

DRAFT MINUTES OF THE SCOTTISH PRISON SERVICE ADVISORY BOARD MEETING HELD AT SPS COLLEGE, POLMONT ON WEDNESDAY 25 MAY

Present: Ann McKechin, Non-Executive Director and Advisory Board Chair
Teresa Medhurst, Chief Executive, SPS
Lynne Clow, Non-Executive Director
Prof Kay Hampton, Non-Executive Director (Attended Virtually)
Ian Harley, Risk Monitoring and Audit Committee (RMAC) Chair and Non-Executive Director
Jim Kerr, Deputy Chief Executive, SPS
Sharon Lawson, Executive Personal Assistant/Chief Executive (Minutes) (Attended Virtually)
Gerry O'Donnell, Interim Finance Director, SPS
Allister Purdie, Interim Director of Operations
Gareth Rose, Head of Communications, SPS
Gill Stillie, Non-Executive Director
Rob Strachan, Divisional Head of Strategy, Planning and Partnership, SPS
Lisa Taylor, Branch Head, SPS

In Attendance: John Docherty, Senior Operational Adviser, Women's Strategy Team (for AB(MAY)01/22 only)

Adam Jobson, Head of HR (for AB(MAY)03/22 and AB(MAY)04/22 only)

Introduction and Welcome

1. The Chair welcomed all present to the meeting, in particular, Mr Kerr who had recently returned to SPS following a 2 year secondment to the Scottish Government (SG), and Mr Rose and Mrs Taylor, who had recently taken up appointments with SPS. She advised that Ms Angus had now returned to HMP Barlinnie to work on the HMP Glasgow project and members proffered their thanks to her for her work with the Advisory Board during her time in the Chief Executive's office.
2. Ms McKechin recorded her thanks to all relevant Governors and staff involved in the recent NED establishment visits.
3. The Chief Executive was also thanked for arranging a Governance Workshop. NED members had found this really useful and looked forward to receiving feedback in due course.

Apologies for Absence

4. Apologies for absence were received from Sue Brookes, Interim Director of Strategy and Stakeholder Engagement, Caroline Johnston, Interim Director of Corporate Services and Stephen Uphill, Non-Executive Director.

Declarations of Interest

5. There were no new declarations of interest.

Draft Minutes of the Advisory Board Meeting Held on 30 March, Action Points and Matters Arising

6. The draft minutes of the meeting held on 30 March were agreed as a true record and the Action Tracker was updated during the course of the discussion.

7. The Chair asked that NED colleagues review the revised Skills Matrix and provide any further comments to Ms Lawson by end June. Thereafter, the Matrix would be uploaded to the Advisory Board SharePoint site.

Action: NEDs/Ms Lawson

Chief Executive's Update

8. Mrs Medhurst's update included the following points:

- Discussions were continuing with Scottish Government (SG) colleagues about SPS' budget allocation. Tacit approval for SPS' pay award had now been received from SG's Remuneration Panel and the process would conclude shortly.
- The Chief Executive had attended a meeting with the Cabinet Secretary for Justice and Veterans to discuss the contractor issues being experienced in relation to the Bella Centre and the national facility at Stirling.
- A further submission to the Scottish Child Abuse Inquiry would be made shortly.
- As alluded to by the Chair, a Governance workshop had been held recently, facilitated by SG Audit colleagues. Further workshops would take place over the next few months - Mr Strachan was devising Strategic workshops for both Directors and senior leaders in relation to the Corporate Plan for 2023-28, and Mr Jobson was devising workshops around leadership, style and behaviours.

9. Colleagues thanked Mrs Medhurst for her helpful update.

Operational Update

10. Mr Purdie advised that:

- There were 7,362 people in SPS' care on 20 May.
- There were 58 significant incidents reported during the 2 months from 23 March-19 May.
- There were a total of 7 deaths in custody reported within the reporting period - 3 as a result of apparent natural causes, 3 reported as apparent suicide and one caused by an apparent overdose.

Scottish Court Custody and Prisoner Escort Services (SCCPES)

11. The contractor continues to under-perform against minimum acceptable thresholds. Staff retention and recruitment has been an issue since April 2021, however, staffing levels have improved to the extent that they have almost attained the normal staffing levels achieved pre-COVID-19. Subsequently, the overall level of service failure has decreased slightly since the start of 2022, but the contractor still requires to make further improvements on a number of service metrics to gain a level of acceptable performance for the Multi-Agency Liaison Group (MALG) partners.

12. The Contractual Performance Improvement Notice (PIN) in relation to failure to deliver non-court appointments was removed from 29 April. However, due to further issues in relation to Data Integrity and Data Validation for contractual payment compliance, a new PIN was issued specifically in relation to the contractor's inability to assure contractual performance of contractual services.

HMP Addiewell

13. HMP Addiewell continue to experience some staffing issues. Overall, the staffing position appears to be improving, however, the increased turnover remains a risk with the increased proportion of inexperienced staff.

14. Following the issues highlighted in operational stability and delivery of service, a team from SPS visited the establishment to provide assurances for the organisation, and a development and improvement plan was agreed and implemented by Sodexo. The SPS team re-visited HMP Addiewell in March 2022 to provide an update on actions and implementation of the improvement plan, and provided an improved positive position in relation to operational stability and delivery.

HMP Kilmarnock

15. All partners have agreed a Notification of Change (NOC) amendment which will conclude all remaining legacy issues, with the intention that this will soon be formalised and concluded with the contractor.

16. A Project Executive for the transition of HMP Kilmarnock into the public estate has been identified and will take up post at the end of May.

17. The Advisory Board thanked Mr Purdie for this update, particularly the inclusion of the graphic representation of prisoner numbers, and the helpful discussion which followed. Mr Purdie also offered to hold a workshop for NED colleagues at a later date to provide more information on how prisoner numbers are managed across the establishments.

Action: NEDs/Mr Purdie

AB(MAY)01/22 (Presentation): Women's Strategy Programme

18. John Docherty, Senior Operational Adviser, Women's Strategy Team, joined the meeting at this juncture to give a presentation on the Women's Strategy Programme. It was noted that the success of the programme will be closely monitored and as part of this process, a written strategy with quality indicators was being developed and, in addition, independent research would be undertaken. Following discussion, NED colleagues felt that this model of case management should be considered for all in our care, regardless of gender. Advisory Board members thanked Mr Docherty for his comprehensive update and wished all colleagues involved in the project every success. [Mr Docherty left the meeting at this point.]

Items for Monitoring, Advice and/or Comment

AB(MAY)02/22: Financial Update/Budget Monitoring 2021-22

19. This paper provided draft financial performance information for 2021-22. The Chair raised Mr Uphill's comments and it was noted that the reported overspend would not impact on the budget for 2022-23. Following further discussion, colleagues noted the paper, acknowledging the amount of work undertaken by Mr O'Donnell and his team to improve reporting.

AB(MAY)08/22: Financial Update/Budget 2022-23

20. The Scottish Government (SG) Draft Budget 2022-23 was published on 9 December 2021. SPS' resource budget has increased primarily in relation to the 2022-23 pay award and other inflationary pressures, staffing for the Women's National Facility and Private Contract Inflation, with the capital budget remaining static, reflective of the profiling for the major infrastructure projects.

21. A key challenge facing SPS in 2022-23 is the inflationary increase in costs as a result of external pressures from the cost of living increases, high fuel costs, utility costs, the impact of Brexit and the war in Ukraine. Major concerns are with energy and fuel costs, particularly gas, which is used extensively across the estate as the primary source of heating.

22. Members discussed and noted this paper.

AB(MAY)03/22: People Metrics - Absence Management

23. Adam Jobson, Head of HR, was welcomed to the meeting at this point in the absence of Mrs Johnston. He advised that sick absence continues to rise, and whilst it should be noted that the pandemic is still having a significant impact on the level of attendance, there are also wider and longer term concerns.

24. Following a rise in sick absence over a number of years, it peaked in July 2019. Although sick absence was already steadily reducing, the pandemic caused it to reduce significantly with a group of staff shielding and those continuing to attend work incurring less absence. It reached a low point in August 2020 but has continually increased since then and passed the previous 2019 peak in September 2021. When comparing mental health absence in 2021 with 2019, an 11% growth in days lost long-term for musculoskeletal absence had been identified.

25. The numbers of capability exits and compensation paid is of significant concern, particularly when considering the organisation's demographics and the increase in normal pension age. The scheme is designed to compensate those who cannot continue working until their normal pension age.

26. In April 2021, SPS launched the Attendance Management Policy. As well as introducing a greater focus on earlier and person-centred interventions to encourage managers to prevent or minimise sick absence, it also introduced a number of changes to allow managers to take a more robust approach. Sickness absence places pressure on staff and budgets. SPS is continuing to explore additional support services and assess their suitability and there is evidence that a change in management approach can make a very positive impact on attendance. There are a number of examples of a leadership team supporting staff, creating the right environment and then setting high expectations and taking robust action.

27. The Chief Executive advised that this is a priority for the organisation and there are a number of initiatives planned to tackle this.

28. Members noted the paper and the illustrative detail provided on absence management trends and discussed some of the possible reasoning behind absences and options to mitigate these.

AB(MAY)04/22: People Survey - Further Analysis and Discussion

29. Following discussion of the People Survey Analysis 2021 paper at the Advisory Board meeting on 30 March, members requested that further analysis of the results be undertaken to allow them to better understand the scale of the challenge. This paper provided such analysis, together with an overview of activities being undertaken to promote engagement across SPS.

30. The 2021 People Survey indicated that SPS' response rates and organisational engagement were lower than all other areas of the civil service. The annual survey is SPS' most comprehensive source of evidence-based employee feedback, without which the organisation would be unable to make informed decisions pertaining to the development of staff policies and practices. However, low response rates mean in-depth analysis of areas of concern at an establishment/function level is limited.

31. Through a diverse range of activities, SPS is attempting to improve staff engagement levels, but clearly much more is required and this is a challenge for the entire organisation, rather than any one part of it. SPS is therefore adopting the Scottish Government's Fair Work approach as an organisational development strategy. The Fair Work principles are Effective Voice, Respect, Opportunity, Security and Fulfilment and through these principles, SPS can align a range of activities in a planned and intentional way.

32. The Executive Management Group (EMG) recently approved a refreshed Leadership Strategy which includes the relationships between leaders and the leadership culture and focuses on a relational, values-based approach, placing relationships and values at the heart of everything SPS does, enabling senior leaders to embody the leadership vision. Engaging leaders and the wider organisation in a journey of shared learning and mutual experience will be at the core of effective culture change or shaping efforts.

33. Advisory Board colleagues noted this update, agreeing that it had been a helpful discussion. They asked that due to importance of good staff relationships to the future of SPS that this subject return again to the Advisory Board for further discussion later in the year. The Chair thanked Mr Jobson for his attendance and he left the meeting at this point.

Items for Noting

AB(MAY)05/22 (Presentation): Improvement Framework (Quarter 4)

34. The Chief Executive had asked colleagues to provide a short presentation for this and all future reports, as opposed to the previous lengthy papers.

35. Members noted the current position and thanked Mr Strachan for his presentation.

AB(MAY)06/22: Risk Monitoring and Audit Committee (RMAC) Chair Annual Report (and RMAC Minutes)

36. This paper provided the Advisory Board with a summary of the work of RMAC covering the year to 31 March 2022. The role of RMAC is to act as an independent scrutiny body, without executive powers, advising the Agency Accountable Officer (Chief Executive) and to support the Advisory Board in their responsibilities for issues of risk control and governance and associated assurance, through a process of constructive challenge.

37. RMAC met formally on 5 occasions during the year. The incumbent RMAC Chair, Gavin Scott, stood down during the period and was replaced by Ian Harley. Lynne Clow also joined the RMAC as a Non-Executive Director member, replacing Rob Molan.

38. During the course of the year, RMAC reviewed the corporate risk register in accordance with its terms of reference. This included deep-dives into specific risks. Improvement work is still required though progress in year suggests that 2022-23 will see the register become a useful and insightful tool for the RMAC and Executive team. In the second half of the year, there has been focus on improving the content and format of the register to increase its value and develop a more useful management tool. Further enhancements are planned including work to ensure consistency of risk scoring. These enhancements will be co-ordinated by the Head of Improvement and her team, with support from RMAC and the Executive team.

39. The Terms of Reference have not been reviewed as the incoming Chair has agreed with the Advisory Board Chair and Chief Executive that a fuller review will be completed during 2022, including consideration of RMAC's position in the wider SPS governance structure. No formal review of Committee effectiveness has taken place, but the current Chair is satisfied that RMAC complies with the key elements of the SG Audit and Assurance Committee Handbook.

40. There will be a change of external auditor as Audit Scotland rotates audit provision in line with its usual operating cycle. This will provide both challenges in terms of building new relationships, but also the opportunity to seek different perspectives and partner with the auditors as SPS moves into an exciting period of development. From an audit perspective, the technical accounting aspects of bringing private assets onto the public balance sheet and accounting for the development of new establishments, coupled with the desire to tighten budgetary control and financial planning, should make the coming years pivotal in SPS' development and potentially provide wider learnings of use to other organisations.

41. The Advisory Board thanked Mr Harley for his detailed update, noting the positive progress and tremendous improvements that had been made in a short period of time.

Horizon Scan

42. This paper was noted by members. Mr Strachan advised colleagues that the Horizon Scan was being paused for a period of 6-8 weeks to allow other tasks to be completed.

Any Other Business

AB(MAY)07/22: Advisory Board Development Plan 2021-22 (Amended)

43. A number of further actions had now been added to the Development Plan, and Prof Hampton asked that some additional points also be included. The Plan would be reviewed again at the November meeting.

Action: AB Members

44. The Chief Executive requested that one of the NED colleagues join the monthly Major Projects Management Group (MPMG) meetings to strengthen the governance process.

Action: NEDs

Draft Agenda for July Meeting

45. The draft agenda for the July Advisory Board meeting was agreed. Members asked that colleagues be invited to present on the Young Person's Strategy.

Action: Ms Lawson

Date of Next Meeting

46. The next Advisory Board meeting will be held on Wednesday 27 July from 1300-1700hrs; the location and meeting platform to be confirmed in due course.

Action: Ms Lawson

**Advisory Board Secretariat
May 2022**