

## UK Shared Business Services Ltd

**Minutes of the 102<sup>nd</sup> UK SBS Board Meeting held via videoconference on Wednesday 6 April 2022 commencing at 1.30pm.**

### Attending:

<b>Board Members:</b>		<b>UK SBS Executives:</b>	
John Clarke (Chairman)	<b>JC</b>	Crispin Dawe, Finance Director	<b>CD</b>
Richard Semple	<b>RS</b>	Caroline Jenkins, Company Secretary	<b>CJ</b>
Graham McAlister	<b>GM</b>	David Walder, CDIO	<b>DW</b>
Victoria McMyn	<b>VM</b>	Tracey Jenkins, Interim Chief Change Officer	<b>TJ</b>
Nick Sammons	<b>NS</b>	John Arnott, Chief Strategy Officer	<b>JA</b>
		Andrew Lewis, Chief Operating Officer	<b>AL</b>
		<b>Observers / Guests</b>	
		Mark Bussey, Programme Director, SHARP, UKRI	<b>MB</b>
		Elaine Tuck, Shared Services Deputy Director, BEIS	<b>ET</b>

### Apologies:

Ruth Elliot	<b>RE</b>
Alice Hurrell	<b>AH</b>

### 1. WELCOME (SBS 009-22)

- 1.1 The Chairman opened the Board meeting at 1.30pm and welcomed all in attendance.
- 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 2 February 2022 were agreed as a correct record, noting that the Business Plan would not be submitted to the owners for agreement until further certainty was received on the direction of the major programmes.

### 2. NON-EXECUTIVE DIRECTOR APPOINTMENT (SBS 011-22)

- 2.1 The Board unanimously agreed to the re-appointment of Ruth Elliot to the Board for a two-year term, to commence from 1 April 2022.

### 3. UK SBS CHIEF EXECUTIVE REPORT (SBS 012-22)

- 3.1 The Chief Executive's report was received by the Board and the following points were noted:
  - The Board congratulated VM on their appointment as UK SBS Chief Change Officer, who would therefore be stepping down as a Non-Executive Director. A new UKRI nominated Board member to be appointed at the June meeting.
  - Uncertainty remained on the direction of the Matrix Programme and BAU and capital funding allocations for 2022/23. A prioritisation exercise of maintenance

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capital projects had been undertaken by the Executive team, should the full amount bid for not be forthcoming.

- The impact of any decisions on the Matrix Programme on UK SBS employees should not be underestimated, with consideration to be given to the associated risks as appropriate. An all-employee pulse survey had recently been launched, with the results to be shared at the June Board meeting.
- RS confirmed that recruitment for the Chief Operating Officer had commenced, with an encouraging number of applicants received to date.
- Full hybrid working to commence from 25 April 2022.

#### 4. AUDIT COMMITTEE UPDATE (SBS 013-22)

- 4.1 GM introduced the report, noting the key discussion points of the Audit Committee meeting that took place on 24 February 2022.
- 4.2 RS informed that the Head of Internal Audit was stepping down, with a replacement to be announced in due course.
- 4.3 The Board received the Annual Audit Committee Report to Board.

#### 5. FINANCE, PERFORMANCE AND RISK (SBS 014-22 via PowerBI)

- 5.1 A £300k underspend on RDEL and £200k underspend on capital was being reported as at end of February 2022, with similar figures expected for year end reporting. There was a risk that the NAO audit would not be complete ahead of the July Board meeting. The Board congratulated the Corporate Finance team on the expected end of year result.

*NS left the Board meeting. The meeting was not quorate for the following discussions:*

- 5.2 The Board received the risk register.
- 5.3 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:
- All year end activities had been successfully completed.
  - Higher volumes of sickness absence in relation to COVID had started to have a small impact on service levels.
  - Change Requests (CRs) were categorised as either standard or complex. A tool was in place to plan resource against project and programme delivery, with approximately 94 CRs in progress.
  - RS confirmed the ambition and timelines for putting in place a managed service provider, with the scope dependent on the outcomes of the Matrix Programme.
  - The Board requested a portfolio analysis to be completed, to include a breakdown of complex vs. simple CRs, number of client CRs raised, the drivers for change and resourcing. The impending changes to the portfolio construction to also be included within the report.

#### **Actions:**

- **The Board to receive a portfolio analysis report at the June meeting to include a breakdown of complex vs. simple CRs, number of client CRs raised, the drivers for change, the change to the portfolio construction and resourcing.**

## 6. DRAFT ANNUAL GOVERNANCE STATEMENT (SBS 015-22)

- 6.1 The Board received the draft Annual Governance Statement (AGS). The AGS to be updated to reflect the progress of the SHARP Programme.

*NS re-joined the meeting. The Board meeting was now quorate.*

- 6.2 The Board agreed the draft Annual Governance Statement and delegated authority to the Board Chair, Audit Committee Chair and Chief Executive to agree the final version for submission to BEIS in May.

## 7. FEEDBACK FROM SPONSOR MEETING (verbal)

- 7.1 RS and JC provided a verbal update on the outcomes of the recent sponsor meeting. Further workshops to be established to review the various Matrix options in more depth in relation to financials, scheduling and governance.

## 8. BUSINESS PLANNING REVIEW (SBS 016-22)

- 8.1 JA introduced the report, noting the increased uncertainty of the future of the Matrix Programme since the Board agreed the Business Plan 2022-25 in February, with significant changes likely to be required to years 2 and 3 depending on the option taken by the Programme. It was agreed that the submission of the Business Plan to owners for agreement would be postponed until the outcomes of the Matrix Programme was known.
- 8.2 An internal operational plan to be developed to support the first year of the business plan.
- 8.3 Discussions took place on the cost model assurance work that had commenced, its scope and UK SBS influence / input. The Board agreed that it was imperative for the cost model and accompanying assumptions to be accurate and informed.
- 8.4 JC agreed to liaise with the Audit Committee Chair separately to discuss the UK SBS risks and opportunities of the Matrix Programme in more detail.

### Actions:

- **RS to share a copy of a recent letter sent to the Matrix Programme from UK SBS with the Board, with any feedback to be provided to RS or JC if appropriate.**
- **A revised UK SBS Business Plan 2022-25 to be considered at the September Board meeting.**

## 9. 2022/23 BUDGETING CHALLENGES (SBS 017-22)

- 9.1 CD introduced the report, outlining the process by which funding is bid for and subsequently agreed by clients. In answer to a question from a Board member, CD confirmed that the figures within the report did not include the recently identified efficiency opportunities, some of which were dependent on capital funding being made available.
- 9.2 A greater focus to be given to benefit realisation and tracking / capturing benefits, particularly in relation to service efficiencies and work absorbed by UK SBS.

## 10. GOING CONCERN ASSESSMENT (SBS 018-22)

- 10.1 At the recent Audit Committee meeting, it was considered reasonable to prepare the Annual Report and Financial Statements 2021/22 on a going concern basis. The NAO had requested letters of support from owners, as in previous years, to support their assessment and provide evidence of the Company's going concern.
- 10.2 The Board noted the principles and requirements of Director's duties regarding the going concern basis for the preparation of the financial statements and confirmed that they considered the going concern basis to be appropriate for the preparation of the financial statements.

## 11. SERVICES TRANSFERS (SBS 019-22)

- 11.1 AL introduced the report, noting that a business case had been compiled and the necessary consultations concluded. In answer to a question, there was a need to ensure that the incoming UKRI CPO agreed with the transfers and that the benefits realisation was appropriately tracked.
- 11.2 In some instances, the SHARP Programme was likely to encourage further review of service boundaries and rationalisation.
- 11.3 The Board approved the transfer of the Recruitment and Immigration Services to UKRI.

## 12. NEXT BOARD MEETING

- 12.1 The items to be considered at the next Board meeting were noted as:
- Future Shared Services Programmes
  - Modern Slavery Statement
  - Business Planning
- 12.2 A Board Offsite meeting to be arranged to consider the outcomes of the Matrix Programme once known.

## 13. ANY OTHER BUSINESS

### 13.1 Andrew Lewis

The Board noted that this was AL's last meeting and thanked him for his unparalleled contribution to the Company over the last five years. Andrew has been a key member of the Executive team, ensuring the ongoing delivery of services to the high standard expected by clients. The Board wished Andrew their sincerest best wishes and gratitude for his contribution.

Board closed at 4.15pm

**Next meeting: 6 June 2022 - STC.**

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