



## Minutes

**Meeting:** Finance and Resources Committee

**Date:** 31 October 2024

**Time:** 10.30 am to 1.00 pm

**Venue:** By TEAMS

**Board members present:** Audrey Cowie  
Rognvald Johnson  
Ed McGrachan (up until item 14)  
Naghat Ahmed  
Charlotte Armitage

**In Attendance:** Jackie Irvine, Chief Executive (CE)  
Edith Macintosh, Deputy Chief Executive and Executive Director of Strategy and Improvement (DCE/EDSI)  
Jackie Mackenzie, Executive Director of Corporate and Customer Services (EDCCS)  
Gordon Mackie, Executive Director of IT, Transformation and Digital (EDITTD)  
Kevin Mitchell, Executive Director of Scrutiny and Assurance (EDSA)  
Kenny Dick, Head of Finance and Corporate Governance (HoFCG)  
Lucy Finn, Head of HR (HoHR)  
Fiona McKeand, Executive and Committee, and Corporate Support Manager (EC&CSM)  
Donna Laing, Co-Chair (Staff-side), Partnership Forum  
Kenny McClure, Head of Legal Services (HoLS) (Item 7 only)

**Apologies:** Jenny Trott, Member  
Kirstine Rankin, Head of OWD

**Item**

**Action**

### PART A

(all Committee members and those In Attendance)

#### 1.0 WELCOME

The Convener welcomed everyone to the first meeting of the new committee, and there were round the table introductions.

## 2.0 INTRODUCTION AND THE WORKINGS OF THE FINANCE AND RESOURCES COMMITTEE

The Convener outlined the intended working arrangements of the new committee and its role in advising and formally reporting to the Board on matters relating to finance and resources. The committee business would not include such matters as grievances, as these would follow existing procedures.

The Convener outlined the principles of the committee, as follows:

- To encourage cohesion across members and attendees in building constructive relationships, considered decision-making and clarity of purpose, as outlined in the committee's terms of reference.
- To have constructive but respectful challenge.
- To give full consideration of all reports and papers.
- To adhere to the business on the committee agendas.
- To recognise conflicts of interest might arise, noting that there was scope within Part B of the agenda for any excluded items to be taken.
- To be values-driven and ethical in approach and for all to contribute fully to the discussion.

It was noted that, until further notice, all meetings would be held by TEAMS. The use of the Chat-room function was discouraged so that all relevant comments and questions could be more accurately recorded by the secretariat from the verbal discussions.

## 3.0 APOLOGIES

Apologies were received as noted above.

## 4.0 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 5.0 MINUTES OF BOARD DEVELOPMENT SESSION HELD 8 JULY 2024

The Committee **approved** the minutes of the Board Development Session held on 8 July 2024 as an accurate record.

## 6.0 ACTION RECORD

With this being the first meeting of the new committee, there was no action record presented. A record would be established going forward.

**EC&CSM**

## 7.0 COMMITTEE TERMS OF REFERENCE – REPORT NO: FRC-01-2024/25

The Executive Director of Corporate and Customer Services introduced the report, which outlined further changes to the Reservation of Powers and Scheme of Delegation (RoPSoD) following discussions and changes noted at the August Board meeting and further discussions between the conveners of the Audit and Risk and Finance and Resources Committees.

The Head of Legal Services explained that the changes to the RoPSoD and the Terms of Reference (ToR) for the Finance and Resources Committee were presented for noting in advance of them being placed before the Board for approval at its November meeting.

There was some discussion on sections 6.3.8 and 6.3.9 of the committee's ToR, which covered the committee's role in approving and making recommendations to the Board on specific policies. These had been set out separately with the intention that the committee would have opportunity to "deep dive" those listed under section 6.3.9 prior to being submitted to the Board.

Section 6.4 of the ToR outlined the matters on which the committee would have opportunity to consider in detail, and with responsibility for advising the Board and Accountable Officer. It was recognised that the committee would have oversight of the review of people management policies and be included as part of the policy review timeline, to be presented to each committee meeting. The committee's schedule of business would also be updated in accordance with policy review timelines and reporting requirements. In response to a question on Whistleblowing guidance and/or policy, it was agreed that this would be a topic for further discussion.

The Committee noted the proposed changes to the RoPSoD and **agreed** that these should be submitted to the Board meeting on 14 November 2024, with the recommendation that they be approved.

HoLS

## 8.0 BUDGET MONITORING AND STAFFING UPDATE REPORT – REPORT NO: FRC-02-2024/25

The Head of Finance and Corporate Governance presented the report which provided the committee with details of the projected 2024/25 financial position and an update on the staffing position and the impact of measures introduced in response to Scottish Government guidance on restricting 2024/25 expenditure.

It was noted that the Board would previously have received this detailed report and the committee would now be required to prepare a summary report for submission to the Board. Therefore, a draft summary report to Board was also presented to members for their agreement.

The Head of Finance and Corporate Governance guided the committee through the various sections covered in the report, focussing on specific grant workstreams, details of the Stage 2 transformation project budget position, funding of the budgeted deficit, general reserves balance and projected variances to the budget.

The Committee welcomed the very detailed and transparent report and asked about the contingency allowance for the stage 2 digital transformation project. Members were advised that there was no change to the contingency, which was held within the general reserve balance and available to use as and when required.

The Chief Executive pointed out the potential impact on the Care Inspectorate following the UK Government's budget announcement in respect of employer national insurance contributions. She also informed members that continued use of core grant to fund projects had been raised during a ministerial meeting that morning.

At this point in the meeting, the Convener invited the cross-representative from the Audit and Risk Committee to comment on the website development costs, which had been discussed at the ARC meeting earlier in the month. Members were informed that the ARC had fully discussed the need for the Care Inspectorate's website to be updated, noting the reputational risk associated with not doing so, particularly around improved user experience, but also in respect of cyber security. The ARC had noted that the development costs would be funded from reserves and that the committee had accepted this position and rationale.

Turning to the draft summary report to the Board, the committee **agreed** its content, and the accompanying appendices, but with a greater emphasis to be made about the risk element in respect of the website re-development.

HoFCG

## 9.0 UPDATE ON FUNDING DISCUSSIONS (VERBAL REPORT)

The Executive Director of Corporate and Customer Services informed the committee that there had been a number of meetings with Scottish Government (SG) involving sponsor and Health Finance department, focussing on the current financial year but touching on 2025/26. A great deal of information had been provided by the Care Inspectorate to Sponsor to enable them to draft a paper, which would be submitted by them to the SG ahead of the Scottish budget in December.

The Committee welcomed this update and commended the Executive Director of Corporate and Customer Services and the Head of Finance and Corporate Governance for the work being done with Sponsor.

It was noted that the Care Inspectorate engaged with a number of other SG directorates and it had been particularly helpful to have discussions with the Early Learning and Childcare directorate to outline the funding for this workstream area with the minister. The Committee asked if it was possible for the Care Inspectorate and SG directorates to meet as a collective group, bearing in mind the resources required to undertake this collaborative work, however, members were advised that this was not the case in respect of funding and that matters were channelled through Sponsor.

The Committee noted the update.

**10.0 PROCUREMENT ANNUAL REPORT – REPORT NO: FRC-03-2024/25**

The Head of Finance and Corporate Governance presented the report which provided an overview of the Care Inspectorate’s procurement performance for 2023/24. The draft Annual Procurement Report documented progress towards achieving the organisation’s strategic procurement objectives. The committee was invited to note and comment on the draft report 2023/24 prior to its submission to the Board on 14 November 2024.

A very recent update for the committee was to advise them of the assessment undertaken through the Procurement and Commercial Improvement Programme, referred to in the covering report. Members were very pleased to learn that the Care Inspectorate had received green scores in all six key areas of assessment, under the Red/Amber/Green gradings. The committee was also pleased to note the promotion of community benefits within the procurement exercise.

The committee extended thanks and commendation to Gillian Berry, Finance and Procurement Manager, and the procurement team for the work they had done to enable the organisation to achieve these gradings. It was agreed that the Convener would email the Finance and Procurement Manager on behalf of the committee.

**Convener**

Having considered the report, the committee had no further comments to make and noted that it would be submitted to the Board at its November 2024 meeting.

**11.0 LOCAL GOVERNMENT PENSION SCHEME DISCRETION POLICY – REPORT NO: FRC-04-2024/25**

The Head of Finance and Corporate Governance presented the report which outlined proposed changes to the Care Inspectorate’s LGPS (Scotland) Employers Discretions Policy Statement. The Committee was invited to approved the revisions.

The Committee **approved** the changes and agreed that the statement should be submitted to the Partnership Forum before

**HoFCG**

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being submitted to Dundee City Council, the administering authority of Tayside Pension Fund.

**12.0 SETTING THE SCENE - PARTNERSHIP FORUM**

The Head of HR gave a presentation on the membership and working arrangements of the Care Inspectorate Partnership Forum (PF).

The staff side co-chair of the PF explained the close working of both sides, particularly during the challenges of recent and ongoing change, and the commitment to move forward on a positive footing. The establishment of the informal Sounding Board discussions was a good example of this, where these enabled more regular, confidential communication with both sides between the quarterly PF meetings.

The Committee welcomed the information about the Partnership Forum and it was agreed to circulate a copy of the presentation to members following the meeting.

**ECCSM**

**13.0 HR QUARTERLY REPORT – REPORT NO: FRC-05-2024/25**

The Executive Director of Corporate and Customer Services introduced the report, noting that it was in the same format as had previously been submitted on a quarterly basis to the Board, but that it could be adapted in line with the committee’s requirements.

The report described the HR activity undertaken in quarter 2 of 2024-25 and provided details of key HR metrics and workforce data. Of particular note was the high level of casework, some of which had been complex. There had also been positive developments made in recruitment, demonstrated by the success of the most recent inspector campaign and the value added recruitment in business support. The committee was particularly pleased to note the recruitment of two care experienced Modern Apprentices.

There was further discussion regarding sickness absence and the committee asked if comparisons could be set with other similar public bodies. The Committee was also keen to know if sickness absence categories could be sub-categorised, particularly in relation to mental health, which was the highest percentage of overall absence. The Head of HR explained that the categories being applied were those advised by the CIPD as best practice. There was also the need to recognise that some employees might not wish to disclose the precise reasons for mental health absence. However, it was agreed that the HR team could look at this matter further to see what was possible.

**HoHR**

There was also some discussion on the staff turnover figures, particularly in relation to the IT, Transformation and Digital directorate, where there had been zero leavers, compared with other directorates. There appeared to be no specific reason for this,

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however, the Executive Director of IT, Transformation and Digital explained that there had been a higher rate of leavers in the past but the directorate was now experiencing a period of greater stability. This might be attributable to the permanency of contracts, whereby in the past these had been temporary contractor status.

The committee noted the information in the report.

**14.0 POLICY REVIEW AND APPROVAL TRACKING – REPORT NO: FRC-06-2024/25**

The Executive Director of Corporate and Customer Services introduced the report which outlined the Care Inspectorate’s people management policy schedule for 2024-2025. As part of the report, the committee was also provided with a summary of the current status of policies; an overview of how the HR team was managing policy updates over 2024-2025; details of the stage that each policy review was at and a process map outlining the policy approval process in place.

It was highlighted that, while there was a clear policy review timeline, the HR team undertaking this work was small and had to balance this with other work priorities. The review process also involved as much consultation as appropriate, thereby potentially extending the review timeline in some cases. For future reports, it was agreed that a Red/Amber/Green coding would be applied.

HoHR

The Committee was assured by the information noted in Appendix 3 of the report of the actions being taken to address those policies that were overdue review, and requested that the requirement for the approval of the Board be included where necessary.

HoHR

It was also agreed to make clear the role of the Finance and Resources Committee and the Appeals Sub-Committee within the table under section 2.1 of the report (Update on Policies of Interest). The Convener and Executive Director of Corporate and Customer Services agreed to discuss further and provide an update at the next committee meeting.

Convener/  
EDCCS

In relation to the membership of the Appeals Sub-Committee, there was general agreement that it would be more appropriate for this to come from the full Board membership, but to include one member of the Finance and Resources Committee if possible, thereby enabling the committee to have oversight.

**15.0 RESTRUCTURE UPDATE – REPORT NO: FRC-07-2024/25**

The Chief Executive gave a presentation on the proposed new permanent structure that was currently under consultation. This proposal had been developed after careful consideration of the feedback received from staff through directorate meetings,

questionnaire forms and email submissions, facilitated by independent partners Human Engine.

The presentation summarised the business cases and changes to posts within each directorate. Members noted the 30 day consultation period had commenced and was due to end on 6 November 2024. During this time, individual consultations were being held with affected postholders and there had been collective consultation with joint trade unions on 3 October. General feedback had also been sought from the wider staff group and they were provided with an email address to send comments in to Human Engine (HE). This was due to close on 6 November also and analysis of these comments and feedback would be provided by HE and shared with the Executive Team for consideration. A further meeting with the trade unions was scheduled immediately following the close of the consultation period to seek any feedback and this would be followed in week of the 18 November with a third and final meeting to present the final structure proposal taking into account any relevant feedback from staff. A report would be presented at a Private Board meeting on 14 November 2024 seeking support for implementation of the proposed new structure.

Thereafter, the planned timeline was for the new structure to be agreed and communicated the week of 16 December 2024.

The Committee welcomed the detailed update on the proposals. The Convener asked how the Care Inspectorate would secure strategic nursing advice under the new structure, having previously been recommended by the Board that liaison with the Scottish Government Nursing directorate might be key role for the Chief Nurse. Members were advised that there were currently nurse-qualified staff within the scrutiny and assurance directorate at senior levels and consideration would be given as to how establish a leadership role from within that staff cohort.

The Committee noted the information outlined in the presentation.

## **STANDING ITEMS**

### **16.0 IDENTIFICATION OF RISK**

No additional risks were identified.



## **17.0 FINANCE AND RESOURCES COMMITTEE HIGHLIGHTS FOR THE BOARD**

The Committee agreed the following to be included in its report to Board:

- Recommendation to the Board to approve the revised RoPSoD
- The committee's agreement to the content of the Budget Monitoring Summary report (which is included with the Board papers)
- The update on budget discussions with Sponsor and Health Finance
- The detailed overview of the workings of the Partnership Forum and commitment by both sides to collaborative working, including the newly established Sounding Board meetings
- The actions being taken to review the people management policies and detailed schedule of work, including the consultation process. The committee's further consideration whether Whistleblowing arrangements should be guidance or policy, with more work to be done on this.
- The update from the Chief Executive on the proposed final new organisation structure
- The excellent Health Check assessment scoring of the Care Inspectorate's procurement exercises (the annual report for which will be included in the Board papers)

## **18.0 SCHEDULE OF COMMITTEE BUSINESS 2024/25**

The Committee reviewed and agreed the schedule of business, noting that this would be updated at each meeting and in line with reporting requirements.

## **19.0 ANY OTHER COMPETENT BUSINESS**

The staff-side co-chair raised the question of information sharing between the staff-side/trade unions and the Board, specifically how the trade unions perspective was represented on the committee, albeit there was broader PF input.

The Convener confirmed that the staff-side co-chair had a role through attendance at the committee to represent the views of the staff-side. Part of that role would be to liaise with the trade unions and their members to communicate developments and also to bring insights from them back to the committee. Therefore, the role of the staff-side co-chair was to represent views of staff-side/trade unions in the context of the business of the committee. Where items were not confidential and were taken under Part A of the agenda, the staff-side co-chair would be able to share that information. It was deemed important and a positive step to having staff side representation on this committee of the Board.

On another matter, the Convener informed the members that due to a necessary postponement of the staff survey results, it had not been possible to include a presentation as part of the committee's business as intended. However, a full presentation would be given to the Board on 14 November, following internal presentations to the Strategic Management Group, Operational Leadership Team and Partnership Forum.

The Convener also asked members to note the Chair's expectation for committee members to take a lead interest on the staff survey item at the Board meeting.

Finally, the Convener extended thanks to staff who had developed the reports for the meeting, and to the Executive Director of Corporate and Customer Services and the Executive, Committee and Corporate Support Manager for their support.

**PART B** (for specific excluded items)

**20.0** No items for this meeting.

**21.0 CLOSE OF MEETING AND DATE OF NEXT MEETING**

The Convener closed the meeting, thanked everyone for their contributions and noted the next meeting would be held on 30 January 2025.

Signed

Audrey Cowie,  
Convener