

HSC BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The forty first meeting of the Business Services Organisation (BSO) was held on Thursday 27 September 2012 at 2.00 pm in the Lecture Theatre, The Old Courthouse, Antrim.

Present

Mr Alexander Coleman (Chairman)

Mrs Geraldine Fahy

Mr David Bingham (Chief Executive)

Mr Alan Hanna

Mr Paddy Anderson (Director of Finance)

Mr Greg Irwin

Mr Hugh McPoland (Director of HR&CS)

Mrs Hilary McCartan

Mrs Teresa Molloy (Director of Operations)

Mr Robin McClelland

Mr Brian McMurray

Mr Sean Mahon

Mr Gerry Strong

In Attendance

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

Miss Amanda Mills (Secretary to the Board)

1. **Apologies**

An apology for absence was received from Shane Devlin.

2. **Chairman's Business**

The Chairman informed members of an incident which occurred on 26 September 2012 which resulted in an outage affecting IT services in the HSC. The Director of Customer Care and Performance stated that the problem resulted from a mechanical fault in the power supply in the Royal Hospital site. This event led to considerable disruption when applications and services had to be failed over to the working Data-Centre and recovered to normal operation which is a complex, resource intensive and time consuming process involving multiple third parties and Information Technology staff. Additionally a number of regional systems had to be manually failed over which caused significant disruption for the whole HSC.

It was recognised that the outage was not the fault of BSO and it was agreed that as a matter of urgency the Director of Customer Care and Performance would write to the Head of Estates in the Belfast Trust expressing the Board's concerns and also asking for a detailed report on this latest incident. It was also agreed that an independent review should be undertaken of the overall environment design, testing and operational regime which should identify areas of weakness and/or provide assurance of the overall resilience of the environment.

It was agreed that the Director of Customer Care and Performance would keep members apprised of progress in this matters.

Members noted the position.

3. **Minutes**

(i) *Minutes of Meeting held on 30 August 2012*

The minutes of the Board meeting held on 30 August 2012 were agreed subject to a few minor amendments. Once these amendments are made the Chairman will sign the minutes.

4. **Matters Arising from Minutes**

(i) *Action Sheet arising from Minutes*

The actions arising from the BSO Board meeting held on 30 August 2012 were noted by members.

The Chairman confirmed that a briefing session on the Code of Conduct and Accountability for Board members has been arranged for 11.30 am on Thursday 29 November 2012 in the Leadership Centre prior to the Board meeting which is scheduled to commence at 2.00 pm on 29th.

5. **Financial Matters**

(i) **Finance Update**

The Director of Finance presented the Finance Report for the five- month period ended 31 August 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 for the period ended presented a surplus position which had been generated by core services and offset by a deficit in managed services. Mr Anderson advised members that a Latest Best Estimate (LBE) exercise will be undertaken during the month of October in order to provide a best estimate of year end out-turn.

The Director of Finance informed members that the Department have approved two further capital expenditure bids for 2012/13 iro Electronic submission of Claims (FPS) and a Telephony System (ITS) amounting to £151k and £140k respectively.

Members noted the summary finance report.

6. **Update on Management of Contracts**

The Chief Executive presented paper BSO 69/2012 which updated members on the issues raised in the Management of Contracts Internal Audit report which provided a Limited Assurance and resulted in a qualified regularity opinion in respect of the BSO's 2011/12 Accounts. Members were advised that to date approximately 30 direct award contracts from 18 tenders have now been replaced with awards from competitive tender processes.

As previously advised SMT commissioned Internal Audit to commence work on the audit of all PaLS Recovery Plan activity and presents reports on a regular basis to SMT. To date Internal Audit has reviewed a large number of contracts and have concluded that "no significant issues have been identified to date relating to activity outside valid contract terms".

The first meeting of the Procurement Oversight Group (POG) took place on 4 September 2012 where the BSO's Action Plan was considered. The Department have asked the BSO for an assurance that all compliant contracts remain compliant and that mainstream tendering activity is kept up to date. Arrangements have now been put in place to incorporate and report on this activity to SMT.. The Chief Executive advised that the next meeting of POG will take place on 29 October 2012.

Teresa Molloy advised members that she had recently been invited to attend with a meeting between DHSSPS officials and the Department Solicitor's Office on STAs. She will brief members on any outcomes which might have an impact on the BSO 2012/13 annual accounts.

Mr McMurray stated that despite the limited assurance on the Management of Contracts he would like to congratulate the Chief Executive and his team on the significant amount of work that has been undertaken with the recovery plan process.

The Chief Executive offered to bring a detailed briefing to the October Board meeting.

Members noted the position.

7. **Update from Board Sub-Group re Gartner**

The Chairman informed members that BSO has still not been successful in recruiting a ITS Project Director and to that end it had delayed a number of actions outlined in the Gartner Review. The BSO is now considering an alternative option to appoint a suitable candidate. A Project Initiation Workshop is scheduled to take place on 9 October 2012 where personnel from Gartner will be in attendance.

It was noted that the Gartner sub-group were pleased to note the progress on a number of the technical recommendations that had been taken forward internally by the ITS team.

Members noted the position.

8. **Corporate Balanced Scorecard**

The Director of Customer Care and Performance presented paper BSO 71/2012 setting out the performance of key service areas in the BSO for the period up to 31 August 2012.

At the invitation of the Chairman the relevant Directors briefed members on the rationale of the indicators which were highlighted either amber or red. In particular the Director of Operations advised that the target/measure iro Dental payment failure rate has been revised following agreement with the Department.

The individual scorecard for Family Practitioner Services was presented by the Director of Operations. It was noted that 65% of prescription items processed are now auto-coded and it is hoped that this figure will increase to 67% by the end of September. With regard to the Bowel Screening Project Mrs Molloy advised that the eligibility age range will be increased to 75.

Members noted the information contained within the Corporate Scorecard.

9. **Corporate Risk and Assurance Report 2012-2013**

The Director of Customer Care and Performance presented paper BSO 72/2012 which set out amendments to the Corporate Risk Register following a comprehensive review of the Register by SMT during the period June – August 2012. The paper also outlined progress made to date on risk actions.

It was noted that there were no new risks added to the Register however a number of risks have been revised and one risk has been archived; “Demands placed on services within the BSO, therefore impact on staff, cannot be met by current capacity, systems and structures”

Members noted the Corporate Risk and Assurance Report for 2012/2013.

10. **Term of Office for and Reconstitution of the Statutory Family Practitioner Services Pharmaceutical Committee**

Members considered paper BSO 73/2012 which set out revised arrangements concerning the reconstitution of the FPS Pharmaceutical Committee resulting from the reconfiguration of the HSC. The paper also requested the Board approval of the following recommendations:-

- (i) A term of office of four years be set for the Pharmaceutical Committee;
- (ii) Pharmaceutical Committee members should serve a maximum of two consecutive terms of office;
- (iii) The persons named in the appendix to paper 73/2012 be asked to form a new Pharmaceutical Committee.

The Committee considered and agreed the recommendation set out above.

11. **BSTP Update**

In the absence of the BSTP Programme Director, the Chief Executive updated members on recent developments regarding the BSTP Project. The Finance, Procurement and Logistics project is scheduled to “go live” in mid October and a huge amount of work is being undertaken in advance of this event. User Acceptance Testing (UAT) iro Human RPTS has been postponed until mid October and BSO is scheduled to “go live” in mid November 2012. The delay to the commencement of UAT may mean that the November go live date for BSO may not be achievable. There are concerns about the delays in the suppliers responses to design and testing issues but the BSTP Team are forging ahead to bring this project to a successful conclusion and ensure that the core systems will be fit for purpose.

The recruitment process is underway with for the Senior Shared Services posts and members were appraised on the interview process.

Members noted the position and wished all the officers involved success in meeting the timescales.

12. **Any Other Business**

There was no any other business.

13. **Date of Next Meeting**

The next meeting of the BSO Board will take place at 2.00 pm on Thursday 25 October 2012 in the Boardroom, BSO Headquarters, 2 Franklin Street, Belfast.

The Chairman thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____