

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The fifty eighth meeting of the Business Services Organisation was held on Thursday 27 February 2014 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

Present:

Mr Alexander Coleman (Chairman)

Mr Alan Hanna
Mr Greg Irwin
Mrs Hilary McCartan
Mr Robin McClelland
Mr Brian McMurray
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)

1. Apologies

Apologies for absence were received from Geraldine Fahy and Sean Mahon.

2. Chairman's Business

The Chairman confirmed that Mr Sam Waide has been appointed as Director of Operations and will formally take up post on Monday 2 June 2014.

The Chairman confirmed the arrangements for the March Board meeting. The Chief Executive's Office will circulate location maps for the Board visit to the Accounts Payable Shared Services centre and Pals premises in Ballymena.

The Chairman referred to the Board workshop held prior to today's Board meeting where members reviewed the BSO's Corporate Scorecard. It was agreed that the process to review the strategic direction of the BSO should take place on an annual basis with a further workshop in the autumn of 2014.

3. Minutes of Meeting held on 30 January 2014

The minutes of the meeting held on 30 January 2014 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. **Matters Arising from Minutes**

It was noted that any matters arising from the January Board meeting would be covered in today's agenda.

5. **Chief Executive's Report**

(i) ***Shared Public Data Centre***

A further meeting of the Public Sector Data Centre Project Board took place on 24 February 2014 and members were briefed on the key issues raised at the meeting. A Procurement Plan was presented to the Project Board outlining that the timescale for the project of between 21 and 24 months. It is anticipated that an appointment of a Programme Director will be made by the Strategic Investment Board (SIB) in mid-March.

(ii) ***Honest Broker Service (HBS)***

The Chief Executive informed members that the Minister has agreed to officially launch the Honest Broker Service in June 2014. Members were advised that BSO is starting to receive requests for information.

(iii) ***Regional Interpreting Service***

A paper will be presented to the Board in Spring asking for the Board's formal approval for BSO to facilitate the Regional Interpreting Service.

(iv) ***Clinical Education Centre (CEC)***

Members were reminded that Maura Devlin retires from her post as Head of CEC on 14 March 2014 however Glynis Henry does not take up post until 1 May 2014. In the interim Mr Maurice Devine will take on the role of Acting Head of CEC until Glynis takes up post.

(v) ***Workforce Planning***

BSO has written to the Department about the need for a co-ordinated approach to Workforce Planning in the HSC and has offered the services of BSO to play an active part in the workforce planning process.

(vi) ***Social Care Procurement***

The Chief Executive advised that BSO has been working collectively with the HSCB, Trusts and PHA on working on a model to provide social care procurement. The Department are currently drafting a Procurement Strategy however it has been noted that social procurement has not been included in the initial draft. BSO has drawn this omission to the attention of the Department.

(vii) *Notepads*

The Chief Executive briefed members on a project relating to the roll out of electronic notepads to senior staff in BSO. It is now planned to pilot the notepads to non-executive directors and Alan Hanna and Greg Irwin have volunteered to take part in the pilot.

Members noted the position.

6. **Presentation on BSO Customer Survey – (Paper BSO 13/2014)**

The Director of Customer Care and Performance made a presentation to members on the key points contained in the BSO Customer Survey undertaken in December 2013. The key issues emerging from the survey were that there was an overall satisfaction rate of 74.7% which is fairly consistent with results from previous years and there is a continuing fall in the rate of dissatisfied respondents at 4.5%. It was noted there was a drop in satisfaction in a few areas from customers and in most instances these were related to the implementation of the BSTP systems. Action has already been instigated by the service areas where there was a drop in positive responses, in particular CFPS, Finance, Internal Audit, OREC and Pensions.

Members noted the customer survey.

7. **Financial Matters**

(i) *Finance Report - (Paper BSO 14/2014)*

The Director of Finance presented a Finance Report for the ten month period ended 31 January 2014.

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.

Members were briefed on the current status of the capital expenditure position for 2013/14 and in particular an additional capital expenditure bid for replacement of LED lighting for BSO HQ, which has been approved by SMT. Members were also informed that BSO has returned £75k capital funds to DHSSPS due to a significant deviation in the projected costs of a project in Pals.

Members noted the position.

8. **Corporate Balanced Scorecard (Paper BSO 15/2014)**

The Director of Customer Care and Performance presented paper BSO 15/2014 setting out the performance of key services areas in the BSO for the period up to January 2014.

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 Director of Human Resources and Corporate Services assured members that his department are actively addressing the issue of staff absence which was 4.79% for the month of March (the corporate target set by the Department is 3.59%). He advised that staff absence is placed on the agenda of SMT on a monthly basis for consideration and debate.

Members noted the position.

9. **Board Governance Self-Assessment 2013/2014 (Paper BSO 16/2014)**

Members noted paper BSO 16/2014 which set out a draft of the summary report on the BSO Self Board Governance Self- Assessment Tool which had been prepared by the Board sub-group. A lengthy discussion ensued and a number of recommendations were made by members, which included the suggestion to shorten the first case study relating to Data Centres. The draft summary report was approved subject to the amendments suggested by members and it was agreed that a final draft action plan would be presented to the March Board meeting in advance of it being sent to the Department by the required closing date.

10. **Implementation of BSTP in BSO (Paper BSO 17/2014)**

The Chief Executive updated members on key issues relating to both the BSTP and Shared Services projects. Members were advised that following a series of meetings with the supplier relating to the functionality of the collaborative planning module in the FPL system, this matter has now been brought to a successful resolution.

With regard to HRPTS the remaining HSC organisations are on schedule to roll out their payroll this month.

The Shared Services Payments Centre in Ballymena is well established with approximately 90 staff based in the centre at present; the target for the staffing complement is 110. The implementation of Shared Services payments has thrown up many challenges, and the staff have inherited a significant amount of aged invoices. The Scanning Centre which is also housed in Greenmount is continuing to consistently meet the SLA targets.

Members were advised that both the FPL and HRPTS projects are scheduled to close down in March 2014 however a proposal is being developed to create a new Benefits Realisation stream to assist with the outstanding projects iro both projects. In answer to a question the Chief Executive confirmed that there should be capital monies available to fund this proposal.

Members noted the position.

11. **Proposed Board Visits for 2014/2015 – (Paper BSO 18/2014)**

The Director of Customer Care and Performance presented paper BSO 18/2014 which set out a proposed list of visits around BSO sites by Board members during 2014/2015. It was agreed that the Chief Executive's Office would produce a timetable for the proposed visits during 2014/2015 and circulate to members requesting them to identify their availability.

Mr Strong suggested that as part of this schedule he would be interested in meeting a customer organisation of the BSO to see how customers view BSO as a service organisation. The Director of Customer Care and Performance advised that BSO holds customer forum meetings on a quarterly basis and she would be more than happy to facilitate Board member attendance.

Members endorsed the proposed list of visits for 2014/2015 and requested that the visits be organised well in advance.

It was agreed that Mr Mark Harvey, Head of Counter Fraud and Probity Services (CFPS) should make a presentation to the Board in the Spring. The Chief Executive's Office will arrange a suitable date.

12. **Benchmarking (Paper BSO 19/2014)**

The Director of Customer Care and Performance presented paper BSO 19/2014 which provided members with an update on the update of the benchmarking exercises BSO have undertaken through the CIPFA benchmarking club.

It was noted that Shared Services plans to undertake a benchmarking exercise in the next financial year and Pensions are scheduled to undertake a second exercise in August 2014.

Members noted the benchmarking update with interest and were encouraged by the questionnaire results.

13. **Transition to Shared Services Public Data Centre – Paper BSO 20/2014**

The Chief Executive presented paper BSO 20/2014 which briefed members on key issues relating to the migration from the BSO's existing managed Data Centres to the proposed new Public Sector Shared Data Centres. The paper set out in detail the outline specification overview for provisioning of the new data centres facilities, the expectations for BSO as to how the new facilities will function as a managed service over the service life-cycle and the transition phase to the new facilities for all existing services currently housed within the existing BSO managed data centres. A major issue which will need to be addressed in the immediate future is whether to build both data centres concurrently, or one at a time. Members were reminded that the Chief Executive is a member of the Shared Public Sector Data Centre Project Board and will brief Board members on a regular basis of developments. It was noted that BSO intends to produce a Growth Strategy for members' approval.

Members noted the position.

14. **BSO HR Strategy – (Paper BSO 21/2014)**

The Director of Human Resources and Corporate Services presented a draft HR Strategy for members' approval. He advised that the strategy has been considered by SMT. The draft strategy was approved subject to a number of minor amendments suggested by members.

15. **Draft Procurement Strategy for BSO – (Paper BSO 22/2014)**

The Acting Director of Operations presented paper BSO 22/2014 which set out a Procurement Strategy solely for the BSO. He explained that the Strategy relates to only those goods and services procured by the BSO and does not take account of expenditure on behalf of the wider HSC organisations. He added that the strategy has been developed in line with best practice guidance as set out in the Purchasing and Supply Controls Assurance Standard. Greg Irwin enquired if the document should include the key principles contained in the NI Public Procurement Strategy. The Acting Director of Operations agreed to amend the document to include these.

The Draft Procurement Strategy was approved by members subject to the suggested amendment and will be disseminated throughout the organisation and uploaded to the BSO Intranet.

16. **Review of Distribution of Work – (Paper BSO 23/2014)**

The Chief Executive presented paper BSO 23/2014 for members' approval setting out proposals relating to the shifting of responsibility of several of BSO's services to Directors. Members were reminded that at the August 2013 Board meeting the Chairman had suggested that some thought should be given to Director level structures given the size and complexity of the BSO's portfolio of business however it was agreed to await the outcome of the Director of Operations recruitment exercise which was completed in January 2014.

The Chief Executive confirmed that the Director of Operations will take up post on 2 June 2014 and will continue to have responsibility for Shared Services. There is however a need to make adjustments to the way in which responsibility for several of BSO's services are distributed and it was proposed that with the Introduction of the Honest Broker Service (HBS) to BSO it should come under the ITS portfolio and therefore the Director of Customer Care and Performance's directorship. The paper also proposed that the responsibility of the Internal Audit Service (IAS) be transferred from the Director of Customer Care and Performance to the Director of Finance. He explained the rationale for the transfer of IAS to the Director of Finance.

Members agreed to this proposal in principle and the Chief Executive will now consult with the main stakeholders. When the consultation is complete the Board will be asked to make a final decision.

17. **AOB**

(i) ***Small Business Research Innovation (SBRI)***

The Chief Executive informed members that BSO has been given approval to recruit an SBRI Executive. This specialist post will sit in the Operations Directorate and the advertisement will be placed in the press in March. The post holder will be part of a team working on the Small Business Research Initiative (SBRI) across the NI Public sector with specific responsibility for rolling out the initiative across the Health and Social Care sector. They will raise awareness of SBRI and take the lead in identifying potential projects and providing support to the Health and Social Care sector (HSC) to implement SBRI projects.

Members noted the position.

18. **Date of Next Meeting**

The next meeting of the BSO Board will take place on Thursday 27 March 2014 at 2.00 pm in the Boardroom, the Cottage, 5 Greenmount Avenue, Ballymena.

Chair

Chief Executive

Date _____