Independent Living Fund Scotland

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Approved

Board Meeting

Teams

Tuesday 27 May 2025 11:00am - 1:30pm

Present:

Anne-Marie Monaghan	Board Chair
Mark Adderley	Vice Board Chair
Alison Nicolson	Board Director

In Attendance:

Peter Scott	Chief Executive Officer
Harvey Tilley	Chief Operating Officer
Jim Maguire	Finance Director
Paul Hayllor	Director of Digital and Information Services
Linda Scott	Director of Policy, Improvement and Engagement
Aileen McNiven	Head of Business Services

1. Welcome, declarations of interest and apologies

Anne-Marie Monaghan (Anne-Marie) welcomed everyone to the 39th ILF Scotland Board Meeting.

Anne-Marie referred the Board Directors to the Pre-Submitted Questions and Comments.

2. Apologies

Stephanie Hayle	Board Director
Kirsty Aird	Board Director
Marion McDonald	Board Director
Robert White	Director of Independent Living

3. Declaration of Interest

No declarations of interest received.

4. Chairs Remarks

Board Recruitment and Governance Update

Anne-Marie reported ongoing email correspondence with both the Sponsor Team and the Public Appointments Team regarding the two current Board vacancies. The Sponsor Team has confirmed that a meeting will be arranged shortly to initiate the recruitment process. Anne-Marie also highlighted the risk of committees becoming inquorate due to the Board's limited size and vacancies. (see note at Para 9 and 20)

In March, Peter and Anne-Marie met with the Minister for Social Care, Mental Well-being and Sport. Key discussion points included:

- Re-Opened Fund Update: Peter outlined the complexities of charging structures, the full-year effect on costs, and the increased pressure on social work teams to submit new applications.
- National Care Service (NCS) Interim Advisory Board: Anne-Marie has been appointed as an interim member for an initial 6 to 9 month term representing ILF Scotland. The interim Chair is Susan Douglas-Scott, former Chair of ILF Scotland.

Engagement with Scottish Government

Anne-Marie met with John Paul Liddle, Depute Director of NCS activity at the Scottish Government, to discuss her responsibilities as an NCS Board member. The expected time commitment is two days per month.

Board Appraisals

All Board Director appraisals are scheduled for completion by the end of May, with mid-year reviews to follow as needed. Anne-Marie confirmed she meets regularly with CEO, Peter Scott, to discuss key issues.

5. Minutes of Previous meeting (refer to Paper 1)

The Board approved the minute of the previous meeting of 24 February 2025, with no changes.

6. Matters Arising

No matters arising.

7. **Action Log** (refer to Paper 2)

Governance Session

Action 1: The Board committed to confirming a Governance Session 2025 to 2026.

Emergency Spending Controls

Peter confirmed that there have been no further updates regarding the Emergency Spending Controls, which will remain in place through 2025 to 2026 financial year or until further notice. He noted he continues to engage with the Sponsor Team regularly, maintaining a transparent and honest approach in all communications. An official update from the Scottish Government is anticipated in due course.

8. Urgent Matters

None.

9. **Audit & Risk Committee Update (ARC)** (verbal update)

Alison gave a verbal update on the most recent Audit & Risk Committee meeting (13 May 2025, 2025) highlighting the following key points:

- Committee Membership and Quorum: The risk of being inquorate if either of the Audit & Risk Committee members are unavailable. Further discussion with Anne-Marie is planned to consider a workable interim solution.

  Action 2: Anne-Marie and Alison will discuss the temporary Audit & Risk membership and feedback to the Board.

- Year-End Position: The Management accounts are aligned with expectations. £6.8 million of the Re-Opened Fund remains undrawn.
- 2025 to 2026 Budget: Grant in Aid received. The Transition Fund remains under-resourced, consistent with previous years. No current flexibility is available to vire transfer funds between allocations.
- Outstanding Actions: Key item is the development of KPIs, scheduled for delivery by September. Added to the ARC action tracker.
- Interim Audit: Focused on financial controls, particularly the payroll upload process with increased controls now in place.
- Re-opened Fund: A positive audit report has been received with no actions required.
- Annual Assurance: Internal Audit confirmed a strong control environment. Out-of-tolerance risks are now reported in line with Global Internal Audit Guidelines and will be referenced in the statutory accounts.
- 2025 to 2026 Audit Plan: Focus areas include the ICI migration, new project office and SAGE migration. ILF Scotland is awaiting confirmation from Henderson Loggie (internal auditors) to include all three areas.
- Risk Management: Systemic Risks: Many risks remain out of tolerance due to Scottish Government spending controls and broader sector challenges.
- Project Oversight: ICI Replacement: Delayed due to data migration accuracy issues. No budget impact. ARC supports the delay to ensure data integrity.

The Board thanked the Finance and Digital teams for the qualitative and quantity of work delivered. The Board noted the Audit & Risk Committee update.

10. **Remuneration Committee Update** (verbal update)

Mark Adderley (Mark) provided an update on the Remuneration Committee meeting held on 1 April 2025, highlighting the following key points:

- Application Support and 3rd Party Financial Management Services (Paper 3): The paper was discussed in detail and was redrafted to incorporate feedback and questions raised by the Committee (refer to paragraph 11).
- Workforce Development Plan (Papers 13 & 13a): The Committee conducted a thorough review and recommended approval of the plan and aligning with the draft Strategic Plan. (refer to paragraph 22).
- Finance Pay Policy 2025–26: Mark noted that negotiations with the Unions are ongoing, with no settlement date confirmed at this stage.

The Board thanked the Business Services team and noted the Remuneration Committee update.

11. **Provision of Application Support and 3rd Party Financial Management Services** (refer to Paper 3 and Appendix A)

Harvey Tilley (Harvey) presented the revised paper proposing the replacement of the current Award Management provision by a third-party provider with an in-house service.

He outlined the rationale for the change, highlighting that it would generate overall cost savings, enabling increased distribution of TF grants to additional disabled young people from Q3 2025 to 2026.

The Board approved the in-house Provision of Application Support and 3rd Party Financial Management Services paper, noting that it will now be submitted to the Sponsor Team for final approval.

12. **Management Accounts to Year-End March 2025** (refer to Paper 4 and Appendix A)

Jim Maguire provided an overview of the recently scrutinised Management Accounts and Finance Commentary, highlighting key points relating to award funds and administration management accounts for the financial year ending 2024 to 2025.

He advised the Board of a potential risk that the Scottish Government may request the return of unspent funds, in the context of broader public sector spending controls currently under consideration. Concerns were raised regarding the current lack of flexibility to vire between the ILF Fund and the Transition Fund to effectively manage demand, maximise outcomes and ensure best value.

The Board noted the Management Accounts and Finance Commentary to year-end 2024 to 2025.

13. **Grant in Aid (GiA) Budget Allocation & Monitoring** (BAM) Letter 2024 to 2025 (Paper 5) and Budget Allocation Letter 2025 to 2026 (Paper 5a)

Jim provided a brief overview of both papers, noting that the Grant-in-Aid (GiA) allocation for 2025 to 2026 is in line with expectations. However, the Board expressed disappointment that there has again been no increase to the

Transition Fund, which has remained at £5 million since its announcement in 2014 and its inception in 2017, which is in effect a year-on-year real terms reduction despite ever-increasing demand and the significant preventative impact of the fund in the lives of young disabled citizens.

The Board acknowledged receipt of the Grant-in-Aid letters and looks forward to reviewing the full details in the forthcoming Annual Report and Accounts.

14. **Summary Risk Report** (refer to Paper 6 and Appendix A)

Paul Hayllor (Paul) presented the paper, which had recently undergone detailed review by the Audit & Risk Committee (ARC).

The Board acknowledged that the risk management process continues to function effectively and looked forward to the board development session on 5 June when a detailed look at risk appetite and tolerance will take place.

The Board noted the Summary Risk Report, expressed appreciation to Paul and the Digital Team, and recognised the valuable scrutiny provided by the ARC.

15. **MiCase & PQs** (refer to Paper 7 and Appendix A)

Linda Scott (Linda) provided an overview of the Minister's response to Dr. Jim Elder-Woodward, Chair of the Scotland Advisory Group. The response reaffirmed previous correspondence, confirming that Available Income (AI) charging will be addressed only as part of a broader review of Social Care Charging in due course.

The Minister's letter also suggested a meeting with the Disability Equality Unit. Peter and Dr. Elder-Woodward have now met with the Unit and discussed the proposed DPO application route and the possibility of including work on development of award management in partnership with DPO(s) in the forthcoming Disability Equality Strategy.

Concerns were raised regarding the increasing risk of local authority (LA) care packages falling below the ILF Scotland Threshold Sum. The ILF award does offer protection to recipients, however one recipient of the re-opened fund has recently had their SDS budget reduced to below the threshold and will therefore also lose ILF (subject to appeal). The Board was reassured that Assessors are actively challenging this practice to ensure care packages continue to support independent living. The board also noted that such an approach by LAs may be short-sighted, potentially leading to increased residential care placements for disabled people, which removes choice and control, does not support independent living and will be less cost-effective in the long term. The Board was assured that this issue is being closely monitored with the Minister being kept informed.

Action 3: Continue to monitor and escalate any further incidents of lost ILF entitlement.

16. Mainstreaming & Equalities Update – Summary of Progress (refer to Paper 8 and Appendix A)

Linda presented the paper summarising key activities over the past 12 months, highlighting the following points:

- Internal Audit – Equality: Ongoing progress is being made to ensure Equality Impact Assessments (EQIAs) are completed for both internal and external-facing policies.
- EQIA – Manager Training: Training for managers was successfully delivered on 20 May 2025. The Project Management Office is now responsible for ensuring EQIAs are completed prior to project initiation. Care Experience has been added to the EQIA screening process, with the inclusion of UNCRC and poverty screening planned for 2025 to 2026.
- Outcome 2 – Inclusive Culture: ILF Scotland continues to champion neurodiversity as part of its inclusive culture. Organisation-wide training is scheduled for delivery in Q3 and Q4 2025 to 2026.

The Board noted the Equality Mainstreaming & Equalities update.

17. Charter for Involvement Update – Summary of Progress (refer to Paper 9 and Appendix A)

Linda presented the summary of progress, highlighting the following key points:

- Advisory Group Engagement: ILF Scotland continues to engage with the Advisory Groups, which are actively identifying priorities and raising awareness of issues related to independent living, including input into the Strategic Plan.
- 10-Year Celebrations: The group has been involved in organising and shaping the agenda for ILF Scotland’s 10-Year Celebrations.
- PA Recruitment Campaign: The group requested support in ensuring that up-to-date information is available regarding the ongoing Personal Assistant (PA) Recruitment campaign.

- Award Management Review: An internal working group is conducting a comprehensive review of Award Management. Consideration is being given to involving Disabled People's Organisations (DPOs) and Centres for Independent Living (CiLs) to support recipients in managing their awards.
- Accessible Communications: The Communications Team is currently working to improve the accessibility of all organisational communications.

The Board noted the Charter for Involvement update.

18. Corporate Parenting Update – Summary of Progress (refer to Paper 10 and Appendix A)

Linda introduced the Corporate Parenting Update and highlighted the following key points:

- Care-Experienced Applicants: circa. 13% of new applicants to the ILF Scotland Fund are care experienced. The team is actively working with external partners to increase this figure. Linda confirmed that additional data will continue to be gathered through the assessment process.
- UNCRC Incorporation: The incorporation of the UN Convention on the Rights of the Child (UNCRC) will support ongoing improvement efforts. This will be embedded into the implementation of the project within the Corporate Parenting Plan. The Board noted the Corporate Parenting Update 2025.

The Board noted the Corporate Parenting update.

The chair thanked Linda for all of her work in ensuring ILF Scotland meets its regulatory and statutory obligations.

19. ILF Fund Re-Opening Final Report (refer to Paper 11)

Peter and Paul presented the paper, confirming that this will be the final Re-opening Report, as ILF Scotland has now transitioned into a business-as-usual phase.

Peter noted that Colin Slasberg, an independent consultant in social care, will facilitate a session with the Co-Production Working Group to explore the complexities surrounding the Access Principles.

The Sponsor Team has submitted a request to the Minister outlining the position with re-opened fund allocations. The submission also includes a request for clarity on the 2026 to 2027 Grant-in-Aid (GiA) allocation to support forward planning. Concerns were raised that, without a funding commitment, the fund may face temporary suspension. The Board noted the ILF Fund Re-Opening Report and accompanying Dashboard.

20. National Care Service (NCS) & Social Care Crisis (verbal)

Anne-Marie has been appointed as the interim representative for ILF Scotland on the Interim National Care Service (NCS) Advisory Board and attended the first meeting on 21 May. Meetings are expected to take place monthly. The Public Appointments Team will initiate a formal recruitment process for a permanent Board over the next 6 to 9 months.

The Advisory Board is currently developing a values-based approach and scoping its priorities and intended outcomes.

Anne-Marie confirmed that all relevant NCS Board papers will be shared with the ILF Scotland Board, enabling members to raise any issues with the NCS Board Chair as appropriate. She and Peter have agreed to meet before and after each NCS meeting to ensure alignment and communication. The Board noted the update on the NCS and the wider social care context.

21. Terms of Reference (Board) (refer to Paper 12 & 12a)

Peter presented the paper outlining the reviewed Board Terms of Reference. The following key areas were highlighted and discussed:

- **Paragraphs 2 & 3 – Board Membership and Quorum:**
  The current Articles of Association require only one Director for Companies House purposes, while the ToR states a minimum of one Director for membership but requires two Directors for quorum.

  Action 4: The Board agreed that both the Articles of Association and the ToR should be amended to align, specifying a minimum of three Directors for both membership and quorum. Appropriate legal and governance advice will be sought to support these changes.

- **Paragraph 4 – Sub-Committees and External Members:**
  The inclusion of independent external members on sub-committees was discussed.

Action 5: It was proposed that the wording be revised to: “in attendance and contributing (advice only) – no voting rights”. Advice will be sought from the Sponsor Team to confirm this approach.

- **Paragraph 5 (vi) – Committee Transparency:**

The publication of sub-committee minutes was considered.

Action 6: From 1 April 2025, in line with our commitment to transparency approved sub-committee meeting minutes will be published, with redactions applied to any private or sensitive information.

The Board approved the revised Terms of Reference, subject to legal and governance advice being sought and the final version aligning with the Board’s agreed amendments.

22. Workforce Development Plan (refer to Paper 13 & 13a)

Harvey presented the updated Workforce Development Plan 2025 to 2028 to the Board, noting that it builds upon the approved August 2024 Implementation Plan. The Board had previously requested this updated version for approval to initiate Year 2 of the implementation process. Following a comprehensive review, the Remuneration Committee recommended the plan for approval.

The Board discussed KPIs for the People & Culture function and recommended retaining performance and grievance statistics within the corporate report.

The Board subsequently approved the Workforce Development Plan, recognising alignment with the draft Strategic Plan (due to be formally

approved June 2025). Any significant future changes or variances to the spending controls must prompt a review and resubmission for further approval.

23. Annual Executive Summary & Operational Report 2024 to 2025 (refer to Paper 14 & Appendix A)

Harvey Tilley provided a brief overview of the paper, noting that 2024–25 was ILF Scotland's busiest year to date.

He highlighted the continued success of the Transition Fund, which offers up to £4,000 to support young disabled people in transitioning to adulthood and engaging with their communities. Despite its impact, the fund remains oversubscribed and has been capped at £5 million since 2017.

The Workforce Development Plan has now been completed, following delays due to spending controls (refer to paragraph 22).

The Board congratulated the team, having been awarded a Top 10 ranking in the 2024 to 2025 Working Families Benchmark.

Harvey concluded by acknowledging the sad loss of two valued ILF Scotland staff members, who are deeply missed.

The Board noted the Annual Executive Summary & Operational Report 2024 to 2025.

24. Health & Safety Report (01 January 2025 – 31 March 2025) (refer to Paper 15)

Aileen McNiven (Aileen) presented the Q4 2024 to 2025 Health & Safety Report, providing assurance on ILF Scotland's Health and Safety

management. The Board thanked ILF Scotland and Aileen McNiven for the reassuring H&S report.

The Board noted the report.

25. Net Zero Champions Update (refer to Paper 16)

Paul provided a brief update on Paper 16, highlighting ILF Scotland's carbon footprint and the progress made over the past year. Two staff members have now completed the Edinburgh Climate Change Institute's (ECCI) three-day course on establishing baseline and carbon footprint assessments. The Climate Champions Group's next priority is to develop a realistic set of goals for the organisation to achieve by 2030.

The Board noted the Net Zero Champions Update.

26. Equality Committee Update (noted)

Stephanie Hayle provided a brief pre-meeting update, highlighting positive progress in Equality, Diversity & Inclusion, particularly in Neuro-Inclusion. The Board noted the Equality Committee update.

27. Cyber Security Champion Update (verbal)

Paul reported ongoing efforts to maintain the security of ILF Scotland's systems, noting the organisation remains on high alert following recent cyber-attacks across the public sector. Staff and Board members continue to receive regular cyber security training, with a focus on identifying and responding to phishing threats. The new systems, hosted on Microsoft Azure, are monitored

24 / 7 by security experts, with an additional security layer being implemented during 2025 to 2026.

The Chair thanked Paul, and the Board noted the Cyber Security Champion update.

AOCB

Strategic Plan 2025 to 2028

Peter confirmed that the 2025 to 2028 Strategy is being finalised and will be shared with Board Directors for feedback and approval in the coming weeks. Once approved, the final version of the Strategy 2025 to 2028 will be submitted to the Sponsor Team / Scottish Government for final approval before wider publication. Key Performance Indicators (KPIs) will be developed for approval by September 2025.

ICI Migration

The Board were interested to know about further update on the ICI Migration. Paul updated that Scottish Government (ITECS) were working in the background to change the firewall protocols with expectations to be completed in the next week.

All Party Group (APG) on Disability – Guest Speaker Engagement

Peter was invited to speak as a guest at the All-Party Group (APG) on Disability Annual General Meeting at Stormont, Belfast on 19 May 2025. Following the meeting, the group agreed to write to both the Health Committee and the Health Minister to request a meeting with David McDonald, Chair of the Northern Ireland Advisory Group, and Peter. The purpose of the meeting would be to discuss the case for re-opening the fund in Northern Ireland.

Board Visibility & Staff Engagement

In response to recent staff survey feedback highlighting a desire for greater visibility of the Board, several suggestions were proposed to enhance awareness and engagement across the organisation:

- continue including a Board summary or article in the internal staff newsletter
- caintain the practice of inviting Board Directors to speak at All Staff Meetings
- develop and share blog posts authored by Board Directors
- host a joint Advisory Group and Board meeting every two years

Action 7: The Board agreed to explore these suggestions further.

Close of Meeting: 1:30pm

Next Board Meeting Dates:
Next Board Development Day: 10am to 1pm, Thursday 5 June 2025 (Teams)
Next Audit & Risk Committee: 10:30 am, Tuesday 12 August 2025 (virtual)
Next Board Meeting: 11:00am, Tuesday 2 September 2025 (Denholm House)
Next Remuneration Committee: 11am, Tuesday 16 September 2025 (virtual)

Action Points

Action 1: The Board committed to confirming a Governance Session 2025 to 2026.
Action by: Anne-Marie / Aileen
Timescale: 2025 to 2026
Action: Complete: 22 September 2025

Action 2: Anne-Marie and Alison will discuss the temporary Audit & Risk membership and feedback to the Board.
Action by: Anne-Marie and Alison
Timescale: September 2025
Action: Complete

Action 3: Continue to monitor and escalate any further incidents of lost ILF entitlement.
Action by: Robert / Linda
Timescale: September 2025
Action: Ongoing regular monitoring

Action 4: The Board agreed that both the Articles of Association and the ToR should be amended to align, specifying a minimum of three Directors for both membership and quorum. Appropriate legal and governance advice will be sought to support these changes.
Action by: Peter / Aileen
Timescale: September 2025
Action: Matters Arising: Paper 3a

Action 5: It was proposed that the wording be revised to: “in attendance and contributing (advice only) – no voting rights”. Advice will be sought from the Sponsor Team to confirm this approach.
Action by: Peter / Aileen
Timescale: September 2025
Action: Complete: Sponsor Team approved and added to ToR

Action 6: From 1 April 2025, approved sub-committee meeting minutes will be published, with redactions applied to any private or commercially sensitive information.

Action by: Peter / Aileen
Timescale: September 2025
Action: Complete: from 1 April 2025

Action 7: The Board agreed to discuss the suggestions further with a view to raising visibility of the Board across the organisation.
Action by: All Board / Executive Team
Timescale: Ongoing
Action: Matters Arising: Paper 3: Raising Board Member Awareness