



Minutes

Meeting:	Public Board
Date:	28 March 2024
Time:	10.30 am to 12.30 pm
Venue:	Rooms 1.02/1.03, First Floor, Compass House, Dundee (with Teams link available)
Board members present:	Doug Moodie, Chair Naghat Ahmed Charlotte Armitage Sandra Campbell Audrey Cowie (by Teams) Rona Fraser Paul Gray (by Teams) Ronnie Johnson Maria McGill Ed McGrachan Bill Maxwell Rosie Moore (by Teams) Carole Wilkinson (by Teams) Jennifer Trott (by Teams)
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) Kenny Dick, Head of Finance and Corporate Governance (HoFCG) Lisa Rooke, Head of Corporate Policy and Communications (HoCPC) (by Teams) Fiona McKeand, Executive and Committee, and Corporate Support Manager (EC&CSM – minutes taker)
Observers:	Donna Laing, Joint Chair, Partnership Forum (official observer) (joined from item 8)
Public Observers:	None
Apologies:	Gordon Mackie, Executive Director of IT, Transformation and Digital (EDITTD) Kevin Mitchell, Executive Director of Scrutiny and Assurance (EDSA) Kenny McClure, Head of Legal Services (HoLS)

Item	Action
1.0 WELCOME	
<p>The Chair welcomed members, officers, observers and staff to the meeting and recorded thanks to Audrey Cowie as Vice-Chair, for officiating at the meeting on 8 February 2024.</p>	
<p>Thanks were also recorded to the Executive Director of Corporate and Customer Services and her team for leading on the Compass House refurbishment and the new room arrangements for Board meetings going forward.</p>	
<p>Board members agreed to the Chair's recommendation to make a change to the running order of the agenda, to take item 8 before the full discussion on the draft budget under item 7.</p>	
2.0 APOLOGIES	
<p>Apologies were received, as noted above.</p>	
3.0 DECLARATIONS OF INTEREST	
<p>Board member R Fraser advised of a close relative who was resident in a care home, however, the Chair confirmed this would not impact on the agenda discussions.</p>	
4.0 MINUTES OF BOARD MEETING HELD ON 8 FEBRUARY 2024	
<p>The Board approved the minutes of the meeting held on 8 February 2024 as an accurate record, with minor amendments under "Attendance" and item 19.</p>	
5.0 ACTION RECORD OF BOARD MEETING HELD ON 8 FEBRUARY 2024	
<p>The Board reviewed the action record and noted that under item 18 of the meeting held on 9 November 2023, relating to "Events after the Reporting Period", a full report would be presented to the Audit and Risk Committee meeting being held on 30 May 2024. This update would be noted on the Board action record.</p>	EC&CSM
6.0 MATTERS ARISING	
<p>There were no matters arising.</p>	

STRATEGY AND POLICY

7.0 DRAFT BUDGET 2024/25 AND INDICATIVE BUDGETS 2025/26 AND 2026/27 – REPORT NO: B-42-2023/24

The Chair introduced the item by acknowledging the substantial amount of work that had been done by officers and staff in their discussions with sponsor department, Government Health Finance and Scottish Government directorates.

The Executive Director of Corporate and Customer Services presented the report which provided the latest draft budget position for 2024/25 for consideration by the Board. Members were advised that the formal funding letter had not yet been provided by Sponsor Department but grant in aid funding of £28.658m to fund core activities was expected to be confirmed. Taking into account the draft budgeted net expenditure before Scottish Government funding, the overall budget position was a gap of £2.727m.

Included with the report and its appendices, the Board received three tabled papers, namely: the letter of comfort from the Scottish Government from the previous year, dated 22 March 2023; an excerpt from the draft Grant in Aid letter dated 27 March 2024 and a paper prepared by the Executive Director of Corporate and Customer Services which provided historic background to the Care Inspectorate's budget position since the organisation was established in 2011-12 up to 2021-22.

The Board was invited to note the draft 2024/25 budget position and the further work being undertaken with the Sponsor Department on the £2.530m funding deficit; to agree the draft 2024/25 Capital Plan and to agree the fee rates to be charged to care service providers in 2024/25 remain unchanged from 2023/24.

The Board was advised that, unlike in previous years, it appeared that Scottish Government was moving away from the provision of letters of comfort to the public sector and instead a formal statement had been outlined within the grant in aid letter, which formed part of the tabled papers. This statement confirmed the Scottish Government's (SG) request of the Care Inspectorate to continue to seek efficiencies wherever possible to minimise the additional budget requirement. The statement also confirmed SG's intention to have an in-year review in the summer to discuss the overall position with a view to allocating additional budget up to a maximum of £2.3 million.

There was detailed discussion on this matter, with the Board indicating concern with the lack of letter of comfort, and recognising the amount of work that the organisation, along with the Board members, had already carried out to identify cost efficiencies. Operational re-modelling options had been put forward to the Scottish Government and the Chief Executive would be writing

formally to the Sponsor Team seeking clarity on SG's views on these options.

With regard to the Chief Executive's formal letter, the Board agreed that it should make clear the need for the Care Inspectorate to expedite its statutory activities by a given date and therefore there was a degree of urgency for the Scottish Government to respond to the options put forward. The Board agreed that the letter should also highlight the potential risks involved, pending the outcome of a mid-year review. Members also agreed the need to highlight that the original intent in respect of the baseline funding required for transformation, was not to be provided from Core Budget allocations but rather as a separate funding stream. The direction to fund the 2024/25 element of Digital Transformation from the £4 million Core Grant has significantly impacted on the overall budget position.

The Board was also aware of the current recruitment freeze that was in place across the Care Inspectorate and concurred that this was also a potential area of risk should it continue.

It was agreed that the Chair would also prepare a formal letter to the Minister to outline the strategic risks that might start to materialise and he would be assisted in the drafting of the letter by the Convener of the Audit and Risk Committee, with input from the Executive Team and members.

The Board had some discussion on registration fees and noted that these covered a range of levels according to type and size of service. It was agreed this was a complex area and one which had a political angle, but that the matter should be kept on the agenda for longer term discussion.

The Chair motioned that the Board should approve the draft budget as presented, with the caveat that there may be minor changes once the final grant in aid letter has been reconciled and the final position will be circulated to members by correspondence. The Board also noted the Scottish Government's intention to review the budget position in the summer. The motion was seconded and the Board **approved** the draft budget, and **agreed** that the fee rates to be charged to care service providers in 2024/25 should remain unchanged from 2023/24.

8.0 BUDGET MONITORING AND STAFFING UPDATE – REPORT NO: B-43-2023/24

This item was taken before item 7.

The Executive Director of Corporate and Customer Services presented the quarter 4 report which provided details of the projected 2023/24 financial position and an update on the staffing position. The Board noted the report, agreeing it to be very thorough, accurate and of high quality and had no further questions.

9.0 DRAFT DEBT MANAGEMENT POLICY – REPORT NO: B-44-2023/24

The Executive Director of Corporate and Customer Services presented the report, which provided the Board with an updated version of the Debt Management Policy for approval. Being subject to an annual review, the changes had been made to reflect organisational and procedural changes and combined both the debt management and fee waiver or reduction policies.

In response to the Board's question on the debt management process related to the levels of debt written off and at what point the Audit and Risk Committee might be advised, members were informed that the level of debt was considered minimal with no requirement for it to be taken to the committee. Anything significant, however, would be brought to the committee's attention but generally speaking debt was not an issue for the organisation and it was managed in a proportionate way.

Under section 4.1, the Board requested that the reference to the role of the Board be strengthened to include two additional bullets: a 3rd bullet to read "seeking assurance regarding organisational compliance with this policy"; and a 4th bullet to read "receive annual report on debt management, including debt 'written off' and 'losses'". With these modifications, the Board **approved** the debt management policy.

MONITORING AND GOVERNANCE

None for this meeting.

OPERATIONAL ITEMS

None for this meeting.

STANDING ITEMS

10.0 BOARD SCHEDULE OF BUSINESS 2023/24

The Board reviewed and the schedule of business for the new 2024/25 cycle. There was some discussion on some subjects that might be considered relevant to be added, namely

- Debt Management Report
- Annual Staff Survey results
- Complaints Activity (against services and the Care Inspectorate)
- Annual Board Effectiveness review (schedule this as a separate event over and above the BDE programme)
- Reporting on environmental impact/sustainability

It was noted that reporting on debt management would be covered within the annual accounts progress report which was scheduled to go to Board on 9 May 2024.

The exact scheduling of a report on the annual staff survey was dependent on the timing of the survey itself, and the follow-up work required but would be added to the schedule once plans had been finalised.

Reporting on complaints activity in respect of services was scheduled for the August 2024 meeting and the schedule of business would be updated to reflect a recent decision to include a report on complaints against the Care Inspectorate at the May 2024 meeting.

There was also some discussion on the availability of a timetable for reviewing organisation policies. With regard to strategy and policy, each directorate had its own schedule and these would ultimately be brought to the Board. With regard to people management policies, the official trade union observer on the Board was well sighted on these through discussions at the Partnership Forum. This also applied to the partnership agreement between management and the collective trade unions and the staff side Chair, with official observer status on Board, would be able to highlight anything of relevance.

It was agreed that the Board Governance Effectiveness Assessment would be conducted as a Board Development Event and be included in the draft BDE programme for 2024/25 which would be shared initially with the Chair and Chief Executive.

It was also agreed to consider including “nil return” reporting on employ relations appeals, possibly as part of the quarterly Human Resources report, in order to provide the Board with assurance in this area.

**EC&CSM/
Head of HR**

11.0 ANY OTHER COMPETENT BUSINESS

There was no other competent business.

12.0 CLOSE OF PUBLIC MEETING AND DATE OF NEXT MEETING

The date of the next meeting was noted as 9 May 2024 at 10.30 am.

Signed: 31/5/24



Doug Moodie
Chair