Minutes: Scottish Charity Regulator (OSCR) Board meeting, 23 April 2025. Quadrant House, Dundee

Board Members Present: Marieke Dwarshuis (MD) - Chair
Jill Vickerman (JV) - Vice-Chair
Kirsten Howie (KH)
Neil Mackay (NM)
Robin Strang (RS)
Bill Maxwell (BM)
Lynn Bradley (LB)

OSCR attendance: Katriona Carmichael (KC) – CEO
Martin Tyson (MT) - Head of Regulation & Improvement
Judith Hayhow (JH) - Head of Corporate
Senior Manager, Higher Risk Cases & Quality Assurance
Finance Governance & Business Manager
Senior Manager Policy and Sector Improvement
Senior Legal Advisor
Senior Manager Digital and Comms
HR & Learning Coordinator

Item	Area	Action
1	**Chair's introduction, welcome and apologies** MD welcomed everyone to the meeting. MD said that the guest speaker, the CEO of ACOSVO, would join the Board for lunch and agenda item 12. The note of Strategy Day that was held on 25 March will be circulated shortly.	
2	**Declaration of interests** There were no new declarations of interest.	
3	**Minutes of previous meeting and Action log** The minutes of the 19 February 2025 Board meeting were accepted as a true record.	

	The action log was reviewed and it was agreed that all marked closed or proposed closed could be closed on conclusion of the meeting.	
4	**Chair update** MD gave an update on her work over the past month and highlighted the following • Business Continuity Testing • Strategy Day and preparation • Regular meetings with KC MD updated on her upcoming work including • Board appraisals • Board reappointments • Meeting on 1 May with Director for Tackling Child Poverty and Social Justice. • DG Communities visit to OSCR on 2 May. Bill Maxwell and Neil Mackay will also attend this in person meeting. MD noted these two meetings are good opportunities for OSCR and there are good, positive communications with SG.	
5	**CEO Update** KC gave an update on the following • Scottish Government has published its response to the consultation on the Wider Review of Charity Regulation. SG has made a commitment to a number of practical actions in the year ahead, including in relation to SCIO dissolution legislation and changes to audit income thresholds. **Action – Discussion about registration thresholds to be added to the Board Schedule of Business for a future strategy day.** • Joe Griffin has been appointed as the new Permanent Secretary to the Scottish Government. KC gave an update on the likely direction of travel for SG hybrid working policy. • Public Service Reform – SG intends to publish its Programme for Government in early May, along with a Medium-Term Financial Strategy and Public Service Reform Strategy also being considered.	Executive Assistant

	• Congratulations were provided to staff members for their work in publishing the Draft Charities SORP and launching OSCR's new website. • LB offered to test the website. The Senior Manager Digital and Comms said that staff have been active in reporting any broken links and the team have quickly rectified these. The Senior Manager Digital and Comms asked that anyone finding further broken links report them to him. • The staff team have been discussing an increase in numbers and complexity of FOISA cases. Work is being done to look at steps to manage workloads through FOISA management and consistent media responses. KC also updated on staffing changes.	
6	**Performance Update (including Financial Report)** KC introduced this item saying that performance updates often focus on KPIs that have not been met. However, it was clear coming into role that a number of KPIs had been set which had served as a positive challenge to the organisation, supporting teams to focus on stretch and improvement over the year. The Board were asked for views on key points that should be reflected in the Annual Report. The Finance Governance & Business Manager said that 10 of the KPIs were achieved, 1 KPI was partially achieved, 6 KPIs were not achieved and for 2 KPIs there is no comparable data. The Finance Governance & Business Manager noted that the figures on the table for KPI3 do not match the graph, this is due to issues pulling data across. The Finance Governance & Business Manager confirmed the table has the correct figures. The Board were then invited to comment on the paper. Board members highlighted that KPI12 should be red. They noted these are stretch targets, good progress has been made in many places and this should be reflected in the narrative. Board members suggested that for next year, the Executive Team should consider how best to report on KPIs which are close to be achieved, perhaps through use of criteria to determine an amber rating	

	Action – Criteria for amber rating to be formulated for 2025-26 KPI's and shared with the Board. Board members noted that it would be useful to have figures as well as percentages in section 3 of the Board Dashboard. There was a discussion around 100% targets being exceptionally difficult to achieve. There was also discussion around the types of reports published and the resource requirement to publish reports. Board members considered the possibility of looking at dashboards from 10 or more years to pick up on long term changes. **Action – Inclusion of 5/10 year data comparison to be explored and included in Annual Report.** MD said that overall the KPI RAG status table is a good news story and shows the good work of the staff team working towards some very stretching targets and this is recognised by the Board. JH said the KPI RAG status table is published quarterly on the OSCR Website and the performance update in the Annual Report and Accounts will also contain an extract with supporting narrative. Comments in respect of stretch targets will also be incorporated into the AR text. **MoU update** The Senior Manager Policy and Sector Improvement gave an overview regarding the work on MoUs. He said that analysis has been undertaken and work has been done to prioritise MoUs. The Senior Manager Policy and Sector Improvement said it's challenging as a number of public bodies are unable to commit resources to MoU work. He said that the KPI does not reflect the work that has been done by OSCR staff. MD said that the table is still unclear around the work that has been done on some of the MoUs. She noted the need to have robust, clear working arrangements in place with important partners. Board members then discussed if there was a need for MoUs or if other means could be relied on such as detailed working arrangements. The importance of MoUs (e.g. where there are staff changes in other organisations) was discussed. The Board wished to	Finance Governance & Business Manager Finance Governance & Business Manager

	be assured that key relationships are in place and that arrangements between organisations are working. The following actions were decided: **Action – MoU table to be expanded to set out the basis for existing working relationships, noting whether these arrangements are satisfactory and confirm if any further action is required.** **Action – Out of date MoUs to be removed from the OSCR Website.** **Action – Board to consider progress on MoUs at the November Board meeting. Consider using contacts from boards in the other organisations to progress MoU work.**	Senior Manager Policy and Sector Improvement
7	**Business plan, KPIs and budget sign off** MD introduced this item inviting Board members to identify any final updates required to the draft Business plan and KPIs before sign off. Board members discussed Corporate Outcome 3 considering if "90% of charity registration cases are completed within 6 months of receiving the application" is the right KPI. While noting the increase in status applications, they suggested that the target could be split to reflect ambitions for handling both straightforward and complex cases. **Task – consider whether this target can be split prior to inclusion in the finalised Business Plan. (This does not require to be reviewed by the Board.)** Board members considered whether "The number of incoming concerns about charities not appropriate for OSCR to deal with does not increase above the 2024-25 baseline of 55% by 31 March 2026." is an appropriate KPI. They wondered whether this was within OSCR's control. The measure also included a combination of numeric and % targets, and it was agreed that the use of one would be preferable. **Task – Update KPI to show number of not appropriate concerns rather than percentage.** Board members discussed Corporate Outcome 1 "The percentage of charities meeting the requirement to supply trustee data by 31 March 2026 is 17%.". The Board suggested that a footnote tracked to the following year is required and to explain this is linked to the introduction of the trustee database and the annual return process.	Finance Governance & Business Manager Finance Governance & Business Manager

	Task – add a footnote around the requirement to supply trustee data by 31 March 2026 being 17%. The KPI to be updated to set the ambition as being 'at least 15%'. Board members asked that "collaborative contracts" at Corporate Outcome 5 be defined. **Task – definition of "collaborative contracts" to be added.** Board members agreed that the term 'measures' used in the Outcomes table should be changed to ambitions **Task – Change wording from measures to ambitions** **With the changes recorded above the Board approved the Business Plan, and noted that it will now be published on the OSCR website.** **Budget** The Finance Governance & Business Manager referred to the Board papers which explain some slight adjustments since the draft Budget was presented at February's meeting. These included: • Increase in legal budget • Increase in learning budget • Adjustments to the staff costs including the pay deal contingency. **The Board agreed the proposed 2025-6 Budget proposal.**	Finance Governance & Business Manager Finance Governance & Business Manager Finance Governance & Business Manager
8	**Update on Corporate Strategy timeline** KC introduced this item explaining the stepped approach to discussions at Board meetings to support development of the new Corporate Strategy, including the consideration of a draft Corporate Strategy at the November Board meeting. MD said that the Draft Corporate Strategy will be brought to the February Board meeting for sign off. Board members asked for information about the related strategies that sit alongside the Corporate Strategy **Action – overview of the strategies that link with the Corporate Strategy to be shared with the Board**	**JH**

9	**People Plan 2025 – 26 – update** KC introduced this item acknowledging the strong progress that had been made on the People Strategy to date, and new feedback received through the People Survey and other sources. She said that looking ahead, the focus will be on supporting people through change, both at individual and team level. The HR & Learning Coordinator reviewed the key improvements made under the current People Strategy including: • Increase in Line Manager confidence in setting SMART objectives • Introduction of the new HR system • Staff being involved in project work around the new Act • Focus on types of learning available to staff • Reduced working week to 35 hours, supporting wellbeing Work is being done to build on the planned support for Line Managers around evaluating performance, peer to peer support, effective communications and supporting staff through change. The HR & Learning Coordinator said that the extended leadership team would meet on 24 April 2025 where they would discuss putting the plan into action. Board members discussed the plan and asked questions about: • Effective leadership including leading by example. • When a further update will be available on the effect of the 35 hour working week. (It was confirmed that further feedback will be sought from staff on this in coming weeks.)	

	• The uptake of leadership development • Training and guidance on the new powers. • Bullying and harassment and the planned actions to support staff. • Skills and capabilities.	
10	**ARAC update & Full Risk Register and Assurance map review** LB introduced this item noting that since the last ARAC meeting in February, members of the ARAC had been involved with Business Continuity Plan testing. LB was due to meet with External Audit w/c 21 April 2025 as part of the end of year audit, but this meeting has been moved back. It was confirmed that the Risk Statements are broadly unchanged and this is now year 3. Risk appetite will be reviewed at the August Strategy Day, as part of development of the new Corporate Strategy. Board members agreed that internal whistleblowing and service level complaints should be added to the OSCR Assurance Map under "social and people". **Action – Add service level complaints and whistleblowing policy to OSCR's assurance Map under 'social and people' section.** Board members reviewed the Risk Register. It was noted that there was an error in the recording of Risk 5 Social and People, the risk level should be medium. **Action – The risk level for Risk 5 to be reviewed** Board members also discussed: • The importance of reviewing the effects of the 35 hour working week. • If data loss should remain at low risk considering the recent letter to the ICO. • If the uncertainty around the new register and the increased volume of status applications and inquiries should be added as a strategic risk. The above points are to be considered by ELT before the Risk Register is reviewed by ARAC in June 2025. **Action – ELT to review the points Board members made on the Risk Register at the April 2025 Board meeting before ARAC review the Risk Register in June 2025.**	Finance Governance & Business Manager Finance Governance & Business Manager

	It was noted that the introduction of the Trustee Database is high risk for OSCR. A statement will be added around this cyber risk to risk 3 or 4 around mitigations. **Action - Add a statement to risk 3 or 4 around mitigations for the risk of new information held following the introduction of the Trustee Database.**	Finance Governance & Business Manager Finance Governance & Business Manager
11	**Briefing on the topic of Financial Action Task Force (FATF), terrorist financing and money laundering** The Senior Manager, Higher Risk Cases & Quality Assurance provided a briefing on the Financial Action Task Force (FATF) and the impact on OSCR of the next FATF Mutual Evaluation of the UK. She said the next evaluation would be in 2027. OSCR, CCEW and CCNI are involved in the preparatory work with CCEW leading on this. The UK National Risk Assessment in relation to money laundering and terrorist financing is currently being updated as part of the preparatory work – all UK charity regulators are feeding into this as well. The input required from OSCR in the coming business year is not likely to be significant but will be sporadic. It may be that we need to slightly refresh our guidance and support offerings to charities regarding good financial controls and trustee duties to support a positive assessment for the UK against the relevant FATF recommendation regarding not for profit organisations. The Board noted the information and supported necessary work to be conducted by OSCR.	

12	**Guest speaker - CEO, ACOSVO** The ACOSVO CEO gave an overview of ACOSVO's new 2024-29 Strategic Plan https://acosvo.org.uk/resources/strategicplan24-29 and how that is informing its work with chief executives and boards, including to build confidence in holding difficult conversations before issues escalate. There were discussions with Board members around issues that charity leaders are sharing with ACOSVO. The ACOSVO CEO also shared her experience of feedback from charities around the implementation of the 2023 Act including the extension of automatic disqualification to staff with senior functions.	
13	**Programme Board update, including discussion on protocol for proactive checking of charity trustee register** MT introduced this item and gave an update on commencement dates: • There are restrictions on sharing commencement dates until the commencement order is laid in parliament. • The summer 2025 commencement date is flexible and could be split into 2 commencement dates – 30 June 2025 trustee database and register of merged charities then 31 August 2025 extended disqualification criteria. Board members discussed the limited time between 30 June and 31 August for charities to act on disqualification guidance. MT said there has been messaging for around a year that the guidance is coming. It may be possible to move the August date back to provide further time for charities to prepare. This could be raised with SG. **Action – Confirm dates with SG that Summer 2025 commencements can begin.** There was discussion around the disqualification criteria messaging. Board members would like this to include numbers as there is not expected to be a high number of affected charities. MT then updated on the Trustee Database solution. • There is a higher degree of assurance following end to end testing	MT

	• The solution will move from the test to live environment ahead of the commencement date but won't be visible to charity users until then. • The population of the Trustee Database will mainly be done at the annual return process. Charities are given 9 months notice and messaging will be clear that they will be required to provide details of their trustees. • Work is being done with umbrella groups for Churches, Scouts, Guides etc to support widescale preparation. • FAQs are being collated to support staff in conversations around the annual return process. • CCEW experienced a smooth transition when they introduced a trustee database but it is recognised they do not register small charities. There was discussion around the best way to support users to complete the database including a chatbot and links to guidance on the website. A decision on winding up the Programme Board will be made at the May Programme Board meeting. The Board then discussed the potential for proactive checking of the charity trustee register, noting that this would be looked at again at the June meeting. Board members discussed: • Difficulties where names and dates of birth of Trustees may be the same • The need to clearly state what OSCR will and will not do with register information • The importance of ensuring the register is accurate, and ensure clarity that the onus is on charities to ensure accuracy rather than OSCR. • What other data sets are available for OSCR to check against • What technological solutions would be required to compare information sets • The need for this work to be proportionate and risk based. • The potential for spot checks to support register accuracy. There was a discussion about the importance of maintaining focus on charities' responsibilities in the legislation and trustees' good governance of charities as against OSCR's responsibility to maintain an accurate register.	MT

	There will be a further discussion at the June 2025 Board meeting **Action – Short statement of how OSCR will and will not use Trustee Register, initially, to be presented at June's Board meeting.**	
14	**Casework committee update** JV introduced this item. She updated on: • The performance statistics show a trend of increasing numbers of Status Applications • There is an unseasonable rise in Concerns. • The proportion of concerns that are not appropriate for OSCR was higher than the KPI of 55% in the most recent months The team is managing the increasing demands, and the Cases Committee are keeping check on this at each meeting. The Cases Committee are now spending time during meetings on Deep Dives. Most recently, the subject was Defaulting Charities and the outcome of this will be brought to the June Board meeting for further discussion. An update was given on current cases that are being discussed at the Casework Committee.	
15	**Review of Board papers and agreement of Action Log** Board members agreed the papers were good, concise and easy to digest. The two open actions referred to at the beginning of the meeting can be closed.	

16&17	**Date of Next Meeting and close** The next Board meeting will be on Thursday 26 June 2025 There was no other business and MD closed meeting.	