

# UK Shared Business Services Ltd

**Minutes of the 105<sup>th</sup> UK SBS Board Meeting held in 58 Victoria Embankment, London, on Thursday 29 September 2022 commencing at 9.30am.**

## Attending:

Board Members:		UK SBS Executives:	
John Clarke (Chairman)	<b>JC</b>	Crispin Dawe, Chief Finance Officer	<b>CD</b>
Richard Semple	<b>RS</b>	Caroline Jenkins, Company Secretary	<b>CJ</b>
Katrina Nevin-Ridley	<b>KN-R</b>	David Walder, CDIO	<b>DW</b>
Nick Sammons	<b>NS</b>	Victoria McMyn, Chief Change Officer	<b>VM</b>
Ruth Elliot	<b>RE</b>	Anne McFarlane, representing the Chief Strategy Officer	<b>AM</b>
Alice Hurrell	<b>AH</b>	Liz Creedy, Chief Operating Officer	<b>LC</b>
		Observers / Guests	
		Elaine Tuck, Shared Services Deputy Director, BEIS	<b>ET</b>
		Mark Bussey, Programme Director, SHARP, UKRI	<b>MB</b>
		Samad Hussain, NAO (for items 5 and 6 only)	<b>SH</b>

## Apologies:

Graham McAlister	<b>GM</b>
John Arnott, Chief Strategy Officer	<b>JA</b>

## 2. NON-EXECUTIVE DIRECTOR APPOINTMENT (SBS 042-22)

- 2.1 The Board agreed unanimously to appoint Katrina Nevin-Ridley for a two-year term, due to conclude on 30 September 2024.

## 1. WELCOME (SBS 039-22 and 040-22)

- 1.1 The Chairman welcomed all in attendance, with particular welcome extended to KN-R and LC at their first meeting of the Board.
- 1.2 There were no declarations of conflicts of interest in relation to items on the agenda.
- 1.3 The minutes of the meeting held on 28 July 2022 were agreed as a correct record. There were no outstanding actions to note.

## 3. UK SBS CHIEF EXECUTIVE REPORT (SBS 043-22)

- 3.1 JC provided a verbal update on a recent visit by the BEIS Corporate Services DG to UK SBS and agreed to circulate the slides to Board members for their information.
- 3.2 The Chief Executive's report was received by the Board and the following points were noted:
- Brief updates were provided on the two major programmes and progress on the internal UK SBS transformation programme.

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- UK SBS employees were undertaking their mid-year reviews, including completion of a personal development plan, the outputs of which would contribute to a skills analysis to use against the skills matrix and identify gaps and training needs.
- The UK SBS operating model had been implemented at Executive level, with each pillar now looking to design and implement the operating model for their own area. The post-SHARP target operating model design work had commenced.
- More Change Requests (CRs) were being delivered than received due to the increased efficiency of the change engine and a decrease in CRs submitted, particularly from UKRI in light of the SHARP programme.
- Recruitment continued to be a challenge, particularly in the current economic climate, with further investment made in the recruitment team, however turnover remained within normal boundaries. Discussions took place on apprenticeships, training opportunities and the employee value proposition.
- Resource demand was expected to increase as a result of the recent ministerial portfolio changes within government. Client resource projection was key to ensuring demand could be continually met.
- Discussions took place on the recent NPS results, with LC to develop an action plan to include timelines to address identified areas for improvement. Ways in which engagement with the survey could be increased were considered.

**Actions:**

- **The slides used for the BEIS DG visit to be circulated to Board members for information.**
- **LC to share the service improvement action plan.**

**4. AUDIT COMMITTEE UPDATE (Verbal)**

- 4.1 RE provided a verbal update on the key discussion points of the Audit Committee meeting that took place on 22 September 2022.
- 4.2 The Committee had received the 2021/22 Annual Report and Financial Statements and agreed to recommend it to Board for approval.

*SH joined the meeting via videoconference*

**5. GOING CONCERN (SBS 044-22)**

- 5.1 The Board considered the current considerations outlined within the report, acknowledging that although there were potential risks of uncertainty, the Company was moving in a positive direction.
- 5.2 The Board noted the principles and requirements of Directors' duties regarding the going concern basis for the preparation of financial statements and confirmed that they considered the going concern basis to be appropriate for the preparation of the financial statements.

**6. ANNUAL REPORT AND FINANCIAL STATEMENTS (SBS 045-21)**

- 6.1 The Board received the draft Annual Report and Financial Statements (AR&FS), noting that the Audit Committee had reviewed the AR&FS in detail, with one additional recommended change to be made.

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- 6.2 In answer to a question from a member of the Board, CD confirmed that the AR&FS included all the required equality reporting elements, however further recommended data sets could be added to the 2022/23 AR&FS, along with increased Corporate Social Responsibility reporting.
- 6.3 The Board confirmed that it had reviewed the Company's business for post balance sheet events and found none; approved the 2021/22 AR&FS and Letter of Representation to be sent to the NAO and authorised the CEO to sign, on behalf of the Board, both the letter of Representation and the AR&FS for 2021/22.

**Actions:**

- **Gender and ethnicity diversity data and associated action plans to address any potential gaps to be considered at a future Board meeting.**

*SH left the meeting*

**7. FINANCE, PERFORMANCE AND RISK (SBS 046-22 via PowerBI)**

- 7.1 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:

- LC provided a verbal update on the amber KPIs in relation to calls abandoned, noting the mitigations in place. Specific actions were being put in place to address procurement service feedback from clients. A review of roles and responsibilities within the procurement process to be undertaken.
- An understanding of end-to-end services, transformation and process owners would be required for successful implementation of the major programmes, with workshops being established between UKRI and UK SBS to agree the operating models by function.
- DW outlined the recent progress on automation, cyber security and telephony.
- Agile development was being embedded into the organisation's ways of working, with a focus on supporting transformation and delivering the major programmes. Discussions took place with regard to 'on hold' CRs, with the Board requesting further insights at a future meeting as to the reasoning behind the status of those CRs.
- Wellbeing and financial campaigns to be launched to provide support to employees. Sickness absence was expected to increase in the autumn / winter months.
- The pay settlement was progressing, with agreement received from ministers. TU negotiation was underway, with the pay settlement to be backdated to July 2022.

- 7.2 The full year forecast for BAU and non-BAU RDEL equalled budget. The full year forecast for CDEL was noted as £0.1m under budget, in relation to the upgrade of the UKRI Grants system. CD highlighted a possible £200k underspend risk in relation to BAU RDEL due to difficulties in recruitment, however positive mitigating actions had been put in place to address this.

**Actions:**

- **A deep dive in service hotspots / Procurement areas of concern to be considered at the November Board meeting.**

**8. ANNUAL GOVERNANCE REVIEW (SBS 047-22)**

- 8.1 The Board received the Annual Governance Review papers and agreed:

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- The Board and Audit Committee Terms of Reference;
- Membership of the Audit Committee as Graham McAlister (Chairman), Ruth Elliot and Tim Sparrow (co-opted); and
- To approve the UK SBS corporate policies.

## **9. FUTURE SHARED SERVICE PROGRAMMES (SBS 048-22)**

- 9.1 VM introduced the report. A verbal update was provided on the status of the SHARP programme, the risks to UK SBS and collaborative approach being taken with UKRI and the implementation partner. The outputs from the ongoing workshops were being collated to feed into the UK SBS transformation programme and shape the future service delivery model.
- 9.2 The Board acknowledged the need to engage to share progress, UK SBS capabilities, learnings and outcomes between the programmes and clients in an open and transparent way to ensure the end-to-end transformational journey was fully understood.
- 9.3 A verbal update was provided on the status of the Matrix programme, the associated risks, approvals and timelines.

## **10. BOARD AWAY DAY PREPARATION – STRATEGY DEVELOPMENT (SBS 049-22)**

- 10.1 RS introduced the report, providing an overview of the strategic analysis conducted by the Executive Team, supported by PwC, and the areas for consideration at the Board Away Day in November. The Board to provide feedback and thoughts ahead of the away day to help shape discussions.
- 10.2 The Board agreed for ‘marketing’ style material to communicate progress, strengths, ambition and successes with external stakeholders on the transformation programme, with input and key messages to be agreed at the Board strategy day on 1 November 2022.
- 10.3 The Board agreed for the UK SBS Executive team to progress with the short-term activity that could be taken forward prior to 1 November 2022.

## **11. BUSINESS PLANNING (SBS 050-22)**

- 11.1 RS outlined the timetable and process for the production of the 2023-2026 business plan, alongside the development of the annual operating plan. The Board confirmed their agreement to the assumptions outlined within the report.

## **12. NEXT BOARD MEETING**

- 12.1 The items to be considered at the next Board meeting on 29 November 2022 were noted as:
- Strategy agreement / post Away Day
  - Future Shared Services Programmes
  - Performance Evaluation Framework
  - Performance hotspots / deep dive into Procurement
  - Diversity data and action plans

- Service Improvement Action Plan

**13. ANY OTHER BUSINESS**

13.1 There were no further items for consideration.

Board closed at 12.45pm

**Next meeting: 29 November 2022**

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