Executive Team – for assurance

Meeting agenda title: Update on the work of the Resources Board

Meeting date: 22 September 2022

Time required: 5 minutes

Presenter: Angela Donaldson

Approved by: Paul Arnold

1.   Objective and recommendation

1.1.   This report provides an update on the work of the Resources Board, ahead of submitting this to the Executive Team (ET) to give them an opportunity to provide a strategic steer on future work.

1.2.   The Resources Board is tasked with ensuring the ICO's people, financial, physical, and technical resources and infrastructure remain fit for purpose, are developed in line with the ICO's medium and long-term capacity and capability needs, and are deployed efficiently, effectively and with value for money.

2.   Key Achievements over the last 6 months

The key achievements of the Resources Board over the last 6 months are:

2.1.   The provision of oversight and assurance of the ICO financial position. Specifically, over the last 6 months the Resources Board has approved both the budget for 2022/23 and subsequent additional priority funding allocations as presented to the Board during Q1. The Board also conducted a deep dive Q1 financial performance review including performance to date, revised forecasts, key risks and information on the mitigations in place and in progress. On a monthly basis assurance is provided through a review of the monthly management accounts. A deep dive Q2 financial performance review is due for the September Resources Board.

2.2.   The Board has received quarterly updates of the Digital and IT service and technical roadmap from an assurance perspective. The Board plays a key role in taking assurance on the progress of the deliverables, providing feedback to help shape the priorities for the Digital and IT service, and providing assurance on the strategic direction as set out in the roadmap.

2.3. The Board received the 2022/23 pay remit approach paper for discussion and approval. The paper highlighted the HMT pay remit boundaries that the ICO are operating within. The Board challenged and discussed the range of approaches provided, including support for the cost of living crisis to be factored into the detailed options for implementing the approach. The Board approved the recommended approach by majority vote. This approach will implement the 2% pay remit and will use the 1% pay flexibility to increase allowances for specific roles where the pay benchmarking review indicates a clear rationale, subject to DCMS approval of the Pay Remit submission. This approach is being taken forward for cost modelling, and the detailed pay remit will be brought back to a future Resources Board for approval prior to implementation.

2.4. A proposal to enhance the ICO's Employer Value Proposition (EVP) was discussed and supported by the Resources Board. This detailed the improved recruitment and retention benefits of an enhanced EVP proposition. The Board discussed conducting external benchmarking, and linking our EVP to our values, as well as emphasising the work of the ICO in reducing harm (in particular to vulnerable people).

2.5. The Board received the planned phased approach to rolling out a Professions Capability Framework across the organisation over the next 2 to 3 years. The framework will support the goals set out in the ICO25 plan, establish professional standards and clear expectations for those within each profession. It will also demonstrate clear articulation of career development pathways to support internal moves and the succession planning processes. The Board supported the phased approach with 6 pilot areas prioritised with the civil service professional career framework to be used as a guide.

2.6. The Workforce Planning Framework approach and methodology was presented to the Resources Board setting out the plan to create a strategic workforce plan, providing clarity on what this entails and the approach to be taken. The Board welcomed the proposal and recognised this would be delivered alongside the People Strategy in 2023.

2.7. The Board also discussed the proposal to develop a Corporate Early Careers Framework which would help address and mitigate the

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ICO's capacity and capability risk by developing Apprenticeship and Graduate opportunities as well as considering the use of Sandwich Placement schemes. The Board took assurance from the report, in terms of the benefits this would provide such as the delivery of increased capacity and skills to the ICO, creation of additional internal staff development opportunities, and improvement of the ICO's brand awareness amongst students and universities.

2.8. The Board received the Procurement transformation action plan setting out the actions needed to strengthen the ICOs procurement activity in terms of resilience, compliance, and business knowledge. This has been agreed at the Audit and Risk Committee in April following a detailed procurement review. The Board welcomed this plan and took assurance from the actions set out within it. The Board also approved the updated Procurement Policy in June being one of the actions from the transformation plan and the Procurement Pipeline is due to be presented in September.

2.9. A proposal to support a change in approach to the ICO's Information Rights Training was brought to the Board for challenge and approval. This recommended that colleagues in suitable roles (and with the required experience and skills) would be expected, encouraged and supported, to become internal trainers to increase the capacity of trainers available to sustain the provision of good quality training. The proposal also recommended that the provision of core information rights training would remain in-house, and that Knowledge Services begin to explore the potential for a longer term plan to enhance and expand the current training provisions, including offering our training externally. The Board supported the proposals on the basis that those Directors with staff most likely impacted be consulted on the proposals directly.

2.10. Material changes were made to our People Polices, including the introduction of new policies, to support our inclusive cultural ambitions, drive efficiencies and provide clarity for staff and people managers. All policies were reviewed in consultation with the Trade Unions, EDI Networks and a People Manager forum. Conducted in four phases, phases one and two were completed within this six month period.

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2.11. The Board commenced a review of the Terms of Reference and whilst this is still in progress, some of the key changes suggested include:

- Reviewing the delegated authority of the Resources Board to make financial decisions. Having SLT agree the prioritisation criteria but allowing the Resources Board to approve decisions using this criteria without having to also obtain SLT approval. This improves the efficiency and reaction time for financial decisions to take effect.
- Considering the membership of the Resources Board and ensuring those in attendance are suitably skilled to consider, and constructively challenge and have an impact on, the topics within the remit of the Board.
- Setting out how the Resources Board will interact with the new People Committee.
- Formally designating Sarah Lal and Mike Fitzgerald as vice chairs of the Resources Board to compliment Angela Donaldson as chair (changed from Paul Arnold earlier in the year).
- Ensuring the TOM formally reflects the Boards oversight of Procurement being an enabler of the ICO in delivering timely and compliant resources.
- Adding to the terms of reference the need for the Board to oversee the Data Strategy once the Chief Data Officer is on board.
- Ensuring there is clarity on the Boards remit regarding approval of the Pay Remit.

2.12. As well as the topics brought to the Board for discussion and approval, the Board has also received updates on the following items for assurance purposes:

- The Our Ways of Working (OWOW) Programme Board, provided assurance of the progress made during the piloting of our future ways of working and of the progress to the creation of the new Team Ways of Working documents which are now live.

- Assurance of the plan to review compliance with the government functional standards against the "shall" compliance requirements for the functional areas under the remit of the Resources Board.

- Pay progression updates in relation to career band reviews and equality data.

2.13. Over the last 6 months the Resources Board has started to focus more on the strategies that underpin its remit. The topics being brought to the Board have therefore generated deeper discussion and challenge, allowing the Board to provide the necessary strategic direction and receive proportionate assurance. The review of the Terms of Reference will assist in this continued strategic focus, in the meantime the agenda reviews ensure that the Board focusses on the key items for discussion, with other information coming for information only as required.

3. Key Challenges over the last 6 months

3.1. In discharging its duties, the Resources Board is focused on the mitigation of some of the ICO's most significant risks. Ensuring the ICO has the right infrastructure in place to do this effectively has been a challenge during the past year. The investment in new operating models for People Services, Finance and Procurement as well as IT are important actions in the mitigation of these risks. Over the last 6 month the People Services Target Operating Model (TOM) has been implemented, with Finance and Procurement TOM in progress, with strengthened structures expected to be in place by the end of Q3. A business case for a strengthened Digital IT team has yet to be approved due to funding however procurement for digital partners have commenced to support the implementation of ICO25 and DP Reform on the assumption these implementation activities are Reserves funded.

3.2. The Board has had to push back on a number of business case requests due to the current year income risks, but also due to the many competing priorities for funding allocation. Setting up co-ordination with the new ICO25 Portfolio Board for strategic direction and priorities, will help the Resources Board take the right priority decisions going forward.

4. Key Areas of Activity over the next 6-12 months

4.1 There are a number of strategic areas of focus for the Resources Board for the coming months:

4.2 Implementation of the pay remit for 2022/23 – the Board will review the detailed options for approval.

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4.3 A revised Terms of Reference for the Resources Board for SLT approval.

4.4 Phases 3 and 4 of the People Policy reviews will come to the Board for approval in October.

4.5 Workforce Planning Framework - Oversight of the continued mitigation of the ICO's capacity and capability risks, with particular focus on the identification and efficient delivery of talent/recruitment pipelines in a challenging recruitment market for our most complex technical specialisms.

4.6 Procurement - Ensuring effective and compliant procurement pipelines are in place to mitigate the risk of budget underspend and bring new capability on stream smoothly when investing in year in new infrastructure / third party services.

4.7 Combined People, Digital & IT and Estates Strategy - Ensuring that the future strategies underpinning the ICO's infrastructure take maximum opportunity to be a catalyst for increased efficiency and productivity across the ICO, supporting our future ways of working and embedding our values as set out in the ICO25 plan. The Board will position itself to oversee the delivery of this strategy as one of its main focusses going forward.

4.8 Financial Planning and Performance - Continuing to focus on quarterly deep dive reviews of our financial performance, risks and mitigations, further developing our longer term business planning and forecasting methodologies as our funding model continues to become more complex, ensuring we are able to gain maximum value for money from the resources available.

4.9 The Board will also focus on the implementation of the Professions in the ICO and the Capability Framework.

5. Areas for Challenge

5.1. ET may wish to consider whether the proposals for the role of the Resources Board would meet the level of assurance that the ET expect.

5.2. ET may also wish to consider whether the reporting from the Resources Board to Executive Team through to MB and Audit and Risk Committee (where relevant) is sufficient. These reports are outlined below:

- For approval - substantive changes to the key strategies (IT Strategy, People Strategy, Estates Strategy) and the Annual Budget.

- For assurance - Financial Performance reports, Change & Transformation Delivery plan updates

5.3.   Are there any areas of focus that ET would expect to see in the Board's future work which are not covered in this report?

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Consultees: Jen Green, Louise Byers, Corporate Governance Team

List of Annexes: None

Publication decision: Report can be published internally and externally without redactions

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