

UK Shared Business Services Ltd

Minutes of the 72nd UK SBS Board Meeting held at Polaris House, Swindon on Tuesday 24th January 2017 commencing at 2.00pm.

Attending:

Board Members:		UK SBS Executives:	
Tim Knighton (Chair)	TK	Tim Jones, Finance Director	TJ
Carol Bernstein	CB	John Arnott, Corporate Services Director	JA
Anne Dixon (dialled in)	AD	Caroline Jenkins, Company Secretary	CJ
Joanna Brigham	JB	Gavin Foxall, CPO	GF
Emma Floyd	EF		
Hilary Reynolds	HR		
Chris Pope	CP		
Nolan Smith	NS		

Apologies:

Roger Taylor, PAM Director	RT
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A. CLOSED SESSION

A1. There was a closed session of the Board with the Company Secretary in support.

Actions:

- **A note outlining the Procurement governance arrangements to be provided to Board, to include accountability, cost benefit, contractual position, risk and liability.**

Items were discussed in the sequence they are recorded in the minutes

1. WELCOME (SBS 001-17, SBS 002-17)

1.1 The Chair opened the Board meeting at 2.00pm and welcomed all in attendance.

1.2 The minutes of the meeting held on 24 November 2017 were agreed.

1.3 There were no declarations of conflicts of interest relating to any matter on the agenda.

1.4 The Board considered the action log, noted the completed actions and received the following updates:

- Action 69.1 – A report on cyber security, to cover both the current landscape and end user issues, to be considered at the March Board meeting.
- Action 69.9 – To be amalgamated with action 72.1 and closed.

2. BEIS UPDATE

2.1 EF and CP provided a verbal update and the following points were noted:

- BEIS was still in the transition phase, with a focus on resourcing and the BEIS relationship with delivery bodies. The transformation phase expected to start in April 2017.
- ALB relationships and policy priorities were expected to become clearer over the next few months.
- The transactional services landscape had changed in light of the BIS / DECC merger and proposed creation of UKRI. NG was leading the shared services strategy project with both BEIS core and Partner Organisations in scope. A first draft business case to set the strategic shared service direction was expected to be circulated at the end of March 2017.
- In answer to a question from a Board member, CP clarified his role within BEIS and confirmed that he was not involved with the decision making on the shared service strategy; the draft business case would provide an open and transparent view and involve input from other shared service providers in addition to UK SBS. It was noted that some UK SBS Board members may have a role as individuals to input into the draft business case.

Action:

- **CP to take advice on the potential / perceived conflict of interest and inform the Board.**

3. EXECUTIVE DIRECTOR REPORT (SBS 004-17)

- 3.1 The Executive Director's report was received by the Board.
- 3.2 The Board thanked the ISS team on the successful implementation of the Security and Resilience Project completed over the Christmas period. JB informed the Board of the recent Oracle 12.0.6 issue, noting that BCP had been triggered and a lesson learned review would be conducted.
- 3.3 JB noted that Phase 2 of the Security and Resilience project had been approved but that funding arrangements needed to be formalised as part of the budget process.

4a. FINANCE (SBS 005-17)

- 4.1 The full year forecast for BAU showed a surplus of £495k versus budget, an increased surplus over the mid-year position of £79k relating primarily to underspend against pay costs.
- 4.2 The only uncertainty outstanding related to the dilapidations element of the North Star House (NSH) move which were subject to commercial negotiations with the NSH landlord, expected to take place during Q4.
- 4.3 A formal commission to undertake the budget setting process for 2017/18 was expected to be received from BEIS w/c 30 January 2017. Discussions took place on the process by which the Board will consider the 2017/18 budgets and associated timelines.

AD left the meeting (via teleconference) at 3pm.

6. UK SBS 2017/18 BUSINESS PLANNING (SBS 009-17)

- 6.1 The Board received the report, noting that ongoing BAU was funded from UK SBS budget, with any material additional change costs to be funded separately. This would include any additional change work as a result of the creation of UKRI.
- 6.2 The Board agreed with recommendation 3, to agree with Shareholders the roll-forward of the current plan on the basis that the key priorities remain extant and that UK SBS will present a new plan for approval in Q2 and based on decisions made regarding BEIS and UKRI strategy and plans.

Action:

- **Shareholder note to consider rolling forward the current Business Plan until BEIS' shared services strategy is formed to be circulated to Board for comment.**

4b. PERFORMANCE AND CLIENT ISSUES (SBS 006-17)

- 4.4 The Board received the performance report.

4c. RISK (SBS 007-17)

- 4.5 The recent internal audit on strategic procurement had been rated as green. Discussions took place on the morale, recruitment and retention risk in light of the recent news of the extended life of the Company. It was noted that some key UK SBS contractors are be affected by IR35 regulations; work was underway to identify issues and options to mitigate risks to business continuity or project delivery.

5. UPDATE ON SYSTEMS AND SERVICE TRANSFERS (SBS 008-17)

- 5.1 The Board received the report.
- 5.2 The recent quarterly assurance letter to clients highlighted the work completed by the ISS team on the Security and Resilience project implementation.

Action:

- **Updated grid to outline which customers receive which service to be circulated to Board.**

7. UK SBS ACCOMMODATION LEASES (SBS 010-17)

- 7.1 The Board agreed to approve the renewal of the Newport lease for 12 months, at an estimated cost of £131K (current lease cost); and noted the intention to renew the Billingham lease for 12 months, at an estimated cost of £40K (current lease cost).
- 7.2 Consideration to be given to holding a Board meeting at either Newport or Billingham and for a joint Board / SLG meeting to be held.

8. GOVERNANCE (SBS 011-11)

- 8.1 The Board agreed the initial proposals to update the UK SBS constitutional documents in principle, recognising that further changes may be necessary in light of the BEIS shared service strategy and direction (decisions expected April 2017); for a full list of changes to the UK SBS constitutional documents to be brought back to the Board for their endorsement in Q1 2017/18 ahead of Shareholder Approval; and

agreed to seek Shareholder agreement not to hold an AGM at the end of this FY and deal with matters through correspondence.

9. NEXT BOARD MEETING

9.1 The items to be considered at the next Board on 23rd March 2017 were noted.

10. ANY OTHER BUSINESS

10.1 There were no other items of business.

Board closed at 4.00pm.

Next meeting: 23 March 2017