

Attendees

Dame Susan Rice - Chair
Professor Alasdair Smith - Commissioner
Professor Francis Breedon - Commissioner
Professor David Ulph - Commissioner

John Ireland - Chief Executive
Claire Murdoch - Head of Social Security and Public Funding
Susie Warden - Head of Strategy, Governance and Corporate Services
James H White - Governance Manager, secretariat

Apologies

David Stone - Head of Economy and Tax

1. Welcome and Introduction

Dame Susan Rice opened the meeting, noting apologies given. There were no declarations of interests nor notification of any other business. The minutes of the meeting held on 8 October 2020 were agreed as an accurate record and the action log was noted.

2. Chair's Update

Dame Susan Rice reported that the new Commissioner recruitment was ongoing with the closing date for applications being noon on Monday, 9 November, and the short-listing meeting was scheduled for later in November.

Dame Susan Rice had been asked by Ivan McKee MSP, Minister for Trade, Investment and Innovation to be a member of the Capital Investment Plan Ministerial Reference Group; it was expected that the group would meet between November 2020 and February 2021.

Dame Susan Rice said she had met (virtually) with Richard Hughes, the new Chair of the OBR and that it had been a very positive meeting; John Ireland commented that he and members of the Senior Management Team had had a similar discussion with Richard Hughes.

3. Chief Executive's Update

John Ireland confirmed that a number of good quality applications had been received for the B2 recruitment round and that interviews were ongoing. The number of withdrawals was higher than in previous recruitment rounds, which might reflect an active jobs market in which people make multiple, concurrent, job applications. It was also observed that post COVID-19 there might be a resurgence in the jobs market.

4. Audit and Risk Committee, including Terms of Reference

David Ulph confirmed that the Audit and Risk Committee had reviewed its terms of reference and recommended that they be approved. Governance Board approved the terms of reference, which would be published on the Commission's website.

The Committee had concluded that accommodation issues (including refurbishment of Governor's House, adaptations for COVID-19, and the longer term post COVID-19 accommodation requirements) would best be managed by having a standing item on the Committee's agenda, with specific risks being included in the existing risk cards, such as Staffing and Corporate Systems.

The Committee discussed the means by which the Accountable Officer could be assured of sufficient risk management and service levels for shared services.

The Committee had reviewed the revised risk card format and acknowledged the work to improve them. With minor tweaks, the new format would be a simpler way for the Committee to monitor how the Senior Management Team was managing risks. The Committee would consider the level at which each risk would be tolerated or escalated at its next meeting. The Committee had agreed a risk score and noted proposed actions for each risk.

The Committee had noted the Finance Update paper. The Board agreed to publish the ARC minutes on the Commission's website.

Action Point 1 – the Governance Manager would publish on the Commission's website the approved terms of reference for the Audit and Risk Committee.

5. Finance

Finance Update - Due to the timing of today's meeting and the month-end financial close down, the update paper was unchanged from that given on 8 October 2020. Whilst an underspend was projected, the quotes for the refurbishment works due that month could also significantly reduce the underspend. The profile also included allowance for three full weekends of overtime payments which may not be all required.

Governance Board noted the paper, recognising the factors which have led to the projected underspend and the actions being taken to manage it.

Multi Year Spend Ask – Governance Board discussed a paper detailing the Commission's projected costs for the next three years, in advance of its submission to the Scottish Government in line with the OECD principles for independent fiscal institutions.

John Ireland highlighted that most of the Commission's costs continue to be staff related and that to date operating cost requests from Scottish Government have been met. The Commission was now in a steady state, with headcount expected to remain about the same which was sufficient to manage its current workload. Should there be additional demands on the Commission would need appropriate additional resourcing. Contingency was required in case replacement cover was needed for parental leave, as the Scottish Government's arrangements to manage such costs centrally did not extend to the Commission.

Governance Board considered that as post COVID-19 working would likely be different, the current reduction in travel costs might become an ongoing future cost saving, which could be offered within the spending bid to allow for physical distancing; these plans would reduce the capacity of Governor's House to around 50% of staff. Options to improve ventilation and access to the kitchen space (as part of the COVID-19 response) were being considered. Governance Board agreed that

ways to improve the Board Room to better support remote working and hybrid meetings should also be investigated.

Governance Board agreed not to seek additional funds in this bid to upgrade Governor's House, given the uncertainties about post-COVID-19 working.

Governance Board agreed the approach set out in the paper.

Action Point 2 - Governance Board agreed that ways to improve the Board Room to better support remote working and hybrid meetings should also be investigated.

6. Corporate Policies and Statutory Reporting

Register of Interests

Subject to one addition in due course (to be confirmed by email) Governance Board noted the updated Register of Interests.

Complaints Policy and Whistleblowing Policy

Governance Board agreed these policies and asked that staff be made aware of the Whistleblowing Policy.

Action Point 3 – the Governance Manager to ensure that the Whistleblowing Policy is included in the Staff Induction Pack, and remind staff about the policy.

Standing Orders

Governance Board approved the revised Standing Orders, subject to checking a minor grammatical point, and including all members of the Senior Management Team as attendees at Governance Board meetings.

Action Point 4 – Paragraph 38 of the revised standing orders to be checked for a minor grammatical point and for it include all members of the Senior Management Team as attendees at Governance Board meetings.

Public Services Reform (Scotland) Act 2010 report for the year ending 31 March 2020

Governance Board approved the draft report for publication.

7. Any other business

There was no other business.

8. Date of Next Meeting

The next meeting was scheduled for Wednesday, 10 February 2021.

Scottish Fiscal Commission
4 November 2020