

## MINUTES

### OSCR BOARD MEETING

Held on 30 June 2011 @ 9.45 am

**Mental Welfare Commission, Thistle House, Edinburgh**

- Present:** Graham Forbes, Chair  
Lindsay Montgomery, Deputy Chair  
David Hughes Hallett, Board Member  
Oscar Mendoza, Board Member  
Kaliani Lyle, Board Member
- Apologies:** Annie Gunner Logan, Board Member  
David Harrison, Board Member  
Fiona Ballantyne, Board Member
- In attendance:** Jane Ryder, Chief Executive  
Judith Hayhow, Head of Corporate Services  
Quentin Fisher, Head of Policy & Development  
Martin Tyson, Head of Charity Services  
Laura Anderson, Head of Enquiry & Investigation

		<b>ACTION</b>
1.	<b>Declarations of interest</b>  Kaliani Lyle declared her role as the Equalities Commissioner in Scotland (Item 8 – Equalities report).	
2.	<b>Minutes of the meeting of 4 May 2011 and matters arising</b>  Minutes approved. No matters arising.	
3.	<b>Annual Report &amp; Accounts 2010/11</b>  It was noted that earlier feedback had been incorporated particularly in respect of the recommendations to Ministers. Chair and Accountable Officer indicated that	

	they were content to sign.	
4.	<p><b>Audit Committee Annual Report</b></p> <p>Lindsay Montgomery, as chair of the Committee thanked Judith Hayhow and colleagues for their support. He indicated that the Committee and auditors (both internal and external) were content. The Board reflected briefly on the suggestion that OSCR may be over-controlled given its size and budget but agreed that the system worked well.</p> <p>The Board noted that the Audit Committee Report provided comfort to the Board and the Accountable Officer.</p>	
5.	<p><b>ASB Consultation response</b></p> <p>Members considered the background to the consultation, noting that responses required to be submitted by 30<sup>th</sup> July.</p> <p>Taking the issues in turn, Members discussed OSCR's proposal that the PBE standard become mandatory for tier 3 entities. The merits of such an approach were considered, and it was agreed that the rationale behind our draft formal response recommending this should be expanded to reflect the fact that consistent application of the PBE standard would aid charities by providing clarity, and to have an inconsistent regime would be a backward step from the current position. Members then considered the proposal in respect of changes to how donated items are accounted for. The HOEI confirmed that the principle of valuing goods was established and could not be altered. In light of this, Members discussed amending the draft response to explicitly recommend that a de minimus approach or threshold in respect of the materiality of goods be included in the Standard, rather than just the guidance. It was agreed that the redrafted response would be circulate to Members, via Boardbooks. The final response will also be published on the OSCR website.</p>	<b>Head of Enquiry and Investigation</b>
6.	<p><b>User Focus Strategy</b></p> <p>Members had previously considered and agreed a User Focus Implementation Plan, which committed OSCR to develop a User Focus Strategy. The draft strategy, renamed Public Focus Strategy was the focus of Board deliberations. Overall Members agreed the title</p>	<b>Head of Policy and Development</b>

	<p>of Public Focus and were satisfied with the content of the document, albeit that following considerable discussion it was agreed that it should be amended in a way which:</p> <ul style="list-style-type: none"> <li>• Is clearer about the nature of OSCR's role, including how this differs from other scrutiny bodies</li> <li>• Highlights current public involvement</li> <li>• Points to additional opportunities for involvement</li> <li>• Makes clear that we are positive about involving the public with those aspects of our work where it is appropriate for us to do so.</li> </ul> <p>It was agreed that the updated strategy would be considered as an Agenda item at the September Board meeting.</p>	
7.	<p><b>Individual Review Programme: next steps</b></p> <p>Members discussed the outline presented for the next stage of OSCR's Review Programme. Priorities were agreed and it was agreed that there should be emphasis in the published rationale on the reasoning, rationale and evidence for the selection of the groups of charities included in the plans. There was also discussion on whether there would still be a random element to the individual reviews carried out and Board members agreed that this was important in order to provide a control and to prevent charities falling outwith the defined groupings believing that they were exempt from such reviews. A small number of random reviews should therefore be added to the programme in the paper. With these amendments the Board approved the recommended actions.</p>	<p><b>Head of Charity Services</b></p>
7.	<p><b>Annual Equalities Report</b></p> <p>The Head of Policy &amp; Development provided an overview of the Report and an update on the interim Equalities strategy consultation. Board members discussed the report and the update and agreed publication of the Interim Strategy. It was noted that it would be valuable to explore ways of joint working under a MOU with the Equality and Human Rights Commission (EHRC).</p>	<p><b>Head of Policy &amp; Development</b></p>

8.	<p><b>Communications Strategy</b></p> <p>The Head of Corporate Services introduced the updated Communications Strategy, which had been amended following feedback provided at the last Board meeting. Some discussion took place regarding the increasing uptake by small charities of the OSCR website and also the potential use of social media. It was agreed that in looking at alternative methods of communication, it is important to identify what is of interest and who the audience is in order to meet demands and expectations.</p>	
9.	<p><b>Risk Management Strategy</b></p> <p>The Board noted the additions (para 9 and the explicit assessment of the level of financial risk at para 13) made as a result of comments from Auditors. OSCR's Audit Committee are content with the updated strategy. The Board were also content with the strategy as updated – it will be updated annually and presented to the Board</p>	
10.	<p><b>International Charities</b></p> <p>Some elements of the paper had already been discussed under item 7. The Board noted that there would be background discussion on Equalities risks in this area with CCEW. The recent positive meeting with NIDOS was noted, with possible outcomes including profiling and collaboration on guidance for trustees.</p>	
11.	<p><b>Chief Executive's Report</b></p> <p>The Chair and CEO reported on the recent meeting with the DG for Learning and Justice, and there was some discussion on the various interfaces between OSCR and SG.</p> <p>The Board looked at the issues arising from Audit Scotland's guidance on Arm's-Length External Organisations. It was agreed that officers should follow these up with Audit Scotland, concentrating on clarifying the position for trustees and auditors in the case of charitable ALEOs.</p> <p>The Board noted the individual cases mentioned, and that the process for assessing the independent schools' compliance with directions would come to the Board for approval at the September meeting.</p>	

	<p>The Head of Policy and Development reported on the unsuccessful recruitment process for a Legal Advisor – other arrangements are now being explored.</p> <p>It was agreed that where a gap in Board meetings over the summer period precluded a timely discussion of the 1<sup>st</sup> quarter budget position, a report might be circulated or the CEO might give an assurance that the position was satisfactory: the CEO gave her assurance on the current budget position.</p>	
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