

Minutes

Meeting: Board

Date: 18 December 2015

Time: 11.00 am

Venue: Room 0.6/0.7, Compass House, Dundee

Present: Paul Edie, Chair
Mike Cairns
Denise Coia
Gavin Dayer
Ian Doig
Christine Dunlop
Anne Haddow
Anne Houston
Jim McGoldrick
Cecil Meiklejohn
Linda Pollock
David Wiseman

In Attendance: Karen Reid, Chief Executive
Rami Okasha, Acting Director of Strategic Development
Kevin Mitchell, Acting Director of Inspection
Gordon Weir, Director of Corporate Services
Robert Peat, Executive Adviser to the Board
Kenny McClure, Head of Legal Services
Arvind Salwan, Strategic Communications Manager
Fiona Angus, Committee Support Officer
John Glennie, Non-Executive Director, Healthcare Improvement
Scotland (for Item 19, private session)
Robbie Pearson, Deputy Chief Executive and Director of Scrutiny and
Assurance, Healthcare Improvement Scotland (for Item 19, private
session)

Apologies: There were no apologies.

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Item	Action
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The Chair welcomed everyone to the last meeting of 2015 and informed members that they would be joined at lunch by John Glennie and Robbie Pearson of Healthcare Improvement Scotland, before Item 19, which was being held in private.

The Chair also informed members that there would be an update from the Chief Executive on the senior management structure.

1.0 APOLOGIES FOR ABSENCE

There were no apologies for absence.

2.0 DECLARATION OF INTEREST

The following declarations of interest were noted:

David Wiseman as Board member of the Institute of Research and Innovation Services.

3.0 MINUTE OF MEETING HELD ON 2 OCTOBER 2015

The minute of the meeting held on 2 October 2015 was submitted and approved as an accurate record.

CSO

4.0 ACTION RECORD OF MEETING HELD ON 2 OCTOBER 2015

The action record of the meeting held on 2 October 2015 was noted and updated.

CSO

The Head of Legal Services reported that the Care Inspectorate had provided some further proposed revisions to the Scottish Public Services Ombudsman (SPSO) on the draft Memorandum of Understanding between both organisations, and that the SPSO's response would likely be received in the New Year.

5.0 MATTERS ARISING

There were no matters arising.

6.0 POLICY COMMITTEE PAPERS

6.1 Report from Policy Committee of 11 November 2015 (Draft Minute)

The Chair presented the minute to the Board for consideration. He informed members that the meeting had been very

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productive, with a substantial agenda.

Policy Committee members had raised concerns about the procedure for social work complaints that the SPSO was handling. The Chair also reported that the Committee had discussed the evaluation and development work that was being undertaken on The Hub, the Care Inspectorate's Improvement Strategy and the Review of the Year report.

There were no further questions and the Board noted the report.

6.2 Review of the Year: Improving Care in Scotland

The Acting Director of Strategic Development drew members' attention to the publication, which had been used extensively in public engagement work at various events and conferences. The Report provided evidence of the positive impact that the Care Inspectorate was having in improving care services.

The Board noted the report.

6.3 Update on the Implementation of the Quality Improvement Strategy 2014/18 (paper attached)

The Acting Director of Strategic Development reminded the Board that the Strategy had been agreed at the Board Meeting in March 2015. He provided members with an update on the dynamics of the action plan which appeared as Appendix 1. The content of the plan was being embedded into directorate plans and developed into staff objectives.

Members asked if the staff appraisal system was being reviewed as part of the Strategy and were informed by the Director of Corporate Services that the system would be reviewed the following year and would be progressed through the internal governance cycle before being taken to the Resources Committee. It was noted that all corporate policies were generally reviewed every three years.

There were no further questions and the Board noted the report.

6.4 Triennial Review – Further Actions

The Acting Director of Strategic Development presented the report to Board members and explained that its aim was to outline the emerging issues around the triennial review and identify where improvements could be made. In particular, there was a need to consider the way that the Care Inspectorate collected and analysed data and to have more clarity around the

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way information was generated and presented on a provider, local authority or hub basis.

The Chair stated that there was a perception that child protection was more developed than adult protection. The Acting Director of Strategic Development explained that adult protection legislation was more recent and that it was possible that joint scrutiny work with Healthcare Improvement Scotland might assist with assessing progress in this area. The Acting Director of Inspection stated that adult protection scrutiny needed to be looked at in the round and be linked in with child protection and it was noted that this matter had been raised by the Care Inspectorate at ministerial level.

The Board commented that it was important for the improvement agenda to be filtered down to frontline service providers as it would help to build a more cohesive way of working.

The Board noted the report.

7.0 RESOURCES COMMITTEE PAPERS

7.1 Report from Resources Committee of 4 December 2015 (Unapproved Draft Minute)

The Convener of the Resources Committee presented the unapproved draft minute to the Board and highlighted the discussion that had taken place regarding the Care Inspectorate's draft budget. He reported that a member/officer budget sub-group had been established which included representatives of the Partnership Forum.

The Board noted the announcement of the Scottish Government budget in December and that the Care Inspectorate would be informed of its own budget sometime in January 2016. The Board was informed that the assumption of a standstill budget might be optimistic and that there had been a request made for transitional funding.

Members were informed that, following staff consultation, the decision had been made to close the Irvine office and to relocate affected staff to other Care Inspectorate locations. The Board was also informed that a business case for the Hamilton office was being taken to the Sponsor and partnership forum.

The Board was advised that good progress was being made on People Management policies and it was noted that this was being done through the Partnership Forum before being presented again to the Resources Committee.

The Chair invited the Chief Executive to provide an update on the budget position. The Chief Executive informed the Board that the Care Inspectorate was working closely with Scottish Government colleagues and that scenario planning had been undertaken. In particular, the Cabinet Secretary had given a clear steer around the requirement for efficiency savings with the expectation that a 3% saving across the whole of the public sector would be made. The Care Inspectorate had achieved in excess of this figure – at 4% in 2014/15 and it had a programme of best value reviews planned. The Chief Executive reiterated that transitional funding had been asked for as well as clarification on various other strands of funding.

It was noted that the Resources Committee was prepared to schedule additional meeting dates if necessary, to fit in with the confirmation of budget funding.

The Board expressed concern with the ability of the Care Inspectorate to deliver its programme of work in the event that no transitional funding was granted. The Director of Corporate Services explained that most of the Care Inspectorate's budget was assigned to staff costs and that, whilst trying to save as much as possible in this area, it was difficult to make any real cost savings.

The Board noted the report.

7.2 2015/16 Budget Monitoring

The Director of Corporate Services reported that the projected financial position for the remainder of the current financial year was very positive. The Budget Monitoring Report to the Resources Committee had provided explanations for the budget variance, which amounted to an underspend of £152k. It was noted that there had been a decrease in staff costs and an increase in fee and shared service incomes. However, it was reported that these savings were not significant enough to bridge any gap in transitional funding.

The Board noted the report.

8.0 AUDIT COMMITTEE PAPERS

8.1 Report from Audit Committee of 27 November 2015 (Draft Minute)

The Convener of the Audit Committee presented the draft minute to the Board and drew members' attention to the Complaints Handling Review that had been carried out in October 2014.

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There was a need to synchronise the review and improvement arrangements between the internal auditors and Executive Team. The Board was also advised that Audit Scotland was unlikely to be continuing as the external auditors to the Care Inspectorate. It was noted that that decision on this matter lay with Audit Scotland itself.

On the recommendation of the Audit Committee, the Board was asked to approve the re-appointment of Scott-Moncrieff as internal auditors, with the assurance that the Care Inspectorate's Finance team had reviewed the auditors' performance prior to renewal.

The Board approved the re-appointment of Scott-Moncrieff as internal auditors.

9.0 COMPLAINTS COMMITTEE PAPERS

9.1 Report from Complaints Committee of 1 December 2015 (Draft Minute)

The Convener of the Complaints Committee presented the minute to the Board and drew members' attention to item 7, the Statistical Report on Complaints, where a decrease of 6% in the number of complaints received in quarters one and two in 2015/16, compared with the same period the previous year, had been reported. Members were updated that a similar 6% decrease had been recorded in quarter three.

The Board was also informed that committee members had had a very useful discussion around the new approach to complaints-handling and the role of inspection volunteers.

The Board noted the report.

10.0 MONITORING OUR PERFORMANCE 2015/16 Report No: B-26-2015

The Acting Director of Strategic Development presented the report and informed the Board that this was the first version of presenting performance information in table format, following feedback from an earlier Board Development Event. The main aim was to try to show greater depth to the activities of the Care Inspectorate and their impact on service users and carers.

Board members' attention was drawn to sections within the report, specifically:

- The introduction of case studies as a means of quantifying the Care Inspectorate's contribution to improvement

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- The introduction of tests around inspection methodology
- More information on the Community Justice Scotland Bill and the work that the Care Inspectorate would be doing around this to be deployed in future years
- The figures in relation to completed inspections that showed 99.7% of planned statutory inspections and 85% of total planned inspections for the year to date had been undertaken
- Partnership working and the Care Inspectorate's involvement on the national group, led by the Scottish Social Services Council, in developing a "common core" set of skills for those working with adults in care
- Complaints about care services, which showed a 6% decrease in the number of complaints received in Quarters One and Two, compared with the same period the previous year. The year to date percentage of complaints acknowledged within three working days stood at 98%.

The Board observed that, whilst there was a good deal of positive performance, there were also areas that required improvement. In particular, the Board was disappointed to note that there had been a lower performance rate in relation to inspections completed overall than the same time the previous year. However members recognised that there were reasons for this decrease, namely staff vacancies and sickness levels, and noted the helpful performance information made available at the Board Development Event in October which identified over capacity issues in some areas. Board members stressed the need for more realistic planning assumptions and recording of overall organisational performance to demonstrate all that the organisation does.

The Acting Director of Inspections explained that there was now better management information in place and that if the Care Inspectorate was to go into 2016/17 with the same inspection plan as 2015/16, it would require just over 27 full time equivalent additional staff. There was an issue with the length of time that recruitment to posts was taking and a need to consider more efficient means of recruiting. Monthly meetings involving staff and Human Resources colleagues had been taking place to look at these issues in more detail. The Director of Inspections reported that there was no more than one vacancy in any of specialist teams and offered reassurance to the Board that the organisation was looking at more efficient ways of recruiting, especially where potential vacancies could be identified in advance, such as staff retirements.

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Board members indicated that the monitoring report was very helpful with a much better narrative presentation, and suggested that more information was required from senior management to establish the triggers that could be put in place to act as alerts for potential problem areas.

The Board praised the work that had been carried out on the Involve newsletter. Members welcomed the involvement of inspection volunteers and their potential use in other areas.

The Board also welcomed the inclusion of case studies to the monitoring report.

Members were keen to find out how well the Bright Ideas initiative was working and whether or not the ideas, suggestions and comments could be quantified to show if they were helping to achieve efficiencies and increase productivity. The Chief Executive stated that there had been some very good ideas from staff and that it would be possible at this relatively early stage to produce an outline of the types of ideas generated. In terms of quantifying these, it would be necessary to apply any new initiatives first before being able to quantify and evaluate impact.

DoCS

The Chief Executive advised the Board of the organisation's new approach to corporate induction whereby new inspectors would be required to undergo a corporate induction, which would include peer support. The Care Inspectorate was also reviewing its approach to continuing professional development, including a module on the art of inspection which could be formalised with an organisation such as a university or the Scottish Qualifications Authority, working in partnership with the Scottish Social Services Council.

The Board wished to record its thanks to the Director of Inspection and his staff and were encouraged to note that, for the first time, the Care Inspectorate would be entering a new year with almost a full complement of inspection staff.

The Board approved the new format and noted the report.

11.0 ANNUAL REVIEW OF RISK REGISTER

Report No: B-27-2015

The Director of Corporate Services presented the report and explained that it was the outcome of the review that had started at the Board Development Event in June 2015. The Audit Committee had received papers on two occasions and had agreed that the revised Strategic Risk Register and Risk Appetite Statement be taken to the Board for approval.

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The Strategic Risk Register identified eight Risks, each with detailed analysis on risk scoring and control measures. The Risk Appetite Statement was a new document and the Director of Corporate Services explained the importance of having such a statement. It allowed for risk tolerances to be developed, for the Board to have an understanding of managing risks, as well as minimising them and to allow the Board to communicate succinctly its position with regard to risk. The Executive Team would monitor the Risk Register and Statement and ensure that the Audit Committee was made fully aware of any potential changes.

The Chair mooted there was a need to commence the annual review of the Register early in the new financial year, in line with development of the Strategic Plan.

The Board noted the report and approved the revised Risk Register and the Risk Appetite Statement.

12.0 DEVELOPING THE SCRUTINY AND IMPROVEMENT PLAN 2016/17

Report No: B-28-2015

The Acting Director of Strategic Development presented the report and explained that it was an indicative plan in light of the current lack of clarity about the budget position. Changes would be required to the Plan when the actual budget was announced in January. Three things had informed the development of the plan:

- An understanding of risk and the intelligence on services that are scrutinised
- The policy requirements of the Scottish Government and the need to contribute to public reassurance and protection
- The agreement of the Board at the October Board Development Event to consider different ways of working and the Care Inspectorate's contribution to improvement in care and social services

The Board's attention was drawn to the section in the Plan that covered inspections and consideration of a move away from a frequency framework to frequency guidelines. This approach was designed to support improved outcomes for users and carers and to give greater public reassurance. For 2016/17, the Scrutiny and Improvement Plan would prioritise inspection work based on risk but still within a broad framework of frequencies. The Chief Executive was seeking the Board's agreement in

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principle to the Plan, that it be submitted to the Cabinet Secretary once the budget had been confirmed and then circulated to the

Board by correspondence to enable formal agreement at the Public Board meeting in March.

The Board stressed the need to examine closely any issues with resources and funding and the potential impact these might have on the Care Inspectorate's ability to respond to the Scottish Government's policy requirements.

The Board agreed in principle to the content of the Plan and to the approach taken in its development.

**13.0 ANNUAL REVIEW OF THE CARE INSPECTORATE
FINANCIAL REGULATIONS
Report No: B-29-2015**

The Director of Corporate Services presented the report to the Board and sought approval of the changes to the Financial Regulations. He explained that these changes were of a minor nature and covered the acceptance of gifts.

The Board recommended that any future amendments to the Regulations be highlighted, making it easier for members to identify where the changes had occurred. The Director of Corporate Services agreed to do this for the following year's review.

DoCS

The Board approved the changes to the Care Inspectorate Financial Regulations.

**14.0 APPOINTMENT OF INTERNAL AUDITORS
Report: B-30-2015**

The Convener of the Audit Committee presented the report to the Board with the recommendation from the Committee that Moore Stephens, operating as Scott-Moncrieff in Scotland, be re-appointed to provide internal audit services to the Care Inspectorate for a three year period commencing 1 April 2016. The Board had previously discussed this matter as part of agenda item 8.1.

The Board approved the re-appointment of Scott-Moncrieff as internal auditors from 1 April 2016 to 31 March 2019.

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15.0 CHAIR'S REPORT
Report No: B-31-2015

The Chair presented his report, which was an update on key developments since the Board meeting in October 2015. He informed the Board that he and the Chief Executive had recently met with the Cabinet Secretary, following the publication of the Care Inspectorate's Annual Report and Accounts. They had been able to highlight that 92% of care services had been rated as good or excellent in contrast to 84% of services on establishment of the Care Inspectorate. They had also been able to report that the rise in complaints had plateaued and that a targeted media campaign had raised greater awareness of the role of the Care Inspectorate in investigating concerns.

The Chair indicated to the Board his intention to review the committee structures in 2016 and that the forthcoming effectiveness sessions would inform this work.

16.0 CHIEF EXECUTIVE'S REPORT
Report No: B-32-2015

The Chief Executive presented her report which outlined the key developments that had taken place since the Board meeting in October 2015.

She reiterated the positive nature of the discussions that had taken place with the Cabinet Secretary, especially around developing improvement and scrutiny around strategic models. The Cabinet Secretary had also been informed of the Care Inspectorate's joint working with Healthcare Improvement Scotland on strategic scrutiny across integrated health and social care planning. The Board noted that the Cabinet Secretary had been interested to hear about the programme of work carried out through the Board Development Events.

The Board welcomed the different style of Chief Executive's report which was based on four key leadership themes, namely

- Consolidating Excellence
- Cultural Change
- Competent and Confident Workforce
- Collaborative Working

The Board noted the report.

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17.0 ANY OTHER COMPETENT BUSINESS

The Chief Executive provided Board members with an update on the senior management restructure. This was done in Private.

18.0 DATE OF NEXT MEETING

The date of the next meeting was noted as 25 March 2016 at 2.00 pm in Compass House, Dundee

19.0 ITEM TAKEN IN PRIVATE:

REVIEW OF THE JOINT STRATEGIC INSPECTIONS OF HEALTH AND SOCIAL WORK SERVICES METHODOLOGY

The Chair welcomed John Glennie, Non-Executive Director, Healthcare Improvement Scotland and Robbie Pearson, Deputy Chief Executive and Director of Scrutiny and Assurance, Healthcare Improvement Scotland. The Board received a joint presentation, delivered by the Chair of the Resources Committee on behalf of the Care Inspectorate.

The Chair requested copies of the presentation slides to be circulated to Board members.

CSO

Signed:



Paul Edie
Chair