

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

HELD ON 12 NOVEMBER 2009

AT 83 VICTORIA STREET, LONDON SW1

Present: Alan Wooderson (Chair), Lesley Bessant, Julie Dent, Michael Fisher, Christine Goldstraw, Stan Hardy, Alan Harrison, Joe Kuipers, Roy Male and Clifton Robinson

Attending from PA: Ian Fox, Duncan Gaskell (part), Neil Lampert, Christine Lawrie and Jo Whyte

1. Welcome, Apologies and Conflicts of Interest

Apologies had been received from Norma Beechey, Mike Caldwell, Chas Dowden and Nigel Spencer. No conflicts of interest were expressed.

2. Minutes of Meetings held on 30 July and 17 September

The minutes were approved as an accurate record.

Matters Arising from 30 July

NOMS Protocol – the Protocol had been ready to sign but NOMS had then amended it further and the process had stalled. It was a frustrating situation but Stan Hardy would continue to pursue it.

Trust Position Paper (EET) – Christine Lawrie reported that it was unlikely PA would be able to get any further forward in terms of issues raised in the EET Paper. She felt that the focus now for PA should perhaps be to provide support to OATed areas.

A discussion followed on the approach to be taken in relation to the trust programme. There was a widespread view that for trusts to be successful and distinctive from boards, they must be allowed to be properly competitive, which it did not appear would be the case as the required business freedoms and flexibilities were not being

developed. There were a number of views expressed as to how this might be tackled:

- areas should join forces and review the decision to sign up to trust status until it was clear that freedoms would be progressed sufficiently to allow competitiveness – this approach would be allow more influence than becoming trusts and then trying to exert pressure
- it would be more effective to wait until sufficient numbers of boards had achieved trust status before trying to exert further influence
- there would be no significant ability to influence the development of competitiveness, either as trusts or boards and the only practical way forward would be to nurture a good relationship with the area DOM
- the line in the Gateway Review about the risk of losing the support of chairs might be a useful way to advance the arguments
- an approach along regional lines might be the most effective way to argue for the correct environment for trusts.

After discussion and in summary, there seemed to be a majority view that areas should wait until more boards had become trusts before trying to agree a collective position on what needed to be different in a trust environment and before exerting influence to achieve this. It was agreed that the discussion had been extremely useful and it was good to air different opinions.

In the light of the discussion, Christine Lawrie asked for guidance on what mandate she had from members in relation to her approach within the Probation Trust Project Board. It was agreed that this question would be put to Council later in the month.

PA/NOMS ICT Conference – the Board had previously agreed that Steria part-sponsor this event but in fact no sponsorship had been forthcoming.

Bill McWilliams Lecture – the Board had previously asked Neil Lampert to evaluate the proposal to establish whether it was a good use of PA's budget and to explore what branding opportunities it could afford. He reported that following an evaluation he could recommend it to the Board as a worthwhile project and a good opportunity to "show-case" PA. The Board agreed to the sponsorship.

3. Outstanding References

Jo Whyte reported that there were no issues of concern arising from this document. It was agreed that it was a useful agenda item.

4. Chair's Business

- a) Employment update - the Chair reported that two surveys had been sent to chairs asking for views on the pay deal for next year. It was important to get a sense from chairs of the outcome they would be looking for but there had been a disappointing response. It was agreed that there should be a discussion at the Council meeting in order to gather better feedback.

There would be intensive negotiations with the unions in early December.

- b) BNP membership – this item was taken at the end of the meeting.
- c) Preparation and agenda for the Council meeting on 26 November – items for the agenda were agreed as follows:

- pay negotiations
- PA's approach within the Probation Trust Project Board (see item 2 above)
- BNP membership
- Report from PA Review Group, Vision Group and NNC Employers' Side Review Group
- OAT process – it was agreed that someone from NOMS would be invited to speak to the Council (Christine Lawrie would contact Angela Munley)
- PA Business Plan Six Month Review – a Summary.

5. Chief Executive's Business

- a) **NNC Employers' Side Review Group** – the Terms of Reference had been circulated for information. Christine Lawrie reported that the Group had devised a workable proposal which should satisfy the issues raised by Council. She explained the detail as follows:

- An Employment Strategy Group (ESG) would be established, comprising ten chairs, one from each region, and which would be chaired by the PA Chair. No substitutes would be permitted. Eight of these chairs, including the PA Chair, would attend each NNC as negotiators on behalf of the employers. Attending, but with no vote, would be PA Chief Executive, the Employment Relations Pay and Policies Manager and the Communications manager.

- Every year a PA HR Strategy would be produced by the ESG, working with the Employment Relations Pay and Policies Manager, following consultation with all chairs and with all Chiefs and HR directors through a PCA Management Advisor.
- The HR Strategy would be presented to the Council for endorsement/amendment.
- The ESG would produce an HR Negotiating Strategy following on-going consultation with all 42 chairs and with all Chiefs and HR Directors through the PCA Management Advisor. There would also be consultation with NOMS at this stage.
- There would be a meeting of the Employers' Side of the NNC, including NOMS, before negotiations within the full NNC.
- Terms of Reference for the ESG and a job description for the Management Advisor were being worked on.
- Communications would be very important.

Julie Dent stressed that she would not be able to attend the ESG as Chair of London due to time pressure and she would have to send a Board member as a permanent substitute. It was agreed that this exception could be made.

The Board were satisfied with the proposal and agreed that it should be put forward to the Council.

b) PA Review Group – a revised Strategic Framework had been circulated. Christine Lawrie explained that it was now a much shorter document as the Group had concluded that a high-level statement of what PA was and sought to achieve was needed, rather than a more detailed set of objectives which should more appropriately sit within a business plan. It was the intention that the Strategic Framework stay in place until another review was deemed necessary and that every year the detail for the business plan would be drawn from its broad statements.

She explained that the document reflected a change in emphasis away from the PA being seen purely as an employers' association. It in fact provided a range of services to its members, only one of which was around employment issues. The document reflected the growing importance of PA's role in influencing policy makers. The Board suggested that the name of the document should be changed, but other than that it was content for it to be put forward to the Council.

The Group had also made a number of specific recommendations, specifically:

- A stream of work should begin immediately to influence the opposition parties in the formation of their manifestos in the run-up to the General Election.
- The Board should carry out a review of its own operations. This was agreed and a date set for 4 February 2010.
- Amendments should be made to the Standing Orders of the Board and Council and to the Terms of Reference of the Audit Committee – these would be presented to the Board for approval in due course.

c) Probation Vision Group – the Group had concluded that a PR document was needed which would be used to promote and explain probation to local and national decision makers. The Board had been circulated with the first draft of a pamphlet and with a version revised by Christine Lawrie into more of a PR communication. It was agreed that the document was not yet ready to go to the Council. More on victims needed to be included, it needed to have all jargon removed and be written in a more contemporary, easy to understand tone. The Chair said that he had some European standards for probation which might usefully be fed in. Neil Lampert would be asked to work on it and it would then be come back to the Board.

d) PA Funding Mechanism – the Audit Committee had considered the mechanism for setting subscription levels and had resolved that a view should be obtained from the Association’s auditors about using the reserves to part-fund the expenditure budget, potentially enabling the subscription rate to be reduced in future.

The auditors’ reply was circulated to the Board. It raised for the first time the argument that due to the pensions deficit, PA should in fact be trying to build its reserves, rather than run them down. It was therefore agreed that the Audit Committee would research the issue further.

In the meantime, the subscription level for 2010/11 would be reduced by the same percentage as the reduction in area budgets, plus a little more to reflect the savings to be made on the rent free period on the new offices. The reserves would be left untouched for the time being. Members would be warned that subsequent years would be difficult financially and that it might not be possible to keep subscriptions at the same level. Christine Lawrie would produce a proposal for 2010/11 to be signed by the Chair on behalf of the Board. The proposal would include options for how to work out subscriptions for merged areas.

e) Trusts Up-date –

- Trust Development Project – this had been very successful. It was within budget and had received high levels of satisfaction.
- Due Diligence in Probation – this would be worked up into an action plan. It was welcomed, although was a little late for some areas.

f) Business Plan 2009/10 – Six Month Report

Clifton Robinson should be added as the Board representative on LCCS. Otherwise the report was welcomed. It did not reveal any deficiencies in PA's work for the year so far. A summary of the Report would be presented to Council on 26 November 2009.

g) Business Plan 2010/11 – A document setting out Strategic Themes for 2010/11 was circulated. These would be discussed in full at the Board Away Day in February.

6. REPORT FROM THE AUDIT COMMITTEE

a) Income and Expenditure to end October 2009 – there was a variation of around £13,000 between September and October because the cost of moving had been added in and the cost of recruitment for a new Chief Executive would be higher than originally thought. There had also been reduction in the out-turn figures.

b) Accommodation – a paper outlining the cost savings to be realised due to the office move had been circulated. The Board thanked Jo Whyte for her work on this project.

c) Risk Register – the Chair invited directors to send any comments on the proposed changes to Jo Whyte as soon as possible.

7. CONFIDENTIAL ITEMS

The executive staff left the meeting for a confidential item introduced by the Chair.

8. BNP MEMBERSHIP

The meeting welcomed Peter Reading from the Equalities and Human Rights Commission (EHRC). He had previously added comments to a paper produced by Clifton Robinson which set out the legal situation with regard to proscribing

membership of the BNP and other far right groups. Peter Reading explained his thinking and there was an interesting discussion. He stressed that the EHRC could not give legal advice. It was concluded that PA should ask NOMS if it would require probation to proscribe membership in this way on account of there being a contractual relationship between it and trusts and whether it would require trusts to pass on that restriction to sub-contractors. If the answer was yes, then PA should seek legal advice. Otherwise the production of a code of conduct should be considered as it might be better to deal with racist conduct rather than simply with membership of a particular group. HRSB would be asked to help in such a project. A proposal would be put to Council in due course.

Peter Reading was thanked for his time.

9. ANY OTHER BUSINESS

Board directors were asked if anyone was able to sit on the interview panel for the chairmanship of the newly merged Norfolk/Suffolk trust.

10. DATE OF NEXT MEETING

The next meeting was confirmed as 26 November.