Minutes: Scottish Charity Regulator (OSCR)
Board meeting, 27th September 2023

Board Members Present: Marieke Dwarshuis (Chair)
Jill Vickerman (Vice-Chair)
Jessica Wade
Lynn Bradley
Kirsten Howie
Neil MacKay
William Maxwell
Robin Strang

OSCR attendance: Maureen Mallon - CEO
Judith Hayhow - Head of Corporate
Martin Tyson - Head of Regulation & Improvement
Finance Governance & Business Manager
HR & Learning Coordinator
Senior Manager, Higher Risk Cases & Quality Assurance
Senior Manager Digital and Communications
Senior Manger Policy and Sector Improvement
Senior Legal Advisor

Private Business		
Item	**Area**	**Action**
1, 2 & 3	**Chair's introduction, welcome, declaration of interest, minutes from previous meeting and Action log** 1. Apologies - none 2. Declarations of interest – None 3. Minutes of previous meeting – Agreed. Action log – Amendments were discussed and agreed and are to be adopted.	
4.	**Chair update** MD provided a verbal update regarding her recent activity. MD highlighted that we have not yet had confirmation of OSCR's budget or the funding for the Act. A positive meeting had been held with the Cabinet Secretary.	

	MD provided her thoughts on the External Event highlighting the excellent engagement and positive feedback from attendees. MD also advised that work to develop the role of deputy chair was ongoing, adding that updates would be provided to Board Members at appropriate points. There will be a pay uplift for Board Members of £4 per day.	
5.	**CEO update** MM provided a verbal update. MM confirmed that a public sector pay uplift for staff of 7% and 5% for SCS for 2023-24 had been agreed. OSCR has no involvement in the pay negotiations and had budgeted for a 3% uplift as advised by SG at the beginning of the year. The 7% increase was higher than indicated during the negotiation period and has caused difficulties for OSCR and most other public bodies since the pay settlement must be met from within existing budget allocations. The impact in 2023-24 will be challenging for OSCR, and projections for 2024-25 based on the indicative budget estimate a £200k overspend. As Board members are aware, discussion with SG around budget allocations for this period are ongoing, and the impact of the pay settlement has been factored into these. MM reiterated the Chair's comments about the positive nature of the discussions with the Cabinet Secretary who also confirmed that she would be happy to visit OSCR to meet with our staff team, and a suitable date will be arranged. MM also commented that working relationships with our SG link team have been very constructive over the past few months. Following discussion, it was confirmed that no further Board action in relation to budget discussions were necessary at this point as all actions were being taken to highlight the urgency of the situation. Updates will be provided to Board Members, and if necessary this position can be reviewed in the future.	
6.	**Performance overview (Including financial report)** The Finance Governance & Business Manager introduced the paper outlining that the report was in 4 sections covering an overview, people updates, a financial update and the KPI dashboard. Board Members provided positive feedback on the format and content of the report, recognising that the format had evolved in response to feedback over previous months. In response to questions:	

	The Senior Manager Digital and Communications explained the ICT projects budget was projected to be over the original allocation due to the necessary work to upgrade servers, and some late supplier invoices which relate to work carried out in 2022-23. He added that options in relation to the server upgrade and future plans for cloud and server hosting and storage were being explored with suppliers, Scottish Government colleagues and other public bodies. It is likely that the costs of new contracts will require Board sign off, as part of which detailed information will be provided. Board Members provided positive feedback on the changes to the website, noting that it is a key communications channel for OSCR. With regard to Defaulting Charities, it was confirmed that a press release and report published on OSCR's website will accompany the removal of charities from the register as a result of the defaulting charities project. It was also noted that Board Members would find it helpful to have trend data on defaulting charities, and this will be provided. **Action – Explore options to provide longer term data on defaulting charities.** Board Members noted the proposal to reduce the 2023-24 legal budget, on the basis that OSCR's framework agreement with SG makes provision for approaching SG for extra funding in relation to our statutory powers should the need arise. The staff cost breakdown provided was discussed and specifically the challenges associated with activity based analysis, particularly in light of the fact that staff throughout the organisation undertake a variety of functions. **Action – MM and SMT will discuss this further with MD and consider any further work required.** In terms of our overall financial position in 2023/24, it was acknowledged by all that there is a significant risk around our ability to outturn on budget. MM confirmed if no staff leave the organisation, then all non-contractual activities will require further review, with some having to be paused. The Senior Manager Digital and Communications confirmed that a broad plan in relation to measuring customer satisfaction had been formulated and that initial work had started.	**Finance Governance & Business Manager** **MM/SMT**
7.	**Cases Committee report** JV introduced the paper and confirmed the minutes included the papers were from August but a further meeting had been held on Monday 25th September. JV advised the committee were encouraged by the casework figures and the reduction in cases on hand. The inability to fill vacancies could impact this in future and this would be	

	reviewed as part of standard committee business. JV confirmed that discussions were held around the not appropriate concerns, and the impact of the new form and guidance; and also the actions we take in respect of notifiable events.	
	Action – A notifiable events paper will be presented to the Board in November.	**MT**
	Action – Wording in the highlights section of the cover paper to be amended to enable update to be shared with staff.	**MT**
8.	**ARAC report** LB provided a verbal updated covering the meeting of the Audit Committee Chairs and discussions with Internal Audit in relation to the level of detail in Audit reports presented to ARAC.	
9.	**2023 Act Implementation Programme Board update** MT introduced the paper and confirmed the Programme Board had met in June and September. MT stated noted the increased certainty around the content of the Act and the timing for commencement (in two tranches, in Spring 2024 and Summer 2025), but also remaining uncertainty around resourcing. MT confirmed the spring 2024 implementation is on track and there should be some early benefits realisation from this. It was also noted that options for development of a register of trustees were being actively explored with suppliers. Members also noted that there is a Programme Board risk register relating to delivery, which connects with the assurance map, and is reviewed at each meeting. At present a lot of risks are red but as project details become clearer, the scoring of these is reducing. MT confirmed the commencement notices for spring 2024 and summer 2025 could be separated. **Action – Programme Board to agree a report to provide to the Board for subsequent meetings including the RAG status of key deliverables.**	**MT**
10.	**Schedule of Delegated Powers including Scheme of Financial Delegation** The Finance Governance & Business Manager introduced the paper and advised this has been updated based on the recently revised Board Standing Orders. The following specific feedback was provided,	

	- There was a need to specifically recognise the role of the Accountable Officer - Need to explicitly state where responsibilities for risk management framework and approval of the Annual Accounts lie (i.e. with the Board) - In Reserved to the Board section, points 1 and 7 to be merged. - Point 5 in Reserved to the Board to state *£75,000* per budget heading (also point 5 in Delegated to Chief Executive) - Methodology for high/medium risk projects to be defined (point 11 in Reserved to the Board) - To be added to Reserved to the Board: Appointment of the Chief Executive - Review role of Cases Committee and Board in relation to decision making, reviews and appeals of specific cases. In that context also clarify point 6 in 'Delegated to Chief Executive' Review points 4 and 10 in Head of Regulation and Improvement and points 9 and 11 in Head of Corporate section **Action – Deputy Chair, Senior Legal Advisor and MT to consider the role of the Cases Committee and Board in respect of decision making, and to provide an update paper at the February meeting.** **Action – other minor points of consistency to be updated in Schedule of Delegation.** It was recognised that discussions with SG in respect of updating our Framework Agreement are ongoing, and that these are likely to have a considerable impact on the schedule. In light of this, The Board approved the Schedule (with amends) on an interim basis, recognising that a further update would be required – an indicative review date of February was agreed for this. **Action: Development of a revised Framework Agreement between OSCR and SG to continue as a priority and an update provided at the February meeting.**	**JV, MT, Senior Legal Advisor** **Finance Governance & Business Manager** **MM**
11.	**Risk Register and Risk Appetite Statements** The Finance Governance & Business Manager introduced the paper and confirmed the updates were made in line with Board input at the strategy day in August. A discussion was held around next steps for those risks where the net risk remained high, and it was recognised that it is not always possible to reconcile Target and Net risks. This was accepted, and it was agreed that such risks would be flagged for discussion by Board Members.	**Finance Governance &**

	Action – Risks for which it is not possible to reconcile target risk and net risks to be highlighted to the Board.	**Business Manager**
	Risk 4 was discussed and agreed the risk should include corruption of data, and 3rd party suppliers failure/mismanagement ; the mitigation should make reference to servers, cloud hosting, structures and SG Procurement. The risk overall should be focussed around data handling and include sensitive data.	
	Action – Risk 4 to be updated in line with feedback.	**Finance Governance & Business Manager**
12.	**Digital Strategy 2023-26** The Senior Manager Digital and Communications introduced the paper and provided context around the aims of the Digital Strategy. A discussion was held around what was included in the strategy and what would be included in the existing management planning structure. A discussion was held around milestones and what are the aspirations for years 1.2 and 3. **Action – Paper to be presented to the Board with the implementation aspirations for years 1,2 and 3.** **Action – Annual update to be provided to the Board on progress against the Digital Strategy. This to be added to Board Schedule of business.** The Board approved the Digital Strategy 2023-26.	**Senior Manager Digital and Communications** **Senior Manager Digital and Communications /Executive Assistant**
13.	**Communications Strategy 2023-26** The Senior Manager Digital and Communications introduced the paper and stated the strategy's intention was to put communications at the centre of our work rather than the end. Board members discussed the content of the strategy and provided detailed feedback and suggestions in respect of the content. **Action – Update blank column on pg 98/99/100 (re tactic/action and the target groups) of the Board papers, and recirculate to Board** **Action – Consider where in the analysis of publics is the most appropriate place for people raising concerns with us about charities.** The Board held a discussion around the measures of success in the strategy.	**Senior Manager Digital and Communications** **Senior Manager Digital and Communications**

	Action – Success measures in the Communications Strategy to be reviewed and linked to KPI's. The Board approved the strategy pending a review of the feasibility of the measures of success.	**Senior Manager Digital and Communications**
14.	**Public Service Reform update** MM introduced the paper the contents of which were discussed and noted by the Board.	
15.	**Review of Board Papers** The Board feedback the papers were informative and useful with no suggestions on improvements.	
16.	**Dates of next meetings** The dates of meeting for 2024 were approved as, 21 February 24 April 26 June 21 August (possible strategy day) 25 September 20 November	
17.	**Private Board Session**	