

**HSC BUSINESS SERVICES ORGANISATION**

**Minutes of Proceedings**

The second meeting of the Regional Business Services Organisation (BSO) was held on Thursday 7 May 2009 at 2.00 pm in the Boardroom, Business Services Organisation Headquarters, 2 Franklin Street, Belfast.

**Present**

Mr Alexander Coleman (Chairman)

Mr Alan Hanna	Mr David Bingham
Mr Greg Irwin	Mr Shane Devlin
Mr Sean Mahon	Mrs Teresa Molloy
Mr Brian McMurray	Mr Alphy Maginness
Mr Gerry Strong	Mr Larry O'Neill
Mrs Geraldine Fahy	
Mrs H McCartan	

**In Attendance**

Miss Amanda Mills (Secretary to the Board)  
Mr Hugh McPoland (Director of Human Resources and Corporate Services Designate)  
Ms Anne Currie for Item 10.

1. **Apologies**

An apology for absence was received from Mr Robin McClelland.

2. **Chairman's Business**

The Chairman welcomed everyone to the 2<sup>nd</sup> meeting of the BSO and introduced members to Mr Hugh McPoland who would be taking up post as Director of Human Resources and Corporate Services on 11 May 2009.

Mr Coleman briefed members on recent meetings which he and David Bingham had with the Chairmen and Chief Executives of the Belfast Trust, Ambulance Trust and Northern Trust. Meetings are scheduled with the Chair and Chief Executive of the Southern Trust and with the Chairs and Chief Executives of the small agencies who the BSO provides services to - NI Social Care Council, Regulation and Improvement Authority, NI Guardian ad Litem Agency and NI Practice and Education Council.

At the Chairman's request David Bingham briefed members on the significant involvement of the BSO (Procurement and Logistics Department) in supporting the Swine Flu Pandemic project. Mr Mahon declared to the Board that the Swine Flu contact number was procured by his employer.

3. **Minutes of the Meeting held on 1 April 2009**

The minutes of the Board meeting held on 1 April 2009 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. **Matters Arising from Minutes**

There were no matters arising.

5. **Minutes of Legacy Organisations**

(i) **CSA Board Meeting – 31 March 2009**

The Board noted the minutes of the CSA Board meeting which took place on the last day of its operation on 31 March 2009.

(ii) **CSA Audit Committee Meeting – 31 March 2009**

Hilary McCartan presented the minutes of the CSA Audit Committee which also took place on 31 March 2009 and highlighted key issues which were discussed at the meeting. Members noted the contents of the minutes and the Chairman on behalf of members acknowledged the significant level of work undertaken by the CSA in preparing documentation for the handover of its functions to the BSO.

6. **Initial Report from the Director of Finance**

The Director of Finance presented paper BSO 3/2009 which set out the interim financial position for the BSO in respect of the Income and Expenditure for 2009/10. Mr O'Neill advised that he is still in negotiations with HSC organisations and the Department regarding funding and in particular the transfer of budgets to the BSO. The negotiation process and finalisation of the funding streams is dependant on the outcome of the due diligence process in respect of the transferred services. It was noted that the anticipated income for the BSO for 2009/2010 is in the region of £70m and the working assumption is that based on the projected expenditure the BSO should break even at 31 March 2010. A number of risks were highlighted to members which could affect the financial stability of the organisation which included, the delay in the implementation of the EPES System and the withdrawal of funding by the previous HSC Boards in 2008/2009, the release of an increased level of CSR Efficiency Savings by the HSCB and restructuring costs for the BSO. It was recognised that the financial environment will prove to be very challenging for the organisation. In answer to a question from Mr McMurray, Mr O'Neill advised that he intended to present a financial plan at a future meeting.

7. **Initial Report from the Director of Human Resources**

The Chief Executive presented paper BSO 4/2009 which set out the staffing structure within the BSO. It was noted that approximately 1000 staff transferred to the BSO from seven different HSC organisations, although 165 of these staff are on secondment from the Department of Health and Social Services and Public Safety. Mr McPoland advised that the organisation is currently developing a strategy for filling posts on a permanent basis which are currently held by fixed term/temporary staff. It was noted that the Director of Human Resources will provide a report to the Board on HR matters on a quarterly basis.

Members noted the position.

8. **Initial Report on Baseline Audit of SLAs**

The Director of Customer Care and Performance presented paper BSO 5/2009 which briefed members on the current position of Service Level Agreements (SLAs). Mr Devlin reported that following a review of the SLA process by the legacy CSA organisation this document included a list of recommendations which suggested that a single composite SLA should be produced for every customer of BSO and for every area of service. It was also recommended that the corporate co-ordination of the monitoring of SLAs should be undertaken by the Directorate of Customer Care and Performance. Members were informed that a programme of action will be undertaken to engage customers for compilation of the SLA schedules for each service provided.

Members noted the position.

9. **Draft BSO Corporate Objectives for 2009/2010**

The Chief Executive presented paper BSO 6/2009 which set out the proposed process for the creation of Corporate Objectives for the inaugural year of the BSO. The report also set out an initial list of objectives to be used as the basis of the accountability reporting arrangements with the DHSS PS. Members were taken through each of the strategic goals and objectives in the document and minor amendments were suggested and agreed. The Chairman thanked members for their most helpful comments and it was noted that an amended paper would be presented to the Board over the next few months.

10. **BSO Reconfiguration Programme for 2009/2010**

Anne Currie joined the meeting for consideration of this agenda item.

The Chief Executive presented the Reconfiguration Programme and Action Plan for members' consideration. Anne Currie outlined the key issues which needed to be addressed in the first quarter of this financial year, ie Phase 1 the establishment of the BSO, and advised that an update report will be presented to the Board on a regular basis.

Members noted the position.

11. **Assurance Framework**

The Director of Customer Care and Performance presented a report outlining the key components of the BSO's Assurance Framework and referred to the principle assurances set out in the Department's circular – "An Assurance Framework: A Practical Guide for Boards of DHSS PS Arms Length Bodies" which was previously circulated to non executives. Members were asked to note that at this stage this document was for information only and advised that more formal document will be presented to the Board later in the year. Members were also asked to note that the Department has written to all HSC organisations requiring them to produce a Mid Year Assurance Statement in October 2009.

Members noted the position.

12. **Board Committee Structure**

The Chairman advised members that the Standing Orders require the BSO to establish two statutory committees – Governance and Audit Committee (GAC) and a Remuneration and Terms of Service Committee (RTSC). The standing orders state that membership of the GAC must consist of 4 non-executive directors appointed by the Board. The membership of the RTSC shall comprise of the Chairman and at least two non-executive directors.

After discussion with the Chief Executive, the Chairman it was recommended that the following non executives should be members of the GAC:-

Brian McMurray – Chairman  
Hilary McCartan  
Robin McClelland  
Geraldine Fahy

The membership of the RTSC will be as follows:-

Alex Coleman – Chairman  
Gerry Strong  
Sean Mahon  
Greg Irwin  
Alan Hanna

The Chairman informed members that he plans to organise a workshop in the Autumn for the Board and Senior Management Team where the issue of the possible establishment of additional committees for the BSO will be discussed along with a range of other business related issues. Details of the Workshop will be discussed at a future meeting of the Board.

13. **Declaration and Register of Interests**

It was noted that members had completed and returned the Declaration and Register of Interests Questionnaire to the Chief Executive's Office. A summary of member's declared interests was presented and it was noted that the Register is available for public inspection. Members were reminded that if they feel they may have to declare an interest they can contact the Chairman or the Chief Executive for advice.

14. **Schedule of Dates and Location for BSO Board Meetings for 2009/2010**

It was agreed that the date of the next BSO Board meeting would take place on Tuesday 9 June 2009 at 2.00 pm.

A special meeting of the Board will take place on Tuesday 7 July 2009 to consider the Annual Accounts for 2008/2009 and a Governance and Audit Committee meeting will also take place prior to the Board meeting on the morning of 7 July.

The Board will also meet on Thursday 27 August 2009 at 2.00 pm.

It was recognised that as the BSO is a regional organisation, Board meetings may be held at alternative venues outside Belfast on an adhoc basis. A draft schedule outlining dates and venues will be produced for consideration at the September Board meeting for the rest of the financial year.

15. **Formal Induction to BSO**

It was agreed that it would be beneficial for non-executives to attend an induction event to BSO in advance of the Summer. It was agreed that a programme would be produced and circulated to members. The Chief Executive's Office will liaise with members to agree a suitable date for a half day session.

16. **Any Other Business**

(i) **BSO Organisation Structure**

The Chief Executive circulated to members an organisation structure of the BSO from Level 1 – 3 for information. He advised that the consultation document on 4<sup>th</sup> level structures will be circulated for comments on 8 May 2009 with a closing date for response by Friday 29 May 2009.

17. **Date of Next Meeting**

It was agreed that the next meeting of the BSO Board will take place on Tuesday 9 June 2.00 pm. The Chairman thanked everyone for attending and closed the meeting.

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Chair

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Chief Executive

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Date