



Meeting Minutes

Board Meeting

When: 28 September 2017

Where: Meeting Room 1, Kinnaird House, 1 Pall Mall East, London SW1Y 5BP

Present (Board)

- Paul Burstow, Chair
- Alex Fox
- Ossie Stuart
- David Archibald
- Sally Warren
- Bev Searle

In attendance

- Tony Hunter (Chief Executive)
- Stephen Goulder (Company Secretary)
- Ewan King (Director of Development and Delivery)
- Michaela Gray (Executive Assistant) – minutes
- Carmen Colomina (Staff Representative)
- Amanda Francis (Buzzacott) – for Items 6 and 7 only
- Sheila Fish (Head of Learning Together/Senior Research Analyst) – for Item 8 only

Apologies

- Annie Hudson
- Fionnuala McAndrew
- John Evans
- Mary McKenna
- Peter Hay
- Tina Coldham

Apologies and welcome

1. PB welcomed members to the meeting and noted apologies.

Minutes of the Board meeting of 15 June 2017 and matters arising

2. The minutes were agreed.
3. There were no matters arising not on the agenda.

Chair's briefing

4. PB gave a verbal overview of his reflections on his first months as chair.

Chief Executive's report

5. TH gave a brief overview of his report and noted we are at an important stage of SCIE's evolution and maintaining our focus on delivery.
6. TH summarised discussions which took place at the Board Away Day in June.
7. TH updated the Board on DH related activity taking place, the commissions with Wales and Northern Ireland and the position with NICE.
8. TH noted the major step forward with Coproduction work taking place in Oxfordshire and added that while it is intrinsic to our vision and values it is now adding commercial value as well.
9. TH noted that Alex Fox is continuing as Vice Chair of TLAP, which will continue to be hosted by SCIE. TH is confident we are heading in the right direction.
10. TH asked SG if he had anything to add. SG noted that a short report on the current search for new accommodation is included in the report of the audit and risk committee. We want to achieve a saving on the rent that we currently pay and there are three shortlisted properties. SG noted the limitations around DDA compliance which had been highlighted by an external consultant concerning the restriction of lift size which will restrict the range of wheelchairs that can be accommodated. SG noted that looking at smaller properties means there is no space for any meeting rooms so it is better to share if possible. We are seeking a relationship with V-Inspired and discussing the possibility of moving with us. If so, that will achieve a further saving, but if V-Inspired are unable to move with us, we will need to seek another partner. A detailed paper will be brought to the next Board.
11. PB noted the added commercial value in the draft logic model and asked the Board to note the Chief Executive's report. The report was noted.

Audit and Risk Committee Report

12. BS presented the report of the audit and risk committee and noted that there had been a clean audit report on the annual report and accounts for 2017-18. There was a discussion about the increase in the deficit of our pension fund.
13. PB asked if there were any questions. There were none. The report was agreed.

Annual Report and Accounts 2016/17

14. AFR took the Board through the salient points in the annual report. She then moved on to the her report on the annual report and accounts and confirmed that:

- **Audit report.** The audit went very smoothly and he confirmed SCIE had received a clean audit report.
- **Pension Fund.** The most significant issue that she highlighted was the increase in the pension's deficit from £3,973,000 at 31 March 2016 to £5,757,000 at 31 March 2017 calculated using FRS 102. The increased deficit fully offsets SCIE's free reserves. Trustees will recall that full triennial review of SCIE's pension scheme reported to the board in March confirmed that the scheme was in surplus. However, the FRS 102 uses a different methodology and is calculated at a different point in time. AFR stated that with regards to the pension liability, unless the Board is very concerned with the sustainability of the organisation, that is a long term liability and a very prudent calculation has been made by the actuary. If the Board is content SCIE is a going concern and can meet its annual contributions then AFR advised we should concentrate on the operational deficit.
- **Misstatements.** There were some unadjusted misstatements that were identified but because they are not significant to the figures that were identified but these were not material to the outturn.
- **Old accruals balances.** SCIE currently holds accrued expenditure of £251,000 relating to the piloting of individual budgets in care homes. This represents amounts due to local authorities who provided the pilots, but which have yet to invoice us. SCIE will review these accruals with DH during the current financial year.
- **Actions on recommendations.** Actions to address the detailed observations on personnel files and purchase orders have been actioned.

15. The balance sheet shows assets and debtors and Buzzacott are confident the money owed is recoverable and has reduced year on year. AFR noted that as at end March, we have more than £5m in the bank, so there is no need for alarm. We still have a balance of £4.8m if we had to pay all creditors now and have been paid all monies owed.

16. OS queried cybersecurity and asked what we are doing to ensure that records are not disclosed. SG responded that in order to bid for government tenders we have to comply with their cybersecurity regulations. SG added that Barclays have flagged the issue of credible appearing invoices asking us to send payments or payment details. We provide the details of phishing accounts to Barclays. AFR added that there are two parts to cybersecurity – one is technology but a lot is to do with staff training and staff should send anything they are unsure of on to IT.

17. PB asked if there were any questions. There were not. The board approved the annual report, accounts and agreed the letter of representation.

What Works Centre for Children's Social Care

18. EK and SF gave an overview of the presentation. EK noted that the award of the contract had been confirmed but must remain confidential until 12 October.
19. PB queried the governance relationship with the research agency. EK replied that the research partners are responsible to DH who hold the contract. We have to work closely with them to contract and commission the work. DfE has two senior responsible officers for the WWC and its research partner.
20. PB noted there may be issues around how the issue is handled privately if the document is made public before the ministerial announcement. EK replied that he has a meeting scheduled on Monday to agree how this will be handled.
21. SW asked if this is linking to the WWC networks and noted that the structure is sector based rather than what works based. EK noted that Jonathan Breckon is a member of those networks but acknowledged SW's point around the advisory group.

Brokerage support following CQC area review

22. TH presented his report on the brokerage support that SCIE has been asked to provide by DH to areas that have been reviewed by CQC. We will assist areas to hold summits and create action plans. TH is visiting two areas - Halton tomorrow and later to Stoke to begin discussions. We will use senior consultants to do this work.
23. PB asked if we could identify more people in health as connections or consultants. SW noted her concern that the current list is not very diverse. PB noted that we need to look at how we grow and diversify the pool. SW agreed and added we should look at the current profile of associates and what gaps there are in terms of skills, knowledge and sector.
24. TH offered to bring back a report on the diversity of current associates. This was agreed.

Performance Report

25. SG gave an overview of his report. There were £4.4m in the unrestricted reserves as at the end of March 2017. The operational deficit is falling and we are seeking to eliminate this in 2018/19. Our initiatives and wins continue to move us closer to our financial target. The table compares the pipeline with our position last year and demonstrates the much better progress that we are making to our target since June. A detailed year end projection will be made at the board meeting in November.

26. Income and expenditure budgets will be adjusted to reflect the changing pattern of restricted and unrestricted fund income and expenditure.
27. SG gave an overview of the Risk Register. SG noted there are several elements to risk 1 and asked the Board if this should be expanded. SG asked if there are any questions.
28. It was agreed that risk 1 should be expanded as SG suggested. PB queried the risk around the WWC work. SG confirmed this would now be rated green.
29. SW noted that we are not going to hit our financial target and added that while we have talked about our expenditure we need to look in November at our reserves policy. This was agreed.

Board annual agenda plan

30. TH suggested that the brokerage work be discussed in more detail in November. This was agreed. SG added that issues around accommodation would also affect the reserves policy and would also be discussed in November.

Any other business

31. There was no other business.

Date of next meeting: 30 November 2017

Approved: _____

Name: _____

Position: _____

Date: _____