

UK Shared Business Services Ltd

Minutes of the 118th UKSBS Board Meeting held in Polaris House, Swindon, on Thursday 28 November 2024 commencing at 9.30am.

Attending:

Board Members:		UK SBS Executives:	
John Clarke, Chair	JC	Crispin Dawe, Chief Finance Officer	CD
Richard Semple, Chief Executive	RS	Claire Hargreaves, Chief Finance Officer	CH
Graham McAlister	GM	Caroline Jenkins, Company Secretary	CJ
David Thomas	DT	David Walder, Chief Digital and Information Officer	DW
Michele Hughes	MH	Liz Creedy, Chief Operating Officer	LC
Helen Mills	HM	John Arnott, Chief Strategy and People Officer	JA
Sarah Finigan	SF	Akos Csernus, Chief Transformation Officer	AC
Claire Pearce	CP		
		Observers / Guests:	
		Carolyn Isaacs, incoming NED	CI
		Sarah Harrison, Cabinet Office	SH
		Richard Henshall, Matrix SRO	RH

Apologies:

Bidesh Sarkar	BS
Victoria McMyn, Chief Change Officer	VM
Observers / Guests:	
Andrew Pattison, DCMS	AP

1. WELCOME (SBS 051-24 and 052-24)

- 1.1 The Chairman opened the Board meeting at 9.30am and welcomed all in attendance, with a particular welcome to CH who was attending their first meeting. The Board acknowledged that this was CD's last meeting and conveyed their thanks to his dedication and input to the Board over the years, wishing him well for the future.
- 1.2 The minutes of the meeting held on 26 September 2024 were approved.
- 1.3 The Board reviewed the action log and noted that actions 115.5 and 117.2 had been postponed for consideration in January 2025. Action 117.1 to be closed once the assurance report had been shared with the Board. With regard to action 117.3, the Chair informed the Board that the action would be reconsidered later in 2025 once CI had taken the role of Audit Committee Chair in April 2025.
- 1.4 There were no new declarations of conflicts of interest in relation to items on the agenda.

2. UK SBS CHIEF EXECUTIVE REPORT (SBS 054-24)

- 2.1 The Chief Executive's report was received by the Board and the following points were noted:

Author: Caroline Jenkins, Company Secretary

Date: 03 December 2024

- Growth in user numbers had been factored into true up discussions, with the funding envelope for 2024/25 agreed with clients. The Executive were now focused on firming up the spending review bids for 2025/26 and the longer-term phase 2, against ongoing change and transformation activities.
- The November Oracle Fusion release managed by UKSBS had been successful, with the February release to include wider UKRI involvement. Discussions took place on the SHARP cutover plan, timelines for go live and UAT progress.
- As a result of the outcomes of the recent cost transparency initiative, the scope of some UKSBS services was being reviewed in partnership with UKRI, with potential impacts being considered.

Actions:

- **An interim update to be provided to the Board from RS as to SHARP programme progress, to include the milestones and confirmation of completed activities for assurance on the feasibility of a go / no go decision in early 2025.**

3. AUDIT COMMITTEE UPDATE (VERBAL)

3.1 GM provided a verbal update on the discussions at the recent Audit Committee meeting and the following points were noted:

- Confirmed budget allocation received over halfway through the financial year has consequential impacts on UKSBS transformation and continuous improvement initiatives that were now unable to commence in-year.
- An extraordinary Audit Committee meeting had been scheduled for mid-January to consider Matrix Transformation assurance.
- A revised internal audit plan had been agreed following the mid-year review of progress.
- GM extended an invite to all Board members to observe a future Audit Committee meeting.

4. BOARD PERFORMANCE PACK (SBS 055-24 via PowerBI)

4.1 The Board received the performance report. Each Executive drew out the key points of the report relevant to their area and the following points were noted:

- Service performance levels had been steady with no areas of concern raised. LC provided a verbal update on the two KPIs reported as red and the remedial actions underway.
- An action plan had been put in place with INSS to address the low partnership scores recently received.
- DW provided a verbal update on a supplier's recent global outage and internal P1s raised, with no impacts to UKSBS services or end users noted.
- The full year forecast for BAU RDEL showed expenditure equalling budget. The forecast outcome for RDEL projects showed a £1m overspend due to POs for SHARP resources being received in arrears.

DT left the meeting.

5. FINANCIAL TRUE-UPS (SBS 056-24)

5.1 The Board received the report, noting that the updated Partnership Services Agreement had enabled the formal process of a mid-year financial true-up to be conducted for the first time, supported by the cost transparency initiative.

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- 5.2 Discussions took place on the development of the charging model and the opportunity for introducing it ahead of the Matrix Programme implementation.

6. BOARD PERFORMANCE REVIEW FRAMEWORK (SBS 057-24)

- 6.1 The Board agreed the framework for the 2024/25 Board Performance Review, noting that the next external review was due to take place in 2025/26.
- 6.2 It was agreed that as part of the performance review, the Board would give thought to some internal considerations including how it could collectively be more challenging / supported. The Chair also confirmed that the skills matrix would be updated to reflect recent changes in Board membership.

Actions:

- **The skills matrix to be circulated to Board members for updating as part of the Board performance review process.**

7. NETWORK SIMPLIFICATION UPDATE (SBS 058-24)

- 7.1 DW presented the paper, highlighting the project progress to date, benefits delivered and future exploitation with regard to UKSBS cyber defence.
- 7.2 Discussions took place on the availability of funding for continued investment in the network simplification project and how this may be addressed as part of the future charging model.

SH joined the meeting.

8. TRANSFORMATION PROGRESS REPORT (SBS 059-24)

- 8.1 AC introduced the report, providing an update on key areas of transformation activity. The Board acknowledged that for a period of time, UKSBS would be operating three ERP platforms, with the associated diseconomies and increased costs to be expected.
- 8.2 Both the system integrator (SI) and transformation partner (TP) to have a role in providing best practice and future thinking design principles to the target operating model, alongside lessons learned from the SHARP programme.
- 8.3 Wider discussions took place and the following points were noted:
- A transformation assurance approach was being discussed in further detail at the extraordinary meeting of the Audit Committee to be held in January 2025.
 - The delivery model for transformation had recently evolved, with systems, service and transformation now fully integrated into one programme.
 - The first meeting of the UKSBS Transformation Committee (Part B of the Executive Committee) had taken place. Membership of the Committee includes Matrix, SHARP and TP representatives.
 - The key transformation strategic themes were being reviewed by the Executive to ensure the corresponding objectives were measurable, with clear outcomes and measures, before being built into the overall transformation plan with the TP. The plan was expected to be shared in February 2025.
 - Convergence of the UKRI and Matrix operating models was necessary to ensure alignment.

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- It was confirmed that counterparts in the Matrix programme and government departments were well defined.
- The Board agreed to hold a deep dive session on data strategy, approach, dependencies and accountabilities at a future meeting.
- The expectations of the role of the Board in relation to transformation to be set; JC and AC agreed to discuss in further detail.
- AC outlined the proposed structure of the transformation team to be established with UKSBS, with significant capacity to be provided by the TP in support.

Actions:

- **The Board to consider the detailed transformation initiative implementation plan at their March meeting.**
- **The TP to be invited to the January Board meeting to provide an introduction and progress update.**

9. MAJOR PROGRAMMES AND CHANGE ROADMAP (SBS 060-24)

- 9.1 RS introduced the report and provided an update on the UKSBS change portfolio, noting that levels of activity remained stable. The adoption of Agile working across the business continued to grow with a centre of excellence established within the change team.
- 9.2 The Board considered Annex A which outlined the scale of business change over the next five years under the Matrix activity. The risks and inefficiencies of running three ERP platforms simultaneously to be considered at a Board meeting in mid-2025, and financial forecast update accordingly.

10. BUSINESS PLANNING APPROACH (SBS 061-24)

- 10.1 JA presented the report, noting the work underway to review the strategic themes and UKSBS planning assumptions, which will form the basis of the medium-term strategic plan, with a short-term business plan to better align with and support budget setting discussions.
- 10.2 An initial draft will be presented to the Board in January 2025 for input, with a final version to be considered in March 2025.

11. NEXT BOARD MEETING

- 11.1 The items to be considered at the next Board meeting on 30 January 2025 were noted as:
- Major Programmes and Change Roadmap incl. change governance under the Matrix (action 115.5)
 - Transformation Progress Update and Transformation Partner Introduction
 - Business Plan
 - Programme Artefact (action 117.2)

12. ANY OTHER BUSINESS

- 12.1 There were no items of any other business.

Board closed at 12.20pm

Next meeting: 30 January 2025

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A deep dive session on Risk Management took place at the conclusion of the Board meeting, followed by a closed session of the Board.