behalf of members congratulated the AD Shared Services and his staff on the significant progress which has been made to date.

7. **Financial Matters**

(i) ***Finance Report - (Paper BSO 4/2014)***

The Director of Finance presented a Finance Report for the nine month period ended 31 December 2013.

Section 2 of the report provided a summary of the reported income and expenditure position for the period, with an overall surplus; the surplus had primarily been generated by Core Services offset by a deficit within Managed Services. The finance report also reflected the outcome of the detailed Latest Best Estimate (LBE 2) exercise, based on month 8 actuals.

The Permanent Secretary has responded to the Chief Executive's letter which highlighted the concerns relating to BSO accruing the costs iro BSTP systems maintenance. The Permanent Secretary has confirmed that the BSO should continue to accrue the income for the non-BSO element of the costs involved with BSTP maintenance until the Department seeks final resolution of this matter once the outcome of the January monitoring exercise has been confirmed.

Members noted the position.

(ii) ***BSO Banking – No 1 Account BACS Limit – Proposal to Increase the BACs Credit Line – (Paper BSO 3/2014)***

The Director of Finance presented paper BSO 3/2014 which proposed an increase to the BACs credit line on the BSO No 1 Account from £65m to £80m. This account processes all payments to Family Practitioner Services (FPS). As required by the BSO's Standing Orders an Authority

of Indemnity form must be completed and approved and signed by the Chairman on behalf of the BSO Board.

Members endorsed this proposal on the proviso that if the payments exceed the new limit, ie £80m, the Board must be notified

8. **Corporate Balanced Scorecard – (Paper BSO 4/2014)**

The Director of Customer Care and Performance presented paper BSO 4/2014 setting out the performance of key services areas in the BSO for the period up to December 2013.

At the invitation of the Chairman, the relevant Directors briefed members on the rationale of the indicators which were highlighted either amber or red. In particular the Chief Legal Adviser stated that he has written to the Directors of Finance in HSC Trusts requesting additional funding to reflect the increased activity in provision of legal services (C6). The Director of Human Resources and Corporate Services advised that there continues to be problems in the length of time to issue contracts to new starts (C13) and is currently in discussions with the Head of Recruitment on a way to address this issue.

Members noted the position.

9. ***Annual Business Plan Performance Report for period ending December 2013 (Paper BSO 5/2014)***

The Director of Customer Care and Performance presented paper BSO 5/2014 which summarised the progress to date on BSO's achievement in delivering the key actions identified within the annual business plan for 2013/2014. The report summarised the progress using the traffic light system rating and to that end members were briefed on the key actions which were highlighted as Red or Amber.

Members noted the Performance Report for Quarter 3.

10. **Summary of Board Visits by BSO Non-Executive Directors 2013/2014 – (Paper BSO 6/2014)**

The Director of Customer Care and Performance presented paper BSO 6/2014 which set out a summary of the reports on the visits made to BSO sites in 2013/2014 by non-executives. The paper also outlined the challenges/pressures facing the service areas which were visited as well as opportunities for development and Innovation. It was acknowledged by those non-executives who have taken part in this developmental exercise that it has proved to be very beneficial and has helped them gain further insight into the diverse range of departments across the BSO. To that end it was agreed that a further series of visits will be arranged for the 2014/2015 year. In answer to a question from Gerald Strong regarding providing feedback to the Heads of the Departments whose sites were visited, the Director of Customer Care and Performance confirmed that she will discuss this matter with SMT to consider how to take forward this suggestion.

Members noted paper BSO 6/2014.

11. **Board Governance Self-Assessment 2013/2014 (Paper BSO 7/2014)**

Members noted paper BSO 7/2014 which set out the timetable for the action required to complete the baseline Governance Self-Assessment Action Plan. A draft of the Action Plan will be presented to the February Board meeting for consideration and approval.

Members noted the position.

12. **Response to Audit Reports of BSTP Systems – Paper (BSO 8/2014)**

The Chief Executive presented paper BSO 8/2014 which provided members an update on progress in the implementation of recommendations arising from two audits carried out during the roll-out of BSTP. As advised at the December Board meeting most of the outstanding issues have been resolved and at the invitation of the Chairman, walked members through the management responses to the priority 1 findings. It was acknowledged that significant progress has been made on the implementation of the recommendations contained with the RCG New Systems Audit report and the HRPTS IT Audit report however the Chief Executive advised that management will continue to pursue the few outstanding recommendations and ensure that they are fully implemented as soon as is reasonably practical.

The Chief Executive went on to say that BSO is considering asking SAP (the company that makes and licences the enterprise software that the supplier has built the HRPTS solution on) to review the solution and to comment in particular on any issues regarding security and delimitation to ensure that it has been appropriately deployed within HSC. The SRO of BSTP has agreed to commission an independent review of data security following the completion of the roll-out of HRPTS. The timescale for this review is scheduled to take place in the first quarter of the 2014/2015 financial year. A business case will be produced and sent to the Department for formal approval.

Members noted the position and thanked the Chief Executive for providing an in-depth report.

13. **Implementation of BSTP in BSO (Paper BSO 9/2014)**

The Chief Executive updated members on key issues relating to both the BSTP and Shared Services projects. Discussions have been taking place with the supplier regarding concerns relating to the functionality of the collaborative planning module in the FPL system. The SRO has taken the lead in trying to resolve this matter.

With regard to HRPTS, the roll out of E Recruitment has been postponed to March 2014 as further User Acceptance Testing (UAT) has to take place. South Eastern Trust also experienced problems with the January monthly payroll run however the HRPTS Central Team are investigating the problems and are confident they will seek a resolution. The problems however at this stage relate to processing rather than faults in HRPTS.

14. **HR&CS Report – (Paper BSO 10/2014)**

The Director of Human Resources presented paper BSO 10/2014 which set out a range of workforce information relating to BSO staff for the period October 2013 to 31 December 2013. It was agreed that for future meetings the HR&CS Report would be placed higher up the Board agenda to allow more time for consideration and debate. It was also agreed that the Director of Human Resources would present briefing papers to the Board on Learning and Development and Information Governance to a future board meeting.

Members noted the Human Resources and Corporate Services report.

15. **Report of the Business Continuity Desktop Exercise - (Paper BSO 11/2014)**

The Director of Human Resources and Corporate Services presented paper BSO 11/2014 which set out a report of a desktop Business Continuity exercise undertaken on 8 January 2014. Mr Strong acted as an Observer on the exercise and at the invitation of the Chairman he briefed members on his findings and observations.

Members noted the Business Continuity Desktop Exercise.

16. **Governance and Audit Committee (GAC)**

(i) ***Minutes of Meeting held on 8 October 2013 – (Paper BSO 12/2014)***

Members noted the minutes of the GAC meeting held on 8 October 2013.

(ii) ***Report of Meeting held on 14 January 2014***

The Chairman of the GAC briefed members on the key issues arising from the GAC meeting held on 14 January 2014.

17. **AOB**

There was no any other business.

18. **Date of Next Meeting**

The next meeting of the BSO Board will take place on Thursday 27 February 2014 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

Chair

Chief Executive

Date _____