

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON 12TH MARCH 2009

AT 83 VICTORIA STREET, LONDON SW1

Present: Alan Wooderson – Chair, Lesley Bessant, Michael Fisher, Stan Hardy, Joe Kuipers, Roy Male, Brenda Palmer and Clifton Robinson.

Attending from PA: Norma Beechey, Neil Lampert, Christine Lawrie, Nigel Spencer and Jo Whyte.

1. Welcome, Apologies and Conflicts of Interests

The Chair welcomed Neil Lampert, the new PR and Communications Manager. Apologies had been received from Julie Dent, Christine Goldstraw and Alan Harrison. It was noted that there was a conflict of interest for attending PA staff in relation to item 5 a) i) on pensions.

2. Minutes of Meetings Held on 11th December, 22nd January and 11th February

11th December – Item 5 should read the “ASPA” Board and the last line of that paragraph should read “the cause of contention”, rather than “one of the causes”. Subject to these amendments, the minutes were approved.

Matters Arising

Item 2a NOMS Protocol – Christine Lawrie understood that the Protocol was ready for signing. The meeting agreed that, although circumstances had changed since the process had begun, it was still desirable to achieve an agreement. Christine would pursue it with Ian McIntosh at a forthcoming meeting, with a view to having it signed by the end of March. Once she had the protocol she would email it to the Board for comment although it was agreed that major changes should be avoided at this stage. The Board delegated authority to her and the Chairman to sign the protocol on its behalf.

Item 3a ii) LCCS – Clifton Robinson reported that following the recent meeting between the Chairs and Jack Straw that he was due to meet Jack Straw on 1 April with the Chair of LCCS to outline the scheme and its considerable successes.

Item 3a iii) Procedures and Communications – Progress had been made on these issues. Neil Lampert is now implementing a communications strategy and in particular was working to re-design the website.

At the Board Away Day, Directors had agreed to take a more regional lead and Joe Kuipers reported that he had written to regional colleagues suggesting region-focused events. It was felt that the current Regional ‘Partnership’ meeting was the best vehicle to use. Finally, PA was working to improve the speed with which minutes, agendas etc were sent out.

22nd January – The minutes were approved.

Matters Arising

Item 2 PA Staff Pay Arrangements - taken under Item 9.

11th February – The last sentence of Item 3 should read “..PA should be making specific reference to health and safety issues”. Subject to this amendment, the minutes were approved.

Matters Arising

There were no matters arising.

3. Chair’s Business

The Chair reported that he and Christine Lawrie had recently had a very positive meeting with David Hanson MP. Michael Spurr and David Griffiths had also been present. They had discussed the trust programme; resources and staffing looking ahead and flexibilities work. Alan Wooderson had reassured the Minister that PA was engaged with the full range of the programme but had expressed concern over the achievability of the timetable. The Minister was aware of the resourcing challenges that probation was facing going forward and the likely consequences of reducing staffing levels across the country over the next 2 years.

The Board discussed future redundancies.

- Lesley Bessant raised the concerns that posts within NOMS at the regional level were being ring-fenced and that at the same time probation was having to make redundancies without being able to look across NOMS employments as possible options to avoid redundancies. Norma Beechey explained that this was difficult to resolve due to complicated employment law issues between 42 separate probation employers and the civil servant based employment of NOMS.

- Stan Hardy had made redundancies in his area and as a result local NAPO representatives had been invited to meetings with the local MPs.
- Secondments were continuing and these could be problematic going forward if areas subsequently had to absorb returning secondees at a time of resource constraints. Norma Beechey reported that the HR Strategic Board were drawing up secondments guidelines to ensure a proper process of agreement and return was in place.
- Christine Lawrie had suggested to Michael Spurr during a recent meeting that increased business flexibilities, particularly to ensure the best use of total resources by a probation area, might reduce the need for redundancies. If trusts were freed to deploy their budgets flexibly in the context of local requirements they may be more likely to be able to avoid having to make staff redundant.
- The achievement by the NNC of an agreed national 'Management of Change' covering particularly protocols around redundancy was being pursued with the unions, but it would have to meet the needs of all 42 employers.

4. Chief Executive's Business

a) Finance Report

Income and Expenditure to end February 2009

The most recent figures were circulated and noted.

Draft Budget 09/10

Christine Lawrie reported that the budget for contractors was no longer shown under staff costs but was now included in conferences and projects which was why this figure had risen to £90,000. She also pointed out that a further grant of £5,000 had been allocated to LCCS following agreement at the Audit Committee that it should remain at this level.

Mike Fisher reminded the meeting that at the February Away Day there had been a discussion about using additional contractors to respond quickly and effectively to developing areas of work. He suggested that an amount should be included in the budget to fund this. The Board agreed this in principle and requested that Christine Lawrie should prepare a proposal as to the amount that should be allocated. The Board delegated authority to the Chair to approve her proposal.

b) Trust Development

Christine Lawrie reported on her recent meeting with Michael Spurr. She had also had meetings with Trevor Williams and Roger Hill at which she had expressed serious concern over the trust timetable and its achievability.

Christine further reported on various PA activities such as two recent seminars run by Greater Manchester and Lancashire for PA members on Trust applications, and the workshop held on mergers and collaborations which had been well received.

Ian Fox was working with the PIU and Paul Wilson's Transition to Trusts report would be ready within the next few weeks. NOMS had expressed interest in working with PA on a project around trust governance, although there was no solid proposal as yet.

c) PA Governance Improvement Plan Report

Christine Lawrie reported that the points in the report had now all been implemented. As such this marked completion of all the issues following the various matters arising from the Centenary Conference

d) PA Staffing Establishment 2009/10

This was approved.

5. Report from the Audit Committee

a) Up-date on the financial position of PA

Pensions – The Board was content with the recommendations in the report and it was approved.

Winding up costs – The Audit Committee had agreed that the existing current account automatic top-up to £100,000 was sufficient to enable PA to cover essential costs in the event of the company needing to be wound up .

Accommodation – A report on accommodation options for the future had been commissioned and was due shortly.

Subscriptions – agreement on future subscription arrangements was in the Business Plan.

b) Operating Framework Review

Standing Orders for the Board of Directors – Clifton Robinson noted that a reference to collective responsibility for Board decisions should be included. Jo Whyte would add an appropriate sentence.

Scheme of Delegation – it was agreed that para 2.2 c) should include an upper limit of £5,000 and para 2.2 d) should include a requirement for the Chief Executive to

consult the Chairman in the event of wanting to approve a contract over £20,000 which was not the lowest tender received.

Standing Orders for the Council – it was agreed that 2.1 should include a reference to the Council appointing members of the Board of Directors in order to ensure regional representation.

Subject to these amendments, the documents were approved.

c) Risk Register

This was approved, including the deletion of risk 4. However, Mike Fisher raised a concern over the next pay review and of the potential risk it presented. It was agreed that this issue would be referred back to the Audit Committee and Chas Dowden would be asked to consider whether it was a risk that should be included in the Risk Register.

6. The Board was joined by Michael Spurr NOMS Chief Operating Officer

Michael Spurr was welcomed to the meeting and invited to up-date the Board on NOMS current issues. He talked about developments within NOMS and on the importance of maintaining and developing a good relationship between NOMS and PA. He discussed the mainstreaming of probation within NOMS and the trust programme. He reported that the Gateway Review had moved the programme from Red to Red/Amber, indicating that it was now considered to be slightly less risky. He also acknowledged the pressure on budgets and possible redundancies and stressed the importance of property and ICT issues as a way of releasing resources, referring to some of the work being done in these areas.

Members of the Board took the opportunity to comment. In particular, concerns were raised over the trust timetable and over the consequences of a trust application failing. Views were also expressed on mergers and collaborations and on the complicated nature of the assessment process. Michael Spurr indicated that he was acutely aware of the constraints that the Ministerial timetable created and that he would have to assess later in the year any further options. The options of failing in the trust application process had yet to be fully developed, although supporting improvement to become a trust was certainly an option, as was the potential for a competitive process to take over probation responsibilities, although there was no clarity currently on the legal position in relation to the current protections around retaining court work in the public sector. He recognised that if it was not possible to agree mergers within the current trust timetable then a business plan for a proposed merger would be taken into account in a trust application. A constructive discussion took place and Michael Spurr was thanked for a helpful assessment of the situation facing probation. He was firmly committed to seeing probation not as a problem but as part of the solution.

It was agreed that it had been a positive meeting and that there was merit in the approach PA was taking with Michael Spurr and other officials. However, it was important to agree PA's formal position on the trust programme and to get Council's support for that position as there was significant anxiety amongst members. It was agreed that Christine Lawrie would draft something, particularly in relation to the "what if" scenario following a failure to attain trust status. She would reiterate the point that PA had serious reservations about the trust programme, its capacity and, in particular, the timetable. This was a vital issue for the agenda at the next Council meeting. Christine Lawrie and Neil Lampert would discuss how best to develop a communications programme around this. *[It was decided after the meeting that before drafting a position statement, Council would be asked whether there was support for such a position statement and if so, what should be included in it.]*

7. PA Employer HR Framework

The Code of Conduct for Staff and the Redundancy Policy were approved. Norma Beechey reported that she was now working on an Equal Opportunities Policy and on a Data Protection Policy.

8. Business Plan

Christine Lawrie circulated the Business Plan and reported that it was now complete, although it would be cross-referenced with the Risk Register and costings needed to be added. She explained that it was based on five priority outcomes and that the fifth priority outcome needed to come back to the Board for more detailed discussion in due course. It was agreed that the objective of a structural review of PA should be carried out by a working party whose membership should be wider than the current Board.

The Chairman made comments on trying to simplify some of the presentation and wished to see an emphasis on tangible outcomes for the prioritised activities. It was agreed that the word "outcomes" should be deleted from the title on page 2.

Clifton Robinson made the point that the concept of equality should be embedded in Business Plan. Christine Lawrie would consider the best way to achieve this.

The Plan was noted and it was agreed that it would go to the Council for approval.

Unfortunately Joe Kuipers had left the meeting and therefore the Board felt unable to do justice to the draft statement that he had produced following the Away Day and which he proposed could be developed to 'front' the Strategic Framework. This needed further discussion and could well fit into the work on the forward looking structural review of the association noted above.

9. Confidential Items

PA staff, other than Norma Beechey, left the meeting so that a confidential discussion on PA staff pay arrangements could take place.

10. Any Other Business

There was a discussion of what should be on the next Council meeting agenda. The following would be considered:

- Inviting Paul Wilson to talk on the Transition to Trusts Programme
- Inviting Ian Clarke to talk on flexibilities, linked to business efficiencies and cost savings and to capacity and demand management (perhaps inviting Mark Oldfield to report on his capacity report)
- An item on local delivery units

11. Date of the Next Meeting

The next meeting was confirmed as 21st May 2009. The option of a Board away day was floated and Board members would be consulted on this.