



Meeting Minutes

Board Meeting

When: 2 December 2019

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

Present (Board)

- Paul Burstow, chair
- Mark Atkinson
- Eustace DeSousa
- Jane Green
- Bev Searle
- Sean Holland
- Mary McKenna
- Katie Brennan
- Ossie Stuart
- Annie Hudson
- Margaret Lally
- Peter Hay

In attendance

- Tony Hunter (Chief Executive)
- Ewan King (Chief Operating Officer)
- Pearl Sebastian (Head of Finance)
- Michaela Gray (Corporate Governance & HR Officer) – minutes
- Ryan Wise (Staff Representative to Board)
- Nimal Jude (Staff observer)
- Nishal Rooplal (Head of IT and Facilities) – for Item 6 only
- Hugh Constant (Head of Training and Consultancy) – for Item 7 only
- Emma Smale (Head of Research and Information) – for Item 7 only

Apologies

- Rachel Armitage
- Alex Fox
- Sue Gower

Apologies and welcome

1. The Chair welcomed members and noted apologies from Alex Fox, Rachel Armitage, and Sue Gower.
2. The Chair also welcomed Nimal Jude attending as staff observer.

Minutes of the Board meeting of 3 October 2019 and matters arising

3. The minutes were agreed.

Chief Executive's Report

4. TH, EK and MG gave an overview of the report.
5. BS noted good work on mental health as this is the biggest cause of absence.
6. ED noted the long term national social care policy and funding agenda is still under debate, SCIE needs to make the best use of our strengths to influence, and prepare for, new developments.
7. BS agreed that pressure is unprecedented and heavy, and noted her concerns about managing winter. We need to consider how we improve the impact of austerity over the long term.
8. ML agreed we need to look at sustainability but added that current political parties do not seem to have more specific agendas.
9. The Chair noted that we need to create opportunities at different levels, and added the danger is as BS noted getting stuck managing crisis.
10. KB agreed the system is stretched but presents opportunities.
11. AH noted that more funding is available for SEN, but the other preoccupation in Children's is the new safeguarding arrangements, and there could be opportunities there as it develops.
12. The Chief Executive's report was noted by the Board.

Audit and Risk Committee Report, and Performance and Finance Report

13. KB gave an overview of the Audit and Risk Committee report, and noted that while conversion rates are good we are still not on financial target yet. It has been helpful to focus on revenue, but we also need to consider costs, e.g. accommodation.
14. PS stated that Essex LGPS has advised the scheme has performed well and is 97% funded as a whole, however we do not yet know how this affects SCIE as an

individual entity. The outcome of the triannual review is expected by the end of February but we may know before then. As agreed at the last Board meeting, we sent an invitation to tender for a review of the pension scheme, but we only had one response and it was not possible to complete the review in the timescale given. Other responders advised that it was not possible to do before the outcome of the triannual review which would provide critical information. PS added that it is likely our deficit payments will fall.

15. TH noted the overall message is good but we need to know the impact on SCIE and then the Board can determine its requirements for an independent review. The impact on SCIE will be a key factor in any decisions regarding our future participation in the Essex scheme..
16. PS and EK gave an overview of the Performance and Finance Report.
17. AH asked with regards to the pension scheme, when it was 68.3% in terms of assets, was that seen as low? PS responded that it meant we would have to pay a 40% cash injection if we wanted to leave the scheme.
18. MM asked if potential clients had been identified from last year for next year. EK responded that we know what the shortlist looks like and what the mapping process is, and we are trying to involve them in events and build relationships with them. MM asked if our existing clients remain the same. EK advised that Surrey, Jersey and the Church of England all look likely, and added that we have a 4 year contract with the Church.
19. The Chair noted that NCASC led to specific conversations which have helped provide some indications about what the market is looking for.
20. MA felt that there seems to be a lot of uncertainty and risk for the organisation not just in terms of clients but also around accommodation, pay, and change of leadership. The Board is facing a lot of difficult decisions, and it feels that there is a risk of managing decline. MA supported a pause while we look at a review of the pension scheme, but felt we cannot afford to stay.
21. OS felt that we are building on our momentum but we may not be progressing fast enough. PS stated that we have to balance what we use our reserves for, and if for example the pension scheme requires £2m to close it down, we will need to think about whether that is the best use of our remaining money. However it was noted we also need to think and plan for the medium and longer term which may require difficult decisions .
22. The Chair stated that Appendix A sets out the cash flow forecast to March, and added that he would like a three year forward look.
23. EK felt that this level of uncertainty and risk is how it usually is in small consultancies and emphasised that we have grown our income year on year for the last five years.
24. The Chair noted the energy at SCIE and the phenomenal amount the organisation has achieved. BS agreed and added that when she joined six years ago, SCIE was mainly grant funded, and now it feels like a very different organisation and the

transition has been impressive. It is now about focusing on cost control and where our talents can be focused for the most impact on people's lives.

25. KB supported the Chair and BS's comments and noted she has been able to see a transition over the last 18 months. As part of this, the senior team have greatly improved their understanding of the market SCIE operates in, SCIE's client base and what drives revenue. This has enabled marketing efforts to be better targeted and to consider which activities should be a greater focus for the organisation. We need to be mindful of risks but support the team as they develop mitigations. KB asked the Board if the style and content of the Audit and Risk Committee reporting report was helpful.
26. SH felt that more on the costs, revenue, and margins in particular would be helpful and added that he was not clear about the extent to which it informs strategy or target setting.
27. RW felt that there is an understanding of the challenges and a sense of urgency from staff but also a feeling of not needing to be scattergun in our approach. RW added that ES has been very helpful with direction. RW also added there is a sense of optimism and excitement as well.
28. MM asked if there is anything we should stop doing. EK responded that we have stopped pursuing some smaller care providers but there is more to consider. EK/MM to discuss outside of this meeting.
29. TH noted the difficulties in sending a balanced message to staff. TH also noted that at the end of each year we look back and review, and it has always been different to how we expected but it is not certain whether this is due to lost focus or simply being more successfully opportunistic. We are understanding our margins better, but other factors also drive decision making.
30. PS advised that the finance system is up for renewal and will be upgraded in April. The new system should give us much more detailed information.
31. TH thanked ED and AH for their comments regarding impact and noted that commissioners need to understand that at the start of projects, and this is something we are starting to do.
32. The reports were noted and agreed. The Chair asked for the budget to come back for discussion at the meeting in January, along with the new pipeline and forecast to 2021.

Accommodation

33. NR tabled a document showing the different options and gave an overview of each. TH advised that it is his belief that our current accommodation expense is not sustainable. The board was told that we have not yet been successful in finding additional tenants to offset the expense. TH noted that while it will not be a popular decision, staff are pragmatic at the idea of giving up the 4th floor. TH stated that the safest and most deliverable option would be to give notice on that lease.

34. The Chair asked if the savings column is recurring. PS responded that some savings are one-off, e.g. the rent free period. ML stated that as the key driver is financial sustainability, it would be useful to have clarity around which savings are recurring and which are one-off.
35. The Chair asked if options F and G show the savings made after the loss of hosting income. NR confirmed it did.
36. RW asked if the out of London option would be a hot desking model. NR confirmed the costing estimate was on the basis of staff having their own desks. NR noted we have around 6000 square feet here, and we had looked at 5000-6000 square foot options there.
37. MM felt the savings involved are quite small for the disruption involved and asked if it would be possible to focus on income generation instead and to keep looking for new tenants. TH noted we should do that anyway.
38. MA supported option F and noted that our challenge is to reduce our fixed costs and that the paper refers to an upcoming rent increase. The long term question is how we move into an agile space but our efforts should still be focused on the business.
39. AH asked if there is a sense of rents paid by other similar organisations. AH added here may also be something about the use of space, e.g. cabinets and meeting rooms. AH felt that it is likely we need a base in the centre of London.
40. SH supported options F and C, and noted that having a virtual office is not a binary option but could be a mix with another model. SH asked why there is not more traction on the virtual office option. NR advised that there is not much traction for the option on its own but there is combined with other options.
41. ML queried TLAP's contribution and felt there is traction with option E but noted the disruption involved. ML stated she understood the attraction of a virtual office but noted there is something about people being together which helps synergies and generate a buzz.
42. JG liked the idea of keeping an office as it felt safe and offered structure. If we move to hot desking we will need to consider accessibility as this is a risk. JG also agreed about the synergy of people being together.
43. BS supported option F as it would reduce fixed costs and risks but also liked MM's idea of looking for another big client. BS added that she felt money would be better spend on staff development.
44. KB supported F but queried what this would mean in terms of facilities to offer training and whether we know the costs involved if we had to use rooms elsewhere and if this would erode the margin made from training.
45. TH advised that regarding the process, a decision is needed by mid January. Clearly there are a lot of important issues and unknowns to consider, and it might be for SCIE to take away the steer from today's discussion and work up a plan with

the sub group looking at a combination of C and F. TH added the sub group would work with Co-production regarding accessibility.

46. The Chair noted that trajectory is still not where it needs to be, and it may be that option F gets us nearer to it. We also need to consider that we may not be able to afford to move if we continue to run down our reserves.
47. PH felt that option F may require some thought around the design of the 3rd floor and may need a technical investment. PH suggested that we may want to consider movement out of London long term.
48. OS noted that accessibility is an issue especially out of London, so it may not be a solution. OS supported option F but noted we need to think about our plan post 2024. OS suggested looking at option E but advised not to underestimate the issue of accessibility.
49. ED queried whether option F includes assumptions around the rent uplift. NR confirmed that it did. ED agreed with OS about the need to think post 2024 and a move towards virtual working.
50. The Chair noted the clear steer from the Board for more detailed work on costs and savings, both recurring and non-recurring, around options E and F, with a preference to F. Longer term we may look beyond London although that is not a discussion for now. Growth is a more preferable route to balancing our books. The Chair asked the sub group to make a recommendation to the Board at its meeting in January. This was agreed.

Safeguarding

51. HC and ES gave a presentation on safeguarding, and asked what opportunities does the Board see for SCIE, and how the Board can help SCIE.
52. OS noted his surprise at how small the team is based on how much has been done. Regarding opportunities, OS felt there may be work to do with the police around how they handle safeguarding and how they work with people they deem as vulnerable.
53. ML suggested looking at safeguarding issues around sports. ML also suggested looking at the Home Office's work around trafficking and refugees.
54. PH noted that the Church of England recently ran a two-day event at which they commended SCIE. This is a very difficult area of work so it was great to hear SCIE being talked about in its own right. Diocesan level reviews continue to take place, and there continue to be cases for learning across the church. PH added that there are a number of people in independent roles in the safeguarding and scrutiny space, and there may be something for that group, for instance a learning framework.
55. AH advised that there are areas in Children's to consider, such as the explicit scrutineer function and shared leadership with an emphasis on learning and reflected systems. There is an opportunity for SCIE around system learning and

multi agency shared leadership in particular. There is also the Oxfam area which seems to be led by international agencies. AH also felt it might be useful to know more about MOPAC. AH/EK to discuss outside of this meeting.

56. The Chair asked if there is a national database. ES responded that the children's database is held by NSPCC, but there is no equivalent for adults. The Chair suggested talking with SG, and EK confirmed that SG is meeting with Sheila Fish.
57. MM asked how we appraise international opportunities and if we have looked at the republic of Ireland. HC responded that this is a new area of work so there is no structure for appraising yet, it's more opportunistic. ES added that we are looking at a framework to consider opportunities in a more structured way.
58. MM asked if we have joined any networks. ES confirmed we have not yet but are aware of other networks.
59. MM asked if we had considered the tech angle and the margin of training. HC responded that he is unsure as some of the training is delivered by associates, but added that a lot is internal so our margins are good.
60. SH suggested there may be other opportunities in the Republic of Ireland. There will be legislative differences but this is about skills and organisational behaviour. There is likely not so much with church bodies as a large scale review has just been completed, but other organisations are now interested. With regards to managed care environments and technology, we may want to think about CCTV around privacy, care, and safety. There are also workforce issues, for instance with bodycams. The other area in managed environments is around co-production and safeguarding.
61. JG felt there may be opportunities around residential schools and neurodiversity. JG queried why the RSPCA are being considered. HC responded that they go out where animals are at risk, and these are often chaotic settings where there may be vulnerable children or adults. JG noted she has a background in schools but also has links with aviation if helpful.
62. OS noted it may be worth looking at agencies and what training they have as there are a lot of intimate interactions in isolated conditions.
63. The Chair noted that given the Lottery were funding SCIE to lead work on safeguarding they might be willing and able to support the dissemination of good practice.
64. The Chair thanked HC and ES.

Board annual agenda

65. The agenda plan was noted.

Any other business

66. The Chair noted that regarding the Chief Executive shortlisting process, one Trustee on the recruitment panel was due to cease their term as trustee at this meeting and proposed their term be extended to the end of the recruitment process. This was agreed.
67. The Chair noted that this is BS and PH's last meeting as trustees, and thanked them both for their time, expertise, support and challenge.
68. OS noted that he attended the ESN conference in Lisbon as guest speaker. OS felt that co-production is now on the radar, and added that there are other people in this space and there are networking and commercial opportunities for SCIE. OS suggested joining the network. The Chair suggested doing a deep dive session next year on international opportunities, and noted that the next deep dive session in January is on digital.

Approved:

Name:

Position:

Date:
