

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The forty second meeting of the Business Services Organisation was held on Thursday, 25 October 2012 at 2:00pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

Present:

Mr Alexander Coleman (Chairman)

Mr Alan Hanna	Mr David Bingham (Chief Executive)
Mr Greg Irwin	Mr Paddy Anderson (Director of Finance)
Mrs Hilary McCartan	Mr Hugh McPoland (Director of HR&CS)
Mr Robin McClelland	Mrs Teresa Molloy (Director of Operations)
Mr Brian McMurray	Mr Alphy Maginness (Director of Legal Services)
Mr Sean Mahon	
Mr Gerry Strong	

In Attendance:

Mrs Karen O’Loan (Director of Customer Care and Performance)
Mr Shane Devlin (Director of Business Systems Transformational Programme)
Mrs Janine Watterson (Board Secretary)

1. Apology

An apology for absence was received from Mrs Geraldine Fahy.

2. Chairman’s Business

The Chairman informed the Board that Mrs Katrina McMahon, Interim Head of Leadership Centre would be having an orthopaedic operation and would be absent from work for a number of weeks. Maura Devlin, Head of the Clinical Education Centre would be acting up into her position until Mrs McMahon’s return.

The Board noted the position.

3. Minutes

The minutes of the Board meeting held on 27 September 2012 were approved and signed.

4. Matters arising from Minutes

Matters arising from the minutes of the Board meeting held on 27 September 2012 would be covered in today’s agenda

5. Financial Matters

The Director of Finance presented the Finance Report for the six-month period ended 30 September 2012. The overall position for each segment of the organisation was outlined to members. It was noted that the financial report showed that the income and expenditure account

presented a surplus position which had been generated by Core Services along with a small surplus in PaLS, offset by a deficit within managed services. Mr Anderson reported the outcome of the recent Latest Best Estimate (LBE) exercise, which forecast a surplus within breakeven tolerances.

The Director of Finance drew the Board's attention to the Capital Section of his report and highlighted that a commitment had been received from HSCB to fund two scanners within FPS in respect of the Accelerated Payment Project. The Board welcomed this positive outcome.

The Director of Finance also informed the Board that he would be meeting with DHSSPS on 8 November to discuss the BSO's in year financial position.

The Board highlighted various potential costs which may be incurred by the BSO in the current financial year and queried whether these had been considered in the LBE presented. Directors responded to queries raised by the Board in respect of costs within their own service areas.

The Board noted the financial position as at 30 September 2012.

6. Update of Management of Contracts

The Chief Executive gave an update on progress of the PaLS recovery plan. A copy of the fortnightly report that goes to SMT was presented to the Board to illustrate the detailed and wide ranging nature of the issues considered by SMT. The Board noted the report and commended the progress being made. The Board also noted that the Director of Operations had provided an update to the HSC Regional Procurement Board on 9 October 2012 and this was provided at Appendix A of the Recovery Plan.

In response to a question from Mr Hanna, the Director of Finance informed the Board that the potential for a qualification of BSO 2012/13 accounts remained uncertain, but that it would be prudent to assume a further qualification would apply. The Director of Legal Services reminded the Board of a criticism within the NIAO report on 2011/12 regarding prior publication of contract award notices and confirmed contract notices had been published since the last Board meeting and no challenge to the direct awards published had been forthcoming.

7. Update on Gartner Review

At the request of the Chair, the Director of Finance updated the Board regarding the Gartner Review. He reminded members that after attempts to recruit an ITS Transformational Project Director had proved unsuccessful that an alternative approach had now been agreed by SMT. He explained that the Gartner Review fell into five integrated work streams which would now be led by individual Leads. The Leads would report to an overall Project Manager who would report to the Director of Finance. The technical streams of the report would continue to be led by the Director of Customer Care and Performance / ITS. The Chief Executive informed the Board that a Project Initiation Document would be presented to the November Board meeting.

The Director of Customer Care and Performance, reporting on the technical aspects of the Gartner review, advised that work was on-going with many of the priority one recommendations already fully implemented. She further reported that one matter which had come to light through the out workings of Gartner was that a storage strategy was required. Mr McMahon emphasized the need for this requirement to be prioritised.

The Director of Customer Care and Performance continued by providing an update on an incident, previously reported to the Board, in respect of an outage affecting IT services in the HSC. The Director of Customer Care and Performance reminded the Board that as the outage related directly to the datacentre estate, which is the responsibility of the Belfast Trust she had written formally to the Head of Estates in the Belfast Trust requesting that BSO is provided with a root cause analysis and an assurance that all steps were being taken to prevent a recurrence. An independent review of this incident was also requested. The Belfast Trust had responded by proposing a new design which would put in place a separate power supply for each Uninterrupted Power Supply (UPS) rather than the present dual supply. The Trust further proposed that the new design would be implemented by the Trust within the next two weeks. Further, the Director of Customer Care and Performance advised that, to date, the Trust had not provided an assurance that an independent review would be undertaken.

The Board considered this proposal and agreed that in order to mitigate any further risk of a serious adverse incident the BSO had no option but to proceed with the proposed redesign. The Board however requested that the BSO continue to insist for an independent review to be undertaken. During discussions it came to light that the Belfast Trust had not declared this incident as serious. The Chair requested that BSO write to the Chief Executive of the Belfast Trust expressing disquiet at this omission. The Board also noted that the DHSSPS were also being kept informed of this matter.

A discussion ensued on the timing and impact on customers in implementing the new design. The Director of Customer Care and Performance responded by advising that work on the new design could not commence until mid- November as a number of parties were involved in the process. The timing also enabled BSO to advise customers of the downtime which was essential and which would take place over a weekend.

The Chair enquired how this aspect of the work would be managed within the Gartner Review as it was outside the control of the BSO. The Chief Executive advised that it would be managed by the Gartner Sub Group. The Director of Customer Care and Performance added that it was her intention to present medium and long term plans for the relocation of datacentres to the Gartner Sub Group for consideration.

In conclusion, the Director of Customer Care and Performance informed the Board that all recommendations within the ITS Backup and Recovery Internal Audit Report were fully implemented.

The Board noted the position.

8. Corporate Balanced Scorecard

This Agenda item and sub agenda items under this heading were deferred until the next meeting.

9. Payment to Community Pharmacists – Accelerated Payment Project

The Director of Operations presented a paper entitled Payment to Community Pharmacists – Accelerated Payment Project. The paper provide an update for the Board on the Accelerated Payment Project which was introduced after completion of a consultation exercise by HSC on changes to the Current ‘Special Advance’ payment to community pharmacists.

The Director of Operations informed the Board that the paper gave a flavour of the different strands involved in the Project and how these must all be progressed together to enable the project to be successful.

The Director of Operations, referring to her report, highlighted a number of risk areas within the project. The Board noted that some of these risks were outside the control of the BSO. The Director of Operations also highlighted a number of changes required to FPS systems and workforce planning to deliver this Project. It was also noted that substantial benefits would be realised upon successful delivery of the project.

In response to a question from Mrs McCartan, the Director of Operations reported that, presently, sufficient resources were in place in respect of this Project however there was a regular assessment of risk and likelihood of success as the project moves forward, through the project board structure. The Director of Operations also informed the Board that all potential difficulties raised in her paper presented to the Board would also be reported to the Implementation Board.

At the request of the Board, the Director of Operations agreed to write to staff to thank them for the work undertaken thus far and acknowledging the challenges which lay ahead in this Project.

The Chief Executive informed the Board that this Project would be a standing Agenda Item on the Board Agenda until full implementation of the Project.

The Board noted the position.

10. Draft 2012/13 BSO Mid Year Assurance Statement

The Director of Finance presented the draft BSO Mid Year Assurance Statement for 2012/13 for approval. He explained that the Statement had previously been reviewed by SMT and the GAC and that all proposed amendments had been included. He also informed the Board that a draft Statement had already been forwarded to the Department on 19 October 2012 in line with Departmental deadlines.

The Board approved the draft Mid Year Assurance Statement with the proviso that some reference is included to the Board led Gartner Review Sub Group and also that regular reports are received by the Board in respect of Management of Contracts.

The Director of Finance undertook to arrange for the necessary amendments to be made.

11. Revisions to Standing Orders and Standing Financial Instructions

This Agenda item was deferred until the next meeting.

12. BSTP Update

The BSTP Programme Director reported that the Finance Procurement and Logistic (FPL) systems went live in the BSO on 15th October. He reported that while that some teething problems had been experienced with logistics these were currently being addressed and overall the system is functioning, as anticipated, within the real environment. The BSTP Programme Director paid tribute to the phenomenal effort by all staff involved in this Project and in particular Andrea Henderson, Assistant Director of Finance and Stephen Macartney who been present during the pre Go Live weekend.

Mrs McCartan proposed, and the Board agreed, that the Chief Executive should write to all staff involved in the implementation of FPL to acknowledge the efforts made in reaching this milestone.

The Board noted that the Western and Belfast Trusts and the regional bodies will Go live on 5 November. The BSTP Programme Director highlighted considerable difficulties in engaging staff in training in respect of the new systems and this is currently being addressed.

In respect of Shared Services, the Director of Operations reported that a Head of Payroll had been pointed. She also reported that Roisin Johnston from PWC had been appointed interim Assistant Director of Shared Services through a staff substitution scheme. Finally, the Director of Operations reported that a high number of applicants had been received in respect of other senior posts within Shared Services, with the exception of two posts.

The Board noted the position.

13. Review of BSO HR Policies

The Director of Human Resources and Corporate Services presented a number of policies for approval: Code of Conduct, Equality of Opportunity, Zero Tolerance Policy, Drugs and Alcohol, Flexible Working, Dealing with Capability/Competence, Employment Break Scheme and Special Leave.

The Director of Human Resources and Corporate Services reported that the original policies had previously been presented to the Board with a review date of 2012. These policies had now been refreshed following review by HR staff; consultation had also taken place with trade unions. The Director of Human Resources and Corporate Services highlighted that while the layout and format of the policies had changed no fundamental amendments to policy had been made. The Director of HRCS also highlighted that a change of title had been made to the '*Dealing with Incapability/Incompetence*' policy which is now entitled '*Dealing with Capability/Competence*'.

In response to a question from Mr McClelland in respect of paragraphs 3.1 and 3.2 of the Dealing with Capability/Competence Policy, the Director of Human Resources and Corporate Services agreed to amend this policy to further clarify that the line manager decides on whether informal or formal action is to be taken.

The Board approved all HR policies presented subject to the amendment raised above.

14. HR and Corporate Services Report

This Agenda item was deferred until the next meeting.

15. Business Continuity Plan

The Director of Human Resources and Corporate Services presented the BSO Business Continuity Plan which had been updated in accordance with the BS Standard and operational requirements.

The Board approved the Business Continuity Plan subject to a minor amendment at paragraph 3.9.

16. Governance and Audit Committee

The Board noted the Governance and Audit Committee minutes of 21 August 2012.

17. Any Other Business

(i) NIAO Report: The Safety of Services Provided by Health and Social Care Trusts

The Director of Legal Services highlighted a recently published NIAO report which examined the Safety of Services provided by Health and Social Care Trusts. He advised that the report comments on the work carried out within the Directorate of Legal Services. The Director of Legal Services provided a brief synopsis of the findings in relation to DLS.

The Board agreed that this report should be brought back to the next meeting as a formal agenda item for further discussion.

All BSO Directors left the meeting.

(ii) Senior Executive Pay Monitoring 2011/12 Pay Award.

The Board considered the Senior Executive Pay Monitoring 2011/12 Award which had previously been presented by the Director of Human Resources and Corporate Services to the Remuneration and Terms of Service Committee for noting.

The Chair updated the Board on discussions at the Remuneration and Terms of Reference Committee in relation to the above and this view was endorsed by the Board. As a consequence, the Chair undertook to sign off the Senior Executive Pay Monitoring 2011/12 Award declarations.

Chair

Chief Executive

Date _____