

Meeting	Management Advisory Board
Meeting date	08 May 2024
Meeting time	11:00 – 14:00
Meeting location	SPPA Tweedbank (Hybrid)

Members in attendance	Helen Mackenzie	Meeting Chair
	Mark Adderley	Non-executive Board Member
	Clare Scott	Non-executive Board Member
	Norman McNeil	Non-executive Board Member
Other attendees	Lesley Fraser	Director-General: Corporate
	David Robb	Chief Executive Officer
	Iain Coltman	Head of Policy
	Rachel Miller	Planning & Performance Manager
	John Burns	Chief Financial Officer
	Debbie Trafford	Head of People
	Clare Moffat	Corporate Governance Manager
	Christopher Nairns	Head of Service & Operational Delivery
	Chris Gage	Head of Business Transformation
Apologies	Jane Malcolm	Non-executive Board member
	Laura Pacey	Head of Strategy and Communications
	Frances Graham	Chief Operating Officer
	David Gunner	Programme Director
Minute taker	Marnie Davis Wood	Governance Delivery Lead
Observing	Stephen Pathirana	Chief Executive Officer (incoming)
	Roderick Glass	Executive Support Lead

1 Welcome and apologies

- 1.1 Apologies were received from Jane Malcolm, Laura Pacey, Frances Graham and David Gunner. The Chair welcomed Lesley Fraser, Director-General: Corporate to the meeting and welcomed Stephen Pathirana and congratulated him on his forthcoming appointment as CEO of the SPPA.
- 1.2 There were no changes to Board members' registered interests nor were there any declarations of interest in the business to be conducted.
- 1.3 The Chair noted that this would be the last meeting of the Board at which David Robb would be the CEO. The Chair thanked David for his service to the SPPA and the Scottish Government throughout his career and wished him well in his retirement. The Chair also noted that Marnie Davis Wood was moving on from SPPA and thanked her for her work as Governance Delivery Lead supporting the Board.

2 Minutes of the previous meeting

- 2.1 The Board agreed that the minutes of the meeting held on 11 February 2024 were a true and correct record, subject to the following change:

FROM 4.1: Main areas for targeting in relation to benchmarks are leadership through change and...

TO 4.1: Key areas to focus on are 'leadership through change' and 'perceived impact of learning and development'.

3 Actions

- 3.1 Members reviewed the action tracker. The following actions were closed:
MAB 0523.02 (Leadership Development Programme lead indicators)

MAB 1023.04 (Invite MAB members to ARC deep dives)
MAB 1023.05 (ARC to consider disaster recovery/business continuity planning)
MAB 0224.01 (People Committee minutes)
MAB 0224.02 (CEM benchmarking discussion)

3.2 Updates on the remaining open actions were noted.

4 Audit and Risk Committee Update

5.1 The Committee Chair reported on the meeting held on 26 March 2024 and the Board noted the unconfirmed minutes provided. The Board noted that the Committee had discussed:

- The format/content for a Finance Report to form part of the quarterly reporting to the Committee
- Progress on planning for the Annual Report and Accounts process
- National Fraud Initiative
- Oracle Fusion implementation
- Counter fraud policy

6 People Committee update

6.1 The Committee Chair reported on the meeting held on 19 March 2024 and the Board noted the unconfirmed minutes provided. The Board noted that the Committee had discussed:

- Oracle Fusion implementation
- Learning and development – with a focus on technical training and return on investment, with training addressing clearly defined organisational problems
- Priorities and objectives for an Equality, Diversity & Inclusion action plan
- Future impacts of the 35-hour working week.

6.2 The Board received a further update from the Committee Chair/Head of People, noting that more information about the implementation of Oracle Fusion was now available and was assisting in working on building business readiness and developing local processes and controls.

6.3 The Board noted that there was only one strategic risk regarding people on the risk register (succession planning) and referred a discussion on risk management to the People Committee.

Action MAB 0524.01

People Committee to discuss Risk Management at the September 2024 Committee meeting.

Deadline: September 2024

Owner: Clare Moffat/Debbie Trafford

7 Director-General: Corporate update

7.1 The Director-General reported on the following to the Board:

- The successful appointment of Stephen Pathirana to be the next Chief Executive Officer of the SPPA following a government-wide recruitment process
- The ending of the Bute House agreement, the previous First Minister's decision to step down from the role, and the election of a new First Minister which may result in changes to ministerial responsibility for the SPPA
- The continuing challenging budget position for SPPA and Scottish Government, noting that the Director-General will continue to work closely with the SPPA Executive Team on resource management

- Oracle Fusion implementation, noting that the design is now fixed and the focus for the next quarter will be business readiness
- Potential productivity gains with the 35-hour working week
- Risks associated with the Oracle and 35-hour working week implementation in October
- Opportunities for SPPA to work together with other agencies and SG Core through the Directorate-General directors' network.

7.2 The Board raised questions about and discussed:

- Charging employers/members in the context of public sector reform and passing on costs
- The risk associated with separating a consolidated budget into discrete areas and the budget then being eroded through cost-cutting in these areas
- That services such as audit will be chargeable in the future.

The Board commented that they wanted to explore the issue of true attribution of cost and develop a better understanding of cost to serve.

8. Annual Report and Accounts update

8.1 Rachel Miller gave the Board an update on progress with the production of the Annual Report and Accounts 2023-24, noting that

- Work is underway to meet the deadline for producing the annual report and submitting unaudited accounts to Audit Scotland
- There were three main risks: finance team staffing, communications team resourcing and business intelligence resourcing
- The lessons learned exercise from 2022-23 revealed concerns about communications/drafting errors
- A session with Audit and Risk Committee members would be arranged for mid-June to seek feedback on the document before it is submitted to Audit Scotland
- Consideration of outsourcing some parts of the layout/communications work, depending on team capacity, with a preference for completing this in-house if possible.

8.2 The Board noted the risks raised in relation to the production of the Annual Report and Accounts and was satisfied that the risks were being closely managed.

9. CEM benchmarking - discussion

9.1 Rachel Miller provided an overview of the CEM benchmarking report, noting that the data used for the report was up to 31 March 2023 and that the report was received in September 2023. RM noted that there were some caveats around the comparison of data, including a lack of consistency across the peer group of 14 businesses in how financial investment is categorised.

9.2 The Board discussed

- Areas to work on being people/resource and IT costs
- The strategic aims for delivery – these were for SPPA to be high service/low cost to serve
- Efficiencies that will happen through digitisation
- The significant investment that would be required in the short to medium term to achieve a high service level
- The importance of using User-Centred Design to determine what members want/need from the service
- The potential value of process benchmarking
- The constraints placed on the agency by the imperative of delivering Remedy.

10. Digitisation/automation opportunities and workforce development - discussion

- 10.1 The Board noted the presentation from Debbie Trafford and Chris Gage and held a discussion on the topic 'What role does digitisation play in improving productivity across the business - and what impact does this have on the workforce?' The discussion covered:
- Cloud-based solutions
 - The importance of improving data quality before implementing any AI-based automation
 - Political/strategic appetite for different levels of digital transformation
 - The potential for automation to relieve currently locked-in workforce costs
 - The need for robust return on investment criteria to inform decision making in this area for the 3-5 year period
 - The availability of the Centre of Expertise on Automation in the Directorate-General: Corporate to provide guidance
 - SPPA's role is not as an early adopter/innovator
 - The role of Remedy in driving innovation
 - Scheme simplification should be a long-term goal alongside this work.

11. Agency Performance Report

- 11.1 The Board considered the Agency Performance Report and discussed:
- The need to clarify some Performance Indicators to ensure that problems were not being postponed (eg. the estimates PI)
 - The potential impact of the current discount rate.
- 11.2 The Board noted its thanks to SPPA staff who had worked on the performance pack and noted the significant improvements to its quality in recent years.

12. Non-executive recruitment update

- 12.1 The CEO informed the Board that recruitment of Board and Audit and Risk Committee members was ongoing and that he expected the process to conclude successfully by the end of the week. The Board asked whether there was a diverse field and encouraged SPPA to implement diversity initiatives to increase the diversity of future recruitment exercises.

13. Pensions dashboard

- 13.1 Iain Coltman reported to the Board that the DWP issued a statement regarding the Pensions Dashboard project and that work was commencing to deliver this by 31 October 2026, with an interim deadline of October 2025.

Action MAB 0524.02

Management Advisory Board to receive a report at the August meeting on the implications for SPPA of the Pensions Dashboard project.

Deadline: 1 August 2024

Owner: Iain Coltman

14. Board Effectiveness

- 14.1 The Board encouraged SPPA to consider alternative formats for discussion of strategic issues with non-executives, for example shorter free-flowing discussion sessions in addition to formally constituted board meetings.

15. Next meeting

- 15.1 The next meeting will be held on 1 August 2024.

Version Control		
		Version number
Date minutes sent to chair	23.05.2024	0.1
Date approved by chair	09.06.2024	0.2
Date approved by board/committee		
Date of publication		