

HSC BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The twenty third meeting of the Regional Business Services Organisation (BSO) was held on Thursday 31 March 2011 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 Gerry Strong

Mr David Bingham (Chief Executive)

Mrs Teresa Molloy (Director of Operations)

Mr Hugh McPoland (Director of HR & Corporate Services)

In Attendance

Mr Alphy Maginness (Chief Legal Adviser)

Mrs Karen O'Loan (Director of Customer Care and Performance)

Miss Amanda Mills (Secretary to the Board)

Mr Simon McGrattan (Assistant Director of Finance)

Mrs Andrea Henderson (Assistant Director of Finance)

Prior to the commencement of the meeting Mr Nigel Reynolds provided members with a presentation on the BSO's approach to the work of the TOP's Programme (Transforming Organisational Performance). It was noted that both Alan Hanna and Greg Irwin were members of the Scrutiny Group which considers the work of the TOPs Programme. The main areas of work which Tops is focussing on are:-

- Goods and Services
- Operational Efficiencies
- Service Development
- Income Generation

1. **Apologies**

Apologies for absence were received from Shane Devlin and Sean Mahon.

2. **Chairman's Business**

The Chairman on behalf of members congratulated Mrs Hilary McCartan on her recent appointment to the Board of the Agri-Food and Biosciences Institute (AFBI) as a non-executive director.

Members were informed that the Chief Executive's Office will be organising a Remuneration and Terms of Service Committee meeting in May to consider the recent circular issued by the Department on the Senior Executive Pay Award for 2010/2011. A report on the achievement of the Chief Executive's and Directors objectives for 2010/2011 will also be presented. The Committee will also consider the objectives for 2011/2012.

The Chairman referred to the September 2010 Board meeting where it was agreed that he would ask two non-executive directors to scrutinise the Ombudsman's report which went in favour of the complainant and report back to the Chairman on their findings. Geraldine Fahy and Alan Hanna agreed to undertake the review and a paper was tabled to members outlining the recommendations made by them and the Chairman's response to their recommendations. In particular members were asked to note that an extensive training programme which covered Complaints, Data Protection, ICT Security and FOI was rolled out to over 400 BSO staff during Autumn/Winter period of 2010. Directors have also been asked to identify if they require further training events for residual staff in 2011. It is planned to hold Information Governance training events on a regular basis during 2011 for BSO staff.

In taking this issue forward the Chairman has also discussed this matter with Brian McMurray, the Chairman of the GAC, and has requested that the GAC place on their agenda for the 2011/2012 year a review of the BSO complaints process.

3. **Minutes of the Meeting held on 24 February 2011**

The minutes of the Board meeting held on 24 February 2011 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. **Matters Arising from Minutes**

(i) ***Drug Tariff and other Pharmaceutical Issues – Minute 4***

At the request of the Chairman Mrs Molloy updated members on the developments in relation to the establishment of a new Drug Tariff. The Minister announced on 24th March 2011 that the DHSSPS would be proceeding with a new drug tariff from 1 April 2011. The BSO are putting in place arrangements to apply the new drug tariff within the BSO pharmaceutical payments systems and to communicate the changes to contractors. PCC have raised a number of issues relating to the implementation of the new arrangements however BSO along with HSCB and DHSSPS are working to address these issues where possible. Administration of the Drug Tariff has been formally delegated to BSO by DHSSPS. Bids for additional resources for the staffing required to manage the new Drug Tariff on an ongoing basis have been submitted to

the Department by the HSCB, and a drug tariff team will be set up within the FPS Directorate as a new service.

Mrs Molloy advised members that the BSO successfully completed the project which commenced in November to accelerate the pharmaceutical payment by two weeks. The first payment under this new process was made on 16 March 2011 as planned. This in effect means that through this action BSO has reduced the payment period for claims from Community Pharmacists from 60 days to 45 days. The Chairman on behalf of members congratulated Mrs Molloy and in particular asked her to convey the Board's appreciation to the FPS staff involved, in particular the pharmaceutical payments team and staff in the Data Prep Department. It was agreed that an article will be written on the success of this project in the April edition of Business Matters. It was also agreed that an awareness session will be organised on this work to Board members later in the year.

5. **Action Sheet Arising from Board Meeting held on 24 February 2011**

The actions arising from the BSO Board meeting held on 24 February 2011 were noted by members.

The Chief Executive confirmed that Mr Neville Jones, Head of Counter Fraud and Probity Unit, will make a presentation to members prior to the June Board meeting.

The Chief Executive advised members that the Minister did not sign off the consultation paper on the location of shared services centres before the Purdah period commenced. The BSTP team are now considering the implications of the delay to the Shared Services timetable and have been in discussions with Departmental officials. It was agreed that Shane Devlin, Programme Director of BSTP should update members at the May Board meeting.

6. **Director of Finance's Report to the Board for Period Ended 28 February 2011**

Mrs Andrea Henderson, Assistant Director of Finance presented the Finance Report for the period ended 28 February 2011. The overall position for each of the segments was outlined. In particular the Service and Budget Agreement (SBA) for core services is showing a surplus at 28 February 2011 of £160,682.

Members were reminded that the BSO is required to break even at year end and work is ongoing to manage the income and expenditure position to ensure that the organisation is within the break even parameters (+/- 0.25% of break-even). At present the BSO is projecting a year end surplus of £195,000. This would be within the break-even parameters. Mrs Henderson advised that continued efforts to manage the actual year end out-turn may result in a reduction to the projected year end surplus.

Mr Simon McGrattan, Assistant Director of Finance, presented the Capital position and Balance Sheet for the period ended 28 February 2011. It was noted from the balance sheet that the administration of the Clinical Negligence Payments has been handed back to the Department.

7. **Corporate Risk Report for 2010/2011**

The Director of Customer Care and Performance presented the revised Corporate Risk Report which incorporated the changes agreed by SMT and the Board at meetings between the months of January – March 2011. The Report also outlined the progress made to date on risk actions.

Members were asked to note the following matters:-

Emergency Planning is one of the Controls Assurance Standard (CAS) which will be subject to Internal Audit verification this year. Following the outcome of this assessment, SMT will reassess whether Emergency and Contingency Planning should be escalated to the Corporate Risk Register.

With regard to Risk Number 12 regarding the Bowel Screening Service, the Director of Operations advised that the BSO has contacted the Head of the Bowel Screening Service in Wales enquiring if they would undertake a performance review of the service.

The Chief Legal Adviser advised members that the Bribery Act will be implemented on 1 July 2011 which will have an impact on some of the services provided by BSO. BSO will develop a draft training strategy for Board members and staff in light of the Bribery Act which will be considered by SMT in the first instance.

Members noted the Corporate Risk Report for 2010/2011.

8. **Corporate Balanced Scorecard**

The Director of Customer Care and Performance presented Paper BSO 21/2011 setting out the performance of key service areas in the BSO for the period up to 28 February 2011.

As agreed at the February Board meeting Indicator IP1 and IP2 are now being reported on a BSO only basis and have been amended retrospectively for the year to date. IP18 – 21 (GP Payment Reporting) is currently being reviewed in relation to the elements of the process within the control of BSO and RAG ratings will be assigned once the review has been completed.

Members noted the information contained within the Corporate Balanced Scorecard.

9. **Draft Service Delivery Plan for 2011/2012**

The Director of Customer Care and Performance presented the draft Service Delivery Plan (SDP) for 2011/2012 for members' consideration and approval.

A number of minor amendments were suggested and it was agreed that these would be incorporated into the draft document. It was noted that the BSO were required to submit the draft plan to the Department by Friday 18 March for review however to date they have not come back with any comments.

The SDP was approved subject to the suggested amendments however it was agreed that if the Department come back with further minor changes these can be presented to SMT for debate and retrospective approval on behalf of the Board. It was also agreed that if the Department suggested that significant changes be made to the Plan the Chairman may call an emergency Board meeting. This is to allow the Plan to be finalised within the timeframes set by the Department.

10. **Customer Survey Reports for 2011**

The Director of Customer Care and Performance made a presentation to members on the results of the Customer Surveys for 2011. As the BSO is now in operation in its second year direct comparisons can now be made with the survey results undertaken in 2010 using a core set of “corporate” questions. These results will help the Director of Customer Care and Performance produce a set of Improvement Plans for 2011/2012.

Overall the key results from the survey were that most of BSO services had improved, with over 90% of respondents stating they were happy with the courtesy of BSO staff and 81% being satisfied with the quality of advice being given. Members noted the disappointing survey results in relation to ITS. The Director of Operations informed the Board that she will undertake an in-depth analysis of the results to identify any underlying factors.

It was noted that there was a significant improvement in the survey results regarding HR and the Chairman on behalf of members congratulated the Director of Human Resources and his staff on this achievement.

It was agreed that the responses from BSO staff should be disaggregated from the external responses and members will be updated on this issue at a future Board meeting.

Members noted the results from the Customer Surveys for 2011.

11. **Draft Records Management Policy**

The Director of Human Resources and Corporate Services presented paper BSO 24/2011 which reflected the decision by the Board at the February Board meeting to store FPS payments records electronically.

Mr McPoland advised members that the Department will shortly be issuing a guidance document on Good Management/Good Records and it is envisaged that the BSO Records Management Policy will have to be revised following the issue of this document. In answer to a question from the Chairman Mr McPoland agreed to write

to the Department and formally advise them of the Board's recommendation to move to digital storage of FPS payments forms.

Members approved the Draft Records Management Policy.

12. **Any Other Business**

(i) **Rationalisation of HSC Organisations**

The Chairman updated members on the developments following the Minister's decision that BMC and NEDC should merge into the BSO from 1 April 2011. The target date for the transfer of both the BMC and NEDC staff is planned for 1 July 2011. The Department has established a regional group to oversee the transfer and the BSO is represented by David Bingham, Chief Executive.

At the invitation of the Chairman, Mr Bingham advised members that the group held its inaugural meeting on 22 March 2011 and are now in the process of preparing a detailed proposal on managing the merger.

The BSO has also established an in-house project group and the first meeting takes place on 1 April 2011. At this meeting the implementation of a due diligence process will be discussed and Mr Bingham agreed to report to the April Board meeting on the governance arrangements for the merger.

(ii) **Consultation – HSC Framework Document**

The Director of Customer Care and Performance presented paper BSO 25/2011 detailing correspondence from the Permanent Secretary of the Department asking for comments on the draft HSC Framework Document. The closing date for comment is Friday 6 May 2011. A few minor amendments were highlighted for members' attention and it was agreed that any further comments should be channelled through the Chief Executive's Office.

(iii) **BSO Management Statement/Financial Memorandum**

The final version of the Management Statement/Financial Memorandum (MS/FM) for the BSO was tabled to members for information. The Chief Executive will formally sign off the MS/FM and return to the Department.

13. **Date of Next Meeting**

The next meeting of the BSO Board will take place at 2.00 pm on Thursday 28 April 2011 in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

The Chairman thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____