

**The Supreme Court of the United Kingdom
Management Board**

Minutes of the meeting held on 28 November 2011

Attending: Jenny Rowe (Chair)

William Arnold
Louise Di Mambro
Sian Lewis
Larin Esan
Martin Thompson
Chris Maile
Olufemi Oguntunde (from item 12 onwards.)
Philip Robinson (Non-Executive Director)
Alex Jablonowski (Non-Executive Director)

Paul Brigland (Secretary)

1. Apologies for absence

1.1 No apologies for absence were received.

2. Approval of minutes of the Management Board Meeting of 21 October 2011

2.1 The minutes were approved.

3. Matters arising not covered elsewhere on the agenda

3.1 JR reported that she had received a letter from the Ministry of Justice (MoJ) about the UKSC's Spending Review settlement – she was still considering the implications. JR reported that we were re-working our figures for the remainder of the CSR period, and there would need to be further discussions with MoJ officials. She hoped to report back to the next Board meeting. The outcome would need to feed into UKSC financial planning for the next three years.

3.2 The Guardian had run a number of features marking the second anniversary of the UKSC mainly based on interviews with some of the Justices.

- 3.3 Since the last Board meeting, Lady Hale had appeared before the House of Lords Constitution Committee which was looking at the issue of increasing diversity amongst the judiciary. This had attracted some press coverage. Lord Phillips and the Lord Chief Justice had also appeared

4. Scorecard report

- 4.1 PR queried the sitting day figures for October and asked why there was a significant variance between the numbers of actual sitting days as opposed to possible sitting days. LDiM explained that two cases had settled with little notice and this had affected the figures. AJ asked if we charged cancellation fees in instances like this. JR said we did not, but that equally we did not refund the fees already paid.

5. Risk Paper

- 5.1 The board considered paper MB11/50. PR asked if risk 1 should actually be scored as 4x3 instead of 4x4.
- 5.2 PR queried if the definition given for risk 2 was still accurate. Risks were now largely external and mitigating them largely under the control of the police. AJ thought that following the awarding of the security contract the UKSC had matched the risk with our risk appetite, particularly as we were able to call on extra security staff if the need arose. PR said we should look at rewording the definition of this risk.
- 5.3 PR said that he noted the grant rate for permission applications was 25% but asked what had been assumed when the budget was prepared. JR said the UKSC had based calculations on around a 30% grant rate. PR asked if the fees income was nevertheless on track. JR reported that it was. The reason for the increase in fees earlier in the year was to counter any downward trend in the number of applications received.
- 5.4 PR queried if the likelihood score of 2 for risk 6 was correct. JR said that it was. We could not accurately predict likelihood for this risk, but if anything occurred the impact was potentially high.

- 5.5 PR asked if any modelling had been undertaken in connection with this risk – for example looking at the effect of the reduction in the Legal Aid budget. JR said it had not because MoJ had not been able to provide any accurate figures relating to the higher courts. They had been focussing mainly on the effect on lower courts. This had also proved to be a problem for TSol and other departments.
- 5.6 PR asked if we knew the number of UKSC cases that were legal aid funded. LdiM said she did not have a precise figure but that it was certainly a low number.
- 5.7 PR suggested UKSC should consider producing some working assumptions to prepare for the reduction in the legal aid budget – possibly considering increasing other types of cases that are not legal aid funded.
- 5.9 LdiM explained we were unable to do this. LdiM also explained that existing legal aid funded cases were unlikely to have the funding cut off mid-process. JR said that this would all be affected by the final structure of the proposed legislation.
- 5.10 PR said that he considered the impact score for risk 10 had gone up following the live BCP test as not everything was in place to run the courts in the event of an incident. The facilities at the RCJ were inadequate.
- 5.11 MT said that if an incident occurred under the present BCP we would still re-locate to the RCJ. He was confident that in a real situation the RCJ would be able to provide us with the facilities we needed to run the court.
- 5.12 JR agreed with MT. She said that we had not been able to set up a court in one afternoon, but that was an unrealistic expectation. In reality JR was confident that the RCJ would be able to provide us with the facilities we would need. Indeed, it was the one of the few buildings in Central London that had the facilities we required. JR reported that she was going to talk to Dave Thompson, the CEO of the RCJ, once the Royal Opening of the Rolls Building had taken place.
- 5.13 MT said there was still some further work to do to refine the BCP. PR suggested we should consider upping the score on the register until the BCP was clarified.

Action point: MT to consider wording of risk 2

Action point: MT to consider scoring of risk 10

Action point: JR asked all concerned to consider the risk register in advance of the next meeting. PB to check against agreed actions arising from the recent Workshop.

6. Finance and fees

6.1 LE presented paper MB11/51. He reported that expenditure remained stable and within expected limits.

6.2 JR asked if the cost of the two new Justices starting in the New Year had been factored in. LE said that it had and that an increase in this line was expected for January 2012. JR reminded the board that the recruitment campaign to find a replacement for Lord Phillips would also start early in the next calendar year and this should be taken into account.

Action point: Financial forecast to be re-done in January 2012 in advance of the negotiations with MoJ.

7. Press and communications update

7.1 SL presented paper MB 11/52. She reported that the UKSC continued to attract a reasonable amount of press coverage, including the Guardian articles mentioned earlier. Visitor numbers were slightly down, but visitors to the website continued to increase with October being the highest so far. Also the numbers on educational visits continued to increase.

7.2 WA said that we had received an increased number of visits from foreign judiciary and thought this was worth reporting on a monthly basis to the board.

7.3 PR suggested the monthly communications paper to go to the Audit Committee for background information.

Action point: Ayo Onatade to provide a contribution to SL's monthly report on visits by foreign judiciary

Action point: Consult Audit Committee members not represented on the Management Board.

8. Human resources

- 8.1 CM gave an oral update. He reported that the staff engagement survey was now closed. The initial figures showed that there had been a 90% response rate. The engagement score came out at 79%, with 97% of staff saying they were proud to work at the Supreme Court. Overall there were no real areas of concern. CM reported that he was preparing a comparison report with the previous year's results and would present this to the next MB meeting.
- 8.2 AJ asked if security guards had taken part in the survey. CM said that it was only directly employed staff. It was suggested that next year the survey should include both security personnel and other permanent contracted staff. Consideration should be given to including the JAs.
- 8.3 CM reported that a representative from Civil Service Learning had given a presentation to managers about what services and training they offered which had proven useful. There were two stress awareness events planned for December and January.
- 8.4 CM reported that an 18 month inward secondment placement had been arranged for an ICT Support Officer and he was expected to start in January. JR said this was good news as the demands on the ICT Manager were increasing.
- 8.5 CM reported that information had been put on the intranet in advance of the industrial action planned for Wednesday 30 November. There was no anticipated impact on UKSC operations.

9. Parliamentary Questions and FOI

- 9.1 PB reported that there had been no PQs received in November. However, MoJ had received two PQs from Keith Vaz MP about what consultations and meetings the Lord Chancellor had had to increase diversity amongst UKSC Justices. JR said that there had also been a Lords PQ tabled by Lord Pannick QC, which asked if the Government had plans to amend the Constitutional Reform Act 2005

so that the President of the Supreme Court was not required to chair the selection commission for the appointment of his successor.

- 9.2 PB reported that there had been 3 FOI requests received in November which had been answered within the statutory deadline.

10. Case update

- 10.1 LdiM reported that, following the recent demonstration of the electronic Case Presentation system, some of the Justices had started using the system. She highlighted that some of the Counsel who regularly appeared in JCPC cases might have concerns about producing electronic case bundles. Lord Kerr and the ICT Manager would be a meeting with the User Group in January 2012 to address some of these concerns and to answer any questions.

- 10.2 JR reported that she and LdiM had held a meeting with some of the Governors of the Overseas Territories and had been able to brief them on the role of the JCPC and answer their questions. JR had told the FCO that, if they wanted to arrange briefings on the work of the JCPC for new Governors on appointment, we would be happy to accommodate them.

11. Energy Consumption

- 11.1 MT presented his paper MB11/53. This showed that the consumption of electricity and gas was down. MT explained he had been reticent about setting targets as we were in a newly refurbished building which could reasonably be expected to be energy efficient, and that improvements were still being made. We now had experience and understanding of operating the building. As a consequence we had been able to make adjustments to turning off lighting, adjusting the heating and cooling etc.

- 11.2 MT reported that rooms that were not always occupied (for example meeting rooms) would be fitted with presence detectors to control the heating and cooling. Justices rooms were being fitted with thermostats that would allow for a +/- variance of 3 degrees against the pre-set room temperature.

- 11.3 PR suggested these savings should be reflected in the financial reports.

Action point: LE/OO to amend financial reports to report on energy savings.

12. Future IT provision

- 12.1 Pete Masters (PM) and Jonathan Fearon (JF) from Farsight Consulting joined the meeting. JR thanked them for their report on UKSC IT provision and asked them to present key points to the board.
- 12.2 PM outlined the background to the report and why it had been commissioned. He said that MoJ IT had accepted this report.
- 12.3 PM said that the IT problems the UKSC had faced had also been experienced by other organisations under the MoJ IT umbrella (for example OPG). PM said that the report was not a definitive blueprint, but it did suggest a range of possible options.
- 12.4 PM said that as part of the review a MoJ Business Information Auditor had been asked to look again at the IL rating that had been applied to the UKSC. This had originally been set at IL3 and this had been a main factor in the problems the Justices had faced with remote log-in. The Auditor had now re-assessed the security rating and had concluded that the majority of data we were processing was IL0 or IL1. This potentially gave the UKSC much greater flexibility in how it provided IT to the justices.
- 12.5 AJ if this meant that remote access should be easier. PM said it did. It might even be possible to set up via Google mail or a cloud based application.
- 12.6 AJ asked if downgrading our security rating could lead to any cost savings. PM said it possibly could, and it might be worth asking MoJ to explore this with ATOS and Logica. PM said that a more in depth look at the options would be beneficial. More work would need to be done to scope our needs. It was also possible that, over the longer term, any new arrangement could lead to cost savings.
- 12.7 PR said that an assessment was needed of our own capability to make changes. PM said that the UKSC's IT needs were not that complicated, but he would advise getting in outside consultants to provide advice and assistance in designing a UKSC IT specification.

- 12.8 PR said that we should look at what we might be capable of doing in-house and also our capability to manage change. There was further discussion over the possible options suggested in the report and over Logica and ATOS termination costs. PM and JF then left the meeting.
- 12.9 JR said that the report only presented a range of possible options and more work was required to look at these proposals in detail.
- 12.10 AJ said that his instinct was against a 'big bang' change to IT, but in favour of doing it gradually. AJ also suggested that we should benchmark costs against similar sized organisations.
- 12.11 PR suggested a matrix should be drawn up looking at needs v cost savings.
- 12.12 AJ asked if we could engage in direct talks with Logica and ATOS over the issue of costs in light of the IL downgrading
- 12.13 PB reported that the contracts were with MoJ so it was probably down to them to initiate any such discussion.

Action Point: JR, WA and PB to consider further and report back to next meeting.

13. Business Continuity Plan – post exercise report

- 13.1 MT presented paper MB11/54, which included the report from Needhams. AJ said that the people side of things seemed to have worked very well but noted there had been problems with IT and accommodation. He asked how big the gaps were in the facilities provided by RCJ.
- 13.2 JR said that on the day the team had identified some 'work-arounds'. The exercise had highlighted some areas to address, the main one being accommodation. JR said that if a real incident occurred, she was confident that the RCJ would find us offices and court rooms. JR also pointed out that there was no viable alternative to the RCJ as 102PF was not equipped to provide court rooms.

- 13.3 PR asked if we should consider showing the report to the Justices and if the matter had been discussed with the President. JR said not at this stage.
- 13.4 PR said that the Audit Committee would want to consider this issue again at the January meeting so he asked that a report should be prepared for that meeting. AJ suggested that the report to the Audit Committee should be in the form of a follow-up, reporting the results of the test exercise and any changes effected as a result.
- 13.5 JR said that the other consideration was what to report back to staff. It was suggested that an item should be added to the agenda for the next Quarterly Staff meeting and an oral report given.

Action point: MT to prepare a report for the Audit Committee January 2012 meeting after consulting with WA.

Action point: CM to add BCP item to the agenda of the next Quarterly Staff meeting

14. Finance – possible further commitments

- 14.1 WA delivered a summary of the position, highlighting that the UKSC was expecting a potential underspend in the current financial year. although there was some possible variance. There were, however, some expenditure proposals, which included projects bought forward or suggestions for enhancements to facilities and services. Some of the items were in fact routine business and would be carried out in the normal course of events.
- 14.2 JR pointed out that any projects must be value for money (VFM) and this should not just be considered as a money spending exercise.
- 14.3 AJ said we should apply a set of criteria to any proposed spending plans or projects, which should be either:
- i. something the UKSC planned to undertake anyway, but which had just been bought forward; or
 - ii. spending to save in the longer term / spending to improve or enhance; or
 - iii. routine business/business as usual.

14.4 These criteria were agreed as was the fact that management would have to take some decisions between now and the next Management Board meeting, if projects were to be completed within the current financial year.

Action point: Management team to meet and assess the spending proposals against the criteria outlined and prioritise plans.

15. Any other business

15.1 AJ asked what progress had been made on re-drafting the Strategic Plan. JR said that it was in hand and there would be a report to the next Management Board meeting.

15.2 AJ said that he had read JR's paper on the proposed bids for items to be included in future legislation and agreed with it. JR said the next step was to put proposals to Lord Phillips and Lord Hope. Lord Phillips would then need to write to the Lord Chancellor.

15.3 OO reported that he had been discussing the catering contract with MoJ, but there had been little progress. MoJ had renewed their own contact on a zero subsidy basis, but had, without consulting the UKSC, retained the subsidy basis for the UKSC extension. JR asked if the contact details of the senior MoJ official who had been involved could be provided to her.

Action point: JR to write to MoJ official responsible for the renewal of the catering contract.

These minutes were approved by the Management Board on 21 December 2011.

UKSC
November 2011