



Minutes

Meeting: Resources Committee

Date: 19 June 2012

Time: 10.30am

Venue: Rooms 0.18 and 0.24

Present: Theresa Allison, Convener
David Wiseman
Sally Witcher
Morag Brown

In Attendance: Annette Bruton, Chief Executive
Frank Clark, Chair
Gordon Weir, Director of Resources
Karen Anderson, Director of Operations (for item 13 only)
David Cumming, Director of Operations (for item 13 only)
Gill Ottley, Director of Operations (for item 13 only)
Heather Stevenson, HR Manager (to item 12)
Kenny Dick, Finance and Procurement Manager (to item 12)
Gillian Berry, Senior Accountant (to item 7)

Apologies: Cecil Meiklejohn
Mike Cairns
Kath McCabe, Acting ED Manager

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Item		Action
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1.0 APOLOGIES FOR ABSENCE

Apologies for absence were noted as above.

2.0 DECLARATIONS OF INTEREST

There were no declarations of interest.

3.0 MINUTE OF PREVIOUS MEETING – 20 MARCH 2012

The minutes of the previous meeting held on 20 March 2012 were accepted as an accurate record.

4.0 MATTERS ARISING

4.1 Item 4.0 Matters Arising (West of Scotland Property Options)

The Director of Resources advised that the problem with the lift upgrade had been resolved with the Landlord and the lease would be renewed imminently.

4.2 Item 5.0 Human Resources Strategy The HR Manager advised that the HR Strategy, including the Equality Impact Assessment, had been approved by the Executive Team on 30 May 2012. The Resources Committee agreed that this could be circulated by email.

Sec

4.3 Item 7.0 Estate Management Plan The Director of Resources advised that the landlord for the Stornoway office had agreed to provide the same amount of space for the same cost per annum. This was a reasonable compromise and the lease would be renewed. The Director of Resources further advised that option appraisals for the Irvine, Elgin and Oban offices would be presented to the next meeting on 25 September 2012.

4.4 Item 11 Audit Scotland Report – Scotland’s Public Finances – Addressing The Challenges It was agreed that it would be confirmed whether all Board members had received copies of this document.

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5.0 PROGRESS REPORT: PAYROLL/HUMAN RESOURCE MANAGEMENT INFORMATION SERVICE REPORT NO: R-12-2012

The Finance and Procurement Manager introduced this report, which advised members of progress in the tender of a new Payroll and Human Resources Management Information Service.

The “self-service” aspects of the proposed system were

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discussed. It was confirmed that staff would only be able to access their own information. The same levels of control would be in place so that the system automatically requested authorisation from the relevant manager.

The Committee:

- Noted the report.

**6.0 ANNUAL ACCOUNTS PROGRESS REPORT 2011-12
REPORT NO: R-13-2012**

The Finance and Procurement Manager introduced this report, which advised the Committee on the progress of the Annual Accounts and the projected financial position for 2011-12 based on the annual accounts preparation work to date.

It was confirmed that the issue of late claim forms being submitted by sessional staff had been addressed. The new payroll system would help to address these types of issues.

It was agreed that page 3 of Appendix 2 should be clearer about the grant in aid not required and the wider implications and additional work surrounding the changing circumstances of the year.

F&PM

The Committee:

- Noted the draft Annual Report and Accounts would be provided to the external auditors on Friday 29 June 2012.
- Noted the required amendments to the draft financial review section of the management commentary that would be included in the 2011-12 Annual Report and Accounts.
- Noted the projected financial position for the 2011-12 financial year.

**7.0 CARE INSPECTORATE 2011-12 PROCUREMENT
PERFORMANCE REPORT
REPORT NO: R-14-2012**

The Senior Accountant introduced this report, which provided an update on procurement progress for the Care Inspectorate in 2011-12. There had been significant improvement in procurement performance and plans were in place to further improve performance.

The Committee thanked the Senior Accountant and the team for the excellent paper, which showed a clear progression and a very significant improvement since the Procurement Capability Assessment started in 2009.

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It was confirmed that key suppliers received annual financial checks to mitigate any risk elements. The highest risk contract pertained to software and this had formal cover in place with a third party. There were minimal instances where suppliers outwith the collaborative framework had been used and this has been fed back to the Scottish Government Procurement Directorate.

The Committee:

- Noted the report.

8.0 BILLING OF CARE PROVIDERS REPORT NO: R-15-2012

The Finance and Procurement Manager introduced this report, which noted the progress on billing of care providers.

The Committee noted:

- That 2012-13 Quarter 1 invoices had been issued.
- The progress to date on the debt collection process for the financial years 2002-03 to 2011-12.
- The fees that had been waived.

9.0 FEES REVIEW

The Director of Resources provided a verbal update on the Scottish Government's intention to review fees. The Scottish Government would be holding a fees consultation during 2012-13 with implementation from 2013-14 onwards.

The Care Inspectorate had briefed Scottish Government colleagues involved in the review and had provided feedback to the first draft of the consultation review. The Care Inspectorate would provide a further briefing and feedback on the second draft. It was important to ensure that those shaping the review had all the right contextual information to inform their decisions as the fee regime was currently stable and accepted by providers and any change could have an adverse impact.

The Committee:

- Noted the update.

10.0 BAD DEBT REPORT REPORT NO: R-16-2012

The Finance and Procurement Manager introduced this report, which informed the Committee on the position of debt written off as being irrecoverable and advised on debt impairment.

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It was clarified that the private/voluntary sector and not just local authorities could provide fostering and housing support services.

The Committee:

- Noted the information contained in the report.

**11.0 EQUALITIES DATA REPORT – EXISTING WORKFORCE AND RECRUITMENT 2011-12
REPORT NO: R-17-2012**

The HR Manager introduced this report, which provided statistical data on the diversity of the Care Inspectorate's employees and those who had applied for vacancies within the organisation. The following points were raised during discussion:

- There was a low number of applicants with equality issues applying for positions within the Care Inspectorate. There was a need to explore positive action and produce a strategic response to this, including:
 - Advertisement targeting.
 - Good practice in other organisations.
 - Benchmarking some aspects of the workforce against the social work and social care sector.
 - Discussion with SSSC as workforce regulator.
- There has been liaison with the Involving People group and further work was ongoing.
- The Executive Team has requested a strategy from HR, which would be presented to Strategy and Performance Committee. The strategy would not be stand alone; there would be sub-strategies as required by individual issues.
- There were additional issues also, such as the high level of unemployment in under 25 year olds and the Care Inspectorate was working with the SSSC and OSCR to produce a youth employment strategy.

The Committee:

- Noted that HR would collate, record and monitor equalities data for all employees and all future recruitment campaigns.
- Noted that appropriate actions were being taken as a result of statistical analysis.
- Noted that this information would be reported to the Resources Committee annually and would include relevant comparative and benchmarking information.
- Requested a strategic report, which would initially be presented to Strategy and Performance Committee.

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12.0 FINANCIAL MANAGEMENT 2012-13

The Director of Resources provided a verbal update on the forecast underspend, which had arisen due to the Scottish Government’s decision on the budget being reinstated and the resultant planning to cope with that change. An aspect of the underspend was that the Care Inspectorate had not yet been able to recruit staff to the level now required. In response, the Executive Team had identified expenditure items in the three year Corporate Plan which could be brought forward.

A full report outlining these proposals would be presented to the Resources Committee on 25 September 2012. This report should reference the strategic aim, demonstrate the added value/minimising of risk and why those items were being brought forward as critical.

It was confirmed that historic information from the Care Inspectorate’s three previous organisations on staff turnover had informed a report to the Executive Team on 13 June 2012 regarding recruitment scheduling.

The Committee:

- Noted the verbal update.
- Noted a report on alternative expenditure proposals would be presented to Resources Committee on 25 September 2012.

**13.0 CHANGES TO THE MANAGEMENT STRUCTURE IN THE CARE INSPECTORATE
REPORT NO: R-18-2012**

The Chair advised that when the interim structure was approved it was agreed with Partnership Forum that it would be reviewed after 12 months. The review was discussed at a 2-day strategic Board development event with a resulting report approved at Resources Committee on 29 November 2011 and at Board on 20 December 2011, which gave the Executive Team the authority to conduct this review. The Chair had confirmed that the governance aspects of the consultant’s appointment had been adhered to. The Chair had met with the appointed consultant, Fiona Morrison on behalf of the Board and was able to relay the Board’s expectations. The report drew that together for committee and provided comfort and assurance of good analysis, clear rationale, logic about individual posts and the overall structure and reassurance on affordability of the recommendations.

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The Executive Team highlighted the following aspects of the review:

- It was helpful that Resources Committee and the Board had approved an external consultant to conduct the review. This provided all stakeholders with trust and reliance on the findings being independent and objective.
- The appointment of the Chief Executive was timeous as this had brought a fresh pair of eyes with previous experience of restructuring.
- The review had three components:
 - The independent review by Fiona Morrison whose whole approach was very inclusive.
 - The four national values seminars - all of which flagged the staff's priority request for a review of the structure. Key issues identified by staff were silo working, lack of consistency and a desire to improve quality.
 - External stakeholders' views (including the Involving People group) on what the key functions of the organisation were.
- The "post it" comments were Fiona Morrison's starting points and focus groups were constructed to test these assumptions and to get a consensus and evidence based view.
- The consultant's report confirmed the Executive Team's views and highlighted that strategic capacity was lacking to oversee improvement in the social work and social care sector.
- The review analysis allowed the Executive Team to develop a rationale for the new structure, which would: build leadership capacity; provide clarity on decision making and accountability; develop experts; build in rigour on quality assurance; further develop integrated working; strive for efficiencies; and build expertise across the whole organisation.
- The proposed structure had been costed through the various stages of development, as any structure had to be affordable and demonstrate best value.

The Chair confirmed that stakeholders' comments at the recent meetings between external bodies, the Chair and the Chief Executive had been reflected in the report along with those given by staff at the four values events. Any structure needed to ensure enhanced strategic capability, management and accountability, and that statutory duties, such as the duty of care, should be able to be discharged. The Chair was satisfied that the consultant's report reflected all of these aspects.

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The following points were raised during discussion:

- It was acknowledged that the first year of the Care Inspectorate was difficult.
- There was concern that implementation of the revised structure would cause additional workload and the organisation may not be able to retain business continuity, particularly with regard to producing financial costings and the work of HR/ED.
- There needed to be a balance with the Chief Executive's accountable officer role and the outward facing/influencing element of the role. It was agreed that the Deputy Chief Executive role should also have an external focus. These aspects should be strengthened in the report to the Board.
- Enhanced strategic capacity was extremely important from a governance and operational perspective. Stakeholder engagement and involvement was a key strategic task, which should be more explicit in the report to the Board.
- Implementation would be critical. Work on an implementation plan to manage expectations and keep participation/momentum had been commenced and would be presented to a future Board meeting.
- If approved by the Board, early approval would be required by Scottish Government to ensure timescales for implementation could be met.
- Key staff and the Partnership Forum would be advised of the proposals following the Special Board on 10 July 2012.
- There was a standing commitment to the Partnership Forum of their involvement in the process.
- A newsletter to staff and the Board would be produced fortnightly to keep everyone apprised of developments and implementation.

The Committee:

- Considered the proposals and recommended the adoption of the outlined action to a special meeting of the Board on 10 July 2012.
- Agreed that the Chief Executive could secure additional resources to implement the revised structure.

14.0 AOCB

There was no other business discussed.

15.0 DATE OF NEXT MEETING

The date of the next meeting was confirmed as 25 September 2012 at 10.30am in room 0.24, Compass House, Dundee.

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