

Governance Board Meeting Minutes
13:00 – 15:15 13th September 2017
Governor's House

Attendees

Lady Susan Rice – Chair
Professor Alasdair Smith - Commissioner
David Wilson – Commissioner

Laura Bailie – Head of Corporate Services
Greg Symons – Programme Manager
Patricia Drennan – Business and Engagement Manager

1. Welcome and Introduction

Lady Susan Rice welcomed everyone to the meeting and thanked Greg Symons for attending to assist with the risk management workshop.

There were apologies from Mairi Spowage (Deputy Chief Executive, SFC) and John Ireland (Chief Executive, SFC).

The minutes of the previous meeting and the extraordinary Governance Board meeting were agreed. The revised text on multi-year funding in the Framework Document was agreed by Commissioners. Staff will liaise with the Scottish Government to finalise the document for publication.

Action Point 1: Framework Document to be finalised with Scottish Government and published.

There were no declarations of interest.

2. Chair's Update

Lady Rice gave a brief update on activity since the last meeting. The Gateway Review process for the transition had been completed. The Commission has published its first official documents, the Forecasting Evaluation Report, the Current Approach to Forecasting paper, and a draft Corporate Plan for consultation. The consultation on the Corporate Plan will close on the 10th October. Commissioners gave evidence to the Finance Committee on 13th September on the Forecast Evaluation Report. The development of the models for the first forecasting round is progressing and the Commissioners felt the experts who were consulted provided valuable insights. Feedback from the staff had been positive and it was agreed that staff should offer their views to Commissioners on other ways in which experts might be helpful in the future. There was a brief update on staffing.

Action Point 2: Commissioners to be provided with a brief note on engagement with experts in the future.

3. Chief Executive's Update

This was covered by the Chair in the CEO's absence.

4. Skills matrix and recruitment of the 4th Commissioner

Laura Bailie introduced the paper on the appointment of the fourth Commissioner and the skills matrix for the Commissioners. Commissioners agreed to fill in the matrix after the meeting and a complete matrix would be circulated with the minutes of the meeting. It would be reviewed once the fourth Commissioner is appointed.

The Commissioners discussed the expertise they would hope a fourth Commissioner might bring. It was agreed to propose that macroeconomic knowledge, skills and experience should specifically be sought. It was agreed that Laura would forward the Commissioners' views to colleagues in the Scottish Government who are running the recruitment process. Commissioners asked to see the next draft of the skills framework. Susan Rice would also take into account the Commissioners' views in her role as a member of the Appointment Panel.

Action Point 3: Completed skills matrix to be circulated with the minutes and reviewed in the light of the appointment of the 4th Commissioner.

Action Point 4: Laura to discuss the Commissioners' views on the preferred skills required from a fourth Commissioner with the Scottish Government and ask that Commissioners see further drafts of the skills framework.

5. ARC external member appointment and terms of reference

David Wilson updated the Governance Board on the process for selecting the candidate to be the external member of the Audit & Risk Committee. A "light-touch" process was appropriate in this case, given the need to ensure an external input quickly. David had taken advice from the Scottish Government's Public Appointment team, and a number of strong candidates were considered. The co-option of Gillian Carty for one year was approved, recognising her significant, relevant expertise.

It was noted that Gillian also sits on the Audit Committee of the Scotland Office. Her appointment has been discussed with the Scotland Office and it has been agreed that any potential or perceived conflicts of interest would be managed through the declaration of interests and absenting herself from discussions where necessary. A formal letter will be issued to Gillian following the meeting.

The Terms of Reference for the Audit & Risk Committee were discussed and some minor amendments made. These were then agreed for approval by the Committee.

Action Point 5: Gillian Carty to be formally appointed to the Audit & Risk Committee.

Action Point 6: The Terms of Reference to be referred to the Audit & Risk Committee for approval.

6. Risk Management Workshop

Following the discussion of the draft Risk Register at the last Governance Board meeting, it was agreed that the Commissioners would value time to discuss the strategic risks facing the SFC. Staff ran a workshop session with Commissioners based around the strategic objectives set in the Corporate Plan. The results of this workshop will be circulated to Commissioners for further comment; the Risk Register will be revised and circulated alongside the analysis of the responses to the Corporate Plan consultation.

Action Point 7: The results of the workshop to be circulated to Commissioners for comment.

Action Point 8: A revised Corporate Risk Register to be drafted for consideration by the Commissioners alongside an operational risk register managed by the Chief Executive.

7. Quarterly Finance Report

Greg Symons provided an update to Commissioners on the Commission's budget.

Action Point 9: Greg to work with communications function to explore options for effectively communicating our forecasts.

8. AOB

The Commissioners agreed the revised Register of Interests.

Action Point 10: Register of Interests to be published on the website.

The Meeting ended at 15.20