

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
David Stone, Head of Economy and Tax
Susie Warden – Head of Strategy, Governance and Corporate Services
James H White – Governance Manager, secretariat

1. Welcome and Introduction

Dame Susan Rice welcomed all to the meeting, noting that there were no apologies. There were neither declarations of interest in relation to agenda items nor notification of any other business beyond that already included in the agenda. The minutes of the meeting on 10 June were agreed as an accurate record and the action log was noted.

2. Chair's Update

Dame Susan Rice reported that the process for appointing a new Commissioner had started, with the advert being published on 2 October, with the sift of applications scheduled for late November and two days in early December set aside for interviews. Members of the Governance Board were encouraged to share links to the advert which was on the Commission's website. It was also reported that Robert Chote had recently stepped down as Chair of the OBR; it was noted that SFC had recently had a virtual away day with OBR staff, which had been received well.

3. Chief Executive's Update

In addition to the update paper, John Ireland commented that it was unlikely that staff would return to Governor's House until January 2021 at the earliest. Scottish Government have provided plans of how the building could be used to meet physical distancing requirements, making use of all three floors, but reducing overall capacity to circa 40%. Guidance would be given to staff about how a return to working in Governor's House would be managed. That would take into account the needs of the small number of staff who are finding homeworking difficult.

Dame Susan Rice reflected that the planning assumptions were in line with discussions in which she had been involved elsewhere on COVID-19 and its management.

4. Annual Report and Accounts for the year ended 31 March 2020

David Ulph reported that the Audit and Risk Committee had recommended that the Governance Board note the Audit Report produced by Audit Scotland and the management responses, and approve the Annual Report and Accounts for the year ended 31 March 2020.

Alasdair Smith noted that as a Governance Board, we should be particularly pleased with such a clean report from Audit Scotland, with the assurance it gives the

Commission is being operated to a high standard, and there was opportunity for positive, proportionate work on taking forward the performance recommendations.

The Governance Board agreed to:

- note the Audit Report produced by Audit Scotland and the management responses. Including the letter of representation; and
- approve the Annual Report and Accounts for the year ended 31 March 2020.

Action Point 1 – John Ireland would arrange to sign later today the letter of representation and Annual Report and Accounts for the year ended 31 March 2020 for Audit Scotland to complete their processes and sign the report.

5. COVID-19 Risk Update

Susie Warden commented that the Senior Management Team was reviewing regularly at its weekly meetings the impact of COVID-19 on risk, and the paper was intended to map out the risks, and associated actions. Views from Commissioners were sought, in particular, on whether there were gaps in the analysis of risk or actions.

The pulse survey had indicated that a small number of staff felt unsupported; ways were being considered to engage more positively. It was hoped that when the budget forecast period starts, that would provide more structure and direction which would be beneficial for staff. It was also reported that iTECS was looking into ways in which secure printing at home could be managed.

Looking forward to the budget forecast, options for providing paper copies of Scotland's Economic and Fiscal Forecasts were being considered, including printing copies in Governor's House and posting to staff or (as Audit Scotland) contracting with a printer to do this.

Governance Board was assured to hear that work is ongoing to address the risks associated with single points of failure, such as rotation of staff within teams and reallocation of duties.

In relation to Commissioner absences, it was noted that there was an element of flexibility within the Scottish Fiscal Commission Act 2016, for example, though not ideal, the Commission operated with two Commissioners for a short period.

The public Webinar in September had gone well; however, it was being reviewed to consider how it could be improved to convert the good attendance by journalists into coverage. It was also noted it would be helpful to consider how effective virtual Committee appearances have been, working with the Parliament to do so.

Action Point 2 – Senior Management Team to provide Commissioners advice and options on communications for Budget forecast, including consulting journalists on their webinar experience and preferences.

Action Point 3 – Senior Management Team to consider writing to Finance and Constitution Committee expert panel on scrutiny.

6. Finance

Susie Warden confirmed that there was a forecast underspend of circa £70.5k, and that options for using that were being identified. Work was ongoing with preparation for a multi-year spending request from the Scottish Government.

In relation to Governor's House refurbishment, it was noted that progress was being made with refurbishment of the toilets, and the Board Room. There was a consensus that underspends should be used to undertake additional upgrading as and when funds allowed such as with the kitchen or the staff room. John Ireland said that he hoped to present some options on accommodation bids for the next three years as part of the multi-year funding paper.

David Ulph commented that the way Governor's House is used may change post COVID-19 and staff priorities may have changed. It was agreed that staff views should be taken into account in deciding future upgrading priorities.

Action Point 4 – work would continue on the preparation of a multi-year budget request from Scottish Government.

Action Point 5 –staff views should be taken into account in deciding future upgrading priorities for Governor's House.

7. Any other business

There was no other business.

8. Date of Next Meeting

The next meeting was scheduled for Wednesday, 4 November 2020.

Scottish Fiscal Commission
8 October 2020