

**SUPERVISORY BOARD AGENDA**  
**THURSDAY 1 MAY 2003, 11am to 12.30pm**  
 ROOM 001, QUEEN ANNE'S CHAMBERS

Juliet Wheldon  
 Robert Aitken  
 Len Berkowitz  
 Mark Blythe  
 David Brummell  
 Valerie Cain  
 Vivienne Collett

Simon Harker  
 Martin Hemming  
 Rosemary Jeffreys  
 Jonathan Jones  
 John Kempzell  
 Philip Kent  
 Isabel Letwin

Barrie McKay  
 David Pearson  
 Gary Murphy (Secretary)  
 Alison Schofield  
 Mike Thomas  
 Doug Walters

Ref	Item	Papers/Comments	Time
1.	<b>Business Performance</b>		11am
	(a) PRACAMS/MoB (DP/RA)		
	(b) Finance/Targets (JK)	MI Pack as at 31 March 2003 circulated by Finance	
	(c) Client Care (ViC;MH)	Client Care Activity Report circulated on 25 April.	
	(d) Agency Work Programme (GM)	Outturn Report on Agency Work Programme for 2002/03 circulated on 25 April.	
2.	<b>Staff Survey Results</b>	Report from PWC circulated on 25 April and profile of respondents circulated on 28 April.	11.20am
3.	<b>SCS Pay Arrangements</b>	Alison Schofield's e-mail of 10 April	12.20pm
4.	<b>Other Business:</b> may include the following items on which correspondence has been sent to the Board: - <ul style="list-style-type: none"> <li>• Representation on Grade 6 Promotion Boards</li> <li>• Ways in which people can be employed in the Agency</li> <li>• Fees of First Treasury Counsel</li> <li>• Department for Transport Legal Services</li> <li>• CSREN and other Equality Networks</li> <li>• Publicising the Corporate Plan</li> </ul>		12.35pm

Business Strategy Unit

## **NOTE OF SUPERVISORY BOARD MEETING**

**Thursday 1 May 2003**

### **Present:**

Juliet Wheldon  
Robert Aitken  
Len Berkowitz  
Mark Blythe  
Valerie Cain  
Vivienne Collett  
Simon Harker

Tony Hindley  
*Hilary Jackson*  
Rosemary Jeffreys  
Jonathan Jones  
John Kempzell  
Isabel Letwin  
Barrie McKay

David Pearson  
Gary Murphy (Secretary)  
Alison Schofield  
Mike Thomas  
Doug Walters

### **Item 2:**

Robert Carlisle (PWC)  
Carol Coyne

Martin Groom (PWC)

Honor Mallon (PWC)

### **Apologies:**

David Brummell

Martin Hemming

Philip Kent

Juliet opened the meeting by welcoming Hilary Jackson, who would take over as Director of Corporate Strategy on 2 June, and Tony Hindley who had taken-up appointment as Director of Finance and Information Services that day. The Supervisory Board introduced themselves.

### **1. Business Performance**

- (a) **PRACAMS/MoB** – David talked the Board through a written progress report handed out at the meeting. The key priority for the MoB programme was the working groups looking at specific business processes, some of which would inform how PRACAMS was set-up. A later than ideal start for the MoB programme meant that there was pressure on the MoB Team and the working groups to deliver any necessary adjustments to the PRACAMS build as well as helping to scope changes to roles (eg Team Leaders). The key was freeing-up the staff involved from other tasks and this was being done. Les Haugh, the external assurance for MoB, would soon be reviewing the working groups.

More generally, MoB now had a more developed programme plan and risk register. The emerging issue from this was budget: the main costs were consultancy and training, but there was also an issue about lost chargeable time for those involved. It was understood that funding had to come from current allocations and MoB were working on this basis, reporting to the Executive Board.

David also advised that a presentation of PRACAMS for the Solicitor General, the Responsible Minister, was taking place the following week.

**(b) Finance/Targets** – John talked the Board through the key issues arising from the Management Information pack for March, which reported on outturn for the full financial year to 31 March 2003: -

- both expenditure and income were below budget, with an overall surplus on chargeable services of £1.7million (final outturn was subject to end of year accruals adjustments);
- outturn for Vote funded activities was within budget (again, final outturn was subject to end of year accruals adjustments);
- debt levels remained at a healthy level similar to that of the previous year – a few of the larger clients were slow to pay which meant that the overall outturn for payment was slightly below target at 87%;
- Treasury had approved carry-over of £2million capital funding, which was needed in 2003/04;
- overall staffing numbers were within agreed complements;
- the Agency had met its main targets on full cost recovery, average chargeable hours and overall client satisfaction;
- the target to reduce unit costs by 2.5%, which would no longer apply from 1 April 2004, was not met as anticipated (and as in previous recent years) – the Attorney General and HM Treasury were aware;
- the Cabinet Office target for sickness absences had not been met and this would be subject to a discussion at the next Supervisory Board following analysis and consideration of the underlying information at the Personnel Group; and
- prompt payment for administration invoices was 99%.

There was an issue about the difference between the budgeted and actual grade mix of chargeable hours, which had resulted in less income than budgeted (but this had been offset by lower than expected costs). John and David were discussing a more sophisticated way to monitor chargeable hours income. There was a similar issue with advisory divisions, where some over-recovered and others under-recovered – this was, however, as a result of the charging system, primarily the use of average capitation rates and inevitable ongoing staffing changes.

Action: (a) David, John and Tony to develop income monitoring system; (b) Alison to report back to the next meeting on sickness absences.

Juliet gave her personal thanks to everyone in the Agency for their contribution to another successful year. This was endorsed by the entire Board.

- (c) **Client Care** – Vivienne was looking after Client Care in Philip's absence and an activity report had been circulated. Vivienne confirmed that the BSU had substantially completed work on the analysis of the 2002/03 advisory client satisfaction results and these would be discussed in detail at the next Supervisory Board meeting: overall satisfaction ratings were very high, though a number of issues had been raised by clients. Work was also continuing on the review of the Agency's client satisfaction survey methodology – David, Barrie and Gary would be meeting the following week to devise a firm plan and Vivienne would join them if Philip was not back.
- (d) **Agency Work Programme** – Gary confirmed that there were no major issues arising from the end of year outturn report on the Agency's Work Programme.

## 2. Staff Survey Results

Juliet welcomed Honor Mallon, Robert Carlisle and Martin Groom from Price Waterhouse Coopers, together with Carole Coyne, to present the results of the Agency's staff survey. Alison said the key questions for session were: -

- How do we progress the issues raised?
- How should the results be communicated to staff?

PWC presented the headlines of the survey to the Board, providing some comparisons to other organisations. The following points were made in discussion: -

- overall, the results raised a healthy mix of positive and negative issues and were not untypical of results from other organisations;
- the task now was to unravel the issues as appropriate through further discussions with groups of staff - this could be handled through existing committees/groups in the Agency and at Team meetings;
- there were few significant surprises – indeed, work was either in progress or planned in most of the areas identified and the action plan needed to reflect this;
- some further analysis of some responses by, for example, gender or lawyer/administrator, should help to hone further action;
- more comparisons to other organisation would be useful, though it was recognised that it was not easy to obtain directly correlative data as all surveys were unique and there were confidentiality issues; and
- the slides for the presentation were very clear and it might be useful to circulate some of them to staff with the full PWC Report.

Juliet thanked PWC and the Human Resources Team for all the hard work they had put into preparing the survey.

**The Board agreed to proceed as follows: -**

- (a) Alison/Valerie/Carol would together work on draft note to staff, for issue the following week, summarising the results and providing access to the full report and the presentation slides as necessary;**
- (b) Directors would ask their Team Leaders to discuss the results with their teams and report back to them and Carole, if possible before the next Supervisory Board meeting on 29 May;**
- (c) Alison/Carol would consider with PWC what further analysis/comparisons might be useful for formulating an actions plan; and**
- (d) Alison/Carol would prepare a draft action plan, in consultation with the Personnel Group, for**

**consideration at the next Supervisory Board meeting.**

### **3. SCS Pay**

Alison had circulated a note about the arrangements for the SCS moderation meeting which was taking place the same afternoon. Cabinet Office had since confirmed a pot of 3.8% for the Bonus Scheme to be allocated on a strictly differential basis within a range of £3k to £6k.. Alison proposed two rates: (1) £3k for which there could be 19 allocations; and (2) £6k for which there could be 13 allocations.

There were mixed views as to whether a two or three rate (£3k; £4.5k and £6k) would be best. It was agreed that the Agency's Pay Committee, which now included Marilynne Morgan, should be consulted. Juliet would make a decision based on what they say.

Alison confirmed that electronic copies of the forms for appraisals and pay recommendations (previously in one document) had been separated. Signed paper copies of both should be returned to Human resources by 9 May.

**Action: (a) Alison/Juliet to liaise with Pay Committee; (b) signed paper copies of all appraisal and pay recommendation forms to be returned to Human Resources by 9 May.**

### **4. Any Other Business**

David said that all the feedback he had received from other Departments on the proposed increase to £200 of the First Treasury Counsel rate had been positive and he would be writing to confirm that this was now agreed.

**Action: David**

Gary Murphy  
Business Strategy Unit  
1 May 2003