

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The fifty third meeting of the Business Services Organisation was held on Thursday 26th September 2013 at 2.00 pm in the Mac, St Anne's Square, Cathedral Quarter, 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 Sean Mahon

Mr Gerry Strong

Mr David Bingham (Chief Executive)

Mr Patrick Anderson (Director of Finance)

Mr Hugh McPoland (Director of HR &CS)

Mrs Teresa Molloy (Director of Operations)

In Attendance:

Mr Alphy Maginess (Chief Legal Adviser)

Mrs Karen Bailey (Director of Customer Care and Performance)

Miss Jill Jackson (Acting Board Secretary)

1. Apologies

There were no apologies.

2. Chairman's Business

The Chairman welcomed everyone to the MAC building and referred to the successful recognition awards event that had been hosted earlier in the day. He proceeded to advise members that as approval for the BSO Data Centre OBC remained outstanding in mid-September, he had written to the Permanent Secretary, expressing the Board's concerns.

Mr Coleman also briefed members of a follow up telephone conversation with the Permanent Secretary, where he had emphasised the strategic risk to BSO of the Data Centres issue remaining unresolved and the need for a speedy resolution to any outstanding queries. The Chair and Dr McCormick had agreed that a further meeting between The Department's economists and BSO officers should be convened to facilitate early resolution of the outstanding issues. The Chairman asked the Director of Customer Care & Performance to contact the Department and organise a meeting urgently.

3. Minutes

Subject to several minor amendments, the Minutes of the Board meeting held on 29 August 2013 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. Matters arising from Minutes

(i) Action Sheet Arising from Board Meeting (Paper BSO 68/2013)

The actions arising from the BSO Board meeting held on 29 August 2013 were noted by members.

It was confirmed that the next Gartner sub-group has been arranged for Wednesday 2nd October 2013, immediately after the launch of Fraud Awareness Month, in the Grove Wellbeing Centre, Belfast.

(ii) Board Governance Baseline Self-Assessment Action Plan (Paper BSO 69/2013)

The Director of Customer Care and Performance presented the paper and explained the context for the proposals.

For completion of the Board Governance Self-Assessment tool for 2014-15, BSO will be required to complete case studies to measure the impact of Board. At the August Board meeting, members agreed that a paper would be brought to the September meeting with suggested topics.

The three Case Studies' topics were presented as follows:

- Case Study 1 (Performance Issues) - proposed topic - Data Centre Outages
- Case Study 2 (Organisational Culture Change) – proposed topic - Management of Contracts
- Case Study 3 (Organisational Strategy) – proposed topic - Reward & Recognition Strategy

Members discussed each proposal in turn and agreed that all offer sufficient examples of Board management of key strategic areas.

The Board approved the proposed case studies and asked SMT to develop the proposals further.

5. Chief Executive's Report

(i) Ophthalmic Statistics Report for N. Ireland

The Chief Executive announced that the BSO Information & Registration Unit is due to publish the first ophthalmic statistical report in Northern Ireland on the 30th September 2013. The report will contain information on the number of sight tests, vouchers and repair/replacements along with payment information.

As BSO is a designated provider of Official Statistics, and given that the report will be an Official Statistics report, certain guidelines must be adhered to, including limiting pre-release access to the report to those people essential for production and publication, and for quality assurance or operational purposes. Therefore the report could not be shared with the BSO Board or the SMT prior to publication.

(ii) *Prescribing Data report*

BSO Information & Registration Unit also plan to publish on a regular basis detailed prescribing data at identifiable GP practice level from September 2013 onwards. The provision of this data will bring Northern Ireland in line with England and Wales.

The information will be provided at Presentation level which gives the individual drug name, form and strength or size accordingly. The first quarter of data for 2013/2014 financial year will be published on the 30th September 2013 and it is anticipated that it will be of significant interest to researchers and others.

(iii) *Honest Broker Service*

Mr Bingham informed Board members that the new Honest Broker service, which will allow the provision of data by BSO when requested by third parties for research purposes, is scheduled to commence in November 2013. He agreed to update members at the October 2013 meeting.

(iv) *Interpreting and Translation Services*

Following a review, HSCB have initiated a public consultation to consider the provision of HSC Interpreting and Translation services. The consultation recommends that the Regional Interpreting Service should be provided on a shared service basis by the BSO.

The Chief Executive acknowledged that this will be a challenge to the BSO and if the proposals are implemented, will require renewed governance processes to manage the higher risks involved in dealing with potentially vulnerable adults and children.

(v) *PaLS Cope Accreditation*

The Chief Executive notified Board members that PaLS are currently preparing a submission for COPE re-accreditation. The result of the application will be shared in due course.

(vi) *PaLS Accommodation – Bretten Hall, Antrim*

At the May 2013 Board meeting, the Director of Operations notified members that Northern Trust have requested PaLS staff to vacate Bretten Hall as the Trust intend to relocate their Headquarters to the site.

Subsequently BSO has been offered office accommodation at Northern Trust's former HR, The Cottage, in Ballymena as an alternative location, with the move anticipated within the next few months. The relocation will affect over 30 staff and an Equality Impact Assessment is to be considered.

The Chief Executive agreed to keep Board members informed.

(vii) *Fraud Awareness Month*

The Chief Executive welcomed the news that a Fraud Awareness Month is due to be run between 2nd and 31st October 2013. The event will be formally launched by the Health Minister on 2nd October and aims to raise public awareness of how fraud affects the HSC.

6. Financial Matters

(i) *Finance Report – 1 April to 31 August 2013 (Paper BSO 70/2013)*

The Director of Finance presented a Finance Report for the five month period ended 31 August 2013.

Section 2 of the report provided a summary of the reported income and expenditure position for the period, with an overall surplus reported for the period of £17k; the surplus had been generated by Core Services offset by a deficit within Managed Services. The Director of Finance explained that the deficit on Managed Services is due to a higher level of expenditure than budget associated with the Healthy Start programme. Mr Anderson has written to the Director of Finance, DHSSPS, to give early notification of the position and assured the Board that correspondence with the Department will continue on the matter.

A breakeven position was reported within BSTP, however the Director of Finance highlighted that this position was only arrived at as a result of a significant level of income being assumed from HSC, based on the full recharge of FPL and HRPTS systems maintenance costs. Following meetings with the BSTP SRO, HSC Directors of Finance and other HSC organisations, where agreement was reached on the recharge of these costs to HSC, Mr Anderson has written to all HSC organisations to request formal confirmation of the acceptance of these recharges.

Members expressed concern over the recharging issue and the further pressures this would add to Trust budgets. In addition they noted potential additional BSO pressures, including Clinical Negligence.

Finally the Director of Finance informed the Board that he will be completing a formal LBE forecasting exercise in the next few weeks, the outcome of which will be reported to the October 2013 Board.

The Board noted this position.

(ii) *Draft BSO Annual Report and Accounts for Year Ended 31 March 2013 and other Associated Papers (Paper BSO 71/2013)*

The Director of Finance presented the Annual Accounts 2012/13 and associated papers for Board approval. He confirmed that all had been presented and ratified by the BSO Governance & Audit Committee at its meeting on 24th September 2013.

Mr Anderson summarised the key areas as follows:

BSO Financial Statements - Executive Summary

This paper provided a high level summary of BSO's financial performance for 2012-13, an overview of the opinion of External Audit and a high level analytical review focusing on some of the key movements in the Financial Statement from the previous financial year.

The paper was divided into five sections – Faster Closing, Financial Performance, Audit Opinion, Financial Statements (Analytical) and Note Disclosures – and Mr Anderson highlighted key areas from each. He drew members' attention in particular to the Audit Opinion section which confirmed that External Audit had provided an unqualified opinion on the 2012/13 BSO Financial Statements.

Draft BSO Annual Report and Accounts for Year Ended 31 March 2013

The Director of Finance presented the draft Annual Report and Accounts for the BSO for the year ended 31 March 2013. He confirmed that the Governance and Audit Committee (GAC) had considered the Accounts at its meeting held on 24th September 2013 and had recommended that they be submitted for approval by the Board of the Business Services Organisation.

Mr Anderson highlighted key areas including a change of format for the Governance Statement, and the reviews carried out in 2012/13 by Internal Audit.

Letter of Representation

The Director of Finance advised that the Letter of Representation confirms that the Financial Statements and other presentations to the auditor are sufficient and appropriate and without omission of material facts to the financial statements, to the best of management's knowledge. Members were advised that the Letter of Representation will be signed by the BSO Chief Executive.

Draft 2012-13 NIAO Report to those Charged with Governance

The Director of Finance summarised the main points contained within the NIAO's Report to those Charged with Governance in respect of BSO for the year ended 31 March 2013. The report reaffirms that the Comptroller and Audit General (C&AG) will certify the 2012/13 financial statements with an unqualified audit opinion without modification. It also highlights some issues identified at Final Audit which will be addressed within agreed timelines.

Report of the Comptroller and Audit General

This report followed up on the 2011/12 report on BSO PaLS and also highlighted issues regarding the new IT applications in 2012/13. The C&AG welcomed the progress made by BSO on PaLS contract management issues and will continue to monitor developments on HSC use of new IT applications.

The Chairman thanked Mr Anderson for summarising the reports and sought the opinion of Board Members. Mr McMurray, Chair of the Governance & Audit Committee, welcomed the unqualified opinion and reaffirmed that the Committee were recommending approval of the Accounts. Members also commended the work of all staff to produce an unqualified account and ensure that the Organisation operated for the 2012/13 financial year within budget.

The Board endorsed the Governance & Audit Committee's recommendation and approved the BSO Annual Report and Accounts for 2012/13.

7. Implementation of BSTP in BSO (*Paper BSO 72/2013*)

The Chief Executive updated members on key issues relating to both the BSTP and Shared Services projects. He confirmed that the HRPTS system had gone live in the WHSCT on 2nd September 2013 and the addition of a further 11,000 staff had caused minimal issues to date.

Belfast HSC Trust is due to go live in November 2013.

Mr McMurray, Chair of the Governance & Audit committee, summarised the findings of the recent audits of the new IT systems and asked the Chief Executive to explain what actions had been taken to address the issues raised.

Mr Bingham confirmed that SMT have been developing an action plan and work programme to address the gaps identified, and that this will be presented to the Board in October 2013 for ratification. He outlined governance arrangements for BSTP as follows:

- (i) Gateway Reviews which are a recognised governance tool;
- (ii) A monthly Programme Board which includes membership of Trust Chief Executives and the DHSSPS Senior Reporting Officer;
- (iii) There are three Project Groups which comprise of amongst others, Trust Directors of Finance and HR;
- (iv) The BSTP Central Teams

Mr Bingham concluded that governance arrangements for the BSTP and Shared Services have been reviewed on a regular basis and that the executive action plan to be presented to Board in October should provide members with the assurance they require.

The recruitment process to appoint staff for the Shared Services Team is near completion with an Assistant Director of HR and Finance Shared Services appointed, and a Head of Payments.

Members noted the BSTP Highlight Report.

8. Corporate Balanced Scorecard (*Paper BSO 73/2013*)

The Director of Customer Care and Performance presented paper BSO 73/2013 setting out the performance of key service areas in the BSO for the period up to 31 August 2013.

At the invitation of the Chairman, the relevant Directors briefed members on the rationale of the indicators which were highlighted either amber or red.

Members noted the Corporate Scorecard for August 2013.

9. Corporate Risk and Assurance Report 2013-14 (*Paper BSO 74/2013*)

The Director of Customer Care and Performance presented paper BSO 74/2013 which set out amendments to the Corporate Risk Report by SMT during the period July - September 2013. SMT reviewed the report at its meeting of 18th September 2013 to ensure that proportionate risk actions had been identified.

Following an extensive review of classifications at the SMT meeting in August, a number of the Extreme risks were decreased to High. It was noted that two risks had been removed from the Register; both will be managed at service level.

Members asked that in view of the audit of the IT systems, consideration be given to adding the findings of the report to the Register.

Members noted the report.

10. SAI Action Plan (Paper BSO 75/2013)

The Director of Customer Care & Performance updated Board members on progress on actions to date. She confirmed that a security guard has been appointed to monitor the data centre temperature on a 24 hours basis and that the automated alerting to the Air Conditioning company has been installed, with testing to take place within the week.

Regarding the surge protection on Air Conditioning units, the 9 Surge Protectors have been ordered and should be installed towards the end of November 2013 without interruption to services. However Mrs Bailey informed that free air cooling has been deemed as not feasible due to space constraints.

Members queried an email from BHSCT which detailed the process for the air conditioning units in the event of a power failure; in section 4 of the email there is reference to a 'Manual Reset.' Mrs Bailey agreed to check if BHSCT had followed this up with the Engineer who had written the report and advise BSO Board in October 2013.

Preparation work on the third copy of datacentre data is well underway with extensive plans being finalised.

Members noted the current position.

11. Staff Attitude Survey 2012 (Paper BSO 76/2013)

The Director of Human Resources and Corporate Services presented the results of the survey of employees of the Business Services Organisation. Mr McPoland asked members to note and discuss the outcomes and agree the recommended actions.

Of the thirteen objectives which were set in 2010, seven were achieved. Of the six that were not met, progress has been achieved on two while performance has not progressed on another two. Mr McPoland noted that of particular concern is the response relating to Induction training while one positive outcome of the survey is that there have been no complaints or formal investigations of harassment or bullying lodged in the BSO since the creation of the organisation.

Going forward the Director of HRCS stated that there will be further examination of HR workloads and that DHSSPS have suggested that action plans be addressed through the regional HR Forum and JNC.

Members noted the contents and approved the actions.

12. HR Service Improvement Plan (Paper BSO 77/2013)

Following consideration of the Customer Survey results by Board in June 2013, it was agreed that a Service Improvement Plan should be produced for consideration by Board.

The Director of Human Resources and Corporate Services summarised the key areas for action and updated members on progress to date. Actions to date include introduction of a process to monitor speed of response to queries, a stocktake of outstanding issues, a briefing to external customers on 22nd August and the publication of a HR Newsletter. It is anticipated that the forthcoming HR Benchmarking exercise will also be useful to identify whether additional resources are required.

Members noted the contents and approved the actions.

13. Human Resources and Corporate Services Report (Paper BSO 78/2013)

The Director of Human Resources and Corporate Services presented the paper to Board which set out a range of indicators in respect of the workforce and some performance measurements for HR and Corporate Services between 1 April and 30 June 2013.

Mr McPoland commenced with the absence information which indicated that in April and May 2012, staff absence was higher when compared to the same period in 2013. It was noted however that the absence figures for June 2013 is higher than June 2012. Members were advised that since the introduction of HRPTS sickness absence is recorded in hours rather than days as this is considered to be more accurate. It was also noted that overtime costs have reduced by 26% compared to the same period last year.

Members noted the report.

14. Draft Records Management Strategy (Paper BSO 79/2013)

The Director of HRCS asked members to note that as part of the new Information Management Controls Assurance Standard, BSO are required to have a strategy in place for the effective management of Corporate Records. He asked members to approve the draft Records Management Strategy (including action plan) to support the Records Management policy.

Members approved the Records Management Strategy.

15. Terms and Conditions of Contract (Paper BSO 80/2013)

The Director of Operations explained that the purpose of this paper is to update members on progress against the BSO Business Plan objective set by DHSSPS which requires a review of standard terms and conditions of contract to be reviewed.

At the Regional Procurement Board held in June 2012, PaLS presented a proposal to move to 30 day payment in September 2013. In the interest of complying with legislation, PaLS in conjunction with BSO Legal Services carried out a review of payment terms contained within the HSC Standard Terms and Conditions of Contract and updated them to reflect the requirements of new regulations. The changes have been incorporated to new contracts awarded after 16th March 2013 and this work largely completes the objective set for BSO by DHSSPS.

Board members noted the change to Standard Terms and Conditions of Contract and the progress on the action to date.

16. Authorised Solicitor Regulations – Law Society Consultation Document (Paper BSO 81/2013)

The Chief Legal Adviser briefed members on a consultation document issued by the Law Society of Northern Ireland, on the instruction, qualification and conduct of authorised Solicitors in the Higher Courts. While the closing date for responses was the 30th August 2013, the Chief Legal Adviser had sought an extension of time until the 30th September to enable the Board to consider the document and respond if deemed appropriate. Mr Maginness confirmed that he did provide a response on the 30th August on behalf of the Directorate of Legal Services.

Part 8 of the Justice Act (Northern Ireland) 2011 provides for the authorisation, by the Law Society, of Solicitors who have completed certain training to have rights of audience in the Higher Courts. The 2011 Act also requires the Law Society to produce regulations relating to the education, training and experience required of Solicitors seeking to be authorised in Higher Courts, and to the recognition of Solicitors who have already completed training before the commencement of the relevant provisions of the 2011 Act.

Following discussion BSO Board agreed that they preferred the term ‘Solicitor Advocate’ to Authorised Solicitor as this offers reassurance to the client that the Solicitor is an advocate. Members also debated the potential savings for HSC of employing Solicitor Advocates and therefore asked the Chief Legal Adviser to draft a supportive letter on behalf of BSO Board.

17. Date of Next Meeting

The next meeting of the BSO Board will take place on Thursday 31 October 2013 in the BSO Boardroom, 7th Floor, 2 Franklin Street, Belfast at 2.00 pm.

The Chairman thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____