

**BUSINESS SERVICES ORGANISATION**

**Minutes of Proceedings**

The sixty third meeting of the Business Services Organisation was held on Thursday 26 June 2014 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast, BT2 8DQ.

**Present:**

Mr Greg Irwin (Acting Chairman)

Mrs Hilary McCartan  
Mr Robin McClelland  
Mr Brian McMurray  
Mr Gerald Strong

Mr David Bingham (Chief Executive)  
Mr Patrick Anderson (Director of Finance)  
Mr Sam Waide (Director of Operations)

**In Attendance:**

Mr Alphy Maginess (Chief Legal Adviser)  
Mrs Karen Bailey (Director of Customer Care and Performance)  
Miss Amanda Mills (Board Secretary)  
Ms Paula Sheils (in attendance for agenda item 10)

1. **Apologies**

Apologies for absence were received from Alexander Coleman, Geraldine Fahy, Alan Hanna, Sean Mahon and Hugh McPoland.

2. **Chairman's Business and Welcome Remarks**

There was no Chairman's Business.

3. **Minutes of Meeting held on 29 May and 12 June 2014**

The minutes of the meetings held on 29 May and 12 June 2014 were agreed as a true and accurate record of proceedings.

4. **Matters Arising from Minutes**

(i) ***Action Sheet arising from Board Meeting held on 29 May 2014 (Paper BSO 62/2014)***

The actions arising from the BSO Board meeting held on 29 May 2014 were noted by members.

(ii) ***Action Sheet arising from Board Meeting held on 12 June 2014 (Paper BSO 63/2014)***

The actions arising from the BSO Board meeting held on 12 June 2014 were noted by members.

5. **Financial Matters**

(i) ***Finance Report – May 2014 – (Paper BSO 64/2014)***

The Director of Finance presented a summary finance report for the two month period ended 31 May 2014. He explained that the report is in summary form as a budget for the Organisation has as yet to be formally considered and approved by the Board. It was also noted that the draft budget for 2014/15 is on the agenda for today's meeting. Section 2 of the report provided a summary of the reported income and expenditure position which highlighted a small surplus. This surplus has primarily been generated by core services offset by deficits in Pals and Managed Services (Healthy Start). The Balance Sheet as at 31 May 2014 was also presented and discussed.

Members noted the position.

(ii) **Draft Budget for 2014/15 – (Paper BSO 65/2014)**

The Director of Finance presented paper BSO 65/2014 which set out the draft budget for BSO for the 2014/15 financial year. Mr Anderson briefed members on the process used to formulate the budget which incorporated the production of detailed zero based budgets for all BSO Directorates and linked closely with the production of the BSO Service Offering. He advised that once approved the budget would form the basis upon which the BSO will establish its detailed revenue income and expenditure budgets for 2014/15 along with its capital expenditure budget for the financial year. A budgeted breakeven position for 2014/15 was noted by members. It was also noted that the Capital Expenditure bids for 2014/15 which were previously considered by SMT have all been approved by the Department. Members welcomed the fact that the capital bids were approved so early in the financial year and the Director of Finance stated that it is crucial that BSO rolls out these projects expeditiously to ensure the funding is spent in full by year-end.

Discussion ensued regarding Section 2 of the budget paper and the range of possible scenarios presented in respect of 2015/2016. It is envisaged that the Department will issue further guidance in the Autumn on planning for 2015/16.

Members were also alerted to the fact that there was a possibility that the Department may seek further cash efficiencies in the current financial year, as occurred in 2013/14. Mr Anderson advised that he will keep members apprised of the situation.

Members approved the budget for 2014/15.

6. **Chief Executive's Report**

(i) ***Benefits Realisation Project Manager Post***

Following a recruitment exercise this month the post has been offered to a candidate and subject to confirmation.

(ii) ***Honest Broker Service (HBS)***

The Minister formally launched the HBS on 20 June 2014 and the event was very well attended.

(iii) *Attendance at Health Committee*

The Chief Executive briefed members on his attendance along with Julie Thompson, SRO, BSTP at the Health Committee on 4 June 2014 to answer questions on payroll issues.

(iv) *BSO's Year End Accountability Review Meeting with Department*

The Chairman, Chief Executive, Director of Finance and Director of Customer Care and Performance attended a year end accountability review meeting with the Department on 20 June 2014 and those present briefed members on the significant issues raised at the meeting. Members sought further information on items covered at the meeting and there was discussion on several of these. It was suggested and agreed that it would be beneficial to trial a summary report explaining those indicators with red ratings.

(v) *Investigation Report following Discovery of a Bundle of GP Records in West Belfast*

The Chief Executive informed members of an incident relating to the discovery of a sealed pouch containing GP records in West Belfast on 4 June 2014. The pouch was handed into a local newspaper who contacted the BSO advising that they were in possession of the pouch and were in the process of publishing an article in respect of the incident. BSO immediately made arrangements to collect the pouch from the Newspaper's premises and initiated an urgent investigation. The delivery and collection of GP records is provided by a courier firm and following discussions with the company a number of enhanced actions have been implemented which include that all items collected from BSO will be tracked and a barge board will be fitted into the back of the courier van's vehicles to prevent parcels falling out. It was agreed that members will be updated on this matter at the August Board meeting.

(vi) *Notice to Ballot Members – NIPSA*

BSO has received notification from NIPSA of a dispute regarding grading and the structure within Payroll Shared Services and its intention to ballot members who work in Shared Services Payroll about Industrial Action. The Director of Human Resources will commence exploratory talks with NIPSA as a matter of urgency.

7. **Implementation of BSTP in BSO**

The Chief Executive advised that there still remain on-going problems with the transition of shared services payroll. In particular there were major issues relating to the introduction of revised superannuation contributions which should have been implemented in April 2014 but were delayed until June payroll. All staff were notified of the delay in implementing the increased superannuation deductions and advised that the backdated deductions would be taken out of their salary in June once the system was stabilised. With regard to the roll-out of June payroll, to date the position is looking optimistic however issues still remain outstanding regarding the submission of manual timesheets from staff in the Western Trust. A further meeting has been arranged with the Trust to try and resolve these issues.

With regard to Accounts Payable the backlog of invoices is continuing to decrease however as advised at the May Board meeting BSO is returning any backdated invoices to the Trusts.

An E Recruitment Roadmap Workshop took place with the Supplier and Trusts in early June to look at the issues being faced with the E-Rec system as part of the pilot go-live for BSO and what needs to be done to resolve those issues.

Members noted the position.

8. **Corporate Risk and Assurance Report 2014/15 – (Paper BSO 67/2014)**

The Director of Customer Care and Performance presented paper BSO 67/2014 which set out the amendments to the Corporate Risk Report by SMT during the period April – June 2014. It was noted that SMT reviewed the report at its meeting on 11 June 2014 to ensure that proportionate risk actions had been identified.

Members noted the position.

9. **Corporate Balanced Scorecard (Paper BSO 68/2014)**

The Director of Customer Care and Performance presented paper BSO 68/2014 setting out the performance of key services areas in the BSO for the period up to May 2014.

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 May 2014.

10. **Update on the FPS Replacement System – (Paper BSO 69/2014)**

The Acting Chairman welcomed Ms Paula Sheils, Head of FPS to the meeting. Ms Sheils referred to Paper BSO 69/2014 which gave a report of the current status of the implementation of the FPS Replacement Project. It was noted that “Go-live” for the Pharmaceutical element of the Project is planned for July, with the first payment calculated by the new system being paid to contractors at the end of August. It was also noted that a delay is envisaged for the Dental element of the project which affects the costs attributed to Fujitsu and Parity contracts (the suppliers of the current Dental payment service). A “worst-case scenario” projected overspend of £244k for the overall project has been calculated but the final overspend figure is subject to further discussions with suppliers and to expenditure within the Project’s budget. An addendum to the original Business Case will be furnished to the HSCB in respect of the final overspend, as they are the commissioners of this project. It was also noted that overtime costs for FPS staff involved in the Project were not included in the original business case and it was agreed that BSO should approach the HSCB to request funding for this.

It was agreed that this matter should become a substantive agenda item every month. .

Members noted the position.

11. **Report of Complaints Sub Group – (Paper BSO 70/2014)**

Mr Strong, Chairman of the Complaints Sub Group, presented paper BSO 70/2014 which set out the findings of the Board sub group established to look at the handling of complaints. In particular he referred members to the four recommendations made by the group which included awareness training for staff on complaints and ensure that the BSO Complaints policy is fit for

purpose. It was agreed that a further update report would be presented to the Board in September 2014.

The Chief Executive thanked the Board sub-group for their time and effort spent on producing this report.

12. **Transfer of Responsibility for Internal Audit to BSO Director of Finance – (Paper BSO 71/2014)**

The Chief Executive presented paper BSO 71/2014 seeking the Board's approval that the transfer of responsibility for the provision of Internal Audit Services be moved from the Director of Customer Care and Performance to the Director of Finance with effect from 1 July 2014. He advised that as agreed at the March 2014 Board meeting he wrote to key stakeholders on this proposed change and no objections or concerns were raised. Members were also advised that the Director of Customer Care and Performance will take formal responsibility for the provision of the Honest Broker Service (HBS).

Members endorsed the Chief Executive's recommendation of the proposed transfer of responsibility arrangements outlined above.

13. **Counsel Panels – (Paper BSO 72/2014)**

The Chief Legal Adviser presented paper (BSO 72/2014) setting out the implementation of the appointments process iro Counsels Panel with an implementation date of 1 January 2015. Members were reminded that DLS introduced this initiative in 2010 for a period of five years.

Members noted the position.

14. **Annual Progress Report 2013/14 to the Equality Commission – (Paper BSO 73/2014)**

The Director of Customer Care and Performance presented the Annual Progress Report on the implementation of Section 75 of the NI Act 1998 and Section 49A of the Disability Discrimination Order to the Equality Commission for 2013/14 for members' approval.

The Annual Review was approved by members subject to a few amendments suggested by members.

15. **Governance and Audit Committee (GAC)**

(i) ***Report from GAC Meeting held on 6 June 2014 – (Paper BSO 74/2014)***

The Chairman of the GAC presented Paper BSO 74/2014 which set out the key issues considered at the GAC meeting held on 6 June 2014.

Members noted the contents.

16. **AOB**

(i) ***Gartner Sub Group***

The Director of Customer Care and Performance advised that the Gartner Sub Group held a

further meeting on 26 June 2014 where the main item for discussion centred on the provision of an update on Third Copy back up issues and consideration of an option appraisal document on Post Disaster Recovery of ICT Services and Supporting Infrastructure. Members were advised that the sub group will meet again in September 2014.

17. **Date of Next Meeting**

The next meeting of the BSO Board will take place on Thursday 28 August 2014 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

The Acting Chairman thanked everyone for attending and closed the meeting.

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Chair

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Chief Executive

Date \_\_\_\_\_