



# Meeting Minutes

## Board Meeting

**When:** 21 March 2019

**Where:** Meeting Room 1, Watson House, 54 Baker Street, London, W1U 7EX

### **Present (Board)**

- Paul Burstow, chair
- Annie Hudson (joined during Item 5)
- Katie Brennan
- John Evans (via Skype)
- Margaret Lally
- Mary McKenna (joined during item 4)
- Ossie Stuart (joined during item 4)
- Peter Hay
- Rachel Armitage
- Sean Holland
- Sue Gower

### **In attendance**

- Tony Hunter (Chief Executive)
- Stephen Goulder (Company Secretary)
- Ewan King (Director of Development and Delivery)
- Michaela Gray (Executive Assistant) – minutes

### **Apologies**

- Alex Fox
- Bev Searle
- Carmen Colomina
- Eustace DeSousa
- Mark Atkinson
- Sally Warren

### **Apologies and welcome**

1. The chair welcomed members to the meeting and noted apologies from Carmen Colomina the staff representative.

## **Minutes of the Board meeting of 29 November 2018 and matters arising**

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

### **Chief Executive's report**

4. TH presented his report to the board.
5. TH noted that SCIE was not successful in recruiting to the second senior management post for the role of Head of Marketing, Sales and Communications. TH advised the Board of the interim measures being put in place, noting the intention to progress two members staff on an interim basis. This will allow breathing space to consider the best way forward in the longer term, and will also be a positive message of confidence in our own people.
6. TH gave an overview of the new seating plan and stated that this is to help ensure more effective working between the digital, delivery, sales and communication teams..
7. TH gave a brief update on Innovation work with DHSC, and noted that the next Accountability Review meeting is on 15 April.
8. TH gave an overview of new work, including with Staffordshire, which is one of twenty-three localities subject to CQC local system reviews. The project focus is on developing a commissioning strategy – good territory for Scie to be in as the importance effective commissioning practices comes more to the fore.
9. TH thanked BS for chairing Audit and Risk Committee until now, and KB for taking over as lead. TH advised of the intention to meet informally on a more frequent basis going forward.
10. The Chair noted that this is also SG's last Board meeting. The Chair thanked SG and described him as an indispensable lynchpin. The Chair noted his appreciation of SG's contribution over the years. SH added that from the perspective of a customer of SCIE, SG has been instrumental in positioning the organisation and showing it is responsive and aligned to client needs. SH added a number of colleagues in NI have echoed this sentiment and that SG will be very much missed. SG thanked the Board for their words and stated that it has been a pleasure working at SCIE for so many years and seeing the organisation change and improve. TH stated that SG has been a bedrock of governance and ensured the smooth running of the organisation, and thanked him for his skills, knowledge, and challenge. JE stated that from an expert by experience perspective, SG has been a tremendous support to the Coproduction Steering Group both with attendance and contributions. JE added it would be good to have a senior manager continue in this role. EK stated that he has enjoyed working with SG who has always been very supportive and values-driven.

11. The Chief Executive's report was noted.

## **Report of the Audit and Risk Committee and Performance Report**

12. The Chair stated that as the two reports are tied together, he felt it made sense to discuss both together. This was agreed.
13. KB reiterated her thanks to BS for her capable and helpful chairing, and added that she is delighted BS is staying on in a supportive capacity.
14. KB gave an overview of the Audit and Risk Committee meeting and stated that as well as looking at the audit side, the Committee also considered the appetite for corporate risk, and the strategic questions around investment and business focus. The point for the Board to note is that the Committee will be recommending that SCIE dips into its reserves again this year, and the Board needs to take a view about what that means going forward and what the business case would be to ensure any approved reserves are used as a business-driven investment to support greater income generation. The other two points were around lease liabilities and issues around the pensions deficit. The Committee was reassured that the pensions liabilities are covered by Essex County Council should SCIE cease to be a going concern.
15. SG gave an overview of the Performance report and advised that the papers are similar to those considered at the January Board away day, and our predictions are in line with that. We are not making as much progress as hoped, but we have now achieved £3.24m, largely by converting "highly likely" work to work won between November and today. SG stated that he and key staff have gone through the invoicing arrangements to ensure all work from this financial year will be billed this financial year. SG noted that some work may fall into next year, but this is mostly small training programmes. SCIE's outturn is as projected and the deficit increase is due to a shortfall of income and a one-off financial impact resulting from exit costs which will reduce operating costs next year. Our reserves now sit at £2.8m. SG directed the Board to paragraph 15 which sets out the assumptions for next year.
16. EK added an update on work won for 2019/20 which has increased to £1.1m with another £300k "highly likely" added to this year's financial position since the papers were printed. EK noted that this is a better position than at the same time last year.
17. SG noted that the other element is the extent to which it is possible to get confirmation from DHSC regarding the core commission. SG added that we are currently working on a range of funding options, and the latest email from Wayne Sumner broadly supports the assumptions set out in the report.
18. The Chair asked if the £1.839m in the pipeline assumes a 15% reduction in the core commission from DHSC. SG confirmed that it did, and added that total DHSC funding could be increased through single and/or competitive tendering.
19. RA queried the table on page 16 and asked if SCIE's position is the same as last year. EK responded that last year we won £900k, which this year has increased to £1m.

20. SH noted the need to be keep track of any savings made through unfilled vacancies and the financial impact of any future appointments. TH/SG confirmed that vacancies arising are always considered before replacement, and often refocused to reflect changing business needs.
21. RA queried that if March 2019 is about £1.4m in comparison to £1.6m in March 2018, then SCIE about £275k down on this time last year. EK responded that “likely” work is not included in the table and that overall SCIE is in a stronger position now as more money has been received than this time last year, but acknowledged that there is still a long way to go. EK agreed to revise the table and circulate an amended version. SG also noted that while the pipeline is slightly smaller, the work is more certain.
22. ML queried the lease liability which she felt seems quite critical. The Chair also queried when the Board need to take a decision by. SG responded that the issue in the context of the lease is that we have a break point in April 2020, so the peak of our liabilities will be reached in 2021. The question to the auditors is if having £2.5m reserves enables trustees to agree SCIE is a going concern even though we know the liabilities will increase. The auditors have been clear that this is reasonable, and SCIE’s reserves are healthy. As far as whether SCIE is a going concern, the Board can only be asked to look one year ahead at a time. As long as SCIE remains a going concern, then we can manage the liabilities. SG added that we have won enough work to be a going concern to March 2020 already, but it is important to keep this under review at either the September or November Board when our financial projection becomes clearer.
23. In terms of accommodation, SG stated that the Board needs to consider whether SCIE would want different accommodation post 2020. If so, then an assessment could be done for the September Board, although difficulties in the past have been around accessibility rather than expense. SG summarised that SCIE’s reserves are healthy, income is sufficient to be a going concern to March 2020, but there are issues for the Audit and Risk Committee, and Board to consider in September and November of this year.
24. ML asked if there would be enough time to vacate the premises here if necessary. SG responded that we will have to vacate in 2024 as the building is being developed so there is no option to extend past that.
25. PH stated that the decision to take on the liability is linked to being a going concern, which is helpful. PH added that he would caution against another office move unless absolutely necessary as it is very distracting for staff so is not just a question of office cost.
26. MM added that the last office move was very difficult in terms of finding somewhere that met all the criteria. MM also added that SCIE has some sub tenants here so there would be the question of whether or not they could or would move with us.
27. SG stated that regarding pensions, the liability is not taken into account when considering whether SCIE is a going concern. SCIE has to pay its payments through payroll. Closing the scheme to new members would mean having to pay more upfront, and finding a new pension scheme. Essex LGPS is now going

through the three year actuarial review, so it would be reasonable for the Board to consider in more detail after that. SG recommended that the report from the review be taken to the Audit and Risk Committee which will then make its recommendations to the Board. This was agreed.

28. The Chair stated that the recommendations from the Audit and Risk Committee would be to add additional telecom meetings during 2019; and for the Board to give further consideration to SCIE's accommodation needs in September; and for the triannual review to be considered by the Board in November. This was agreed.

## **Business Plan: 2018-19: Draft Framework**

29. TH gave some context and noted that it is important to congratulate staff on SCIE's achievements, but we must keep the consistent message that we are not achieving income targets so there are challenges ahead. TH acknowledged that communicating this is not always easy.
30. TH emphasised the need to keep focus on the four bullet points outlined in paragraph 3, which will guide the Business Plan.
31. TH gave an overview of SCIE's five unique combination of selling propositions outlined in paragraph 10. TH added that we are trying to look at the challenges ahead and to that end our operating model would be kept under review.
32. TH stated that he would take the draft Business Plan to staff on 1 April, and bring back to the Board in May. TH asked the Board what they would expect SCIE to pay attention to. The Chair added that the Green Paper may also have been published by 2021/2022, which adds some uncertainty to the changing landscape.
33. The Chair asked if we need to do any refining of numbers given the latest communication from DHSC. TH responded that this was touched on by the Audit and Risk Committee, and asked KB for her thoughts. KB stated that there was some discussion in the Committee around paragraph 32 and trying to feed in some of the points from the January away day. KB added that the Committee also discussed how to support staff through the transition and how it's not about doing more but prioritising properly and how we do that. KB also felt that there is an opportunity to get some analytical functions in place and make that part of our offer, and there is a question about whether that is worth investing in. KB recognised this is a big list and acknowledged how stretched the Executive team is and that should be taken into consideration. TH confirmed the executive's commitment to respond to KB's helpful input in proportionate and phased ways, and that she and he would discuss further.
34. The Chair felt the draft well pulled together and asked how we keep this as a live document throughout the year. The Chair suggested that the five points outlined by TH be strengthened by bringing out the role of Coproduction. The Chair also added that these could be linked to the 2022 projections, but in terms of safeguarding there is something regarding assurance which goes beyond governance. The Chair also added the need for emphasis on "why SCIE" – going to a crowded market means we need to make a strong case for SCIE and social care in that context. The Chair also suggested talking to the LGA regarding their social care offer.

35. SGOW added that we need to think about the language used and ensuring it is tailored to the different spaces we are going out to.
36. RA suggested consideration be given to where we see revenue coming from and how we grow that in terms of the different sectors. Profiling our target audience and understanding who our users are along with an analysis of our competitors will be helpful. RA added she would also like to see something around ownership of IP.
37. ML asked if there might be opportunities around mental health. ML also added that we may need to allow for some flexibility in our plan as we are still bringing in key people and we may want that room to develop.
38. JE agreed with the Chair and emphasised his feeling that Coproduction could be embedded more strongly in all areas. In terms of safeguarding, JE also suggested that SCIE look at expanding beyond Christian based faiths.
39. SH gave an overview of a discussion with the University of Birmingham and noted that SCIE may be well placed to offer products on leadership and social work. SH also suggested contacting the Republic of Ireland with a similar offer. It was agreed that SH would make an introduction.
40. SGOW felt that partnership work could have a higher focus in the paper and noted a possible opportunity to work with the Marie Collins Foundation on delivering training for BT.
41. MM asked if SCIE has considered looking for a big sponsor such as BT. EK responded that there have been discussions and we are considering sponsorship of our webinars. MM stated she was thinking more of the key themes, and suggested discussing this in more detail outside of this meeting. This was agreed.
42. RA stated that in terms of the operating model and more diversity of business models, we need to financially quantify the impact of the work SCIE does. A cost benefit analysis could be useful when pitching.
43. OS stated that in terms of coproduction, there is a clear steer around safeguarding of children but there doesn't seem to be the same for safeguarding adults and we need to show why that is key. OS added that we also need to go back to how we make this profitable.
44. RA added that there is a valid case for coproduction and why it should be on all our bids, and if we can put that case strongly then the benefits will be understood.
45. OS added that training is very important for SCIE and opens up great opportunities in terms of high profit, high value work.
46. TH agreed that Coproduction does need to come through more clearly on all aspects of our USP. TH stated that an update on the Coproduction Plan would be brought to the next Board. TH added that there are three sides to consider: how we operate internally, how we are seen as an organisation that pushes the agenda and its cost benefits externally; and how investment in coproduction contributes to

income generation. Points around 2020-2022 to think about indicate we need to think about what will be a crowded space and what that means for us. TH also agreed with the points made around language. TH noted that we need to keep on top of income and projection as opportunities arise, and we need to think systematically to ensure we don't lose focus. TH also agreed that consideration should be given to IP issues. TH stated that he would discuss possible opportunities around mental health with ML outside of this meeting.

47. TH also noted that with regards to SH's point on leadership and social work, we are working with the NHS and that may or may not be a separate offer. EK added that he is meeting with Birmingham University about developing leadership with social workers. AH asked if this is around both children's and adults services. EK responded that this is for both but discussions have been quite adults- focused.
48. The Chair stated that with regards to organisational development, he and TH have discussed options to invest in staff, including reconsidering the use of Investors in People funding. The Chair noted the importance of making the Executive team feel supported.
49. The Chair gave his summary:
  - The document should be kept "alive"
  - Paragraph 32 needs specific attention in the business plan
  - There is work to be done to scope SCIEs analytical capability and requirements.
  - Coproduction could have a part in the role of regulators which should be explored. We must keep testing ourselves around how we monetise this aspect of our USP. We might want to take a policy stance.
  - The upcoming 'productisation' meeting is a good place to have a conversation around IP, sponsorship, membership systems.
  - To reiterate the discussion around leadership, it sounds like we need to make this more visible in the plan. The Chair asked that this come back to the Board in May to ensure it is fit for purpose and we are clear about our KPIs and how this is a tool for driving the business.
50. The Chair also noted that some trustees have safeguarding expertise. EK gave a brief update on recently won work. AH/EK/OS to discuss in more detail outside of this meeting.

## **Reflections on the role of trustee – John Evans**

51. JE gave an overview of his time at SCIE:
52. I have enjoyed my time being a trustee for SCIE. It is just a shame that I had some health issues which restricted my full contribution and participation in as much as I would have wanted. I found these limitations very frustrating. However, in my experience the role was challenging. In the beginning it was a little intimidating as I realised the standard that SCIE had set itself was indeed of a very high standard and bar and the scope of SCIE's work immense and diverse. It took some time coming to terms with. This encouraged me to do as much as I could to meet this challenge. It was also difficult keeping up with the variety of work and pace on the

website which is very dynamic and comprehensive but this also helped getting to grips with the work of SCIE.

53. I found the support and respect coming from the Chair and Chief Executive very encouraging. As I am passionate about co-production and user engagement it was uplifting to realise that the Chair Michael Bichard and CE Tony were genuinely supportive and respectful about this. It is also pleasing that our new chair Paul has carried on this commitment. My strength comes from my strong belief within which has developed throughout my career and is about ensuring that we disabled people have a voice and must be heard. This is why independent living and co-production started, to confront this historical gap of excluding us from major decisions about our lives and the policies which affects us. This is why it is so important that co-production stays at the centre of SCIE'S work. I felt that not only my contribution but other users were also accepted and included in their work like the coproduction steering group and network.
54. There is still much to do to develop co-production more and I am not totally convinced that all the trustees and staff are fully signed up to this essential co-production in SCIE's work.
55. My advice to new trustees because of the wide scope of the entirety of the work of SCIE is to focus particularly on certain strands as there is so much on offer - integration of health and social care, safeguarding, children's services, role of digital services, delivery, communications, co-production, user engagement, social care e.g. and the Care Act, and the recent contracts towards being an improvement agency and many more. This is a daunting challenge. Along with this, one needs to have a robust view of the fiscal management and the impact of austerity on this especially at this time, as well as having an appetite for risk and keeping a special eye on the financial reserves situation
56. Another area I would like to see SCIE develop more is the employment of disabled people and carers as part of the staff as I do think we are quite limited in this respect. I believe that when we take a more proactive role in bringing in more staff with an inclusive approach this might cascade even further into the organisation.
57. On the issues of the staff situation it does need to be consolidated after all the people and radical changes made in 2018 due to budgetary constraints. New staff will need to be inducted properly and made to feel at home which is not easy with pressures on everybody. The staff also need to come to terms with their new roles and the position of SCIE. The morale of the staff, particularly those who have been around for a while is important to maintain and grow on. Many have lost colleagues who they worked together with for 10-15 years and more
58. We have gone through 10 years of austerity and we're not quite at the end yet. It will still be a very challenging future environment as regards the direction of travel for social care and support. We need to be rigorous and robust to ensure high standards of performance, strategy and delivery continue. SCIE has a very fundamental and important role in both social care and the integration agenda. We will need to be vigilant in all we do.

59. We do need to form more networks and alliances with other social care and health organisations so that we can make more influences in integration. We also must not forget the importance of the voluntary sector and engaging with them as much as we are able.
60. We need to continue developing the good relationship we have with the DHSC and other governmental agencies as well as the NHS. We need to be more engaged with the NHS 10 year plan.
61. Another area I have discussed on a number of occasions with Tony is regarding the work we have been doing on safeguarding. Until now most, if not all of this work has been done with Christian and Roman Catholic organisations but I firmly believe we need to spread and diversify this. We need to try and engage with other faith groups like the Jewish community, Islamist and Hindu and others but to be able to do this successfully we need champions and links with these organisations through people who are connected already with them. We cannot be seen as doing it alone but need to be inclusive.
62. We need to keep the accelerating growth approach at the forefront of our work and ensure that its sustainability becomes stronger. Income generation is central in maintaining this sustainability.
63. It is very difficult to predict the co-production landscape but SCIE Steering group has done incredibly well in generating income and the more projects there are like Oxfordshire the easier it will be to expand this into other regions. It is important to develop a successful model which the Oxfordshire work certainly has done.
64. I have always felt strongly that we need to do more work in co-production with CCG's and health around the country. We are just beginning to do this work with West Hampshire CCG at a local level and have set up a co-production working group with a mixture of CCG staff and experts by experience from PEP (Personalisation Expert Panel).
65. I think the website can go a long way in developing our presence further in the co-production landscape. We could certainly do with more expert input into co-production blogs. The coproduction festival has also generated more interest over the last 3 years since its inception.
66. I've also been recently encouraged by the recent working together with TLAP and other co-production based organisations. This can only strengthen the future of co-production.
67. I think there is still work to be done on co-production definitions because there is still a lot of misunderstanding around about it. There are many local authorities and CCG's who claim they are working in a co-productive way but when you get down to it much of this is lip service or consultation or user participation but not real co-production where we are involved right from the outset in the design and planning stages, the further development processes and delivery and evaluation. We have to be part of the whole picture.

68. I think the co-production steering group is very much aware of maintaining a high profile and the importance of continuing to generate as much income as possible through its projects. We have some in the pipeline but there certainly needs to be more down the line.
69. Last but not least I would echo the sentiments of other Board members, the CE and the Chair in wishing Stephen Goulder every success in his new career direction. I would like to point out that Stephen has also been a great supporter of co-production and was nearly always present at our steering group meetings. I would encourage the senior management team to consider someone as his successor as it is important to have that link with the group. Helen, the business development manager was present at the last steering group meeting which I think she valued and we certainly did too.
70. OS endorsed JE's feelings around the daunting aspect of joining the Board, and added that it is critical to feel valued. AH agreed and added that ensuring new trustees understand what the role is is an important part of the induction process.
71. OS asked if there is a partnership opportunity around coproduction running joint programmes. TH responded that the Coproduction Strategy is coming back to the next Board in May so a more detailed discussion can take place then. TH added that we need to build on the work already done with Oxfordshire, and it is about embedding not just proselytising. The Chair agreed we need to do more on partnership working.
72. The Board thanked JE for his time and contribution as a trustee.

### **SCIE Improvement Offer**

73. TH gave a brief presentation on SCIE's Improvement offer, and noted he would send this separately to JE.
74. RA asked who comes close to SCIE as a competitor. TH responded that no other organisation has the combined five points outlined in our USP.
75. EK noted that a lot of work is won through networks and speaking engagements rather than mass marketing, and added that he would appreciate the Board's help on pinning down how that works in a more tangible way. OS responded that he also gets work by being very visible, so it is success driven by success. OS added that is this way of working does however limit you to certain areas. SGOW agreed and stated it is about knowing the market.
76. MM suggested identifying other local authorities who may be interested and inviting them to a session for Oxfordshire to present at.
77. ML asked if there is any scope to differentiate pricing. EK responded that prices can vary depending on the client and work.
78. EK gave an overview of current work taking place. AH asked if this was all around adults or children's services. EK responded that it is mostly adults. The Chair noted

that development of the Children's offer is coming to the Board in May so it could reflect some of this discussion.

79. EK suggested investing in NCASC. The Chair referred to KB's point about business cases for investment but noted the Board would have an appetite for this.

**Board annual agenda plan**

80. Report: Development of Children's offer; Coproduction  
Decision: Business Plan 2019-20  
Review: Commercial opportunities pipeline

**Any other business**

81. There was no other business.

**Date of next meeting: 23 May 2019**

**Approved:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Date:** \_\_\_\_\_