

Education Scotland Management Board (MB)

Minutes of meeting held – 13:30 on 7 March 2018

Present	Gayle Gorman Alan Armstrong Janie McManus Moi Ali Mike Ewart	Chief Executive (Chair) Strategic Director Interim Strategic Director Non-executive Board Member Non-executive Board Member
In attendance	Gillian Howells Roz McCracken Nina Hyslop	Head of Finance (item 7 only) Head of Governance Secretary
Apologies	Gillian Hamilton Elizabeth Morrison John Fyffe Linn Phipps Stephen Ross	Strategic Director Interim Strategic Director Non-executive Board Member Non-executive Board Member Non-executive Board Member

Welcome and apologies

1. The Chair welcomed everyone to the final meeting of the Management Board for 2017-18.
2. Apologies were noted for Gillian Hamilton, Elizabeth Morrison, Stephen Ross, John Fyffe, and Linn Phipps.
3. The Chair shared that Kate Dunlop had taken the decision to stand down from her role as Non-executive Board Member with immediate effect, for personal reasons. The Chair asked for the record to record her thanks for Kate's contribution to Management Board, and to extend the very best wishes and thanks from all Board members for her support to the organisation.
4. Additionally, Graeme Logan's transfer to Scottish Government was acknowledged. Thanks were given for Graeme's contribution to the organisation and members extended their very best wishes to Graeme in his new role and remit within core Scottish Government. Graeme's departure had created a vacancy within the Executive Team which would be considered in due course.
5. It was noted that this meeting would not be quorate in light of Graeme Logan's move, and Elizabeth providing the keynote at the Pupil Equity Funding (PEF) event in Aberdeen. Therefore decisions would not be taken at this meeting. All members acknowledged this, and agreed that any items requiring a ratification would be invited electronically from members.

Minutes of previous meeting and action log: 13 December 2017

6. The minutes from 13 December 2017 were accepted as an accurate record of the meeting, other than a spelling correction to paragraph 15.
7. The action log

- MB001, MB006 – overtaken by events, to be considered within a wider refocus of the organisation. To be closed.
- MB007 – to be taken forward by Gillian Hamilton.
- Any reference to a Corporate Plan within the action log, should have the record note that a change of name would be provided, giving a more accurate reflection of the work within the document.

Action Ensure Non-executive Board members receive an updated Corporate Events calendar, duly noting the events which should be considered for them to attend or take note of. Nina – 01/04/18

Declarations of interest

8. Mike Ewart indicated that he had recently registered a new interest with Roz..

Action Update the Declarations of Interest. Roz – 01/04/18

Strategic and horizon scanning

Chair's update – the strategic environment

9. Gayle Gorman shared that in light of Graeme's departure, the remits of the Executive Team had been temporarily realigned. The Executive Team had therefore undertaken a review of the roles and remits of the organisation, whilst carefully considering the stakeholder groups. A number of appointments had been made/were in the process of being made that would add to the senior leadership capacity in the Agency.

10. The transfer of SCEL would be completed by April 2018, when Gillian Hamilton would transfer over as a Strategic Director. Gillian would assume responsibility for a number of areas currently sitting with others in the Executive Team.

11. Ben Walsh had joined us from Scottish Government for two days per week for six months to provide support to the Finance and Procurement Team, and to review systems and processes in place. Additionally, Brian Taylor would start with us full time from 12 March 2018 as Interim Strategic Director for Governance and Assurance for a period of six months. He would be responsible for Corporate Services. Brian has a wealth of experience in fraud, and risk management which would prove invaluable.

12. Education Scotland would also shortly be launching a recruitment drive, for which we had approached Capita to provide the full range of logistical support. The rationale for involving Capita was noted - that HR within the organisation as well as core Scottish Government, would be unable to provide sufficient resources to manage and focus on filling the significant number of vacancies identified (due to around 800 vacancies). The Education Scotland vacancies would be for a variety of roles throughout the organisation.

13. Moi Ali appreciated that contracting in logistical support would be necessary for the recruitment to be completed in a timely fashion, to ensure deliverables were managed.

14. In discussing how meetings might operate going forward, it was noted that Education Scotland were developing an agenda planner, and as a result were actively looking at themes for future Board meeting discussions. Non-Executive Board

Members were keen to feed into proposals and plans at the earliest opportunity, and provide support and challenge.

Action Roles and remits table to be shared with the Non-executive Board Members for their information, which should include titles and remits. Brian Taylor to be noted as Interim Strategic Director for Governance and Assurance. Nina - 14/03/18

Education Scotland – The renewed role and remit

15. Historically, policy expectations had resulted in significant numbers of staff across the Agency being required to take on more than one role and it was recognised that this could not continue. Alan Armstrong therefore provided the Board with a paper based on how the Executive Team had been considering how to address this in light of the Next Steps document. The Agency's new remit would be primarily focused on professional learning and leadership, how to work with the Regional Improvement Collaboratives, and in addition, on increasing the number of inspections.

16. The Executive Team would ideally like the successful candidates from the recruitment campaign to start as soon as possible, however, realistically it was likely that many would be unable to join us before summer. Whilst it could be interpreted that we were removing teachers from schools, the good news story was that new starts would likely be based in their local area, coordinated by us. With this in mind, it would clear up the questions around the analysis of evidence from inspections, which is a priority for many, and the comments around marking our own homework.

17. Moi Ali acknowledged the practicalities for the recruitment, and whilst using Capita would be helpful for getting people in, how good would their induction be at the numbers being considered, and how could this be managed well? It was confirmed that an Assistant Director had taken the lead on the recruitment campaign, and had identified the we must ascertain the priorities for new staff and employ that model. It was anticipated that new starts would begin with an programme of induction, within a timely period, looking at cross connections and providing a supporting story of Education Scotland and the Civil Service.

18. Janie McManus shared that for our new HM Inspector colleagues, there would be a strong focus on an induction programme with shadowing, and learning from models previously used in the past to ensure the best experience.

19. Once indicative costs for the increase in staff have been agreed, we would be in a position to approach Scottish Government to request this as core budget going forward for a financially sound and transparent footing going forward. It was also mentioned that in line with an increase in headcount, there would be a requirement for appropriate line management to be in place to support new staff.

20. Naturally, the discussion moved onto communication around the recruitment campaign and the unease that essentially we would be removing educators from the school system. The Agency would need to be robust in its messages about collaborative learning communities for all stakeholders, including parents.

21. Moi Ali expressed that these were exciting times and morale would be improved in light of the pledge of spending on the organisation as the Government's priority commitment. Gayle Gorman acknowledged this and whilst there would be a transition to progress and refresh the organisation, the commitment identifying that curriculum

and inspection were separate areas of the business should also be seen as a positive message for the Education and Skills Committee. Mike Ewart echoed that the plans would provide stability for the organisation.

Taking stock on Education Scotland's role

22. Gayle Gorman shared that the PEF events jointly run between Education Scotland and Scottish Government had been successful, with around 80% headteacher attendance anticipated by the final event. The message around five key approaches had been well received, with attendees at events sharing that this had been discussed at team meetings, and reiterating these key areas and initiating discussion and debate to reflect upon the benefits and issues and how they could work through these.

23. Moi Ali shared that perhaps it would be of benefit to consider drawing Scottish Government's attention to the Right Touch Regulation which is a methodology around good regulation, based on risk. It is currently used as a healthcare model for their professionals.

24. The discussion moved on to inviting the Non-executive Board Members into discussions at the earliest opportunity, highlighting that changes made in the past had usually received sign off by the CE prior to Management Board meetings, reducing the opportunity for active discussion, debate and challenge to take place.

Action Share the Right Touch link with Roz. Moi Ali – 01/04/18

Action The NEBMs should be invited into discussions at the earliest opportunity

Finance

25. Gillian Howells joined the meeting for discussions on finance and budgets. The figures presented had been prepared from January. It was confirmed that we had already returned £1.5m savings to Scottish Government in January. Since then an underspend of £6.1 had been identified.

26. A large part of the underspend had been due to a VAT refund from HMRC. We recognised that we had underspent in all areas. It had been identified that budget holders were not aware of what their budgets were.

27. It was further recognised that the budget for unfilled vacancies identified at the start of the year had accounted for part of the underspend, as well as staff who had resigned mid-year. As a result of these findings, Finance would review the staff budgets as a priority for 2018-19 to monitor these going forward.

28. In light of the size of the underspend, Communications had been working on developing a narrative, as it was anticipated that we would be invited to explain this at Committee.

29. Additional capacity in the Finance team had been provided by way of two new accountants. This would allow colleagues to concentrate on identifying any further anomalies, as well as preparing a renewed financial process for assurance. Ben Walsh had provided a financial paper and had proposed actions and training for all budget holders, thereby ensuring that they are equipped to understand their financial plans. It will no longer be appropriate for the Executive Team to be unsighted on under/over

spends. Scottish Government auditors are reviewing the audit processes, and we are working with them to identify what improvements need to be put in place.

30. Gillian Howells left the meeting.

Corporate Governance

31. Roz McCracken discussed her paper, inviting the Board to recall that Karen Reid (interim Chief Executive) had requested that Roz to review the Boards and invited her expertise on what the governance of the organisation should look like. Roz called for the Board's views and asked what the positives and negatives for them had been.

32. Mike Ewart shared that discussions had been undertaken before, and reiterated that we had too many Boards. Roz's agreed that her recommendation was that Education Scotland needed less committees, and that there was a requirement to streamline what had been in place. Perception across the organisation was that there was no clarity on what each Board did, and essentially the same issues went to various Boards, so there was an issue around transparency and accountability or where decisions were taken. Moi Ali pointed out that on many occasions papers for Audit and Risk Committee had been pointlessly replicated at Management Board, where the Boards clearly had different areas of responsibility. The standard governance areas in other organisations were Audit and Risk Committee, People, and Finance and Resources.

33. Gayle Gorman agreed that there was a greater need for a Finance and Resources type Board to provide assurance. Additionally, members agreed that consideration should be taken as to the necessity of the Portfolio Board going forward.

34. Roz McCracken highlighted the duties of the various Boards, and their overall responsibilities in respect of either being a decision making committee or a forum based committee. Overall it was agreed that early discussions to allow for support and challenge should be taken to Management Board. Audit and Risk Committee should review the internal controls. The Executive Team as the most senior in the organisation would be the only Board to meet and have decision making powers. Therefore, the Senior Leadership Team should become a forum to meet with the Executive Team for topical discussions around education issues, and consequently not have decision making powers, it would, however, have a strong link to Management Board for items requiring discussion.

35. Careful consideration should be given to the purpose and requirement of the Portfolio Board. Whilst this scrutinises programmes and allows ADs to be held to account, it also provides time for them to trade time and staff when appropriate for other priorities. Such discussions could be the remit of SLT. .

36. Moi Ali left the meeting.

37. Ultimately, some programmes (i.e. Improving our organisation) had ceased, but it was unclear where the decision was taken to stop such areas of work. There was therefore a lack of scrutiny and inability to hold people to account.

38. Consideration to be given to the title of Management Board, as no management responsibilities are undertaken by the Non-executive Board Members. It was suggested that Advisory Board may be more appropriate.

39. It was also mooted how Boards were created with attendance by grade alone, and further thought to be given on attendance due to role, rather than grade.

40. Roz McCracken confirmed that the self-evaluation received from Audit and Risk Committee members had been helpful, and with this in mind requested that members of Management Board complete and return the tabled questionnaire.

Action Invert Governance diagram to reflect Executive Team as having final decision making powers, and add Finance and Resources as a new board. Roz – 01/05/18

Action To consider what is core business within the organisation. Roz – 01/05/18.

Action Portfolio Board to be removed from the diagram and discussions on programmes to be considered at SLT meetings. Roz – 01/05/18

Action Discursive work to be done on teams at the ET away day, to be added to the agenda, along with scrutiny of Boards and processes. Roz – 14/03/18

Action Issue self-evaluation document to management Board members. Roz – 14/03/18

Action To review the governance structures of other organisations. Roz – 01/05/18

Action Brian Taylor to provide a substantive paper outlining the TOR for Priorities Board at the next meeting

Action RM to revise schematic diagram to include bullet points showing what each Committee/Board area covers.

Audit and Risk Committee update

41. It was noted that attendees at Management Board had also attended the Risk Session with Gordon Weir, therefore no update was required in respect of this or the Corporate Risk Register.

Any other business

42. It was agreed by the Board that the number of Management Board meetings was too infrequent, and decisions had been made by the time of the next Board taking place. With this in mind, it was requested that Management Board meet six times per year with immediate effect, to allow support and challenge discussions to take place for changes taking place.

Action To schedule in two additional Management Board meetings this year. Nina – 15/04/18

Date of next meeting

Next meeting 5 July 2018, 10:00-13:00, Boardroom, Denholm House.

Nina Hyslop
Secretary
8 March 2018