

UK Shared Business Services Ltd

Minutes of the 115th UK SBS Board Meeting held in Polaris House, Swindon, on Thursday 23 May 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	Caroline Jenkins, Company Secretary	CJ
David Thomas (from 10.40am)	DT	David Walder, CDIO	DW
Michele Hughes	MH	Liz Creedy, Chief Operating Officer	LC
Sarah Finigan	SF	Victoria McMyn, Chief Change Officer	VM
		John Arnott, Chief Strategy Officer	JA
		Paul Jellings, Head of Business Analytics and Insights (item 4 only)	PJ

Apologies:

Katrina Nevin-Ridley	KN-R
Graham McAlister	GM
Bidesh Sarkar	BS
Helen Mills	HM
Observers / Guests:	
Sarah Harrison, Cabinet Office	SH
Sam Lister, DCMS	SL

1. WELCOME (SBS 021-24 and 022-24)

- 1.1 The Chairman opened the Board meeting at 9.30am and welcomed all in attendance. Apologies from Non-Executive Directors, SH and SL were received. It was noted that a quorum was not present.
- 1.2 The minutes of the meeting held on 28 March 2024 were reviewed and no amendments were proposed.
- 1.3 All actions recorded on the action log had been closed.
- 1.4 The Chair declared a new interest as a Non-Executive Director to Xoserve, to be added to the Register of Interests. There were no other declarations of interest in relation to items on the agenda.
- 1.5 Following recent discussions, clarification on the role of the observer to be provided before the July Board meeting.

Actions:

- **Clarification of the observer role to be provided ahead of the July Board meeting.**

2. UK SBS CHIEF EXECUTIVE REPORT (SBS 023-24)

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

Author: Caroline Jenkins, Company Secretary

Date: 29 May 2024

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- UKSBS was yet to receive confirmation of its funding allocation for 2024/25, including some major programmes. Discussions took place on the available risk reporting routes to highlight to clients the operational impacts, including recruitment, and when it could start to negatively impact on cash flows. In answer to a question, it was confirmed that the risk of not receiving budget allocation was adequately covered within the UKSBS risk register.
- Recent network simplification upgrades had provided positive impacts to both end users and operational teams.
- SSCL had reported a major payroll data breach. It was imperative for UKSBS to continue to seek assurance from suppliers and partners around their security protocols to minimise the risk of data breaches and ensure data security.
- In answer to a question, VM provided a brief outline of change governance and undertook to present a detailed paper back to Board to show how it may look under the new operating model for Matrix.

Actions:

- **A substantive item to consider the co-dependency between the major programmes and current funding position to be submitted to the July Board meeting.**
- **The Board requested for a detailed update on the network simplification project at a future Board meeting, to highlight the successes to date and benefits realised.**
- **A paper to outline current change governance to be considered at the July Board meeting.**
- **A further paper to be considered at the September Board meeting to outline how change governance may look under the proposed operating model for Matrix.**

3. AUDIT COMMITTEE UPDATE (VERBAL)

- 3.1 MH provided a verbal update on the outcomes of the recent Audit Committee meeting.
- 3.2 The NAO had provided an update on their interim audit, noting that they had found one instance of a missed accrual and, due to the materiality, UKSBS would need to restate the accounts for 2022/23. Broader and deeper sampling to be undertaken over the next 12-18 months as a result.
- 3.3 The GIAA Head of Internal Audit (HIA) had provided their annual opinion for 2023/24, with moderate assurance given overall. He had praised UKSBS as being best in class for audit remediation; the Audit Committee and Board wished to convey their thanks to the UKSBS RISC team and undertook to share the good news story with clients and wider stakeholders.

PJ joined the meeting.

4. NEW BOARD PERFORMANCE REPORT WALKTHROUGH (SBS 025-24)

- 4.1 PJ provided the Board with a demonstration of the new Board performance report that had been developed to reflect the 2024 – 2029 Business Plan priorities and themes. Discussions ensued and the following points were noted:
- A compliance related strategic KPI to be added to the performance report, linked to the six-monthly assurance letter provided to clients.

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- The language used within the report to be reconsidered in light of the target audience, with a move towards efficiencies, services levels and costs.
- The strategic KPIs to be reorganised so that the NPS score is not presented first.
- The report provided a greater end to end perspective on processes to help identify improvements, reduce errors and drive the right behaviours both within UKSBS and the customer / end user base.
- Work had recently been completed to quantify the cost of addressing errors, for example, the cost of recovering overpayments when a leaver form is not submitted by clients in time for payroll cut off, resulting in an overpayment being made. The Board recognised this was a powerful tool to share with clients to drive waste out of current processes and make efficiencies ahead of the implementation of new platforms.
- In answer to a question, it was confirmed that each client receives a performance pack relevant to their own data and performance, however it was noted that the packs required a redesign to align with the Board performance report.
- LC outlined the different forums within which client engagement takes place. The Board encouraged the Executive team to share with clients at all levels the successes achieved through the implementation of recent actions plans.

DT joined the meeting at 10.40am. The meeting is now quorate.

5. BOARD PERFORMANCE PACK (SBS 026-24 via PowerBI and 026-24b)

- 5.1 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:
- A significant backlog of HR service requests had been reduced to a couple of hundred since the start of the new year. An improvement in culture had been witnessed with the number of internally driven continuous improvement projects at around 40-45.
 - Discussions continued as to how best to engage with clients to ensure that data was being shared and discussed at the correct level. Recruitment of an ICS Managing Director would aid coordination of messaging internally between UKSBS and DESNZ and DSIT. LC and VM to discuss how best they can channel good news stories to clients.
- 5.2 The Board received the newly developed reverse KPIs and noted that they would be shared with the Transformation Board.

PJ left the meeting.

6. FINANCIAL GOVERNANCE AND UKSBS MANAGEMENT ACCOUNTING REPORT APRIL 2024 (SBS 027-24 and 027-24b)

- 6.1 CD confirmed a break-even position for the 2023/24 end of year reserves and statutory accounts, and outlined the current funding position for 2024/25. RS confirmed he was meeting with clients to discuss the funding position for this year.
- 6.2 Discussions took place on the Simpler Better Funding grants programme, associated risks, timelines and decision points. RS and DT to discuss UKSBS' potential grants capability.

7. BUSINESS PLANNING (SBS 028-24)

- 7.1 The Board received an updated draft of the 2024-2029 business plan. Following earlier discussions under item 4, it was agreed that a compliance related strategic KPI should be added to the plan.
- 7.2 The Board endorsed the plan ahead of submission by the Chair to shareholders for final agreement.

Actions:

- **JA to circulate the Business Plan explainer document for Board members to use as an engagement tool with external stakeholders.**

8. MACHINERY OF GOVERNMENT PLAYBOOK (SBS 029-24)

- 8.1 JA introduced the report and provided a progress update on the 2023 Machinery of Government (MoG) change programme, including the key lessons learned that would be applicable to future MoG changes and help inform planning for Matrix onboarding.
- 8.2 Discussions focussed on the recent general election announcement and how UKSBS could proactively support government departments, by way of a checklist to identify tasks / areas to consider, should another MoG occur as a result. In answer to a question, JA confirmed that there were internal resources available to manage a further MoG.

9. MAJOR PROGRAMMES (SBS 030-24)

- 9.1 VM introduced the report. A verbal update was provided on the status of each of the programmes, with clarification provided as to why UKSBS transformation programme was amber rated. RS provided a detailed update covering the three key areas of risk of the SHARP programme. Assurance would not be sought from the SRO on these until the replan was in place. The imperative for data ownership to be clearer understood from the outset was noted.
- 9.2 Discussions took place on the concurrency of major change programmes and the associated risks, resourcing and budget implications, and when, if at all, the amount of change becomes unmanageable within current operational limits.

Actions:

- **A detailed item on the risk around the concurrency of change programmes to be considered at the July Board meeting.**
- **An update on the cost transparency work to be provided to the September Board meeting.**

10. NEXT BOARD MEETING

- 10.1 The items to be considered at the next Board meeting on 18 July 2024 were noted as:
- Modern Slavery Statement
 - Major Programmes incl. concurrency of change programmes and associated risks of delivery
 - UKSBS funding position and co-dependency of major programmes
 - Change Governance

11. ANY OTHER BUSINESS

11.1 There were no items of other business.

Board closed at 12.40pm

Next meeting: 18 July 2024

A closed session took place at the conclusion of the Board meeting.