

## **Disclosure Scotland Board Meeting**

**Wednesday 18 October 2023: 10am to 1pm**

**Hybrid Meeting - Pacific Quay Boardroom/Microsoft Teams**

### **Minutes of meeting**

#### **Present**

Gerard Hart	Chief Executive/Chair
Laura Robertson	Deputy Chief Executive
Lynne McMinn	Interim Strategic Director – Digital Programme Delivery
Nicola McBain	Director of Corporate Services
Kathleen McNulty	Director of Safeguarding Operations
Christopher Wroath (CW)	Non-executive Director
Alastair Sim (AS)	Non-executive Director
Keith Rosser (KR)	Non-executive Director
Stephanie Glavin (SG)	Non-executive Director

#### **In attendance:**

Andrew Watson (AW)	Director of Children and Families
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[REDACTED] Head of Change Management

[REDACTED] Head of Finance

[REDACTED] Head of Communications

**Apologies:**

Andrew Cunningham Interim Director of Digital

Kevin Lee Interim Director of Policy and Customer Engagement

**Observers:**

Lesley Muirhead (LM) Successful Non-executive Director candidate

Martin Gallacher (MG) Successful Non-executive Director candidate

Sarah Pumfrett (SP) Successful Non-executive Director candidate

Morven MacLean (MM) Successful Non-executive Director candidate

**Secretariat:**

[REDACTED] Governance Manager

[REDACTED] Assistant Governance Manager

**Item 1 - Welcome and apologies**

The Chair welcomed everyone to the meeting and noted the above apologies.

The Chair introduced the successful candidates from the recent Non-executive Director recruitment exercise who attended the meeting as observers and will officially commence their duties at the next Board meeting on 5 December 2023.

### **Item 2 - Register of interests**

None.

### **Item 3 - Previous minutes and action register**

The minutes were agreed as a true reflection of the previous meeting, with the following amendments noted:

- Alastair Sim – Non- executive Board member was in attendance.
- Paragraph 116 – amendment of ‘al’ to ‘all’.

The Governance Manager provided an update on open actions.

Regarding **Action/03/May**, it was agreed that the Business Continuity plan would be shared with the Board via correspondence and presented to Audit and Risk Committee for advice. The action was closed.

For action **Action/03/October** regarding the use of commercial partnerships for the digital team, the Interim Strategic Director – Programme Delivery advised that some work has been done with external partners. The Director is reviewing a number of projects to determine if there is scope to bring in any external parties to drive these projects forward. A fuller update will be provided at the next meeting.

The Head of Communications confirmed that the submission for the marketing of basics has been submitted pending response, and it was agreed that **Action/03/June** can be closed.

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KR noted that if approved consideration should be given to how we educate employers more widely on the benefits of disclosures.

The Chair noted that if the submission is approved there will be business implications to consider in terms of volume, production etc., but overall, it is expected to be a net positive.

### **Item 4 – Chief Executive update**

The Chief Executive provided an update on performance – Disclosure Scotland continue to perform very well in terms of processing and issuing applications.

Disclosure Scotland continue to improve with regard to processing our National Barring Service cases. We are consistently making high quality decisions and receive very few appeals to our barring decisions. The Chief Executive did advise he wants to further invest in the service, and further educate wider stakeholders on the importance of this work, our vetting capability, on-going monitoring capability, and barring capability.

The Chief Executive acknowledged the need to improve in our digital project management capabilities by focusing on delivering the right things, on time, with financial discipline and project integrity, and in strategic alignment with our vision. The Interim Strategic Director – Digital Programme Delivery has now been brought into this space to lead this work.

The Director of Safeguarding Operations provided a further insight on the current work and challenges within the barring service. There is ongoing promotional work with organisations regarding the duty to refer, resulting in an increase in referrals. In terms of culture, there is a strong commitment to our safeguarding function. There are some challenges in terms of resource, and there is a need to be more effective at targeting cases, but the structures are currently being put in place to address

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these challenges. Overall, there is a strong commitment in the team and the quality of decisions are where they need to be.

The Chief Executive noted that Disclosure Scotland are genuinely dedicated to safeguarding. This is reflected in our staff survey each year, and is the shared passion of the whole organisation.

The Interim Strategic Director – Digital Programme Delivery provided some insight on the current digital space. The digital programme is large and complex with many competing demands. The Director is now trying to understand the entire programme of work, bring everything into scope, and pull together an overarching delivery programme. This will allow the Leadership Team to make critical decisions going forward and get the best possible delivery outcomes/correct infrastructure in place in alignment with our strategic goals. The Director noted the positives with a lot of talented people doing great work in the space, and the new platform will also provide improvements.

The Chief Executive confirmed that the Leadership Team are determined to get this right and want to harness the creativity of digital colleagues to get the right things built, while being aligned to the strategic intent of Disclosure Scotland.

The Deputy Chief Executive added that culturally we need to transition to be better known for what we do. It is about improving the understanding of the added value that Disclosure Scotland brings to the wider system.

SG raised whether there is anything that sets out the strategic design of the service. The Chief Executive confirmed that there is – the Target Operating Model will also contribute to this, and additionally the Chief Executive has been having conversations with the wider leadership about how they contribute to the strategy and be part of the change. The Chief Executive agreed that this work does need to be articulated on a single page so that we can get this across simply and clearly.

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MG agreed that it would be beneficial for the Board to have a one-page diagram of where everything is and highlighted the need for being robust on benefits scrutiny.

The Deputy Chief Executive advised that there are some key papers that could be shared with members to provide further information.

**Item 5 – Horizon scanning**

AS asked whether there is anything the Board may not be aware of in government e.g., on the reform agenda, or in terms of how Ministers are perceiving Disclosure Scotland/Act implementation.

AW observed that the strong purpose and set of values in Disclosure Scotland is good to see. He also noted that Disclosure Scotland have a good story to tell and that it is important this is communicated widely. He advised that he will also look into finding ways to better highlight this journey and to emphasise the contributions made by Disclosure Scotland to Ministers.

KR raised recent changes to UK law regarding name changing. He asked whether or not this a risk within the PVG Scheme. The Chief Executive advised that he has been assured that the PVG system and our processes are robust, but we will keep it under review.

KR raised press coverage in England and Wales regarding claims that applications for school teachers were not cleared on time, and noted that this was not an issue for Disclosure Scotland.

**Item 6 – Change delivery and assurance update**

The Director of Corporate Services presented the Disclosure Scotland Change Portfolio Report.

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The Director of Corporate Services noted that the September 2023 report went to Leadership Team recently and will be shared with members via correspondence, but a verbal report will be provided on the most up to date position today.

Portfolio summary – this is tracking at amber, however, is more likely to currently be amber/red. Significant work is ongoing across the portfolio to understand the issues. A key issue to resolve is a redefined roadmap and the Change Management Team are working across the portfolio to enable this.

A review of business cases has been ongoing. There are two outstanding: platform reengineering, and online accounts. These are at a very mature stage, and, once completed, will also contribute to moving the overall RAG status back to amber.

DS 25 – members were advised that this programme board will be disbanded as of November 2023. A new Portfolio Board is being established. The Telephony project has now been delivered.

In terms of PUCMS, there has not been a complete pause as work has been ongoing in the background. A potential new delivery model for this work is being considered.

Act – New Programme Manager in place in this area, and the Interim Director of Policy and Customer Engagement is now SRO. All business cases have been re-baselined and re-forecasted, and remain within budget.

MG asked whether benefits had been re-baselined as part of this work. The Director of Corporate Services advised that they are currently putting together a paper on what has been delivered to date across all projects, what the benefits baseline is, and will then be looking at the benefits realisation strategy going forward. The Director acknowledged that reporting on this does need to be stronger. MG offered to assist with this.

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The Deputy Chief Executive noted that a lot of the digital work to date has been reactive and agreed that the benefits piece is going to become critical to how we prioritise work moving forward.

AS asked what issues should be of most concern specifically with reference to the PUCMS project and online accounts.

The Deputy Chief Executive advised that in terms of PUCMS, it is red because the go live date has been missed and there are outstanding actions required to get this to completion. It does not mean the current platform is at risk. In terms of online accounts, a lot of conversation is ongoing, and we have a product in private beta. We are baselining our options in this space and will come back and report on this once that work is complete.

KR raised the following: Finance – in terms of projects being over budget; Digital, in terms of our digital capability to deliver critical infrastructure projects on time; and implementation, in terms of how this is being assessed.

The Deputy Chief executive provided a high-level response regarding Finance and advised that business cases had not been reviewed with sufficient frequency within Digital, which has since been addressed. Projects have been funded to a higher level than the business cases detail, in many cases due to increase in scope. This is why the Portfolio Board is required, to align all of this and provide that important context.

In terms of the Digital question, the Interim Strategic Director – Digital Programme Delivery advised that post go-live the expectation is that the digital team will consist of one team dealing with BAU and another doing continual improvement. The expectation is that there will be an improvement programme of work post April 2024 to continually improve the new services. The Director is also looking at understanding where the blockers are in delivery, reviewing budgets and current



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vacancies to determine where we need to prioritise recruitment, and considering how we find the skill sets needed.

With regard to the implementation query, the Head of Change Management advised that this is also an area of low maturity and we are currently identifying key lessons to learn from our recent implementations to apply them across the other projects. We are also getting ahead of this by focusing on Business Readiness activities and processes to ensure implementation goes smoothly going forward.

SG felt that it would be useful to understand timescales for when the business cases will be re-baselined to get a clearer view of what budget figures are and what has changed and why.

The Head of Finance advised that once everything is replanned, there is a need to look at what we are actually able to do going forward.

The Chief Executive highlighted that it is important to note that we have not overspent our budget to date and are very transparent with central Government Finance about our current position and future financial requirements.

SP noted that they would like to understand more about movement between Capital and Revenue. SP also highlighted the need to consider opportunity costs and would like to understand these aspects if and when such issues come to the ARC.

**Item 7 – Key performance indicators update**

Members were asked for any questions on the report. The Director of Corporate Services confirmed that there is nothing in the update that should be of particular concern.

KR asked for an update on the development of wider change delivery KPI's.

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The Deputy Chief Executive advised that the KPIs presented represent our key operational services and deliverables, and in terms of these core provisions, we are doing well. Change KPI's are in progress.

SP had a question regarding the power cut and why this affected a KPI. The Director of Corporate Services clarified that we did have systems keeping certain parts of the business up and running, but we were down for a number of hours which affected service delivery.

**Item 8 – Finance update**

The Head of Finance presented the finance paper for September 2023

Background was provided on what our budget position is and how and when this is allocated.

The Head of Finance advised that positive discussions took place with the centre this week regarding allocations for SBR. Final figures regarding this will be agreed in November.

Income – this is doing well. We have been above forecast each month with the exception of August, and this was due to an issue with a B2B customer who have since been reinstated.

Capital – At the halfway point in the year we have spent 49% of our agreed capital funding, which is good as it demonstrates to the centre that we are spending what we are given. Main cause for concern here is the projects review that is ongoing and how it will affect both Capital and Revenue budgets.

LM noted the reliance on the additional funding to fill the gaps and raised whether this had funding had ever not been provided. The Chief Executive advised that there

is a need to focus on setting out the right prospectus for the value that we deliver back into the system. This will form part of the Target Operating Model work.

KR raised a few points from the paper including a statement on the need for savings to be made, and with regard to an overspend. KR asked for clarification on our current position in terms of the need to make savings now.

The Head of Finance advised that we should always be trying to bring the gap down as much as possible but noted that recent developments with the centre in regard to funding will affect what was initially reported in the paper.

The Deputy Chief Executive provided further context regarding the Operations budget.

### **Item 9 – Incident management**

Due to time constraints, it was agreed that this item will be covered via an ad-hoc Board session in November.

### **Item 10 – Target Operating Model (TOM)**

The Deputy Chief Executive presented the Target Operating Model.

The Deputy Chief Executive provided background and context on previous iterations of attempts to develop a Target Operating Model within Disclosure Scotland.

The paper contains detail on what our platform looks like today, what a good platform looks like, and what the new platform is going to contain. Further, it looks at what our service design currently is, and what it will look like. It also details what our finances currently look like, how are they pulled together in terms of cost per unit, and what the opportunities are around this. The Deputy Chief Executive noted the

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importance of cost per unit, and this is something which is critical as it feeds into the options that ministers will have because our fees structures will be consulted upon in terms of the Act and the new products within.

While there are a lot of unanswered questions within the Target Operating Model, we now have a list of the facets we need to define and answer within the next 18 months.

The Deputy Chief Executive advised that what they want to discuss with the Board today is the concept of our operations. Our current structure has evolved out of functional requirements, and was not designed using an outcomes-based approach. It was noted that the current structure also did not conceive of Disclosure Scotland as part of a wider picture and the value it adds to this, and this is where we want to get to.

The Deputy Chief Executive highlighted that the Target Operating Model is a high-level document at the moment, and we will have to pull together a project to drill down the details. What it does do is provide an account of what we think the organisation should look like moving forward in terms of the starting point, components, and vision. From there we can start to evolve and mature the document as we answer key questions such as fee structure, level of digitisation in processes, etc.

CW observed that the Target Operating Model is heading in the right direction, and the message it is sending in terms of the aspirations of Disclosure Scotland is encouraging. In terms of staffing and structure numbers, it would be interesting to get comparisons from comparable organisations across the Scottish public sector as CW not convinced that Disclosure Scotland are 'top heavy' as stated.

CW asked for clarification on "We realise sustainable and consistent customer efficiencies." on page ten of the document and asked that this is rephrased.

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In terms of 'top heavy' structure, the Deputy Chief Executive clarified that this point was about getting the balance right across all grades, and they will ensure this comes across more clearly.

KR asked what the time period for the Target Operating Model is expected to be, and, if we get more basics, how we will marry up doing more disclosures with this concept.

AS seconded the question on the timescale. AS also acknowledged 'change fatigue' and raised that how we stage this work is important.

The Deputy Chief Executive confirmed that they will rearticulate these points and confirmed that the timescale target is 2028. The Deputy Chief Executive agreed with AS on the need to stage gate this, with the key milestone of the Act going live as one of these. Regarding the potential increase in the basics market, the Deputy Chief Executive noted that we should be focused on building in responsiveness and flexibility capabilities, rather than trying to plan in and make commitments on potential issues which may or may not occur.

The Chief Executive noted that the document is a great piece of work which is a very encouraging development, and we will iterate and add more details as we move forward.

The Deputy Chief Executive will provide a further update on the TOM to the Board in January in terms of next steps.

**Action/01/October:** Target Operating Model next steps – The Deputy Chief Executive will provide a further update to the Board in January 2024.

**Item 11 – Strategic Session – Public Service Reform Programme**

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This agenda item was postponed and will go to Board on 5 December.

**Item 12 – AOB**

The Chair invited new Board members to share their observations.

Date of next meeting: 5 December 2023

**New actions**

ID	Date Assigned	Assigned To	Description	Source	Status	Action Due Date
A9	Oct-23	Deputy Chief Executive	Target Operating Model next steps – The Deputy Chief Executive will provide a further update to the Board in January 2024	DS Board	New	Jan-24