

Meeting	Management Advisory Board
Meeting date	06 April 2022
Meeting time	10:00am – 1:30pm
Meeting location	MS Teams

Ministerial visit	Mr Tom Arthur	Minister for Public Finance, Planning and Community Wealth (items 1-3)
Members in attendance	Mark Adderley	Non-executive Board Member (until 12:00)
	Liz Holmes	Non-executive Board Member
	Helen Mackenzie	Non-executive Board Member
	Jane Malcolm	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
Chair	David Robb	Chief Executive Officer
Other attendees	Iain Coltman	Head of Policy (Interim)
	Garry Cossar	Head of People, Strategy and Communications (Interim)
	Lesley Fraser	Director-General: Corporate
	Craig Gardiner	Chief Operating Officer (Interim)
	Phil Heywood	Programme Manager, Pension Platform Programme (item 7)
	Stuart MacArthur	Corporate Governance Manager
	Karen Morley	Head of Finance, Procurement and Risk
	Joe Dickson	Private Secretary to Minister for Public Finance, Planning and Community Wealth
Apologies	Ian Forbes	Non-executive Board member
Minute taker	Marnie Davis Wood	Governance Delivery Lead

1. Welcome and apologies

- 1.1 Apologies were received from Ian Forbes. The Chair welcomed Mr Tom Arthur, Minister for Public Finance, Planning and Community Wealth to the meeting, noting that it was Mr Arthur's first opportunity to meet the full SPPA executive and most of the non-executive team.

2. Declaration of interests

- 2.1 There were no changes to committee members' Register of Interests nor were there any declarations of interest in the business to be conducted.

3. Ministerial visit

- 3.1 The Chair and members of the Executive Team gave a presentation covering:
- The history of the Agency, highlighting the 2015 pension reforms and subsequent remedy required
 - Operational highlights and KPIs
 - Overviews of all business areas with a focus on the Pensions Platform Programme and the opportunities for operational change; operating budgets and financial challenges; the people agenda; policy and regulatory commitments
 - The new 2022-2027 Corporate Plan, strategic aims and business priorities.
- 3.2 The Minister thanked the Executive Team for their contributions and noted the work underway in the Agency during very challenging times, in particular the clarity in the new corporate plan. He discussed with the Board:
- The level of confidence in achieving strategic aims given the resource constraints
 - Opportunities for community wealth-building
 - Potential future constitutional change and how the Agency might engage with this

- Hybrid working.

3.3 David Robb thanked the Minister for spending time with the Agency and looked forward to welcoming him to Tweedbank at some point in the future.

4. Minutes of the previous meeting

4.1 The committee agreed that the minutes of the meetings held on 26 January 2022 were a true and correct record.

5. Actions

5.1 Members reviewed the action tracker. The following actions were approved for closure:

MAB 0421.06
MAB 0821.05
MAB 1121.05
MAB 1121.06
MAB 1121.07
MAB 0122.01
MAB 0122.04

5.2 Updates were received in relation to other actions.

6. Audit and Risk Committee Update

6.1 The Committee Chair reported on the meeting held on 24 March 2022 and the Board noted the draft minutes provided. The Board noted the insufficient rating on the recent Capability and Capacity Review and the significant action required. Garry Cossar (GC) reported that work was already underway on the recommendations, with one already having been completed.

Action 0422.01: GC to share the draft terms of reference of the forthcoming Leadership and Culture Review with Mark Adderley (MA).

7. Agency Performance Report

7.1 DR introduced the Agency Performance Report and the Board discussed:

- Small numbers potentially having a disproportionate impact on RAG ratings
- Impact of staffing levels and rising demand on Quality Assurance score
- Website accessibility and development
- Consistency between this report and measures described in the planning and performance report
- Accuracy and clarity of reporting on people measures and the importance of including forward-looking measures
- The status of the Integrated Assurance Plan for the Pension Platform Programme, which aims to tailor the assurance process to this project and the Agency.

Action 0422.02: GC to provide an update via email to the KPI report for the measures 'Increase in the number of colleagues having taken part in formal learning' and 'Increase in the number of Scottish Government assisted qualifications'.

Action 0422.03: Craig Gardiner (CG) to share the Data Quality Improvement Plan with Helen Mackenzie when finalised.

8. Agency Finance Report

8.1 Karen Morley (KM) introduced the report, describing the fiscal position and associated risks for the financial year 2021-22.

8.2 The Board noted and discussed:

- Forecast underspend in administration costs

- Risks associated with regulatory projects
- The extremely challenging fiscal position for 2022-23 with forecast budget pressure of £10m, noting that budget gaps may be significant across all of Scottish Government.
- Financial risks and liabilities arising from errors and weaknesses in operating procedures
- How risks with less proximity, for example the recruitment risk greater than six months out, inform executive team planning
- Software moving out of the capital budgets across Scottish Government
- The format of the budget report, and ongoing work to reset the cost structure and approach in-year.

9. People Report

9.1 GC presented the report, noting:

- Progress being made on addressing the four high and two medium recommendations in the Capability and Capacity Review
- The production of the Workforce Plan and work underway to develop the underpinning tools
- Positive response to Colleague Engagement work
- The recent creation of a People Services team, bringing together the HR and Learning and Development teams.

The Board discussed:

- Risks to business as usual in relation to the Workforce Plan
- Measures being developed for workforce planning outcomes and the importance of ensuring the Workforce Plan serves the Agency
- The Agency's role in developing Equality, Diversity and Inclusion in an outward-looking way as a role model to the community and leaders' central role in ensuring this.

10. Board Governance Report

10.1 DR presented to the Board an update in respect of the role of the Portfolio Accountable Officer in Scottish Government (Director-General: Corporate) and its relationship to the Agency, set against a recent review of sponsorship arrangements in SG more widely.. The Agency is proposing to amend the Management Advisory Board and Audit and Risk Committee Terms of Reference to reflect new governance arrangements, removing the Portfolio Accountable Officer as a member to reflect the formal oversight link between the Portfolio Accountable Officer and the Agency. Quarterly Performance Meetings will be held between the Director-General: Corporate and the Chief Executive Officer, with the Chair of the Audit and Risk Committee in attendance. These new arrangements are to be reviewed after a year.

10.2 The Board supported the proposals and noted the importance of building robust governance arrangements within the Agency.

10.3 DR also proposed in this paper and it was agreed by the Board that future Board meetings be chaired by a non-executive member on a rotational basis.

Action 0422.04: Corporate Governance Team to update the Terms of Reference and Agency Framework Document to reflect the new governance arrangements between the Agency and the Portfolio Accountable Officer (SM).

Action 0422.05: 2023 Board Effectiveness Self-Assessment to include a review of portfolio governance arrangements, the relationship between the Portfolio Accountable Officer and the Agency, and the rotating chair arrangements (MDW).

Action 0422.06: Corporate Governance Team to seek via email a volunteer to chair the July MAB meeting and create a rota for future meetings (MDW).

11. Planning and Performance Update

11.1 GC presented the report, which outlined:

- progress made in developing core management information and improvements to KPIs that are being internally reported regularly to key parties
- The establishment of a Corporate Office to oversee this work.

11.2 The Board discussed:

- Customer service response time targets
- The need for consistency of score formats across the balanced scorecard
- The need for a risk register Performance Indicator, e.g. 'all risks updated and reviewed'.

12. Hybrid Working

12.1 The Board noted the paper presented on opportunities and challenges related to current and future hybrid working arrangements and provided advice, including:

- The risk of losing the advantages related to in-person collaborative working
- Encouraging staff to return to the office and providing compelling reasons including knowledge transfer, creativity and collaboration
- Starting the planning about hybrid working with clarity on the desired outcomes
- Considering the social and wellbeing benefits of office working
- Creativity around the use of property, including commercial opportunities
- Making explicit the links to community wealth building, sustainability and networking with other sectors
- The need to consider business objectives and performance management implications of working from home and ensure deliverables are met.

13. Any other business

13.1 The Board noted that this was Liz Holmes' last meeting as a member of the Management Advisory Board and Audit and Risk Committee after six years of dedicated service. The Chair and Board members thanked Liz wholeheartedly for her valued contribution and wished her well.

13.2 The Chair reported that there had been a successful recruitment process and two new non-executives had been appointed to MAB, one also serving on ARC; there would be a change proposed to the Terms of Reference and Governance Framework to allow for an additional member of the Management Advisory Board. It was anticipated that the two new members would be in place by the July meeting.

14. Date of next meeting

14.1 The next meeting will be held on 13 July 2022.

Version Control		
		Version number
Date minutes sent to chair	20 April 2022	0.2
Date approved by chair	25 April 2022	1.0
Date approved by board/committee	13 July 2022	1.0
Date of publication	19 July 2022	1.0