

MANAGEMENT BOARD (MB) OPERATIONAL MEETING MINUTES – 12.2.15

DATE: Tuesday 12th February 2015 **TIME:** 11.00am **LOCATION:** G18

ATTENDEES: Richard Sanders, Acting Chief Executive (RS)
Sarah Glasspool, Director, Finance (SMG)
Robert Gunn, Director, Programmes & Estate (RG)
Richard Frewin, Director, Enforcement (RF)
Paul Dixon, Director, Certification Services (PRD)
Lynnette Falk, Director, Regulation Policy (LF)
David Barrett, Head of HR (DB)
Tania Raynor, NMO Secretariat (TR)

ON CALL FOR ITEM 4: Peter Sayce, Security and Governance Officer (PS)

Please note actions appear in **BLUE**

1. **Apologies for Absence/Substitutions:** Jo Symons (JS), Director, Change & Development
2. **Minutes of the Last Meeting (13.1.15)**
The Minutes of the last meeting were approved with one amendment:
 - **Page 1 – Finance Report – Remove last sentence and recommendations (TR, Feb)**
3. **Matters/Actions Arising From Last Minutes**
All actions had been discharged and the following was noted:
 - **Corp Serv 4: Take a more substantive look at NMO security measures to be brought back to the MBPOL for approval (SMG, February).** SMG explained that security measures were reviewed annually by the NMO Audit Committee and MB. Both these forums had endorsed the refreshed Security Policy which was now published on the intranet. **Explore capacity to house all Corporate Services Policies (excluding HR Policies) in a single intranet location (SMG, March).**
4. **Agency Risk Register (including risks elevated from BTM)**
RF had elevated one risk, concerning the new enforcement work transfer Project, from the BTM, and this was discussed extensively:
 - RF explained that there had been delays with BIS signing off the new enforcement work transfer finance package. Further delay could hamper the 30 day notice period required for those staff that intended to transfer. RF asked the Board, in the absence of a formal commitment from BIS, to consider if NMO should take a managed risk for such staff. The Board all agreed that that it would not be sensible to sign the MOU without definitive written confirmation from BIS. DB said a managed risk could have huge reputational risk and overhead liabilities with very significant implications concerning long standing staff redundancies.
 - **Draft letter to BIS explaining the urgency of this issue (MK, February)**
 - **Forward risk wording to PS for Agency Risk Register (MK, February)**
 - The Agency Risk Register was fully reviewed and all revisions were noted by PS who joined the meeting for this item. **Update and incorporate any changes to the register accordingly (SMG/PS, Dec):**
 - **CorpServ 3 – Update Control Strategy, final paragraph, to reflect that the annual Disaster Recovery Test had been completed (PS, February).**
 - CE 20
 - PRD explained that he still had some concerns regarding our Facilities Management contractor's procedures and controls.
 - The Enforcement Team intended to identify a member of staff to complete H&S training.
 - **CE 20 – Update Control Strategy (PRD, February).**
 - **CE 20 – Change 'Probability' from 2 to 1 and add PRD as responsible Board H&S officer (PS, February).**
 - CE 18
 - **Change "Key Risk Description" to "Outcome of BIS strategic reviews and future shape of NMO projects may have a negative impact on staff morale and subsequent delivery of objectives."**
 - **Lower impact from 5 to 4.**
 - **"Control Strategy" – First sentence, delete "[K&I and BRDO]."**
 - **Change "Desired Risk" from 5.2 to 4.1.**
 - **EST 6 – Change 'Probability' from 3 to 4.**

- **CORPSERV 11** – It was agreed that the ‘Probability’ should decrease to 2, and the ‘Risk Assessment’ to LOW. Thus, the risk should be removed from the register accordingly.
- **CE 21** – Revise Control Strategy to “Await confirmation of the future shape of NMO, Directors to consider business cases for their areas of work” and “Staff to attend L&D courses as appropriate”.
- **CorpServ 12** – Change “Probability” from 3 to 2
- **CE 22** – Change “Probability” from 3 to 2

5. Finance Report

The MB reviewed the report and the following comments were made:

- NAO were currently completing their interim audit of NMO
- The issues with pension liabilities were complicated, and the accounting treatment will be discussed with BIS finance.
- The second paragraph under Programme was discussed and it was agreed that the text should be amended as follows: “Programme income was less than plan by £247k. This was due to Enforcement work not starting on the Flegt and Access and Benefits Sharing contracts and over £300k reductions in planned spending due to the time lag from securing a contract to appointing new starters.” **Incorporate wording change accordingly (SMG, February).**
- SMG explained that the £172k administration expenditure under-spend was an exceptional circumstance due to lower than expected costs on general expenses, consultancy and staff costs (where staff had not been replaced).
- SMG explained that there would be smaller budgets in the new 2015/16 f/y so a lower limit of significance.
- Peter Cowley, Non Executive Director, NMO Audit Committee and Steering Board had agreed to increase his term to cover the transition period.

6. AOB

- Accommodation within the NMO building was discussed. PRD was keen for the Certification Services Directorate to be located together in a single office space. The various options to create such an open plan space were loosely discussed. **Provide paper on desired accommodation outcome for next MB Policy Meeting (PRD, February)**
- DB mentioned that the Deputy Director of Innovation Infrastructure had forwarded details of 18 SEO and 10 HEO posts that had gone external. These could now be communicated to staff and would be flagged up in the weekly NMO Friday Newsletter.
- The Corporate Plan would be circulated to BRDO for comment. It was more than likely that an Agency name change would be proposed. RS said he would welcome mini case studies to demonstrate how NMO assisted UK Business for inclusion in the plan.
 - **Arrange MB Corporate Plan meeting after the half term break (TR, February).**
 - **Establish BTM/MBOM, MBPOL, SB meetings for f/y 2015/16 (TR, February).**

7. Date of next meeting: **Thursday 12th March 2015**

Action List

Date of Meeting	Action	Action Officer	Date	Progress	Open or Closed
14.3.14	<u>CorpServ 4:</u> Take a more substantive look at NMO security measures.	SMG	Jan	Security measures were reviewed annually by NMO AC and MB, and both forums had endorsed the refreshed Security Policy now published on the intranet.	Closed
12.2.15	Explore capacity to house all Corporate Services Policies (excluding HR Policies) in a single intranet location.	SMG	March		Open
12.2.15	Update Risk Register in accordance with comments emerging from MB monthly review: <ul style="list-style-type: none"> • CorpServ 3 – Update Control Strategy, final paragraph, to reflect that the annual Disaster Recovery Test had been completed. • CE 20 – Update Control Strategy • CE 20 – Change ‘Probability’ from 2 to 1 	SMG/PS	Ongoing	Standing action item	Open

	<p>and add PRD as responsible officer</p> <ul style="list-style-type: none"> • <u>CE 18:</u> <ul style="list-style-type: none"> • Change “Key Risk Description” to “Outcome of BIS strategic reviews and future shape of NMO projects may have a negative impact on staff morale and subsequent delivery of objectives.” • Lower impact from 5 to 4. • “Control Strategy” – First sentence, delete “[K&I and BRDO]. • Change “Desired Risk” from 5.2 to 4.1. • EST 6 – Change ‘Probability’ from 3 to 4. • CORPSERV 11 – It was agreed that the ‘Probability’ should decrease to 2, and the ‘Risk Assessment’ to LOW. Thus, the risk should be removed from the register accordingly. • CE 21 – Revise Control Strategy to “Await confirmation of the future shape of NMO, Directors to consider business cases for their areas of work” and “Staff to attend L&D courses as appropriate”. • CorpServ 12 – Change “Probability” from 3 to 2. • CE 22 – Change “Probability” from 3 to 2. <p><u>Enforcement Transfer Project Risk:</u></p> <ul style="list-style-type: none"> • Draft letter to BIS explaining the urgency of this issue. • Forward new risk wording to PS for inclusion on Agency Risk Register. 				
10.12.14	Remind all staff (via the Comms Friday newsletter) that the Agency should be aware of any equipment with the potential to cause hazard that had been bought into the building, and that it should be reported to BG prior to purchase, and recorded on the ‘hazard list’ after purchase.	PRD	Dec/Jan		Closed
12.2.15	<p><u>Finance Report:</u></p> <p>Amend wording of the second paragraph under Programme as follows: “Programme income was less than plan by £247k. This was due to Enforcement work not starting on the Flegt and Access and Benefits Sharing contracts and over £300k reductions in planned spending due to the time lag from securing a contract to appointing new starters.”</p>	SMG	Feb		Open
12.2.15	Provide paper on desired accommodation outcome for next MB Policy Meeting.	PRD	Feb		Open
12.2.15	<p><u>Corporate Plan:</u></p> <ul style="list-style-type: none"> ○ Arrange MB Corporate Plan meeting after the half term break. ○ Establish BTM/MBOM, MBPOL, SB meetings for f/y 2015/16. 	TR	Feb		Open
		TR	Feb		