

## AGENDA

#	Item	Purpose	Paper	Action
1.	Apologies			
2.	AOB			
3.	Minute of Previous Meeting – 07 September 22	Approval	Attached	
4.	Matters Arising			
5.	SCRA Business Plan	Discussion	Verbal	LB
6.	Case Processing Efficiency	Discussion	Verbal	PM
7.	Budget 2022/23 Reallocations and Public Services Reform Act (PSRA) Statement for publication	Approval	Attached	EM
8.	2023-24 Budget Guidance and Timetable	Approval	Attached	EM
9.	Belhaven House, Perth - Agreement to lease termination	Approval	Attached	EM
10.	Strategic & Operational Risk Registers	Noting	Verbal	PA/EM
11.	Internal Audit	Noting	Verbal	PA
<b>Standing Items</b>				
12.	Practice and Policy General Update	Info	Verbal	AH
13.	Information Governance a) General Update b) August 2022 Breach Report	Info Info	Verbal Attached	AH AH
14.	Digital Programme a) Digital CAB update b) Digital Governance Review c) 2022-23 Development Model	Update Update Update	Attached Verbal Verbal	LMcD LMcD LMcD
15.	Keeping the Promise a) Hearing System Working Group (HSWG) b) Keeping The Promise Programme Board	Update Update		LB LB
16.	New Risks			
17.	Forward Plan a) RLL Strategy Day b) National Bairns' Hoose Governance Group 06/10 c) Covid-19 Children and Families Collective Leadership Group 06/10 d) Scottish Leaders Forum Conference 13/10 e) Introductory meeting with Professor Daniel 01/11			
	<b>Date of Next meeting;</b> Wednesday 02 November, Ochil House, Stirling			

**Present**

Ed Morrison ( <b>EM</b> )	Head of Finance & Resources, Chair
Lisa Bennett ( <b>LB</b> )	Head of Strategy and OD
Susan Deery ( <b>SD</b> )	Head of Human Resources (Minute)
Lawrie McDonald ( <b>LMcD</b> )	Digital Programme Director
Paul Mulvanny ( <b>PM</b> )	Senior Operational Manager (East & Central)
Pamela Armstrong	Governance Officer – Minute

	Item	Timescale	Action
1.	<b>Apologies</b> Neil Hunter Alistair Hogg Helen Etchells		
2.	<b>AOB</b> None		
3.	<b>Minute of Previous Meeting – 03 August 2022</b> Minute Approved		
4.	<b>Matters Arising</b> Covered within the agenda		
5.	<p><b>Climate Change Reporting</b> EM introduced the report, which set out the additional Climate Change reporting requirements that are effective for the current reporting year.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>The government has set a target for achieving Net Zero by 2045 and all public bodies are required to work towards this target. Although buildings are SCRA's most visible source of greenhouse gas emissions (GHG), our climate change duties affect every part of the organisation and they will change how we deliver our services over time.</li> <li>To monitor progress towards Net Zero, mandatory Climate Change reporting was introduced from 2016. In November each year we must submit a report to Scottish Government setting out progress and our emissions figures for the previous financial year.</li> <li>Climate change and sustainability are pressing strategic issues for SCRA to grapple with and incorporate into our organisational planning. The government has set the target of achieving Net Zero</li> </ul>		

	Item	Timescale	Action
	<p>by 2045 and all public bodies are required to work towards this target. Whilst buildings are the most visible source of emissions, our climate change duties affect every part of the organisation and they will shape how we deliver our services over time.</p> <ul style="list-style-type: none"> <li>• Property Team are exploring the options available for the direct emissions target and are able to provide support and assistance for some of the remaining targets.</li> <li>• The legislative and policy position from Scottish Government envisages transformational change to deliver a Net Zero economy. Achieving Net Zero will require every part of our organisation to be involved, engaged and contributing to this objective. Delivering change will require responsibility to be allocated to the most appropriate teams. The impact on resourcing and the need for external support will requires consideration by EMT and for plans to be put in place.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The climate issue is at odds with other government priorities. In there an Environmental Impact agenda?</li> </ul>		
6.	<p><b>Change Strategy</b> LB introduced the report, which sets out the development of the Change strategy.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The purpose of the Change Strategy is to achieve a number of outcomes over a period of time; <ul style="list-style-type: none"> <li>○ Short term (end of 2022)</li> <li>○ Medium term (2023/24)</li> <li>○ Longer term (2024 +)</li> </ul> </li> <li>• The strategy, once complete, will describe what we mean by Change in SCRA and will detail a new approach to Change Management and Leadership. This will include how we will manage and lead change better, plan for and minimise the impact of change alongside our managers and leaders and better realise the benefits of change to maximise the opportunities for improvement that change can bring. The strategy will also introduce measures to avoid an onset of unmanageable change and to work to ensure that change is fitted within a realistic timetable. The strategy will detail immediate, short term, medium and long-term actions as well as some of the tools, which we will employ to manage and exploit change to best effect.</li> <li>• The Change Strategy is aligned to the Corporate Plan and will run for the life of the current plan. A revised and updated strategy will be developed aligned to the next Corporate Plan and in line with the next phase of Change within SCRA.</li> </ul>		

	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>• Immediate Actions; <ul style="list-style-type: none"> <li>○ A Change Calendar will be developed and shared.</li> <li>○ A Change Leadership and Oversight Group (CLOG) will be formed.</li> <li>○ Development of the strategy and related documents.</li> </ul> </li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• This is a developing strategy with some immediate actions, which can be taken.</li> <li>• The challenge is getting managers signed up to implementing change at a strategic level. There is an ongoing resistance to change across the wider staff group.</li> <li>• Accountability at manager's level is important.</li> <li>• Local implementation is down to each locality - was has worked/not worked, discuss who is responsible for what.</li> <li>• There are a number of opportunities coming along where managers can discuss change.</li> <li>• We need to be seen to be working with and discussing and engaging with managers about the change strategy</li> <li>• The change calendar could be perceived as a barrier to change. Change calendar invites challenge but is not for debate</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To pause on the implementation of the Change Leadership and Oversight Group (CLOG)</li> <li>• Consider offline how link to the November management meeting.</li> </ul>		LB
7.	<p><b>Business Continuity</b> PM provided the following verbal update.</p> <ul style="list-style-type: none"> <li>• The plan is almost complete with further consideration to be given to scenarios involving industrial action. PM to discuss further with HR.</li> <li>• Aspects of the plan can potentially be delegated.</li> <li>• A further update will be provided at the November EMT meeting.</li> </ul>	Nov 22	PM  PM
8.	<p><b>Vicarious Trauma Programme</b> LB introduced the report providing an update on the Trauma Training Programme for 2022/23.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The Trauma Training Programme for 2022/23 currently has 4 elements: <ul style="list-style-type: none"> <li>○ Locality and Head Office based Secondary Trauma Sessions</li> <li>○ Trauma informed e-learning modules – NES</li> </ul> </li> </ul>		

	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>○ Trauma skilled training course - NES</li> <li>○ Train the Trainer Programme – NES</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>● Resources are in place and important to staff's wellbeing.</li> </ul>		
9.	<p><b>Learning and Development KPIs</b></p> <p>SD introduced the report proposing Key Performance Indicators (KPIs) to measure the success of Learning &amp; Development within SCRA. These proposals are aligned with SCRA Learning &amp; Development Strategy and in response to the recent internal audit recommendations.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>● It is proposed to introduce 3 learning and development key performance indicators and report on these from 1 October 2022. These proposed indicators are: <ul style="list-style-type: none"> <li>○ We will aim for all staff to receive at least 4 learning events per year.</li> <li>○ We will measure the level of satisfaction with all learning &amp; development events provided by or on behalf of SCRA.</li> <li>○ Robust Personal Development Planning (PDP) is a key indicator of an organisations will aim for all staff to have a completed PDP by 31<sup>st</sup> December 2022.</li> <li>○ It is also proposed that these KPIs will be reported to EMT on a quarterly basis.</li> </ul> </li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>● To approve the KPIs for Learning and Development.</li> <li>● These KPIs will be reported to EMT on a quarterly basis.</li> </ul>		
10.	<p><b>Senior Management Team development Programme</b></p> <p>SD introduced the report, which sets out a proposal for Senior Team development, which focuses on growing individual and collective leadership capacity and capability through the provision of individual executive coaching and facilitated leadership development sessions, on current leadership topics, to enhance senior leadership within SCRA.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>● SCRA is undergoing a period of significant change linked to The Promise which will impact on how SCRA: <ul style="list-style-type: none"> <li>○ delivers our service to children and families;</li> <li>○ lead and manage;</li> <li>○ Work with partners; and support staff to respond to these changes.</li> </ul> </li> </ul>		

	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>• The Senior Team has a role in this change process to provide clarity and set the cultural tone for the way forward in SCRA.</li> <li>• The aim of the proposed approach is to provide a programme which allows for collaborative discussion and learning on topics relevant to ongoing change within SCRA and which supports the Senior Team to consider how these topics may be applied to or cascaded within SCRA.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• Executive leadership is different to executive management.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the proposal for 2 further facilitated leadership development sessions.</li> <li>• The Executive Management Team to consider and agree the topics for the facilitated sessions.</li> <li>• To consider the executive coaching options.</li> </ul>		<p>EMT</p> <p>SD</p>
11.	<p><b>360° appraisal programme</b></p> <p>SD introduced the report recommending the EMT consider and agree the reintroduction of 360 feedback for the Senior Team aligned to SCRA’s Inclusive Behaviour Framework and personal development planning.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• 360-degree feedback creates a confidential and comprehensive way of gathering information and perspectives from peers, direct reports, managers and external partners to help inform personal development planning for leaders and managers.</li> <li>• For an organisation which places personal development planning (PDP) at the heart of employee development, 360 feedback models provide a constructive mechanism to support the PDP process.</li> <li>• SCRA as an organisation is undergoing a significant period of change and with the Senior Team’s role to provide clarity and set the cultural tone for the way forward, adopting a 360 Feedback approach provides the Senior Leaders the opportunity to create an environment which further supports open communication, staff engagement and articulates the behaviours that are important to encourage quality improvement and change.</li> <li>• It is proposed that in 2022/23 the 360-feedback process is introduced at the Senior Team level to provide time to embed and review the process. Following this review, further consideration will be given to cascading the process to the next level of management, i.e. LRMs and Head Office Managers.</li> </ul>		

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	<p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>The approach can assist with developing a learning culture.</li> <li>HR need to highlight the value of the proposal to the operational management group.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>To deferrer the proposed for 6 months and sight the management group on the proposal.</li> </ul>		
12.	<p><b>Organisation/helpdesk review</b></p> <p>SD provided the following verbal update</p> <ul style="list-style-type: none"> <li>Contracts have been extended for a further 6 months. SD and SOM's will assess further to be clear the organisation is getting what it needs form the proposed organisational helpdesk. An update will be provided at a future meeting</li> </ul>		SOM's / SD
13.	<p><b>Staff Pay 2022/23</b></p> <p>SD provided the following verbal update</p> <ul style="list-style-type: none"> <li>The Remuneration &amp; Nominations Committee agreed to submit option 2 of the pay offer to the SG Pay Policy Team.</li> <li>The Committee accepts it may have to settle on option 3 depending where the LA settle, based on their pay discussions.</li> <li>Consideration is being given to a vacancy freeze for last 6 months. We need to look creatively how to manage staff if vacancy management is implemented. freeze</li> <li>SD to issue draft paper on vacancy freeze proposal</li> </ul>		SD
14.	<p><b>SCRA Board – September Agenda</b></p> <p>Draft Board reports were reviewed by the EMT. Final versions if all reports to be sent to PA.</p>	09/10	All
15.	<p><b>Digital Programme</b></p> <p>LMcD provided the following verbal update;</p> <ul style="list-style-type: none"> <li>The CAB are considering the formation of an SCRA Digital CAB, tying in with the programmes of work and focusing on requirements, not nice to haves. Further updated will be provided as progress is made.</li> </ul>		
16.	<p><b>Keeping the Promise</b></p> <p>LB provided the following verbal update</p> <ul style="list-style-type: none"> <li>The Hearing System Working Group (HSWG) is working with the Office of the Chief Designer - within the co design, within improvement, rather than the breath of the improvements list.</li> <li>An update on progress will be presented to EMT early October.</li> </ul>		

	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>LB to send EMT the remit from the co-design teams</li> </ul>		LB
17.	<b>New Risks</b> No new risks identified		
18.	<b>Forward Plan</b> The forward plan was reviewed.		
	<b>Date of Next Meeting</b> Wednesday 05 October 2022, Enterprise House, Stirling		



# SCRA BUDGET PROCESS 2023-24

## Planning Environment

SCRA is principally funded through grant in aid (GIA) provided by Scottish Government (SG). The May 2022 Resource Spending Review considered multi-year resource requirements across the public sector however the autumn Scottish Government budget exercise will result in a one year budget settlement for 2023-24 and is likely to be published in December 2022. SCRA has indicated its required funding for 2023-24 to SG as part of the updated 5 year Financial Plan in September. The working presumption for this budget exercise is that SCRA will receive funding in 2023-24 in line with this assessment of need however other funding scenarios will be developed during the budget exercise.

The 2023-24 budget planning exercise is likely to be the most challenging in recent times due to the pressures on budgets created by high inflation and pay settlements. As over 80% of SCRA's revenue expenditure is on staff costs this pressure will result in detailed scrutiny of establishment and non-establishment posts and the possibility of a voluntary redundancy exercise and vacancy freeze will be considered by EMT.

The 2022-23 budget was balanced due mainly to the following decisions/outcomes:

- Additional SG support of £1m for recovery meeting increased non-establishment headcount requirements;
- Additional SG support of £1.84m for budget pressures.

The new pressures that have emerged since March 2022 relate mainly to pay with the Scottish Government allowing public bodies to increase their pay flexibilities budget subject to affordability.

There will likely be impacts on 2023-24 budgets as a result of Keeping The Promise and referral of 16 and 17 year olds. A group led by the Principal Reporter/Chief Executive is looking at operational and budget impacts and it is hope their initial findings will be available by November 2022.

The 2020-24 Corporate Plan was driven by the strategic aims of **Care, Connect** and **Protect**. The major changes we aim to deliver include:

- A bespoke Hearings facility, where the needs and preferences of each child or young person are identified and accommodated before, during and after the Hearing.
- Digital Tools - offering children and young people more options for their attendance and participation with the use of technology and by digital means and providing a valuable facility for vulnerable witnesses.
- A multi-faceted participation model, offering a range of mechanisms to enable fuller and more effective participation by children and young people, before, during and after their Hearing.
- The work of Better Hearings being mainstreamed by all partners into their everyday practice.
- A trauma sensitive service visible in our workforce, our practice, our engagement with others and in our organisational outlook.

## SCRA BUDGET PROCESS 2022-23

The key assumptions at this stage of the 2023-24 budget planning process are:

- no increase in Establishment;
- managed decrease in non-establishment FTEs;
- a pay award in line with the final 2022-23 award;
- a general savings target of 2.5%; and
- any inflationary pressures to be offset by efficiency savings.

### Staff Costs

As in previous years, budget holders will prepare staff headcount budgets at cost centre level, on the basis of individuals in post plus vacancies as at October 2022, reconciled to the approved establishment issued as part of the budget preparation pack. Vacancies will be budgeted on the basis of recruitment at the bottom of the relevant grade scale. Consideration will be given to extending the vacancy freeze implemented in October 2022.

HR and Finance Business Partners and Business Managers will support budget holders in the preparation of staff budgets and will provide the following information:

- FTE establishment lists by Locality and Head Office (HO) Team;
- Current post-holders by Locality and HO Team, and each post-holder's contracted hours and salary scale-point;
- iTrent management information.

If 2023-24 Locality Plans are not achievable within the locality's establishment, this should be discussed with the SOMs and Business Partners and details submitted of proposed changes, which should be achievable within current resources.

The Finance Team will calculate the impact of pay award scenarios, national insurance contributions and superannuation costs on budgets based on the best information available at the time.

At this stage the key requirements on budget holders are to confirm current staff in post and prepare other staff costs budgets.

The HR team will prepare central budgets for Training & Development in consultation with budget leads.

### Property Costs

The Property team hold and manage the budget regards all rents payable and receivable, building insurance, rates, water/sewerage, shared costs payable and receivable, alarms and FM contract costs.

If there are any planned changes to the usage of estates within a Locality, such as a vacation of a property mid-year, it is the responsibility of budget holders to liaise with Property in order for the impact to be factored in to costs.

## SCRA BUDGET PROCESS 2022-23

Budget holders are responsible for the preparation of the following property costs:

- energy costs (gross of any potential cost recovery from tenants);
- non-mainland waste uplift;
- pest control;
- water dispenser contracts, maintenance, repairs and consumables;
- other (non-cleaning) property consumables (keys, fobs); and
- hearing loop contracts, maintenance, repairs and audits.

There are some local exceptions to the above lists – the budget holder should contact Property with any queries.

### Travel and Subsistence

Budget holders should prepare the travel and subsistence (T&S) budget. It is assumed that efficiency savings, over and above any general revenue budget savings target (see below) can be delivered on T&S costs. The draft 2023-24 budget should not exceed the 2022-23 budget, pandemic recovery notwithstanding.

Where possible a zero-base approach should be taken, deriving each cost from its driver in order to reflect changes in activities and demands.

### Other Operating Costs

IT costs (including telephony) will be budgeted centrally by the IT team, reflecting SCOTS and CSAS arrangements. IT contracts such as HR and Finance system costs are budgeted for within the relevant team. Budget holders should set all other operating budgets by completing the budget template provided by the Finance Team and further detailed guidance is included in the budget template.

Where possible, particularly with regard to Hearings costs, a zero-base approach should be taken, deriving each cost from its driver in order to reflect changes in activities and demands.

### Income

Non-property income, such as secondments and shared services, must be identified and included in draft revenue budgets by budget holders, and disclosed as income rather than as an offset of costs.

### VAT

All budgets must be prepared on a VAT inclusive basis as SCRA cannot reclaim VAT.

### Inflation

It is recognised that there will be unavoidable inflation pressures on a number of the budget lines. Budget holders are expected to identify efficiency savings, again over and above the savings target, to offset inflationary pressures. Budget holders should make the case for extra budget provision where this is not achievable.

## SCRA BUDGET PROCESS 2022-23

### Savings

Budget holders have been set a 1.3% savings target for 2022-23. The updated Financial Plan includes a long term annual savings target of 1.5% however the draft 2023-24 budget is likely to include a higher target of 2.5%. The cash equivalent savings figure for 2023-24 will be provided by the Finance Team. Budget holders should be prepared to provide a narrative explanation as to how they will achieve the savings target. This target is subject to change at EMT if necessary to align the final revenue budget to available resources.

Some Localities may face additional savings targets in consequence of past specific supportive allocations. Some HO teams may also face efficiency savings targets to be achieved from contracts or budgets within their control.

### Capital

The Finance Team will issue a Capital Budget Template incorporating current approved capital projects to capital budget holders: the Head of Property, the Digital Programme Director, Head of Strategic and Operational Development and Programme Managers who should confirm known or expected capital requirements for 2023-24 and the two subsequent years, along with all revenue implications and estimates of any potential capital receipts.

The Finance Team will then produce a consolidated draft capital budget for EMT consideration, following which capital project leads will be asked to produce a monthly profile of spend in 2023-24 for approved major capital projects.

### Alignment with Planning

The Budget process will align with the agreed timetable and process for updating the three year Corporate, Business and Locality/Team Plans.

## SCRA BUDGET PROCESS 2023-24

### BUDGET TIMETABLE

DATE	ACTIVITY	LEAD
<b>SEPTEMBER/OCTOBER</b>		
30/09/22	Finance and Planning to work on budget and planning tools and templates. HR finalise establishment.	Finance, Planning and HR
05/10/22	EMT approve Budget Guidance and Timetable.	Finance
10/10/22	Budget pack issued to LMTs/HO comprising Final Guidance, Revenue budget templates, Staffing templates and Establishment chart.	Finance
10/10/22	Capital templates issued to relevant budget holders	Finance
<b>NOVEMBER/DECEMBER</b>		
<b>18/11/22</b>	<b>Deadline for all budget returns, i.e. a revenue and a staffing return per locality and HO unit, Property spreadsheet from property, all capital returns</b>	<b>Revenue &amp; Capital budget holders</b>
02/12/22	Finance collate returns and draft report for presenting to EMT with brief commentary and recommendations on key assumptions including savings target.	Finance
07/12/22	EMT consider report on draft consolidated revenue and capital budgets.	EMT
<b>JANUARY</b>		
11/01/23	EMT consider report on planning for C&R.	EMT
20/01/23	Issue draft budget to budget holders confirming areas for C&R.	Finance
<b>24/01/23</b>	<b>Challenge and Review 1.</b>	<b>EMT</b>
25/01/23	Board consider draft budget, establishment, planning priorities and key areas for C&R.	Board
<b>FEBRUARY</b>		
09/02/23	Final date to incorporate amendments to budget and issue C&R papers.	Finance
<b>16/02/23</b>	<b>Challenge and Review 2.</b>	<b>EMT</b>
<b>MARCH/APRIL</b>		
03/03/23	Deadline to incorporate all C&R amendments into final budgets.	Finance
10/03/23	Report to EMT on final budget plans.	Finance
15/03/23	EMT agree budget for board approval.	EMT
29/03/23	Board meeting to sign off business plan and budgets.	Board
05/04/22	Issue Board approved budget to budget holders.	Finance