

BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The eighty fourth meeting of the Board of the Business Services Organisation was held on Thursday 28 April 2016 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast, BT2 8DQ.

Present:

Mr Gerald Strong (Acting Chairman)

Mr Greg Irwin

Mr Robin McClelland

Mr Brian McMurray

Mr Liam McIvor (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**

Apologies for absence were received from Alexander Coleman, Alan Hanna and Sean Mahon.

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

Mr Irwin on behalf of members formally welcomed Mr Liam McIvor to his first Board meeting as Chief Executive and wished him well in his new post.

Mr McIvor thanked members for their best wishes and advised that he was looking forward to his new role.

3. **Minutes**

(i) ***Minutes of Meetings held on 24 March 2016***

The minutes of the meeting held on 24 March 2016 were agreed as a true and accurate record of proceedings and were signed by the Chairman.

4. **Matters Arising from Minutes**

(i) ***Extension of Non-Executive Directors' Terms of Office - Minute 2 Refers***

It was noted that the Department has formally written to Mr McMurray, Mr Mahon and Mr Strong advising that the Minister has approved the extension of their appointments as non-executive members of the BSO for a further six months with effect from 1 April 2016 – 30 September 2016.

5. Chief Executive's Report

It was noted that as Mr McIvor had only formally taken up post on Monday 25 April 2016 there would be no matters raised under this agenda item for this meeting.

6. Financial Matters

(i) Finance Report – March 2016 – Paper BSO 37/2016

The Acting Director of Finance (DOF) presented a finance report for the year ended 31 March 2016 which set out the provisional outturn position on income and expenditure as well as the Balance Sheet and Capital position for the 2015/16 financial year.

Section 2 of the report provided a summary of the reported income and expenditure position for the year ended with an overall surplus which the Acting Director of Finance reported is within breakeven tolerances. She advised that the surplus is less than that reported in the latest LBE2 exercise, primarily due to a small number of adjustments incorporated within the provisional income and expenditure position. The surplus has primarily been generated by core services offset by a deficit within Managed Services, BSTP and PALs Trading.

The Finance department are currently finalising the draft annual accounts for 2015/16 which are due for submission to NIAO and DHSSPS in early May for audit scrutiny. The Accounts will subsequently be presented to a special Board meeting scheduled to take place on 14 June 2016 for formal approval.

The budget build process for 2016/17 is in progress. Draft zero based budgets have been prepared for each operational area and have been subject to scrutiny at formal budget meetings attended by the Acting DOF and the relevant Director. A copy of the BSO Service Offering for 2016/17 was appended to the Finance Report for members' perusal and in particular attention was drawn to Annex 1 of the document which set out the planned cash releasing and productivity efficiencies for the financial year.

As agreed at the March Board meeting the Acting DOF met with the Department's DOF to discuss the BSO savings requirement for 2016/17. The Chief Executive subsequently wrote to the Permanent Secretary expressing the BSO's disappointment on the Department's decision and particularly the short notice in confirming the level of savings being applied to BSO. To date the Department have not responded to this correspondence.

Members noted the position.

7. Expansion of Shared Services in BSO

The Director of Human Resources informed members that the Trusts have submitted comments on the feasibility reports on ICT, Business Intelligence and Regional Employment Banks. The responses were consequently collated and sent to the Department along with an overarching programme plan to take this matter forward.

Members were also updated on the expansion of the shared services project in relation to provision of corporate services for ALBs. The proposed start date for full implementation of this service is scheduled for 1 July 2016.

Members noted the position.

8. **Corporate Balanced Scorecard – Paper BSO 38/2016**

The Director of Customer Care and Performance presented paper BSO 38/2016 setting out the performance of key service areas in the BSO for the period up to 31 March 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.

Members noted the Corporate Balanced Scorecard.

9. **Final Draft Business Plan for 2016/17 – Paper BSO 39/2016**

The Director of Customer Care and Performance presented a further draft of the BSO Business Plan for 2016/17. Following the March Board meeting the Department's Sponsor Branch suggested further amendments to the Plan which were duly actioned. The Department wrote to BSO on 21 April 2016 confirming that they were content that all the issues raised by them had been incorporated into the revised version.

Members approved the final draft of the Business Plan for 2016/17.

Mr McMurray took the opportunity to raise concern about the Recruitment Shared Services internal audit report which was presented to the GAC meeting on 15 April 2016; the report had received an unsatisfactory assurance. The Chief Executive advised that a formal recovery plan for recruitment services has been implemented and progress is being monitored by SMT on a weekly basis.

10. **Draft Annual Report for 2015/16 – Paper BSO 40/2016**

The Director of Customer Care and Performance presented the draft Annual Report for 2015/16 in text format only. She advised that the final version of the report will be presented to the June Board meeting along with the Annual Accounts for 2015/16. Members approved the draft report subject to a number of amendments.

11. **BSTP Benefits Realisation Project (BRP) Highlight Report – Paper BSO 41/2016**

The Director of Operations presented paper BSO 41/2016 setting out benefits, progress and key issues regarding the BRP project.

The BRP Initiative will now continue due to the delay in the implementation of Single Pay Frequency project.

Members noted the position.

12 (i) **Shared Services Highlight Report – Paper BSO 42/2016**

The Director of Human Resources and Corporate Services presented paper BSO 42/2016 setting out an executive summary for the Shared Services project. In light of the Internal Audit Report on Payroll, which had received a Limited Assurance, SMT had allocated resources for the establishment of a Quality Control Team to improve the automation processing aspect of the payroll function. Relevant payroll staff will also be trained on Lean Management facilitated by the Leadership Centre.

As discussed earlier at the meeting SMT is monitoring the SS Recruitment Recovery Plan on a weekly basis and significant progress has been made. Following discussions with the HR Directors of Trusts a Task and Finish Group has been established which meets on a fortnightly basis and are looking at standardising some of the key recruitment processes, eg the procedure for the management of waiting lists.

It was acknowledged that BSO is addressing the issues in Payroll and Recruitment pro-actively and it was agreed that this matter will be reported to the Board on a regular basis.

12 (ii) **Report on BSO Prompt Payment for Period Ending March 2016 – Paper BSO 43/2016**

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 March 2016 by the BSO Accounts Payable Department. It was noted that 93.59% of HSC invoices have been paid within 30 calendar days in March 2016 compared to 75.69% in April 2014.

Members noted the position.

13. **FPS Payment Systems Benefits Realisation Report – Paper BSO 44/2016**

The Director of Operations presented paper BSO 44/2016 which set out an overview of progress of the FPS System Implementation Project. Further UAT is continuing on the Dental Portal and is scheduled for completion and go live in early May. A number of early adopter dental practices have been identified to use the portal. A number of faults have been identified following the UAT of the Pharmacy portal. A pharmacy deployment group has been established with CPNI and the inaugural meeting took place on 21 April 2016. A number of investment proposals have been submitted to HSCB to enhance the production of management reports on FPS.

Members noted the position.

14. **GAC**

(i) ***Report of GAC Meeting held on 15 April 2016 – Paper BSO 45/2016***

The Chair of GAC presented paper BSO 45/2016 setting out a summary of the key issues which were considered at the GAC meeting held on 15 April 2016. A number of Internal Audit Reports were reviewed by the Committee and members were asked to note that the Leadership Centre had received a limited assurance in respect of the Associates List and Procurement. The Chief Executive advised that he is meeting with the Head of the Leadership Centre to go through

the audit recommendations. Members noted the minutes of the GAC meeting held on 12 January 2016.

(ii) **2015/16 Draft Governance Statement – Paper BSO 46/2016**

The Acting Director of Finance presented a further draft of the Governance Statement for 2015/16. It was noted that the Statement will remain in draft and may be subject to amendment until Board approval on 14 June 2016.

Members noted the draft Governance Statement for 2015/16.

15. **Business Committee**

(i) ***Report of Business Committee Meeting held on 11 April 2016 – Paper BSO 47/2016***

Mr Greg Irwin, Chair of the Business Committee presented paper BSO 47/2016 setting out a summary of the key issues which were considered at the Business Committee meeting held on 11 April 2016. A revised terms of reference for the Business Committee was presented to members whereby a number of amendments were suggested. A further draft will be presented to the next meeting on 23 May 2016. The Board Governance 2015/16 Self Assessment Questionnaire was considered and the status report for each of the different elements of the Self Assessment was broadly endorsed by members; the proposed case study was also supported by members. The AD of HR made a presentation on the results emanating from Regional HSC Staff Survey for 2015. Business Committee members were of the view that this presentation should be made at some point in the future to the full BSO Board.

Members noted the Report of the Business Committee meeting held on 11 April 2015.

(ii) **Board Governance 2015/16 Self Assessment – Paper BSO 48/2016**

Members considered and approved, subject to a few minor amendments, the Board Governance 2015/16 Self Assessment.

16. **Annual Business Plan Performance Report, Period Ended 31/3/2016 – Paper BSO 49/2016**

The Director of Customer Care and Performance presented paper BSO 49/2016 setting out a summary exception report on the performance against the Annual Business Plan for 2015/16 as at 31 March 2016. It was noted that by year end 93.1% of the actions within the Business Plan were reported as complete within the agreed tolerance level.

17. **SAI Report**

The Director of Human Resources and Corporate Services briefed members of a Serious Adverse Incident relating to the Call and Recall Service in the FPS Bowel Screening Unit. The incident occurred following the installation of a new software upgrade to the system and affected a small number of patients. Remedial action was taken immediately by FPS and a root cause analysis exercise is planned to take place in the first week in May. Both the Department and HSCB have been informed.

Members noted the position.

18. **AOB**

(i) ***NIFRS***

The Director of Customer Care and Performance advised members that NIFRS Resource Committee have confirmed that they would accept and recommend the proposal for endorsement by NIFRS Board into provision of ITS services. The IT staff based in NIFRS will TUPE across to BSO.

(ii) ***Andrea Henderson***

The Chairman on behalf of members advised members that Wendy Thompson formally takes up post on 2 May 2016 as Director of Finance and to that end wished to put on record the Board's thanks to Andrea Henderson for her commitment and diligence over the past year as Acting Director of Finance.

19. **Date of Next Meeting**

The next meeting of the BSO Board will take place on Thursday 26 May 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 _____