

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The eighty third meeting of the Board of the Business Services Organisation was held on Thursday 24 March 2016 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast, BT2 8DQ.

Present:

Mr Alexander Coleman (Chairman)

Mr Alan Hanna
Mr Greg Irwin
Mr Sean Mahon
Mr Robin McClelland
Mr Gerald Strong

Mr David Bingham (Chief Executive)
Mr Hugh McPoland (Director of HR &CS)
Mr Sam Waide (Director of Operations)
Mrs Andrea Henderson (Acting DOF)

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 Welcome and Opening Remarks**

At the outset of the meeting the Chairman wished to put on record that as this was David Bingham's final Board meeting as Chief Executive of BSO that it has been a privilege to have worked with David as his Chief Executive. Members were advised that Hugh McPoland will act as Interim Chief Executive with effect from Friday 1 April to 24 April 2016. Liam McIvor will formally take up post as Chief Executive on Monday 25 April 2016.

The Chairman advised members that Geraldine Fahy had indicated in correspondence dated 3 March 2016 that she was unable to accept the offer of extension to the term of office of the membership of the Board. He also advised that Geraldine Fahy resigned from the Board with immediate effect on 16th March 2016.

The Chairman informed members that the Department have confirmed that the terms of office for Brian McMurray, Gerald Strong and Sean Mahon have been extended to 30 September 2016. It is expected that the Department will commence a formal recruitment process in the Spring for the appointment of non-executive board members to BSO.

3. **Minutes**

(i) ***Minutes of Meetings held on 25 February 2016***

The minutes of the meeting held on 25 February 2016 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. **Presentation by Dr Damien Fogarty, BSO E Health Adviser**

Dr Damien Fogarty, newly appointed E Health Adviser to BSO, made a presentation to the Board entitled “Generic Lessons from an Early Adopter E Health Specialty”.

5. **Chief Executive’s Report**

The Chief Executive advised that he was pleased to report that ORECNI service and its committees has been rated by the NHS Research Authority as “the most efficient service in the UK in meeting national key performance indicators for timelines to final opinions given in full ethical review (95% within 40 calendar days) proportionate ethical review (95% within 14 calendar days) and review of post approval amendment requests (95% within 28 calendar days”.

Greg Irwin suggested that the Chairman should write to the Head of Orec NI, Dr Siobhan McGrath, to congratulate the Unit on this achievement.

6. **Financial Matters**

(i) ***Finance Update – February 2016 – Paper BSO 27/2016***

The Acting Director of Finance (DOF) presented a summary finance report for the eleven month period ended 29 February 2016. Section 2 of the report provided a summary of the reported income and expenditure position for the period, with an overall surplus stated for the period; the surplus had primarily been generated by Core Services, offset by a deficit within Trading. The report also reflected the outcome of the Latest Best Estimate (LBE3) exercise which indicated a projected year end break even position.

At the invitation of the Chairman the Acting DOF advised members that the Department wrote to BSO in October 2015 requesting savings proposals against the BSO’s RRL funding for 2016/17. BSO responded to the Department in November 2015 outlining the range of measures which could potentially deliver savings up to the maximum level requested. The BSO has now received formal notification of the savings level to be applied to BSO in 2016/17 and a number of savings proposals have not been approved to proceed. Members raised concern about the timing of the confirmation of savings requirements and the level of savings applied to BSO.

It was agreed that a meeting should be arranged with DHSSPS to further discuss the BSO savings requirement for 2016/17.

Members noted the position.

7. **Expansion of Shared Services in BSO**

The Chief Executive tabled the final Feasibility reports to members for information. The reports have now been sent to Trusts, HSCB and PHA for comment.

As well as commissioning Deloitte to produce the feasibility reports the Chief Executive advised that the consultants are in the process of producing a high level project plan to assist BSO planning for implementation. It was recognised that if all three projects were approved by the Minister it would have a profound effect on the business of the BSO.

Members noted the position.

8. **Corporate Balanced Scorecard – Paper BSO 28/2016**

The Director of Customer Care and Performance presented paper BSO 28/2016 setting out the performance of key service areas in the BSO for the period up to 29 February 2016. At the invitation of the Chairman, the relevant Directors briefed members on the rationale of the indicators which were highlighted either amber or red. It was noted that the Corporate Scorecard would be reviewed in detail at a Board workshop later today.

Members noted the Corporate Balanced Scorecard.

9. **Draft Business Plan for 2016/17 – Paper BSO 29/2016**

The Director of Customer Care and Performance presented a further draft of the BSO Business Plan for 2016/17. It was agreed that following the Department's recent communication in respect of the level of RRL savings on BSO, the Plan should be submitted with reference to this matter, highlighting the potential impact on the organisation's ability to deliver against the Plan.

Members approved the draft plan subject to a few minor amendments.

10. **Corporate Risk and Assurance Report – Paper BSO 30/2016**

The Director of Customer Care and Performance presented paper BSO 30/2016 which set out the amendments to the Corporate Risk and Assurance Report during February and March 2016. One new risk has been added to the Register relating to the current delays in the recruitment and selection process which could lead to the failure to meet performance targets. The Chief Executive advised members that he would report in more detail on this matter under Agenda item 12 (i) - SS Highlight Report. In answer to a question from Greg Irwin regarding risk appetite of the organisation Karen Bailey advised that there was a general consensus that in some business areas the corporate appetite for risk is higher in order to meet growth objectives. The risk appetite remains low however in areas such as financial, legal and regulatory and to that end the risk appetite statement included in the Risk Management Strategy would be amended to reflect this.

Members noted the Corporate Risk and Assurance Report.

11. **BSTP Benefits Realisation Project (BRP) Highlight Report – Paper BSO 31/2016**

The Director of Operations presented paper BSO 31/2016 setting out benefits, progress and key issues regarding the BRP project. The Gateway Review for the BSTP programme took place this week. Once the BSO receives the Review Team's report and recommendations, an action plan will be produced for consideration by SMT.

At a recent meeting of the BRP Project Board Trusts advised that they were considering postponing the deployment of the Single Pay Frequency Initiative which was due to commence in May 2016. This matter has now been escalated to the SRO, Julie Thompson for action.

Members noted the position.

12 (i) **Shared Services Highlight Report – Paper BSO 32/2016**

The Chief Executive presented paper BSO 32/2016 setting out an executive summary for the Shared Services project. Members were advised that the Rag Rating for the SS Recruitment process has been changed to Red Status. He advised that following the last meeting of the BSTP Programme Board on 7 March 2016 a decision was made to halt the roll-out of E Recruitment services to Western Trust, NI Ambulance Service and Phase 2 to the SE Trust. Concern was raised at that meeting about the ability of the Recruitment Shared Service to deliver to the SLA targets. SMT consequently took a decision to implement a formal recovery plan process. KPIs are now being produced manually and a Change Request has been implemented with the supplier to enable an automated process to produce KPIs to enable the end to end recruitment process to be managed more pro-actively at both employer and shared services level. A Recovery Team has also been established in SS Recruitment to work on the problem areas, ie workflow processes, management of waiting lists and resolving customer queries and additional staff have been recruited to help with the backlog. The Recovery Plan is a substantive agenda item on SMT every week and is rigorously scrutinised by members. The Recovery Plan has also been circulated to the Trust Assistant Directors of HR and the Department. The Director of HR&CS has also briefed the trade unions on this matter.

Members were also advised that Maxine Paterson has been appointed as Interim Head of Shared Services and her main focus will be on Payroll and Recruitment.

Members noted the position and it was agreed that the Board will be kept regularly apprised of this matter until the situation stabilises.

12 (ii) **Report on BSO Prompt Payment for Period Ending February 2016 – Paper BSO 233/2016**

The Chief Executive presented paper BSO 33/2016 which set out the percentage of invoices paid within 10 working days and within 30 calendar days from April 2014 to February 2016 by the BSO Accounts Payable Department. It was noted that 93.68% of HSC invoices have been paid within 30 calendar days in February 2016 compared to 75.69% in April 2014.

Members noted the position.

13. **FPS Payment Systems Benefits Realisation Report – Paper BSO 34/2016**

The Director of Operations presented paper BSO 34/2016 which set out an overview of progress of the FPS System Implementation Project.

Members noted the position.

14. **Report on Five Year Review of Equality Scheme – Paper BSO 35/2016**

The Director of Customer Care and Performance presented paper BSO 3/2016 which set out the draft report on the Five Year Review of the Equality Scheme and assesses the effectiveness of

the equality scheme in meetings its statutory duties. Members approved the Review Report and congratulated the Equality Unit on the content which will now be submitted to the Equality Commission.

15. Report of BSO Review of Risk Workshop - Paper BSO 36/2016

Members considered paper BSO 36/2016 which set out a summary of the key issues considered at the BSO Board Workshop held on 25 February 2016 to review the BSO's Corporate Risk Register.

16. AOB

(i) *Declaration and Register of Interests Register*

Members were asked to note an amendment to the BSO's Declaration and Register of Interests Register.

(ii) *Corporate Governance Event*

Mr McClelland briefed members on the key issues raised at a Corporate Governance event facilitated by the Chief Executive's Forum titled "Enhancing the Effectiveness of the Corporate Governance – What do you think?"

Members noted the position.

(iii) *David Bingham*

Mr Alan Hanna on behalf of Board members paid tribute to Mr David Bingham in his role as Chief Executive of the BSO and wished him well for the future. Mr Bingham thanked members for their support over the past 7 years.

17. Date of Next Meeting

The next meeting of the BSO Board will take place on Thursday 28 April 2016 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 _____