

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The ninety third meeting of the Board of the Business Services Organisation was held on Thursday 26 January 2017 at 10.00 am in the Boardroom, BSO HQ, 2 Franklin Street, Belfast, BT2 8DQ.

Present:

Mrs Julie Erskine (Chair)

Mr Robert Bannon
Mr Mark Campbell
Miss E P Gordon
Mr Alan Hanna
Mr Greg Irwin
Mr Robin McClelland
Mr Jeremy Stewart

Mr Liam McIvor (Chief Executive)
Mr Hugh McPoland (Director of HR &CS)
Ms Wendy Thompson (Director of Finance)
Mr Sam Waide (Director of Operations)

In Attendance:

Mrs Karen Bailey (Director of Customer Care and Performance)
Mr Alphy Maginness, (Chief Legal Adviser)
Ms Amanda Mills (Board Secretary)
Jethro Waldron (Graduate Trainee, Pals)

1. Apologies

An apology for absence was received from Professor Dorothy Whittington.

2. Declaration of Conflicts of Interest

There were no conflicts of interest declared.

3. Chairman's Business

At the outset of the meeting the Chair wished members a Happy New Year. She advised that she is drafting a Skills Information and Skills Gap template for non-executives and will discuss this matter with colleagues on an individual basis. She also advised that following discussions with the newly appointed non-execs she has agreed the membership of the GAC, Business and Development Committee and Remuneration and Terms of Service Committee.

The Chair on behalf of members welcomed Mr Jethro Waldron, Graduate Trainee, Pals who was attending as an observer.

4. Minutes**(i) *Minutes of Meetings held on 22 December 2016***

The minutes of the meeting held on 22 December 2016 were approved subject to a minor amendment.

5. Financial Matters**(i) *Finance Update – December 2016 – Paper BSO 1 /2017***

The Director of Finance presented paper 100/2016 which was her Financial Report for the nine month period ended 31 December 2016.

The summary financial position for the period reported a surplus for the first nine months and forecasted a year end breakeven position. The Director of Finance then summarised the main financial trends for the period covering Core Services, ITS Programme, Trading and Management services.

At the invitation of the Chair the DoF briefed members of the overall financial outlook for HSC for 2017/18. She also advised that she has not received a response from the DoH on the savings level to be applied to BSO for 2017/18.

Patricia Gordon asked when would the Board have sight of the budget for 2017/18 and the DoF stated that once DoH confirms the budget position a detailed budget paper will be presented to the Board for formal approval. It was recognised that if the Executive is not in office the budgets cannot be approved and there will be a lack of clarity which may impose a risk to the organisation. To that end the Chair stated that if there is still uncertainty in March 2017 this matter will be debated at the risk workshop scheduled to take place on 23 March 2017.

The Capital position was also considered and the DoF confirmed that capital spend is monitored on a regular basis and assured members that all of the capital allocation will be spent by year end.

The Board noted the financial position.

5. Chief Executive's Report

The Chief Executive provided an update on key business meetings which he had attended following the previous Board meeting. The Board noted the following updates:

(i) *Transformation Implementation Group (TIG)*

A number of Action plans are in the process of being developed relating to the various programme work-streams. These included the production of an Elective Care Plan which has been identified as a priority. It is expected that the Minister will issue a statement on this work stream in the near future.

(ii) *NI Public Sector Shared Services Programme Board*

Following the issue of a research questionnaire to the market the NIPSS project team is currently meeting with the respondents. A number of staff from BSO have now been seconded to work on this project. BSO has invited the NIPSS Programme Director to attend SMT on 1 February 2017

to provide a further update on the project. Members were advised that the production of an outline business case (OBC) for this project is expected to commence mid- 2017.

(iii) ***EHCR***

EHCR continues to develop and Gary Loughran, recently appointed Programme Manager is leading on the work to produce an Outline Business Case (OBC) which will eventually be presented to the Board for formal approval. Once approved by the Board the OBC will be sent to Trusts, DOH and ultimately DFP for final approval. The Chief Executive advised that the BSO is very keen to see the production of a digital clinical record for NI which is based on timely, solid clinical information and it is imperative that EHCR team do not lose sight of these goals in implementing this complex system.

(iv) ***BSO Corporate Plan 2017-22***

The Chief Executive briefed members on the proposal to defer the production of the BSO five year Corporate Plan to 2018 due to the change of BSO Board members. This would allow members time to gain a wider in-depth knowledge of the organisation and ultimately contribute to the development of the Corporate Plan. A further update on this matter will be brought to the February Board meeting.

6. Corporate Balanced Scorecard – Paper BSO 2/2017

The Director of Customer Care and Performance presented paper BSO 2/2017 which set out the performance of key service areas in the BSO for the period up to 31 December 2016. She highlighted those measures with a red rag rating and explained the circumstances which led to this evaluation.

7. Annual Business Plan Performance Report – Period Ending 31 December 2016 – Paper BSO 3/2017

The Director of Customer Care & Performance presented Paper BSO 3/2017 which set out a summary exception report on the performance against the Annual Business Plan for 2016/17 as at 31 December 2016. It was noted that by the end of the third quarter of 2016/17 85% of the actions within the Business Plan were reported as complete or, will be delivered by the completion date.

The Board noted the Annual Business Plan Performance Report.

8. BSTP - Shared Services Project - Highlight Report – Paper BSO 4/2017

The Chief Executive in tandem with the Director of Operations presented paper BSO 4/2017 which was the BSTP Shared Services Project Highlight Report and updated the Board on progress against key milestones and timelines set for completion of projects within Shared Services

Members were reminded that the BSTP programme is unable to formally stand down until E Recruitment is fully deployed across all HSC Trusts. Three Trusts are still to fully deploy to E Recruit however an action plan has been produced and it is envisaged that two of the remaining Trusts will be fully deployed by April 2017, with the remaining Trust commencing March/April 2017. The SRO for this project, Deborah McNeilly has been provided with regular updates on this matter and supports the action that the BSO has taken to try and confirm deployment dates.

The Board noted the report provided.

9. Report on BSO Prompt Payment for Period Ending 31 December 2016 – Paper BSO 5/2017

The Chief Executive presented paper BSO 5/2017 which set out the percentage of invoices paid within 10 working days and within 30 calendar days from April 2016 to December 2016 by Payment Shared Services. It was noted that 95.19% of HSC invoices had been paid within 30 calendar days. Members were advised that the FPL System will be shut down for 2 working days at the end of January to support the FPL upgrade which may have a potential impact on the prompt payment figures for January 2017.

The Board noted the report provided.

10. FPS Payment Systems Benefits Realisation Report – Paper BSO 6/2017

The Director of Operations presented paper BSO 6/2017 which set out an overview of progress of the FPS Payment Systems Project. A discussion ensued regarding the closure of this programme, the Director of Operations explained that subject to key milestones being delivered on time he envisaged that a final report could be presented to Board in March 2017.

The Board noted the report provided.

11. Interim Report on Progress made by Recruitment Shared Services Task and Finish Group - Paper BSO 7/2017

The Director of Human Resources and Corporate Services presented an interim report on progress made to date by Recruitment Shared Services Task and Finish Group. He outlined to members the reason for the establishment of this group, of which he is the Chair, and membership comprises of Trust ADs of HR. The initial task of the group is to analyse SS Recruitment performance information to try and identify the areas where E Recruit System was not performing to an acceptable level. Three problem areas were subsequently identified as follows:-

- Delay at pre-approval process by employer level;
- Communication issues between SS Recruitment and customer organisations;
- Processing of pre-employment checks.

Recognising these problems the Task and Finish Group members agreed to standardise a number of recruitment processes, which varied amongst the HSC organisations; these included the number of references required, Occupational Health processes and management of regional waiting lists. He also reported that a number of Change Requests (CRs) have been implemented which already has enhanced the performance reporting of the E Recruit System.

It was recognised that a lot of the issues with E Recruit lie outwith the BSO however Mr Hanna stated that he felt reassured that significant progress is being made.

The Board noted the report provided.

12. Governance and Audit Committee (GAC)***(i) Report of Meeting held on 17 January 2017 – Paper BSO 8/2017***

The Acting Chair of GAC presented paper which set out a summary of the key issues considered by the GAC on 17 January 2017. Three Internal Audit Reports were presented to GAC which were all assessed as Satisfactory.

At the meeting the External Auditor pointed out to GAC members that he would focus in this year's audit, in particular, on Payroll and Recruitment Shared Services as external audit had previously concluded that reliance could not be placed on the controls operating in these areas. . Both areas had also received limited or unsatisfactory internal audit reports. To that end GAC members debated at length on what actions were required for the SS Payroll and Recruitment audit reports to be moved from a Limited to Satisfactory status. The DoF confirmed that the External Auditor undertakes two major pieces of work on behalf of the NIAO, firstly the audit of the BSO financial statements to 31 March 2017 on which they will issue a shadow opinion. Secondly they carry out a controls assurance exercise on both manual and system control processes within the shared services centres, which must be operating satisfactorily for one year to allow them to give satisfactory assurances to the auditors of the other HSC bodies on the reliance they can place on the controls in operation in the centres.

Internal audit, on the other hand, will review the level of controls in operation when they perform their testing, and therefore controls do not necessarily have to be in operation for a full financial year for them to issue a satisfactory opinion.

Members noted the GAC minutes of 18 October 2016.

(ii) ***Revised BSO Fraud Policy and Fraud Response Plan – Paper BSO 9/2017***

Members considered and approved the revised BSO Fraud Response Policy and Plan which all staff will now be made aware of.

13. **Any Other Business**

(i) ***BSO Final Accounts***

The Director of Finance confirmed that the BSO's final accounts must be submitted to the NIAO by Tuesday 2 May 2017. The results of the external audit along with the BSO final accounts will be reviewed by GAC in June for formal endorsement by the Board thereafter.

(ii) ***International Travel***

The Chief Executive requested members' endorsement for Mrs Karen Bailey and Mr David Bryce to travel to Bilbao, Spain from Sunday 6 February for 3 days to take part in the MIDAS policy workshop.

Members' endorsement was also requested for Ms Nicky Harvey, NIPACs Regional Service Manager, ITS to attend the European Congress of Radiology Conference in Vienna from 1 – 5 March 2017 along with 3 members of the NIPACS Executive Group to facilitate the scoping definitions required for the new NIPACS regional procurement.

Members endorsed both requests for international travel.

(iii) ***Business Continuity Desktop Exercise***

The Director of HR and Corporate Services advised members that the annual desktop Business Continuity exercise is scheduled to take place on Wednesday 22 February 2017 and asked for expressions of interest from non-execs to act as an observer.

(iv) *Agenda and Format of Board Meetings*

The Chair advised that she is discussing agenda items for future Board meetings and reviewing the current format. She has also discussed holding the Board meetings on a quarterly basis in other BSO sites to allow members to visit other service areas of the organisation across the province. The Chief Executive's Office will confirm the dates and venues of future Board meetings.

14. Date of Next Meeting

The next meeting of the BSO Board will take place on Thursday 23 February 2017 at 10.00am in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

The Chair thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____