

Attendees

Dame Susan Rice - Chair
Professor Francis Breedon - Commissioner
Professor David Ulph – Commissioner
John Ireland - Chief Executive
Susie Warden - Head of Strategy, Governance and Corporate Services
James H White - Governance Manager, secretariat

Apologies

Claire Murdoch - Head of Social Security and Public Funding
David Stone - Head of Economy and Tax

1. Welcome and Introduction

Dame Susan Rice opened the meeting. There were no declarations of interests or notification of any other business, and apologies were noted as above. The minutes of the meeting held on 17 February 2022 were agreed as an accurate record. The action log was noted.

2. Chair's Update

Dame Susan Rice reported her attendance OECD conference earlier in the month in Dublin. The Communications session held on the Friday morning was particularly helpful and stimulating. Sessions on policy costings, and approaches used in other countries were also helpful. David Ulph had raised at the conference how the Commission forecasts Social Security costs based on an assessment of anticipated take up of benefits.

Susan had communicated with the new Chair and Commissioner, both of whom are keen to discuss with her the role of the Commission. Congratulations were given to David Ulph and Francis Breedon on their re-appointment from 8 October 2022 being approved.

3. Chief Executive's Update

John Ireland highlighted the content of the update paper, on which there were no questions.

4. Audit and Risk Committee

David Ulph summarised the discussion on the risk cards, noting that the staffing risk had the most discussion as the likelihood score had increased, recognising the forthcoming Chair and Commissioner appointments and anticipated SMT absences later in 2022.

There had been considerable discussion about the outcome of the 2021-22 Assurance Report and Annual Corporate Review Report which seemed to be discontinuous from previous reports and discussions at the Audit and Risk Committee – eg risk cards not covering finance.

David report that the Director for Internal Audit and Assurance had attended the Audit and Risk Committee, who acknowledged that there were concerns about the service provided by SGDIAA. Lessons have been learned and there was constructive dialogue ongoing about making more progress. SGDIAA had stressed that the report provided a strong level of assurance and that risk management arrangements were perfectly reasonable, given the size of the Commission. There was a clear consensus about SGDIAA improving its engagement with the Commission.

Gillian Carty's contribution was particularly positive in her assessment of the Commission's risk management, which compares very favourably with other organisations.

There had been a good discussion about review of the Risk Framework, including reviewing risk appetite, and about how best to manage financial risks, whether as part of the risk cards, or as a separate agenda item.

There was also a discussion about how effectively the Committee manages risks; one option could be for SGDIAA to attend the Board when risk framework is reviewed. The Board agreed not to invite SGDIAA to its meeting, but instead agreed that the Risk Framework and its effectiveness would be discussed by the Audit and Risk Committee, which SGDIAA attend and would be the more appropriate forum for their input. That would then inform discussions at the Governance Board.

The Committee had also discussed that it could benefit from a review of its effectiveness at some point and that it may be helpful to engage in due course with Audit Scotland or Deloitte for their input into that review for consideration by the Governance Board.

David Ulph reported that the Audit and Risk Committee was content that risk was being managed appropriately and could give the annual assurance required by the Governance Board.

Action Point 1 – The Governance Manager would contact SGDIAA colleagues to confirm the conclusion reached by Governance Board about how they could contribute to the review of the effectiveness of risk management arrangements.

5. Finance

Susie highlighted the anticipated underspend for 2021-22 and the projected spend for 2022-23. The Governance Board noted the paper.

6. Corporate Policies and Statutory Reporting

Corporate Plan 2022-25 – it was confirmed that no comments had been received on the Plan. Subject to minor corrections, the Corporate Plan was ratified by the Governance Board.

Business Plan 2022-23 – Having been agreed in correspondence, the Governance Board noted that the plan was published on the Commission's website in April 2022

Code of Conduct - The updated Code of Conduct had been reviewed and commented on by Public Bodies Unit and it was with the Ethical Standards Commission for approval. Thereafter an updated Register of Interests would be produced for review and approval.

Meeting our Diversity and Equality Requirements - Governance Board noted that work was still ongoing and that it would be discussed at the next meeting.

7. Staff Survey 2021

John Ireland commented that this was still work in progress. and that a fuller report would be given at the next Governance Board meeting.

Action Point 2 – A report on the actions from the outcome of the Staff Survey 2021 would be provided to the next Governance Board meeting.

8. Any other business

There was no other business.

8. Date of Next Meeting

The next meeting will be arranged for a date to be confirmed.

Scottish Fiscal Commission
16 May 2022