

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The sixty eighth meeting of the Business Services Organisation was held on Thursday 18 December 2014 at 2.00 pm in the Boardroom, 2 Franklin Street, Belfast, BT2 8DQ.

Present:

Mr Alexander Coleman (Chairman)

Mrs Geraldine Fahy

Mr Alan Hanna

Mr Greg Irwin

Mrs Hilary McCartan

Mr Robin McClelland

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 Sam Waide (Director of Operations)

In Attendance:

Mrs Karen Bailey (Director of Customer Care and Performance)

Mr Alphy Maginness (Chief Legal Adviser)

Miss Amanda Mills (Board Secretary)

1. **Apologies**

An apology for absence was received from Brian McMurray.

2. **Chairman's Business and Welcome Remarks**

There was no Chairman's Business.

3. **Minutes of Meeting held on 27 November 2014**

The minutes of the meeting held on 27 November 2014 were agreed as a true and accurate record of proceedings and signed by the Chairman.

4. **Matters Arising from Minutes**

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

5. **Chief Executive's Report**

(i) ***Assistant Director of Human Resources***

The Chief Executive advised that following a recent recruitment exercise Ms Oonagh Burns has been appointed as Assistant Director of Human Resources. It is envisaged that Oonagh will take up post at the end of February 2015.

(ii) ***HSC Senior Managers Forum***

The Chief Executive briefed members on the most recent meeting of the HSC Senior Managers Forum which is chaired by the Permanent Secretary.

(iii) ***CIPFA Mark of Excellence***

The Chief Executive reported that following Board approval in September 2014 for BSO to participate in a pilot for a new CIPFA Governance Mark of Excellence, the corporate governance accreditation process has commenced with the assessor interviewing the Chief Executive, the Chairman, Executive and Non-Executive Directors. Members will be advised of the outcome of this project in the New Year.

(iv) ***TOPs 2 Programme***

The Chief Executive advised that SMT has re-launched the TOPs programme to look at how the organisation can save on its core costs. Members will be provided with an update at the January Board meeting.

6. **Financial Matters**

(i) ***Finance Report – November 2014 – (Paper BSO 119/2014)***

The Director of Finance advised that due to the Board meeting taking place a week earlier than normal in the month it was not possible to produce a full finance report for the eight month period ended 30 November 2014. A full finance report for the nine month period ending 31 December 2014 will be presented to the January 2015 meeting and will be accompanied by the second Latest Best Estimate forecast exercise (LBE2).

Members were briefed on the BSO's response to the Department's letter of 7 November 2014 which set out outline proposals to meet the three savings scenarios (5%, 10% and 15%) in respect of 2015/16 DHSSPS recurrent revenue funding.

Members noted the position.

7. **BSTP Benefits Realisation (BRP) Highlight Report – (Paper BSO 120/2014)**

The Director of Operations presented paper BSO 120/2014 setting out an executive summary for the Benefits Realisation Project (BRP). A number of work packages were presented to the BRP Programme Board in November for onward transmission to the Senior Responsible Officer (SRO) for formal approval. To date 3 FPL Change Requests (CRs) have been approved. As part of the Payroll Root Cause Analysis work performed by the HRPTS Project Team and the Benefits Realisation Team, one of the main recommendations was to adopt a single pay

frequency service throughout the Health Service. Currently the HSC runs weekly, fortnightly and monthly payrolls, amounting to a total of 672 payroll runs. A paper setting out the options of introducing this work package will be presented to the BRP Programme Board in January 2015.

The Benefits Realisation Team (BRT) are currently undertaking a data collection exercise in respect of E Recruitment. In order to understand the activity and staff numbers required for the Shared Services Recruitment and Selection Service, a survey questionnaire was circulated to all HR Directors in HSC organisations. The closing date for responses was Wednesday 17 December 2014. The responses will be collated and discussed at the January BRP Programme Board.

Members noted the position and supported the robust action being taken by BSO to help roll-out Shared Services Recruitment.

8. **BSTP Shared Services Highlight Report – (Paper BSO 121/2014)**

The Chief Executive presented paper BSO 121/2014 setting out an executive summary for the Shared Service Project. Payroll is continuing to stabilise as each month progresses. He advised members that he has organised a meeting with key BSO staff to consider the development of a financial plan for Shared Services which will include the identification of cost reductions in 2015/16.

Members noted the position.

9. **Presentation on BSO Customer Survey**

The Director of Customer Care and Performance made a presentation to members on the key issues contained in the BSO Customer Survey undertaken in August/September 2014. The key issues emerging from the survey were that the overall satisfaction rate has increased from the previous year and the level of negative responses has decreased. It was noted that there was a drop in satisfaction in some service areas; FPS, Legal Services, HR, Leadership Centre and CEC and members were advised that action plans are being developed to try to resolve the issues highlighted in the individual surveys. It was suggested and agreed that any future surveys should be disaggregated, ie highlight the responses from BSO staff and those from non-BSO staff. The results of the Customer Survey will be placed on the agenda at forthcoming customer forum meetings in the New Year. It was agreed that an update paper would be presented to the Board in March 2015 identifying the actions which have been taken to improve the issues identified in the survey.

Members noted the customer survey.

10. **Update on the FPS Replacement System – (Paper BSO 122/2014)**

The Director of Operations presented paper BSO 122/2014 which set out an overview of progress of the FPS System Implementation project.

It was noted that the Dental payments system went live on 15 December 2014.

UAT testing on the GP Payments System is still progressing and is scheduled to last until mid February.

Discussion ensued on the significant amount of time and effort which has been made by staff in the FPS Directorate in achieving the objective of merging multiple FPS payments systems into one and it was agreed that at an appropriate time a paper setting out the benefits of moving to the replacement payments system should be prepared and circulated to the HSC for info. It was also suggested that reference to the implementation of the FPS Replacement System should be included in the consultation document on the E Health Strategy. It was also suggested that the staff in both FPS, ITS and Kainos be congratulated on this tremendous achievement in meeting this significant milestone.

Members noted the position.

11. **Information Governance**

(i) ***Information Governance Assurance Framework – Paper BSO 123/2014***

The Director of Human Resources and Corporate Services presented paper BSO 123/2014 which set out an overarching framework for the strategic information governance agenda in the BSO. The document also included the required standards to support the delivery of the Information Management Controls Assurance Standard (CAS). Members approved the document subject to some minor amendments. It was noted that the Board will be attending a workshop to review the BSO's Corporate Risk Register as part of the assurance process in January 2015 and this will give members an opportunity to consider and review the risks, including Information Governance risks, at depth.

(ii) ***Information Governance Policy – Paper BSO 124/2014***

The Director of Human Resources and Corporate Services presented Paper BSO 124/2014 for members' consideration and approval.

Members approved the Information Governance Policy.

(iii) ***Information Governance Management Group (IGMG) Terms of Reference – Paper BSO 125/2014***

Members considered and approved Paper BSO 125/2014 setting out the Terms of Reference for the Information Governance Management Group.

12. ***Corporate Risk and Assurance Report for 2014/15 – Paper BSO 126/2014***

The Director of Customer Care and Performance presented paper BSO 126/2014 which set out the amendments to the Corporate Risk Reports during the period October – December 2014. It was noted that SMT reviewed the report on 10 December 2014 to ensure that the proportionate risk actions had been identified. It was noted that one new risk had been added to the Register relating to the failure to meet the implementation date of Pension Reform (1/4/2015) which could lead to a significant fine being imposed by HM Treasury.

The Chief Executive advised members that BSO along with the other interested parties has received a challenge from a third party iro the Business Case for the public Shared Data Centre project. Members will be further updated in the January Board meeting on this matter and if necessary the Risk Register will be amended to reflect the position.

13. **Draft Proposal for the Adoption of a New BSO Board Committee**

The Chairman tabled a paper to members outlining a proposal to establish a Board sub-committee to enhance the governance of the BSO. The Sub-Committee would meet on a bi-monthly basis and the minutes of the meetings would be presented to the BSO full Board. Members unanimously endorsed this proposal and it was agreed that a draft terms of reference would be presented to the January Board meeting for formal approval.

14. **Presentation by Mr Martin Bradley, on Implementation of Pension Reform**

Mr Martin Bradley, Head of HSC Pensions made a presentation to members on the proposed implementation of Pension Reform. It was noted that the new pension scheme will be implemented on 1 April 2015. The major change of Pension Reform is that the retirement age will be linked to the State Pension Age. The major challenges for BSO to meet the timetable for implementation was highlighted to members. The most significant challenge is to ensure the successful transfer of 52,000 members onto the new Scheme with effect from 1 April 2015. As noted earlier in the meeting, if BSO failed to meet the implementation date this could lead to a significant fine being imposed on DHSSPSNI by HM Treasury. A Communication Strategy has been produced and communiques will be issued on a regular basis in advance of the implementation date. A Project Board has been established to oversee the Implementation Phase and it was noted in the Project Management Plan that Pensions staff are currently ahead of schedule.

Members were reassured by the progress to date with this major project and congratulated Mr Bradley and his team.

15. **AOB**

(i) ***Suggested Dates for Board Meetings in 2015***

The proposed dates for the Board meetings in 2015 were noted by members.

16. **Date of Next Meeting**

The next meeting of the BSO Board will take place on Thursday 29 January 2015 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

The Chairman thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____