



A Meeting of the Care Inspectorate Board is to take place at **1.30 pm on Thursday 13 August 2020.**

In light of the guidance about minimising social contact issued by the Scottish Government in relation to Covid-19, the meeting will be held remotely by Teams video-link. Arrangements are in place to enable members of the public to attend the meeting by this method and a public notice has been placed on the Care Inspectorate website.

AGENDA

PUBLIC SESSION

1.	Welcome and Introductions
2.	Apologies
3.	Declarations of Interest
4.	Minute of Board meeting held on 18 June 2020 (paper attached)
5.	Action Record of Board meeting held on 18 June 2020 (paper attached)
6.	Matters Arising
7.	Chief Executive's Report - Update on Key Developments (verbal report)
STRATEGY AND POLICY	
8.	Scrutiny and Assurance Plan – Report No: B-26-2020
MONITORING AND GOVERNANCE	
9.	Revised Terms of Reference: Audit and Risk Committee and Biennial Review of Reservation of Powers and Scheme of Delegation - Report No: B-27-2020
10.	Finance and Staffing Update – Report No: B-28-2020
STANDING ITEMS	
11.	Identification of Risk

Version: 7.0	Status: FINAL	Date: 03/08/2020
--------------	---------------	------------------

12.	Board Schedule of Business 2020/21 (paper attached)
13.	Any Other Competent Business
14.	Close of Public Meeting and Date of Next Meeting: 30 September 2020 at 10.30 am by Teams video-conference
	PRIVATE ITEMS
15.	COVID-19 Activity – Report No: B-29-2020
16.	Independent Review of The New School Butterstone – Report No: B-30-2020



Minutes

- Meeting:** Public Board
- Date:** 18 June 2020
- Time:** 10.30 am
- Venue:** By Teams video-conference
- Present:** Paul Edie
Naghat Ahmed
Sandra Campbell
Gavin Dayer
Rona Fraser
Paul Gray
Anne Houston
Ronnie Johnson
Bernadette Malone
Bill Maxwell
Keith Redpath
Carole Wilkinson
- In Attendance:** Peter MacLeod, Chief Executive (CE)
Gordon Weir, Executive Director of Corporate and Customer Services (EDCCS)
Kevin Mitchell, Executive Director of Scrutiny and Assurance (EDSA)
Edith Macintosh, Interim Executive Director of Strategy and Improvement (iEDSI)
Gordon Mackie, Interim Executive Director of IT, Transformation and Digital (iEDITD)
Fiona McKeand, Executive and Committee Support Manager (ECSM)
Kenny McClure, Head of Legal Services (HLS)
Arvind Salwan, Strategic Communications Adviser (SCA)
Fiona Birkin, Staff-side Chair, Partnership Forum
Ingrid Gilray, Intelligence and Analysis Manager (I&AM) (Item 10)
Al Scougal, Senior Intelligence Analyst (SIA) (Item 10)
Claire Corbett, Executive Support Officer
- Apologies:** None

Item

1.0 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting. This was also the last meeting for Board member Bernadette Malone, who had recently resigned and would be leaving her appointment at the end of July 2020. The Chair recorded his thanks for her commitment to the work of the Board and as Convener of the Audit and Risk Committee.

2.0 APOLOGIES

There were no apologies.

3.0 DECLARATIONS OF INTEREST

Board member Sandra Campbell declared an interest in the event of any discussion that might be held on Shared Services. Although there was not due to be any formal discussion on this matter during the public board meeting, the declaration was noted.

4.0 MINUTES OF MEETINGS HELD 26 MARCH 2020 AND 7 MAY 2020

The minute of the meeting held on 26 March was **approved** as an accurate record.

The minute of the meeting held on 7 May was **approved** as an accurate record but with the list of attendees to be corrected to include members Rona Fraser, Paul Gray, Ronnie Johnston, Bernadette Malone and Bill Maxwell.

ECSM

5.0 ACTION RECORD

The action record of the meetings held on 26 March and 7 May 2020 was noted and agreed.

6.0 MATTERS ARISING

There were no matters arising.

7.0 CHAIR'S REPORT – REPORT NO: B-16-2020

The Chair presented his report that covered his activities and appointments during the previous quarter. These related almost entirely to Covid-19, and included an information sharing meeting with the network of European regulators, which had focussed on the impact of the pandemic on care homes for older people.

A positive meeting had taken place with the Cabinet Secretary on 28 May which had provided an opportunity to brief Ms Freeman on issues surrounding care homes and some of the learning through inspection and intelligence gathering.

The Board noted the Chair's report.

8.0 CHIEF EXECUTIVE'S REPORT AND COVID-19 UPDATE – REPORT NO: B-17-2020

The Chief Executive presented his report which provided an update on key developments since the repurposing of the organisation during the Covid-19 pandemic.

Discussions with the Cabinet Secretary had been very positive and the intelligence and statistical information had been well received.

The Board discussed some of the aspects of the detailed statistical presentation from the Intelligence and Analysis Manager.

The Executive Director of Scrutiny and Assurance informed members of the legally required fortnightly inspection report to the Scottish Parliament. The report outlined the number of services that had been visited and the total number of visits. Planning of the visits was complex, carried out in partnership across each area. Information was being combined across organisations in order to make risk assessed decisions and identify the evidence for carrying out inspections. The report also outlined the numbers of letters of concern that had been issued to date and those which had been identified as high risk.

The Board was advised that some outstanding enforcement actions in place before the Covid-19 outbreak were now being progressed and able to report positively on these.

The logistics and time commitment of testing inspection staff was described to the Board, noting that the pool of staff was significantly reduced during the pandemic. Scheduling of the visits required careful planning with Healthcare Improvement Scotland and local health teams, which added to the complexity. There continued to be full engagement with integrated joint boards, chief social work officers and local authorities and the breadth of the shared intelligence informed the required risk assessments.

Members sought clarification on the Care Inspectorate's statutory responsibilities, its ability to access a service and enforcement powers. It was noted that, although a number of other partners and organisations had become involved, the organisation's statutory authority remained unchanged.

The Board noted the report.

STRATEGY AND POLICY

9.0 STRATEGIC RISK REGISTER

The Executive Director of Corporate and Customer Services presented the revised strategic risk register which the Board was invited to approve. The changes to the register, including a new risk number 10 in relation to Covid-19, reflected recent discussions at Board and Audit and Risk Committee meetings held during March and May 2020.

The Board **approved** the strategic risk register, with the caveat that further changes might be required following discussion around shared services arrangements at the Board Development Event that afternoon.

MONITORING AND GOVERNANCE

10.0 MONITORING OUR PERFORMANCE 2019/20 - QUARTER 4 - REPORT NO: B-18-2020

The interim Executive Director of Strategy and Improvement introduced for discussion the summary report on performance under each of the three strategic outcomes of the corporate plan, along with an overview of key achievements and work progressed in quarter 4 2019/20.

The Senior Intelligence Analyst explained the statistical control charts that featured in the report. These helped demonstrate whether any month-to-month variation in performance was persistent and reflected a real change, or whether it was within an expected range of variation. This would help to inform any business decisions that might be required should performance move over the tolerance level.

The Board agreed that the detailed explanation of the content and purpose of the charts was very helpful in providing a rational view of performance.

A number of areas were highlighted in the report itself. There had been a degree of impact caused by Covid-19 and it was expected to see this more clearly in the first two quarters of 2020/21. Moving forward, in discussion with the Chair, the organisation would be reflecting on the KPIs and more detailed discussion would be held with Board members over the coming weeks, aligned with discussions with the Cabinet Secretary about a different model of scrutiny.

The Board discussed in more detail KOI number 2. Concern was raised specifically in relation to the lower amount of time spent in high and medium risk children's services, compared with adult services and what impact this might have on child protection.

Members were assured that the Care Inspectorate had given clear commitment to its focus on services for children and young people as part of the Independent Care Review and it was agreed that an update on the organisation's activity in this respect would be provided for the September Board.

CE

There was discussion around the impact of Covid-19 on mental health and wellbeing across all services as a result of lockdown and general agreement that this should be looked at more closely in terms of intelligence gathering.

In response to a Board query about registration performance, members were advised that an additional number of staff had been deployed into the registration team to resource the increased registrations for expansion of early learning and childcare. It was agreed to provide the Board with an update on this area for the September meeting.

iEDSI

The Board noted the report.

11.0 FINANCE UPDATE REPORT – REPORT NO: B-19-2020

The Executive Director of Corporate and Customer Services presented the report which provided an update on the progress of the Annual Report and Accounts and the projected financial position for the year to 31 March 2020.

The Board was invited to note the timeline for preparation of the draft Annual Report and Accounts to note the improved projected financial position for the 2019/20 financial year; the effective 2019/20 income collection and debt management activity and the budget position including identified risks for 2020/21.

The Board was advised that there was positive engagement and good understanding with the Sponsor team and further in-depth discussion would be required with the Scottish Government Health Finance team.

The Board noted the main points, as recommended in the report.

12.0 ANNUAL REVIEW OF CARE INSPECTORATE FINANCIAL REGULATIONS – REPORT NO: B-20-2020

The Board received the report covering the annual review of the Care Inspectorate Financial Regulations and was invited to approve these to ensure they remained fit for purpose in accordance with corporate governance best practice.

The principal changes to the regulations referred to the amendment of the procurement thresholds and the removal of the maximum budget virement value.

The Board **approved** the changes to the Care Inspectorate Financial Regulations.

13.0 COMPLAINTS ACTIVITY ANNUAL REPORT 2019/20 – REPORT NO: B-21-2020

The interim Executive Director of Strategy and Improvement presented the statistical bulletin, which built on the previous year's Complaints about Care Services in Scotland 2015/16 to 2018/19 report. The report added data about complaints received and investigated over the last year April 2019 to March 2020 and focussed on that year. The Board was invited to note the information.

The key points highlighted:

- Over 5,000 complaints had been received, an increase of 18% on the previous year. This did not necessarily indicate poor quality, as gradings appeared to be consistent over the year, but people were more informed on their rights and the ability to make complaints
- The majority of complaints investigated were upheld.
- Complaints relating to services for children and young people had increased and the report outlined how the organisation had made it easier for this cohort to raise complaints.
- The Complaints app introduced during March 2020 allowed better categorisation and more information to be gathered.

There was discussion on the changes that had been made to encourage children and young people to make complaints and also on ways of raising awareness of the complaints process amongst the deaf and signing community. It was agreed that engagement with that community should be looked at in more detail.

The Board welcomed the report and noted that it would be published on the Care Inspectorate website, with the aim that the information would be used to influence policy and help drive change.

14.0 CODE OF CORPORATE GOVERNANCE – REPORT NO: B-22-2020

The Executive Director of Corporate and Customer Services introduced the report, which invited the Board to review, comment and approve the Code of Corporate Governance. The Code had been revised to reflect the "CIPFA International Framework: Good Governance in the Public Sector".

There was discussion on the action plan that would be developed by the officer working group on corporate governance, to be submitted annually to the Audit and Risk Committee for approval and to inform the preparation of the annual governance statement for the annual report and accounts. It was recommended that the action plan

should include some broad improvement themes, and this was noted for future revisions of the Code.

The Board also requested that the wording in the Code be modified in all sections to read “The Board will ...” to replace “The Board should ...”.

It was noted that some of the strategies and policies outlined in the accompanying appendix to the Code were due for revision and the Board was advised that these were being progressed through the Partnership Forum.

The Board **approved** the revisions to the Code of Corporate Governance.

15.0 MINUTE OF AUDIT AND RISK COMMITTEE MEETING HELD 21 MAY 2020

The new Convener reported on the meeting of the Audit and Risk Committee held on 21 May 2020 and directed the Board’s attention to the several key areas, namely:

- The proposed revised terms of reference of the Committee had been agreed and would be presented to the Board Governance Review
- The meeting had been the first with the new internal auditors, Henderson-Loggie, and had discussed the approach to the three-year strategic internal audit plan. The Committee had agreed to an internal audit of Risk Management
- The Committee was continuing to closely monitor developments with the digital programme and was reassured that the Digital First review recognised that progress was now in re-designing the programme and strengthening its governance
- The Committee agreed that a summary account of key decisions and actions throughout the Covid-19 pandemic should be developed and maintained, with the intention of being fully engaged in any subsequent external review involving partner organisations.

The Board noted the report.

16.0 UN CONVENTION ON THE RIGHTS OF THE CHILD – REPORT NO: B-23-2020

The interim Executive Director of Strategy and Improvement presented the report, which had been developed in response to a new legal requirement to publish a triennial report on how the Care Inspectorate’s work supported articles of the United Nations Convention on the Rights of the Child (UNCRC). Preparation of the report involved work with young inspector volunteers and the style and language of the document reflected the need for the report to be

Version: 2.0	Status: <i>Approved 13/08/2020</i>	Date: 31/07/2020
--------------	------------------------------------	------------------

read by young people and their families, to understand how it supported their rights.

The Board welcomed the work that had been carried out in preparation of the report and agreed that it should be included in the list of documents within the Care Inspectorate's Code of Corporate Governance.

HoFCG

It was also agreed that Board member Anne Houston would assist in sense-checking the document before publication.

iEDS&/
A Houston

17.0 CAPA 2 PROGRAMME FINAL REPORT – REPORT NO: B-24-2020

The interim Executive Director of Strategy and Improvement presented the final evaluation report of the second phase of the CAPA improvement programme. The programme evaluation demonstrated statistically significant improvements in both care professional confidence and perceptions and older people's physiological and psychological health. Some key outcomes include:

- physiological test scores demonstrating improved mobility, flexibility, and ability to manoeuvre independently;
- reduced likelihood of falls and rate of falls per person;
- reduced contact with medical services as a result of falls;
- improved health related to quality of life;
- improved perceptions of how healthy older people felt;
- greater numbers of older people feeling that they belonged to their communities

There was discussion on the need to ensure that these positive outcomes were sustained in order to achieve long term impact, and the Care Inspectorate's role in influencing this. It was recognised that the programme had provided a platform on which to base strategic discussions and to take the improvement work forward in localities and nationally.

The Board noted the report and congratulated everyone involved in the programme.

OPERATIONAL

18.0 DIGITAL PROGRAMME UPDATE – REPORT NO: B-25-2020

The interim Executive Director of IT, Digital and Transformation presented the report which provided the Board with an update on recent developments of the digital programme noting the report from the Gateway review that took place in early March 2020 had been considered by the Audit and Risk Committee at its meeting the previous month. The report discussed the programme finances and overall progress including the impact of the Covid-19 response. The

report also advised of further work underway in preparation for a strategic review of the programme.

There was discussion on the programme finance and members sought clarification on the costs that had been committed to and the level of funding remaining. The Board was advised that the programme was still operating broadly within the initial budget but anticipating that more work would require to be carried out. The budget set and agreed with the Board would deliver on the registration phase however, inspection and enforcement would require further investment, and this was the reason why a further risk assessment and outline business case was being prepared.

The member/officer working group had been set up in order to provide advice and assurance to the Board on the development and funding of the programme. An initial meeting had taken place to consider the group's terms of reference and further meetings would be held timed in order to report to the Audit and Risk Committee and then to the Board. The Board noted the report.

STANDING ITEMS

19.0 IDENTIFICATION OF RISK

The Board agreed that there were no risks that were not already on the risk register.

20.0 BOARD SCHEDULE OF BUSINESS 2020/21

The Board noted the annual schedule of business.

21.0 ANY OTHER COMPETENT BUSINESS

There was no other business.

22.0 CLOSE OF PUBLIC MEETING AND DATE OF NEXT MEETING

The date of the next Board meeting was noted as Thursday 13 August 2020 at 1.30 pm. Venue to be confirmed.

Signed:

Paul Edie, Chair



BOARD ACTION RECORD

Item No	Title	Action	Responsibility	Timescale	Status/Comments
Actions from 17 December 2019					
11.0	DIGITAL UPDATE REPORT AND PRESENTATION: REPORT B-45-2019	Consideration be given to a BDE covering how to better bridge the gap between board scrutiny and operations.	CE/Chair/EDCCS	Start of 2020/21 Board cycle	First meeting of Member/Officer Assurance and Advisory Group held on 29.07.2020 Completed
Actions from 18 June 2020					
4.0	MINUTE OF MEETING HELD 7 MAY 2020	List of attendees to be corrected to include members R Fraser, P Gray, R Johnston, B Malone and W Maxwell	ECSM	Immediate	Completed
10.0	MONITORING OUR PERFORMANCE 2019/20 - Q4: REPORT B-18-2020	Provide update on registration performance, in relation to expansion of early learning and childcare. Update on the organisation's activity on services for children and young people following on from the Independent Care Review	iEDSI CE	For September Board For September Board	

Item No	Title	Action	Responsibility	Timescale	Status/Comments
13.0	COMPLAINTS ACTIVITY ANNUAL REPORT 2019/20: REPORT B-21-2020	Update on complaints figures, based on analysis of data, to be sent to members in advance of September Board meeting. Link with deaf and signing community in order to promote awareness of complaints process.	Intelligence & Analysis Manager Chief Inspector (Adult Services)	By 21 Sept 2020	
14.0	CODE OF CORPORATE GOVERNANCE – REPORT NO: B-22-2020	Modifications to be made as noted in the minute.	HFCG	By mid-August	
16.0	UN CONVENTION ON THE RIGHTS OF THE CHILD: REPORT B-23-2020	Add report to items listed on the Appendix to the Code of Corporate Governance	HFCG	By mid-August	

CE: Chief Executive
EDSA: Executive Director of Scrutiny and Assurance
iEDITD: Interim Executive Director of IT, Transformation & Digital
HFCG: Head of Finance and Corporate Governance
ECSM: Executive and Committee Support Manager

EDCCS: Executive Director of Corporate and Customer Services
iEDSI: Interim Executive Director of Strategy and Improvement
HOWD: Head of Organisational Workforce Development
HLS: Head of Legal Services



Title:	Revised Terms of Reference – Audit & Risk Committee and Biennial Review of Reservation of Powers and Scheme of Delegation and Standing Orders		
Author:	K McClure, Head of Legal Services		
Appendices:	1.	Proposed revised Terms of Reference for Audit & Risk Committee	
	2.	Amended Reservation of Powers and Scheme of Delegation	
	3.	Amended Standing Orders	
	4.	Schedule of Amendments	
Consultation:	Audit and Risk Committee, Head of Finance & Corporate Governance, Board, Corporate Governance Review Group		
Resource Implications:	*Yes/No		

EXECUTIVE SUMMARY

This report:

- (a) proposes revised Terms of Reference for the Care Inspectorate's Audit and Risk Committee; and
- (b) invites the Board to review its Reservation of Powers and Scheme of Delegation and Standing Orders and to adopt the amendments suggested at Appendices 2 and 3, all as described in Appendix 4

The Board is invited to:

1. Approve the proposed revised Terms of Reference at Appendix 1

Links:	Corporate Plan Outcome	KPs	Risk Register - Y/N	Y	Equality Impact Assessment - Y/N	N
For Noting		For Discussion		For Assurance		For Decision ✓

If the report is marked Private/Confidential please complete section overleaf to comply with the Data Protection Act 2018 and General Data Protection Regulation 2016/679.

Reason for Confidentiality/Private Report: Not applicable

Disclosure after:

BOARD MEETING 13 AUGUST 2020

Agenda item 9
Report No: B-27-2020

Reasons for Exclusion	
a)	Matters relating to named care service providers or local authorities.
b)	Matters relating to named persons which were they to be discussed in public session, may give rise to a breach of the Data Protection Act 2018 or General Data Protection Regulation 2016/679.
c)	Matters relating to terms and conditions of employment; grievance; or disciplinary procedures relating to identified members of staff.
d)	Matters involving commercial confidentiality.
e)	Matters involving issues of financial sensitivity or confidentiality.
f)	Matters relating to policy or the internal business of the Care Inspectorate for discussion with the Scottish Government or other regulatory or public bodies, prior to final approval by the Board.
g)	Issues relating to potential or actual legal or statutory appeal proceedings which have not been finally determined by the courts.

AUDIT AND RISK COMMITTEE – REVISED TERMS OF REFERENCE**1.0 INTRODUCTION**

At its annual effectiveness review on 5 March 2020 the Audit and Risk Committee requested that the Head of Legal Services draft revised Terms of Reference for the Committee, based on the [Model Terms of Reference](#) annexed to the Scottish Government's [Audit and Assurance Committee Handbook](#), revised where appropriate to reflect the Care Inspectorate's structure, operating practices, circumstances and needs.

A draft was presented to the Committee on 21 May 2020 and approved, subject to Board discussion of several outstanding points. These were considered by the Board at its effectiveness session on 18 June 2020 and direction provided. At the effectiveness session on 18 June 2020, the Board also considered its own self-evaluation. An Action Plan, addressing the key themes emerging from the review was discussed. A report will be brought to the September meeting.

The revised Terms of Reference at Appendix 1 reflect the Model Terms of Reference annexed to the Scottish Government's Audit and Assurance Committee Handbook, revised where appropriate to reflect the Care Inspectorate's structure, operating practices, circumstances and needs.

These revised Terms of Reference come before the Board at approximately the same time as the biennial review of the Reservation of Powers and Scheme of Delegation and Standing Orders is due (September 2020). It seems sensible to carry that out at the same time as substituting new Terms of Reference for the Audit & Risk Committee in the Reservation of Powers and Scheme of Delegation. This report introduces the Reservation of Powers and Scheme of Delegation and Standing Orders with several proposed amendments in addition to the Revised Audit & Risk Committee Terms of Reference, all as detailed at Appendix 4.

2.0 DRAFT TERMS OF REFERENCE – AUDIT AND RISK COMMITTEE

Terms of Reference as requested form Appendix 1 to this report. The Board is invited to agree them.

3.0 PROPOSED AMENDMENTS TO RESERVATION OF POWERS AND SCHEME OF DELEGATION AND STANDING ORDERS

The proposed amendments are incorporated in Appendices 2 and 3 and described in Appendix 4. Amendments to the Reservation of Powers and Scheme of Delegation are minimal and there is only one substantive change, which corrects an error in terminology. The proposed revised Terms of Reference of the Audit and Risk Committee are incorporated.

BOARD MEETING 13 AUGUST 2020**Agenda item 9****Report No: B-27-2020**

The amendments proposed to the Standing Orders are of greater substance and are principally driven by the experience of conducting Board meetings virtually during the COVID-19 pandemic. While the Standing Orders as currently framed were adequately flexible to accommodate Board meetings held using Microsoft Teams, it is suggested that to make some additional, specific provision in that regard would bring greater clarity to the arrangements for conduct of meetings using that medium.

3.0 IMPLICATIONS AND/OR DIRECT BENEFITS**3.1 Resources**

There are no direct resource implications arising from this report.

3.2 Sustainability

There are no sustainability implications arising from this report.

3.3 Policy

There are no policy implications arising from this report.

3.4 People Who Experience Care

It is in the interests of people who experience care that the Care Inspectorate is a well-governed organisation.

3.5 Customers (Internal and/or External)

It is in the interests of the care services that the Care Inspectorate regulates, and the providers of those services that the Care Inspectorate is a well-governed organisation.

4.0 CONCLUSIONS/NEXT STEPS

The Board is invited to agree the amended Reservation of Powers and Scheme of Delegation and Standing Orders at Appendices 2 and 3.

4.1 The Care Inspectorate shall have an Audit & Risk Committee, which shall conduct its business in accordance with Paragraphs 5.1-5.7.1 hereof. The Audit and Risk Committee will support the Board in its responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

5.0 AUDIT & RISK COMMITTEE

5.1 Membership

5.1.1 The Committee shall have a Convener and in addition a minimum of three and a maximum of five additional members, all appointed by the Board

5.1.2 Meetings of the committee will be chaired by its Convener or any substitute, as provided for in terms of Standing Order 20, and in addition not less than two members of the Committee shall be required to form a quorum.

5.1.3 The committee will be provided with a secretariat function by the Executive and Committee Support Manager

5.2 Reporting

5.2.1 The committee will formally report in writing to the Board and Accountable Officer after each meeting. A copy of minutes of the meeting may form the basis of the report.

5.2.2 The committee will provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

5.3 Responsibilities

5.3.1 The committee will advise the Board and Accountable Officer on:

- the strategic processes for risk, control and governance and the governance statement;
- the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- the adequacy of management response to issues identified by audit activity, including external audit's management letter/report;
- the effectiveness of the internal control environment;

- assurances relating to the corporate governance requirements for the organisation;
- proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services; and
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations
- suggested, key performance indicators, quality indicators and monitoring measures in respect of the Care Inspectorate's activities, financial and non-financial.

The Audit and Risk Committee will also periodically review its own effectiveness and report the results of that review to the Board and Accountable Officer.

5.4 Rights

5.4.1 The committee may:

- co-opt additional persons (jn terms of Paragraph 3.5.3 and subject to the restrictions set out in Paragraph 3.5.4 hereof) for a period not exceeding a year to provide specialist skills, knowledge and experience; and
- procure specialist ad-hoc advice at the expense of the organisation, in terms of Paragraph 3.5.2 hereof.

5.5 Access

5.5.1 The Head of Internal Audit and the representative of External Audit will have free and confidential access to the Convener of the Committee.

5.6 Meetings

5.6.1 The procedures for meetings are:

- the committee will meet at least four times a year. The Convener of the Committee may convene additional meetings, as he/she deems necessary;
- committee meetings will normally be attended by the Chief Executive, Executive Director of Corporate and Customer Services, Director of Corporate Services, the Head of Internal Audit, other Executive Directors as appropriate and a representative of External Audit
- the committee may ask any other officers of the organisation to attend to assist it with its discussions on any particular matter;

- the committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters;
- the Board or Accountable Officer may ask the committee to convene further meetings to discuss particular issues on which they want the committee's advice.
- The Chair will attend meetings of the committee from time to time, but is not expected to attend at every meeting. The Chair does so as an observer and not as a participant, shall not be regarded as a member of the committee, shall not be entitled to vote and is not party to decisions taken by the committee.
- With the permission of the Convener, Board members who are not members of the Audit & Risk Committee may attend Committee meetings. However, they do so as observers, not participants, shall not be regarded as members of the committee, shall not be entitled to vote and are not party to decisions taken by the Committee.

5.7 Information requirements

5.7.1 For each meeting the committee will be provided with:

- a report summarising any significant changes to the organisation's Risk Register;
- a progress report from the Head of Internal Audit summarising:
 - work performed (and a comparison with work planned);
 - key issues emerging from Internal Audit work;
 - management response to audit recommendations;
 - significant changes to the audit plan;
 - any resourcing issues affecting the delivery of Internal Audit objectives;
- a progress report from the External Audit representative summarising work done and emerging findings.

As and when appropriate, the committee will also be provided with:

- business update reports from the Accountable Officer;
- the Charter / Terms of Reference of the Internal Audit Directorate;
- the Internal Audit Strategy;
- the annual Internal Audit Plan
- the Head of Internal Audit's Annual Opinion and Report;

- quality assurance reports on the Internal Audit function;
- the draft accounts of the organisation;
- the draft governance statement;
- a report on any changes to accounting policies;
- External Audit's management letter/report;
- a report on any proposals to tender for audit functions;
- a report on co-operation between Internal and External Audit;
- a report on the Counter Fraud and Bribery arrangements and performance;
- reports from other sources within the "three lines of assurance" integrated assurance framework (e.g. Best Value self-assessment Reviews, Gateway Reviews, Health Check Reviews, ICT Assurance Reviews, Digital 1st Service Standard Reviews, Procurement Capability Reviews, Procurement Key Stage Reviews).

5.8 Interpretation

- 5.8.1** All references within these Terms of Reference to the Head of Internal Audit are to be taken as references to the lead officer, for the time being, of the Care Inspectorate's appointed internal auditors

CORPORATE GOVERNANCE

SOCIAL CARE AND SOCIAL WORK IMPROVEMENT SCOTLAND

**RESERVATION OF POWERS
AND SCHEME OF DELEGATION**

Lead Officer: Head of Legal Services

Approved by the Board:

SOCIAL CARE AND SOCIAL WORK IMPROVEMENT SCOTLAND ('THE CARE INSPECTORATE')
RESERVATION OF POWERS AND SCHEME OF DELEGATION

INDEX	PAGE
1. INTRODUCTION	4
1.1 General	4
1.2 Functions, Duties and Powers of the Care Inspectorate	4
1.3 The Chair of the Care Inspectorate	7
1.4 The Care Inspectorate's Board	8
1.5 The Chief Executive	9
2. RESERVATION OF POWERS TO THE CARE INSPECTORATE	13
2.1 Reserved Powers	13
2.2 General Enabling Provision	13
2.3 Regulation and Control	13
2.4 Appointments	14
2.5 Policy Determination	15
2.6 Strategy, Corporate Plan and Budget	15
2.7 Specific Matters Requiring Board Approval	15
2.8 Audit Arrangements	16
2.9 The Care inspectorate as an Employer	16
3. DELEGATION OF POWERS TO COMMITTEES AND SUB-COMMITTEES AND ESTABLISHMENT OF MEMBER / OFFICER WORKING GROUPS	17
3.3 Member/Officer Working Groups	17
3.4 Interpretation	18

3.5	Committees	18
3.6	Quorum	19
3.7	Reporting Mechanism	19
4.	COMMITTEES	19
5.	AUDIT & RISK COMMITTEE	19
5.1	Membership	19
5.2	Reporting	19
5.3	Responsibilities	20
5.4	Rights	21
5.5	Access	21
5.6	Meetings	21
5.7	Information Requirements	22
5.8	Interpretation	23
6.	THE CARE INSPECTORATE SCHEME OF DELEGATION TO OFFICERS	23
6.1	Scheme of Delegation to Officers	23

SCHEME OF DELEGATION AND RESERVATION OF POWERS

1. INTRODUCTION

This Scheme of Delegation and Reservation of Powers has been developed by Social Care and Social Work Improvement Scotland (hereinafter referred to as 'the Care Inspectorate') constituted under Section 44 of the Public Services Reform (Scotland) Act 2010 (hereinafter referred to as 'the Act').

The Framework agreement with the Scottish Government's Sponsor Directorate and the Scottish Public Finance Manual have been taken into account and are reflected in the terms of the Scheme. The Care Inspectorate's Board will review the Scheme biennially.

1.1 General

The purpose of this document is to set out those powers reserved to the Board of the Care Inspectorate for decision collectively at its Board meetings and those powers which are delegated to a committee, officer or member. For the avoidance of doubt, any reference in this document to a committee of the Care Inspectorate's Board also includes any sub-committee established in terms of Paragraph 3.1 hereof. Paragraph 12(1) of Schedule 11 to the Act states that the Care Inspectorate may delegate any of its functions to the Chief Executive, any other employee or any of its committees, save that it may not authorise any other person to either approve annual reports and accounts nor approve any budget or financial plan. The Board of the Care Inspectorate remains accountable for all of its functions, notwithstanding any such delegation. The Care Inspectorate must ensure that it is satisfied that adequate arrangements have been made in respect of the accountability of the delegated body/individual and that adequate reporting arrangements are in place to allow it to oversee the exercise of those delegated powers. The Care Inspectorate has a statutory duty to co-operate with a range of other bodies in its work, and these are detailed in Appendix 1.

1.2 The Functions, Duties and Powers of The Care Inspectorate

The Act gives the Care Inspectorate the following functions, duties and powers:

- 1.2.1** To further the improvement in the quality of social services.
- 1.2.2** To provide information to the public about the availability and quality of social services.
- 1.2.3** To provide advice to the Scottish Ministers.

- 1.2.4** To provide advice when asked to do so, about any matter relevant to the functions of the Care Inspectorate to:
- (a) persons who provide, seek to provide, or may seek to provide social services;
 - (b) persons, or groups of persons, representing those who use, or are eligible to use, social services;
 - (c) persons, or groups of persons, representing those who care for those who use, or are eligible to use, social services;
 - (d) local authorities;
 - (e) health bodies; and
 - (f) such other persons, or groups of persons, as may be prescribed.
- 1.2.5** To consider applications for registration according to the terms of the Act and relevant regulations, and to grant or refuse registration on that basis.
- 1.2.6** To grant applications for registration subject to such conditions as the Care Inspectorate thinks fit to impose.
- 1.2.7** To consult on, prepare and keep under review, and from time to time, revise (with the approval of the Scottish Ministers) a plan for carrying out inspections of social services in accordance with best regulatory practice.
- 1.2.8** To carry out inspections of any social service, or the organisation or co-ordination of any social services in accordance with its inspection plan.
- 1.2.9** To take into account the national care standards and the Scottish Social Services Council's codes of conduct and practice in making decisions and in any appeals or criminal proceedings under the Act.
- 1.2.10** To issue condition notices, to vary or remove existing conditions on the registration of care services, or to impose new conditions when necessary.
- 1.2.11** To issue emergency condition notices to impose new conditions on the registration of care services where there is a serious risk to the life, health or well-being of any person.
- 1.2.12** To issue improvement notices when necessary to those providing registered services, requiring significant improvement in the provision of the care service, of a specified nature and within a specified period.
- 1.2.13** To cancel the registration of a registered service where at any time after the expiry of the period specified in an improvement notice, the service is not

being carried out in accordance with the relevant requirements on the ground that any person is convicted of a relevant offence in relation to the service; or for other prescribed reasons.

- 1.2.14** To take immediate court action seeking cancellation of registration in situations where unless the registration is cancelled there will be a serious risk to the life health or wellbeing of persons.
- 1.2.15** To establish, following consultation (including consultation with the Scottish Public Services Ombudsman) a complaints procedure for complaints about the provision of a care service.
- 1.2.16** The Care Inspectorate must, in exercising its functions, make arrangements which both secure continuous improvement in user focus in the exercise of its scrutiny functions, and demonstrate that improvement.
- 1.2.17** The Care Inspectorate is subject to a statutory duty under s114 of the Act, to co-operate and co-ordinate activity with a range of other bodies (specified in Appendix 1 hereto) and, where appropriate, with the Scottish Ministers with a view to improving the exercise of its scrutiny functions in relation to social work, child protection and children's services and care services, having regard to efficiency, effectiveness and economy.
- 1.2.18** The Care Inspectorate must, at the request of Scottish Ministers, and in accordance with directions given by and a timetable approved by them, conduct inspections of children's or other services, or both, jointly with a range of other persons or bodies (specified in Appendix 2 hereto).
- 1.2.19** **General Principles**

The Care Inspectorate is required to exercise its functions in accordance with the following principles:

The safety and welfare of all persons who use, or are eligible to use, care services are to be protected and enhanced;

The independence of those persons is to be promoted;

Diversity in the provision of care services is to be promoted with a view to those persons being afforded choice;

Good practice in the provision of social services is to be identified, promulgated and promoted.

1.2.20 **Scottish Regulators' Strategic Code of Practice**

The Care Inspectorate is obliged to have regard to The Scottish Regulators' Strategic Code of Practice, made under the Regulatory Reform

(Scotland) Act 2014 in determining any general policy or principles by reference to which it exercises any regulatory functions to which the code applies, and in exercising those regulatory functions.

1.3 The Chair of The Care Inspectorate

1.3.1 The Chair is personally responsible to the Scottish Ministers for ensuring that the Care Inspectorate's policies are compatible with those of the Scottish Ministers and for ensuring probity in the conduct of the Care Inspectorate's affairs. Communications between the Board and the Scottish Ministers shall normally be through the Chair. The Chair shall ensure that the other Board members are kept informed of such communications.

1.3.2 The Chair has a particular responsibility for providing effective strategic leadership on the following matters:

- (a) formulating the Care Inspectorate's strategy for discharging its statutory duties;
- (b) encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the Care Inspectorate
- (c) ensuring that, in reaching decisions, the Care Inspectorate takes proper account of guidance provided by Scottish Ministers or the Sponsor Directorate;
- (d) representing the views of the Care Inspectorate to the general public; and
- (e) annual assessment of the performance of individual Board members and the Chief Executive and reporting thereon to the Sponsor Directorate.

1.3.3 The Chair must ensure that all Board members of the Care Inspectorate, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities, (including those arising from the Code of Conduct for Members of the Care Inspectorate) and must ensure that they receive appropriate induction training, including training in the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice.

1.3.4 The Chair may nominate any Board member to represent the interests of the Care Inspectorate at any external meeting or event.

1.3.5 The Care Inspectorate may appoint one of its members to be Vice Chair. The Vice Chair (if one be appointed) shall exercise all of the functions of

the Chair, during any period when the post of Chair shall be (for whatever reason) vacant, during any period of absence on the part of the Chair, either exceeding 28 days, or following intimation of incapacity by the Chair. In addition, the Vice Chair shall exercise all of the functions of the Chair whether for the purposes of a particular meeting or event, or generally, during a specified period, when requested to do so by the Chair. The member nominated as Vice Chair shall receive no additional remuneration in respect thereof. The term 'Chair' wherever occurring in this Scheme of Delegation and Reservation of Powers, and in the Care Inspectorate's Standing Orders shall be interpreted in accordance with this paragraph.

1.4 The Care Inspectorate's Board

1.4.1 The Board has corporate responsibility for ensuring that the Care Inspectorate fulfils its aims and objectives, for promoting the efficient and effective use of staff and other resources and for identifying and managing risk. To this end, and in pursuit of its wider corporate responsibilities, the Board shall, under the leadership of the Chair:

- (a) ensure that high standards of corporate governance are observed at all times, including establishing and using an audit committee to help the Board address the key financial and other risks facing the Care Inspectorate, and for which the Board retains responsibility;
- (b) establish the overall strategic direction of the Care Inspectorate within the policy and resources framework agreed with Scottish Ministers;
- (c) ensure that the Care Inspectorate operates within the limits of its statutory authority and any delegated authority agreed with its Sponsor Directorate, and in accordance with any other conditions relating to the use of public funds;
- (d) scrutinise the work of its committees and hold them to account for their decision-making;
- (e) ensure that, in reaching decisions, the Care Inspectorate takes into account any guidance issued by the Sponsor Directorate;
- (f) ensure that equalities are central to the policies and practice of the Care Inspectorate;
- (g) ensure that Scottish Ministers are kept informed of any changes which are likely to impact on the strategic direction of the Care Inspectorate or on the attainability of its targets, and determine the steps needed to deal with such changes;
- (h) ensure that the Board receives and reviews regular financial information concerning the management of the Care Inspectorate;

is informed in a timely manner about any concerns about the activities of the Care Inspectorate; and provides positive assurance to the responsible Scottish Government Directorate that appropriate action has been taken on such concerns;

- (i) provide commitment and leadership in the development and promotion of Best Value principles throughout the organisation;
- (j) appoint (with the approval of Scottish Ministers) and monitor the performance of, the Chief Executive;
- (k) Individual Board members must at all times:
 - (i) comply with the Care Inspectorate's Code of Conduct and with the rules relating to the use of public funds, conflicts of interest and confidentiality;
 - (ii) not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
 - (iii) act in good faith and in the best interests of the Care Inspectorate.

1.5 The Chief Executive

1.5.1 All powers of the Care Inspectorate which have not been reserved to its Board or delegated to a committee of the Board shall be exercised on behalf of the Care Inspectorate by the Chief Executive. This Scheme of Delegation identifies which functions (s)he shall perform personally and which functions may be delegated to directors within the organisation, together with the accompanying reporting arrangements, save that the Chief Executive (or director deputising for the Chief Executive) may take any action, whether or not delegated to him / her in terms of this Reservation of Powers and Scheme of Delegation where (s)he considers that to be urgent, necessary and expedient to protect or preserve the critical interests of the Care Inspectorate (a certificate of which, given by the Chief Executive or director deputising for the Chief Executive shall be conclusive), provided that such action is reported to the Board at its next meeting following the taking of the action, in terms of paragraph 2.3.9 hereof.

1.5.2 The Chief Executive of the Care Inspectorate is designated by the Principal Accountable Officer of the Scottish Administration as the Care Inspectorate's Accountable Officer in accordance with Section 15 of the Public Finance and Accountability (Scotland) Act 2000.

1.5.3 As the Care Inspectorate's Accountable Officer, the Chief Executive is personally responsible for safeguarding the use of public funds within the stewardship of the Care Inspectorate for which (s)he has charge; for ensuring propriety and regularity in the management of those public funds and for the day-to-day operations and management of the Care Inspectorate. (S)he should act in accordance with the terms of the Executive Framework and within the instructions and guidance in the Scottish Public Finance Manual and other instructions and guidance issued from time to time by Scottish Ministers. In particular, (s)he should act in accordance with the Memorandum to Accountable Officers of Other Public Bodies.

The Chief Executive, as Accountable Officer, has a duty to secure Best Value, which includes the concepts of good corporate governance, performance management and continuous improvement.

Members of the Care Inspectorate's Board (including the Chair) must not give the Chief Executive instructions which conflict with his/her duties as the Care Inspectorate's Accountable Officer. Should such instructions be issued, the Chief Executive is required to send a copy to the Auditor General.

1.5.4 As the Care Inspectorate's Accountable Officer, the Chief Executive shall, in particular:

- (a) Advise the Board on the discharge of its responsibilities.
- (b) 1.1.1 Ensure that appropriate financial systems are in place and applied and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major change.
- (c) Sign the annual accounts - and the associated governance statement - for the Care Inspectorate, and in doing so accept personal responsibility for their proper presentation as prescribed in legislation and/or in the relevant Accounts Direction issued by the Scottish Ministers.
- (d) Ensure that proper financial procedures are followed and that accounting records are maintained in the form prescribed for published accounts.
- (e) Ensure that the public funds for which (s)he is responsible are properly managed and safeguarded, including independent and effective checks of any cash balances in the hands of any official.
- (f) 1.1.2 Ensure that assets for which s)he is responsible such as land, buildings or other property, including stores and equipment,

are controlled and safeguarded with similar care, and with checks as appropriate.

- (g) Ensure that, in the consideration of policy proposals relating to the resources for which (s)he has responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account,
- (h) and where appropriate brought to the attention of the body.

- (i) Ensure that procurement activity is conducted in accordance with the requirements in the Procurement section of the Scottish Public Finance Manual.

1.1.3 Ensure that delegation of responsibility is accompanied by clear lines of control and accountability together with reporting arrangements.

- (j) Ensure that effective management systems appropriate for the achievement of the Care Inspectorate's objectives, including financial monitoring and control systems, have been put in place.

- (k) 1.1.4 Ensure that risks, whether to achievement of business objectives, regularity, propriety or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all relevant areas to manage them.

1.1.5

- (l) 1.1.6 Ensure that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual. Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs, outcomes and performance in relation to those objectives.

1.1.7

- (m) Ensure that managers at all levels are assigned well defined responsibilities for making the best use of resources (both those consumed by their own commands and any made available to third parties) including a critical scrutiny of outputs, outcomes and value for money.

1.1.8

- (n) 1.1.9 Ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively

1.1.10

- (p) Take action as set out in paragraphs 5.1 to 5.4 of the Memorandum to Accountable Officers of Other Public Bodies if the Care Inspectorate or its Chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety (financial or otherwise) or regularity, or does not represent prudent or economical administration or efficiency or effectiveness.

- (q) Give evidence when summoned before Committees of the Scottish Parliament, on the use and stewardship of public funds by the Care Inspectorate.
- (r) Ensure that an effective complaints procedure is established and made widely known, including reference to the Scottish Public Services Ombudsman where applicable, and inform the Directorate Accountable Officer about any complaints about the Care Inspectorate accepted by the Scottish Public Services Ombudsman for investigation, and about the Care Inspectorate's proposed response to any subsequent recommendations from the Ombudsman.
- (s) Approve and review any Memoranda of Understanding or protocols with other scrutiny bodies and organisations.
- (t) Ensure that the Care Inspectorate's banking arrangements are consistent with the provisions contained in the Scottish Public Finance Manual, and review these arrangements every two years.

The Chief Executive may delegate the day-to-day administration of his/her Accountable Officer responsibilities to other employees of the Care Inspectorate. However, (s)he shall not assign absolutely to any other person any of the responsibilities set out in this document.

1.5.5 Directors' Power to Delegate their own Delegated Powers

In so far as powers are delegated to any director or officer, he or she shall be free to further delegate those powers to any member of his/her staff, but the director or officer shall remain accountable to the Chief Executive and to the Board for all aspects of the exercise of those powers.

The Operations Scheme of Delegation and any other Scheme of Delegation put in place by a director is to be operated in accordance with the Standing Orders, the Management Statement and Financial Memorandum, the Financial Regulations and all other corporate governance procedures relevant to the Care Inspectorate.

1.5.6 Absence of directors or officers to whom powers have been delegated

In the absence of a director or officer to whom powers have been delegated, those powers shall be exercised by that director's or officer's superior or by another director or by an officer appointed by the Chief

Executive or another director to exercise those powers. If the Chief Executive is absent, powers delegated to him/her may be exercised by a director acting on behalf of Chief Executive, taking advice as necessary, from other appropriate directors and officers.

2. RESERVATION OF POWERS TO THE CARE INSPECTORATE

2.1 Reserved Powers

The Care Inspectorate must determine those matters on which decisions are reserved, i.e. decisions which are reserved to the Board of the Care Inspectorate in formal session for decision. The reserved matters are set out in paragraphs 2.2 to 2.8 below.

2.2 General Enabling Provision

The Board sitting in formal session may determine any matter it wishes, within its statutory powers, specifically including (but without prejudice to the generality of the foregoing) the following matters:

2.3 Regulation and Control

2.3.1 The approval of Standing Orders, the Code of Conduct for Members, the Reservation of Powers and Scheme of Delegation and the Financial Regulations, including any alterations, deletions or additions thereto; the agreement of changes to the Executive Framework, or any similar document setting out the relationship between the Care Inspectorate and the Scottish Ministers or the Sponsor Directorate.

2.3.2 Requiring and receiving declarations of interests from members of the Board.

2.3.3 Determination of any conflict arising between a member's declared interests and those of the Care Inspectorate by reference to the Care Inspectorate's Code of Conduct and Standing Orders.

2.3.4 Approval of the disciplinary procedure for directors/officers of the Care Inspectorate, including any alterations, deletions or additions thereto.

2.3.5 Approval of the Care Inspectorate's statutory Complaints Procedure.

2.3.6 Monitoring progress and performance in all functions of the Care Inspectorate, including, but not limited to:

- Monitoring the performance of the Care Inspectorate against its Corporate Plan and Operational Plans
- Approving and monitoring progress against the Care Inspectorate's Communications Strategy

- Approving and monitoring performance against the Care Inspectorate's strategy for participation of key stakeholders in its work (particularly people who use social services and their carers)
- Approving and monitoring performance against any plan or plans related to the development and implementation of the Care Inspectorate's scrutiny improvement function
- Approving and monitoring performance against any plan or plans related to the discharge of the Care Inspectorate's statutory Duty of Co-operation
- Monitoring the performance of the Care Inspectorate's Duty of Co-operation with other scrutiny bodies
- Approving and monitoring performance against the Care Inspectorate's Intelligence Strategy
- Approving and monitoring performance against the Care Inspectorate's Public Reporting Strategy

2.3.7 Receiving reports from any committees and taking appropriate action thereon.

2.3.8 Establishing terms of reference and reporting arrangements for any committees or sub-committees and approval of changes thereto.

2.3.9 Receiving reports of any urgent, necessary and expedient action which would otherwise have been contrary to this Reservation of Powers and Scheme of Delegation, which has been taken by the Chief Executive or director deputising for the Chief Executive.

2.4 Appointments

2.4.1 The establishment and dissolution of any committees of the Board, including the appointment of committee conveners.

2.4.2 The appointment, and co-option in terms of paragraph 3.5.3 hereof, of members to any committee, save that the Chair may at any time appoint additional members to, and /or remove members from, a committee of the Board, (whether generally, or for a single meeting of the committee concerned) subject to ratification of such appointment, and / or removal at the next full meeting of the Board, provided that such appointment or removal does not make the committee concerned non-compliant with its Terms of Reference. In the event that such an appointment, removal or substitution shall not be ratified by the Board at its next full meeting, the appointment or removal shall be of no effect, save for the period between its making and its consideration by the Board when it shall be regarded as having had full force and effect, and any decision taken by any committee concerned during the period between the appointment or removal concerned and its consideration by the Board shall have full force and effect.

2.4.3 The Board may seek to secure the attendance as advisers of persons who are not members of the Board of the Care Inspectorate but hold relevant experience or skills which are considered necessary to advise the Board in the fulfillment of its responsibilities. Any remuneration payable to any such adviser shall not exceed such allowances as may be specified by Scottish Ministers in respect of Board members. For the avoidance of doubt, any such adviser shall not be a member of the Board, shall not be counted in establishing a quorum, and shall not be entitled to be present during discussion of any item of business deemed confidential or to be taken in private, nor shall they be entitled to vote.

2.5 Policy Determination

2.5.1 The approval, subject to any guidance or direction from Scottish Ministers, of the organisational structure of the Care Inspectorate or its strategic management or organisational development policies, unless otherwise stated within this Scheme of Delegation.

2.6 Strategy, Corporate Plan and Budget

2.6.1 The approval of the statement of strategic aims and objectives of the Care Inspectorate within its Corporate Plan.

2.6.2 The approval of the Corporate Plan, Annual Report and Accounts and budget for each financial year.

2.7 Specific Matters Requiring Board Approval

2.7.1 The introduction or discontinuance of any significant activity or operation.

2.7.2 The adoption or revisal of key policies relating to the operation of the Care Inspectorate..

2.7.3 Proposals to let single-tender or restricted contracts including any which could be seen as novel or contentious or which exceed the delegated limit set out in the Financial Memorandum.

2.7.4 Any expenditure for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications, including on staff benefits.

2.7.5 Any significant change in the scale of operation or funding of any initiative or particular scheme previously approved.

2.7.6 Any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which might significantly affect the future level of resources required.

- 2.7.7** All individual contracts of a capital nature that exceed £25,000 (exclusive of VAT) and which either are not included in the approved capital programme or exceed the expenditure limit agreed in the approved capital programme.
- 2.7.8** Any changes in the fees chargeable to registered care services (where regulations allow the Care Inspectorate to set these)
- 2.7.9** Approval of the Care Inspectorate's pay remit in accordance with the current public pay policy guidance.
- 2.7.10** The approval of any change to the Care Inspectorate's organisational structure resulting in a change to established staffing having a cost exceeding £200k *per annum*.
- 2.7.11** The adoption, amendment or renewal of any significant policy adopted or proposed to be adopted by the Care Inspectorate where that policy addresses the interaction of the Care Inspectorate with members of its own staff or with any third parties, or where such policy can be regarded as novel or contentious.
- 2.7.12** The matters set out at paragraphs 2.7.3, 2.7.4 and 2.7.7 - 2.7.9 above may also be subject to Sponsor Directorate authorisation requirements in terms of the Scottish Public Finance Manual or the Framework agreement with the Sponsor Department.
- 2.8** **Audit Arrangements**
- 2.8.1** To approve the appointment of internal auditors to the Care Inspectorate.
- 2.8.2** To note the receipt of the annual management letter from the external auditor and to note the actions of and to consider and where appropriate, adopt, the recommendations of Audit Committee.
- 2.8.3** To make recommendations to the Audit Committee as to matters which appear to be appropriate for its consideration
- 2.8.4** To note the receipt of the annual report from the internal auditor and the action taken where appropriate on the recommendations by the Audit Committee.
- 2.9** **The Care Inspectorate as an Employer**
- 2.9.1** To determine appeals (in accordance with procedures laid down by the Care Inspectorate) by any member of staff in relation to any grievance

concerning their terms and conditions of employment, the Care Inspectorate “Dignity at Work” policy or in relation to disciplinary matters. This function will be discharged by an ad hoc committee of the Board consisting of no less than three and no more than five members of the Board, which committee shall have the power to determine the matters before it as though it were the Board in formal session. This committee will also provide a forum for review where the Chief Executive disagrees with the conclusions of his / her annual performance development review.

- 2.9.2** To receive and consider reports on the monitoring of the performance of the Chief Executive. Such reports will be considered in private session in terms of Standing Order 3.2.

3. DELEGATION OF POWERS TO COMMITTEES AND MEMBER / OFFICER WORKING GROUPS

- 3.1** The Board may delegate responsibility for specified matters to committees which may, with the approval of the Board, further delegate specified matters which fall within their terms of reference to sub-committees.

- 3.2** Details of the committee currently established by the Care Inspectorate and its terms of reference are set out at Section 4 of this document.

3.3 Member / Officer Working Groups

- 3.3.1** The Board or any Committee thereof may delegate specific pieces of work to working groups composed of members of the Care Inspectorate and members of its executive.

- 3.3.1** The purpose of any working group composed of both members of the Care Inspectorate and members of its executive shall be to consider a particular issue or proposal in detail, and to report to the Board or establishing Committee, with recommendations, all of which shall be specified in detail in Terms of Reference which shall be specified by the Board or committee concerned at the point of establishing the working group.

- 3.3.2** Any working group established under para 3.3.1 above shall have no less than two members, and shall have at least one member who is a member of the Care Inspectorate’s Board and one member who is a member of its executive.

- 3.3.3** Any working group established under para 3.3.1 above shall report to the Board, or its establishing committee or no more than six months from the date of its inception, or by such earlier date as their Terms of Reference may specify. A working group established under para 3.3.1 above shall not subsist for longer than 6 months, which period may not be extended, save

with the specific authority of the Board or the group's establishing committee.

3.4 Interpretation

- 3.4.1** In any situation of uncertainty, it is for the Chair to determine which Committee is empowered to exercise authority which has been delegated by the Board.

3.5 Committees

3.5.1 Authority

All committees are authorised by the Board to undertake any activity within their Terms of Reference. A committee (and any sub-committee thereof) must comply with any directions given to it by the Board of the Care Inspectorate. Any committee may seek information it requires from any other committee and from any employee of the Care Inspectorate through the appropriate director or officer and all employees are expected to co-operate with any such request.

- 3.5.2** All committees are authorised by the Board to obtain legal or other independent professional advice, subject to the approval of the Board (or in a case of urgency, the Chair and at least one other Board member, who must certify that the situation is one of urgency such that it would be impracticable for the matter to be considered by the Board, at its next meeting) in respect of any resources required.

- 3.5.3** All committees may, subject to the approval of the Board in terms of paragraph 2.4.2 above, seek to secure the attendance of persons who are not members of the Board of the Care Inspectorate but hold relevant experience or skills which are considered necessary. Any remuneration payable to any such person co-opted as a member of a committee shall not exceed such allowances as may be specified by Scottish Ministers.

- 3.5.4** Persons co-opted to any committee in accordance with paragraph 3.5.3 above shall not be regarded as members of the Board of the Care Inspectorate and for the avoidance of doubt, shall not be regarded as members of the committee to which they are co-opted, but as advisers who are not vested with voting rights and whose attendance shall not be counted in establishing a quorum.

- 3.5.5** The terms of reference of all committees shall be subject to periodic review whether at the instance of the committee concerned (subject to any proposed alterations being approved by the Board) or by the Board. Such reviews shall be carried out at intervals not exceeding two years.

3.6 Quorum

- 3.6.1** The quorum of the Board of the Care Inspectorate shall be as provided in Standing Order 18. The quorum of any committee of the Care Inspectorate shall be as specified in the Terms of Reference of that committee.

3.7 Reporting Mechanism

- 3.7.1** Minutes shall be drawn up of meetings of the Care Inspectorate's Board and committee(s). The minutes referred to in this clause shall be prepared, distributed and published in accordance with Standing Order 15.

4. COMMITTEES

- 4.1** The Care Inspectorate shall have an Audit & Risk Committee, which shall conduct its business in accordance with Paragraphs 5.1-5.7.1 hereof. The Audit and Risk Committee will support the Board in its responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

5. AUDIT & RISK COMMITTEE**5.1 Membership**

- 5.1.1** The Committee shall have a Convener and in addition a minimum of three and a maximum of five additional members, all appointed by the Board

- 5.1.2** Meetings of the committee will be chaired by its Convener or any substitute, as provided for in terms of Standing Order 20, and in addition not less than two members of the Committee shall be required to form a quorum.

- 5.1.3** The committee will be provided with a secretariat function by the Executive and Committee Support Manager

5.2 Reporting

- 5.2.1** The committee will formally report in writing to the Board and Accountable Officer after each meeting. A copy of minutes of the meeting may form the basis of the report.

5.2.2 The committee will provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

5.3 Responsibilities

5.3.1 The committee will advise the Board and Accountable Officer on:

- the strategic processes for risk, control and governance and the governance statement;
- the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;
- the adequacy of management response to issues identified by audit activity, including external audit's management letter/report;
- the effectiveness of the internal control environment;
- assurances relating to the corporate governance requirements for the organisation;
- proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services; and
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations
- suggested, key performance indicators, quality indicators and monitoring measures in respect of the Care Inspectorate's activities, financial and non-financial.

The Audit and Risk Committee will also periodically review its own effectiveness and report the results of that review to the Board and Accountable Officer.

5.4 Rights**5.4.1** The committee may:

- co-opt additional persons (in terms of Paragraph 3.5.3 and subject to the restrictions set out in Paragraph 3.5.4 hereof) for a period not exceeding a year to provide specialist skills, knowledge and experience; and
- procure specialist ad-hoc advice at the expense of the organisation, in terms of Paragraph 3.5.2 hereof.

5.5 Access**5.5.1** The Head of Internal Audit and the representative of External Audit will have free and confidential access to the Convener of the Committee.**5.6 Meetings****5.6.1** The procedures for meetings are:

- the committee will meet at least four times a year. The Convener of the Committee may convene additional meetings, as he/she deems necessary;
- committee meetings will normally be attended by the Chief Executive, Executive Director of Corporate and Customer Services, Director of Corporate Services, the Head of Internal Audit, other Executive Directors as appropriate and a representative of External Audit
- the committee may ask any other officers of the organisation to attend to assist it with its discussions on any particular matter;
- the committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters;
- the Board or Accountable Officer may ask the committee to convene further meetings to discuss particular issues on which they want the committee's advice.
- The Chair will attend meetings of the committee from time to time, but is not expected to attend at every meeting. The Chair does so as an observer and not as a participant, shall not be regarded as a member of the committee, shall not be entitled to vote and is not party to decisions taken by the committee.

- With the permission of the Convener, Board members who are not members of the Audit & Risk Committee may attend Committee meetings. However, they do so as observers, not participants, shall not be regarded as members of the committee, shall not be entitled to vote and are not party to decisions taken by the Committee.

5.7 Information Requirements

5.7.1 For each meeting the committee will be provided with:

- a report summarising any significant changes to the organisation's Risk Register;
- a progress report from the Head of Internal Audit summarising:
 - work performed (and a comparison with work planned);
 - key issues emerging from Internal Audit work;
 - management response to audit recommendations;
 - significant changes to the audit plan;
 - any resourcing issues affecting the delivery of Internal Audit objectives;
- a progress report from the External Audit representative summarising work done and emerging findings.

As and when appropriate, the committee will also be provided with:

- business update reports from the Accountable Officer;
- the Charter / Terms of Reference of the Internal Audit Directorate;
- the Internal Audit Strategy;
- the annual Internal Audit Plan
- the Head of Internal Audit's Annual Opinion and Report;
- quality assurance reports on the Internal Audit function;
- the draft accounts of the organisation;
- the draft governance statement;
- a report on any changes to accounting policies;

- External Audit's management letter/report;
- a report on any proposals to tender for audit functions;
- a report on co-operation between Internal and External Audit;
- a report on the Counter Fraud and Bribery arrangements and performance;
- reports from other sources within the "three lines of assurance" integrated assurance framework (e.g. Best Value self-assessment Reviews, Gateway Reviews, Health Check Reviews, ICT Assurance Reviews, Digital 1st Service Standard Reviews, Procurement Capability Reviews, Procurement Key Stage Reviews).

5.8 Interpretation

5.8.1 All references within these Terms of Reference to the Head of Internal Audit are to be taken as references to the lead officer, for the time being, of the Care Inspectorate's appointed internal auditors.

6. THE CARE INSPECTORATE SCHEME OF DELEGATION TO OFFICERS

6.1 Scheme of Delegation to Officers

6.1.1 The Care Inspectorate's Financial Regulations set out in some detail the financial responsibilities of the Chief Executive and the Executive Director of Corporate and Customer Services.

6.1.2 The Care Inspectorate shall produce an Executive Scheme of Delegation addressing the further delegation to officers of matters delegated by the Care Inspectorate to directors in relation to specific day to day decision making and the discharge of statutory scrutiny functions detailed in the Act. The Executive Scheme of Delegation shall be approved by the Chief Executive.

APPENDIX 1

Persons and Bodies with whom the Care Inspectorate is subject to a Duty of Co-operation (Para 1.2.17) In terms of s114 of, and Schedule 20 to, the Act

Accounts Commission for Scotland

Food Standards Scotland

Healthcare Improvement Scotland

Her Majesty's Inspectors of Constabulary appointed under s71 of the Police and Fire Reform (Scotland) Act 2012

Her Majesty's Chief Inspector of Prisons for Scotland

Her Majesty's Chief Inspector of Prosecution in Scotland

Her Majesty's inspectors of schools

Mental Welfare Commission for Scotland

The Scottish Housing Regulator

APPENDIX 2

Persons and Bodies with whom Scottish Ministers may request that the Care Inspectorate undertakes Joint Inspections of Children's or Other Services (Para 1.2.18), in terms of s115(6) of the Act

Healthcare Improvement Scotland

Her Majesty's Inspectors of Constabulary appointed under s71 of the Police and Fire Reform (Scotland) Act 2012

Her Majesty's Chief Inspector of Prisons for Scotland

Her Majesty's Chief Inspector of Prosecution in Scotland

Her Majesty's inspectors of schools

Mental Welfare Commission for Scotland

The Scottish Housing Regulator

Any Special Health Board

CORPORATE GOVERNANCE

SOCIAL CARE AND SOCIAL WORK IMPROVEMENT SCOTLAND

STANDING ORDERS

Lead Officer: Head of Legal Services

Approved by the Board:

STANDING ORDERS**INDEX**

Heading	Para	Page
Introduction	1	3
Conduct of Meetings	2	4
Public Access to Meetings	3	4
Notice of Meetings	4	5
Setting the Agenda	5	6
Chairing the Meeting	6	6
Declaration of Interests	7	7
Standing Orders to be Observed	8	7
Suspension of Standing Orders	9	7
Notices of Motion	10	8
Motions	11	8
Withdrawal of Motion or Amendments	12	8
Chair's Ruling	13	8
Voting	14	9
Minutes	15	9
Adjournment	16	10
Deputations	17	10
Quorum	18	10
Delegation to Committees	19	11
Conduct of Committee Meetings and Sub-Committees	20	12

1. INTRODUCTION

- 1.1 Social Care and Social Work improvement Scotland ('the Care Inspectorate') was established in April 2011 under the **Public Services Reform (Scotland) Act 2010** (hereinafter referred to as 'the Act'), to scrutinise social services in Scotland. The Care Inspectorate's purpose is to:-
- provide assurance and protection for all people who use services and their carers
 - deliver efficient and effective regulation and inspection
 - act as a catalyst for change and innovation
 - support improvement and signpost good practice
 - work in partnership with people who use services and their carers, scrutiny, delivery and policy partners
- 1.2 The Care Inspectorate is a Non-Departmental Public Body ('NDPB'). It is independent in its day to day running, but is accountable to Scottish Ministers through its Corporate Plan and Management Statement and Financial Memorandum agreed with the Sponsor Directorate within the Scottish Government.
- 1.3 The Care Inspectorate must act under the general guidance of the Scottish Ministers and must promote equality and diversity in exercising its functions under the Act.
- 1.4 The Care Inspectorate has a Board consisting of between 12 and 15 members, comprised of:
- its Chair;
 - the Chair of Healthcare Improvement Scotland;
 - the Convener of the Scottish Social Services Council; and
 - between 9 and 12 further members appointed by the Scottish Ministers
- 1.5 The Care Inspectorate may determine its own procedure and that of its committees and to that end is entitled to make Standing Orders governing its proceedings and business and that of any committees which it may establish. The Care Inspectorate and its Board are expected at all times to observe the public service principles set out in the Code of Conduct for Members of the Care Inspectorate, and to have regard to the three fundamental principles set out in the Scottish Government's "On Board" guidance – namely Corporate Responsibility, Confidentiality and Conduct .
- 1.6 The principles of public life include the public service values of duty; selflessness; integrity; objectivity, accountability and stewardship; openness; honesty; leadership; and respect.

- 1.7 The following Standing Orders have been adopted to set out the manner in which the Board of the Care Inspectorate will conduct meetings of the Board, and any committees, declaring that any and all references to committees of the Board within these Standing Orders shall apply equally to any sub-committee(s) which may be established – provided that the sub-committee has been properly established in terms of the Reservation of Powers and Scheme of Delegation (save as provided for herein) and all references to sub-committees herein shall be construed accordingly..

2. CONDUCT OF MEETINGS

- 2.1 Board Meetings - Ordinary meetings of the Board will generally (subject to the power of the Board to vary the location of the next meeting, as set out below) be held at such times and places as the Chair may decide, but shall take place no less than four times in every year (a year for these purposes being the period commencing with 1 April in any year, and ending on 31 March in the following year). The meetings may be held at any location within Scotland and it will be competent for the majority of members present at any meeting to resolve that the next ordinary meeting will be held at a different location. It shall be competent, in exceptional circumstances, and with the consent of the Chair for a member, members or all members to participate in a meeting (and to vote) by video or telephone conference, and all references to meetings and presence thereat in these Standing Orders shall be construed accordingly.
- 2.2 Meetings of the Board will generally be held in accordance with a schedule which will be provided to all Board members annually. In addition, the Chair may call a meeting of the Board at any time, provided seven clear days' notice is given. If a request for a meeting, signed by at least one third (rounded up to a whole number) of the members of the Board, and specifying the business proposed to be conducted at the meeting, is presented to the Chair, then (s)he must call a meeting within 21 days of receiving that request. If the Chair refuses, or does not call a meeting, the members who signed the request may do so, but no business other than that specified in their notice shall be dealt with at the meeting.
- 2.3 The Chair may call a special meeting of the Board when it appears to him/her that an item of business requires urgent consideration.
- 2.4 The Chief Executive of the Care Inspectorate shall be entitled to attend any meeting of the Board unless in the opinion of the Chair such attendance would be inappropriate.

3. PUBLIC ACCESS TO MEETINGS

- 3.1 The public and representatives of the press may attend all formal meetings of the Board. However, they may be excluded from any

part of the meeting which deals with business of a confidential nature, or about which publicity would be prejudicial to the public interest. Where, in terms of Paragraph 2.1 above, all members of the Board are attending a meeting by telephone or video conference, arrangements will be made, where reasonably practicable, for members of the public and representatives of the press to attend by telephone or video conference. Members of the public and representatives of the press who attend a meeting of the Board (whether in person or by any other means) may not participate in the meeting, unless invited to do so by the Chair, and may not in any circumstances, vote.

- 3.2 Items of business which are considered by the Chair to fall within the following categories shall be considered in private session:
- matters relating to terms and conditions of employment of identified members of staff
 - matters relating to grievance and disciplinary procedures relating to identified members of staff
 - issues relating to potential or actual legal or statutory appeal proceedings which have not been finally determined by the courts.
 - matters involving commercial confidentiality
 - matters involving issues of financial sensitivity or confidentiality
 - matters relating to policy or the internal business of the Care Inspectorate for discussion with the Scottish Government or other regulatory or public bodies, prior to final approval by the Board
 - matters relating to named care service providers or local authorities,
 - matters relating to named or identifiable persons which, were they to be discussed in public session, may give rise to a breach of Data Protection legislation..
- 3.3 The Chair will give such directions as (s)he thinks fit in regard to the arrangements for meetings and accommodation of the public and representatives of the press and public, so as to ensure that the business of the Board may be conducted without interruption or disruption. However, the Board may resolve that the public and press are required to withdraw, in the interests of public order.
- 3.4 The Board shall make arrangements to ensure that the accommodation used for Board meetings is fully accessible and that carers/facilitators can freely attend and assist any individual attending the meeting.
- 3.5 The Board shall not allow members of the public, or representatives of the press, to record proceedings in any manner other than in writing, or to make any oral report of the proceedings as they take place, unless the prior agreement of the Board has been obtained.

- 3.6 No photography or capture of images by any other means shall be allowed at Board meetings, unless the express consent of the Board has been obtained.

4. NOTICE OF MEETINGS

- 4.1 Prior to each meeting of the Board, a notice which will serve as notice of the proposed agenda for the meeting, will be sent from the Chair to each Board member. This notice will specify the business proposed for the meeting and will be signed or otherwise authenticated by the Chair or by an officer authorised by the Chair. The notice will be delivered to each member (usually by e-mail, or, exceptionally, by post to the usual place of residence of the member), to arrive at least seven clear days before the meeting (except in situations of urgent necessity). Notice will be taken to have been received one day after despatch by email or post. Supporting papers, whenever possible, will accompany the notice.
- 4.2 The proceedings of any meeting shall not be invalidated by a failure to deliver such notice to any member.
- 4.3 At least seven clear days before each meeting of the Board, a public notice specifying the time and place of the meeting, and the public part of the agenda, will (provided that it is reasonably practicable to do so) be displayed at the Care Inspectorate's headquarters, and on its website. In circumstances where the Chair intends to propose at a meeting of the Board, that the meeting, or any part of it, should be held in private session, this will, so far as is reasonably practicable, be stated on the public notice. Board and committee papers will be published on the Care Inspectorate's website (www.careinspectorate.com) at least 7 days in advance of the meeting to which they relate (save that any papers relating to any item which it is proposed shall be discussed in private in terms of Standing Order 3.2 shall not be so published).

5. SETTING THE AGENDA

- 5.1 The Board may decide that the agenda for every meeting may contain such standing items as the Board may specify, and these items will be addressed prior to any other business being conducted. Without prejudice to the generality of the foregoing, the declaration of interests by the members present (whether in person or by video or telephone conference in terms of Standing Order 2.1) shall be a standing item on the agenda of every meeting of the Board and its Committees.
- 5.2 A Board member wishing an item to be included on an agenda shall make his/her request in writing to the Chair at least ten clear days before the meeting (or in the event that less than ten days notice of the meeting is given, as soon as practicable following receipt thereof).

The request should state whether the item of business is proposed for discussion in the presence of the public or in private, and should include any appropriate supporting information. Requests made less than ten days before a meeting may be included on the agenda at the discretion of the Chair.

6. CHAIRING THE MEETING

- 6.1 At any meeting of the Board, the Chair, if present, will preside. If the Chair is to be absent from the meeting, the Vice Chair (if one has been appointed) will preside. If the Vice Chair is also to be absent from the meeting, or if none has been appointed, the Chair may designate a member to chair the meeting, failing which the members present must choose one of their number to preside. Para 1.3.5 of the Care Inspectorate's Reservation of Powers and Scheme of Delegation makes provision for the Board to appoint a Vice Chair who will exercise the functions of the Chair in specified circumstances, and all references to the Chair in these Standing Orders shall be construed accordingly.
- 6.2 The Chair will:
- i) preserve order and ensure that every member of the Board has a fair hearing and sufficient opportunity to express his/her views on the matter under discussion
 - ii) decide all matters of order, competency and relevancy
 - iii) decide on the order in which two or more members wishing to speak on a topic will be heard.
- 6.3 The ruling of the Chair on all matters within his/her jurisdiction will be final.

7. DECLARATION OF INTERESTS

- 7.1 Members will at all times adhere to the requirements regarding the declaration of members' interests as set out in the Care Inspectorate's Code of Conduct.
- 7.2 Where the Chair or any Board member has an interest, as set out in section 5 of the Code of Conduct, that person shall as soon as practicable after the commencement of any meeting during which the matter in relation to which the interest arises is the subject of consideration, disclose the interest and shall not take part in the consideration or discussion of the matter or vote on any question with respect to it.
- 7.3 Where a person has disclosed such an interest:
- i) the Chair; or

- ii) where the person disclosing the interest is the Chair, a majority of the members present; may if the Chair thinks (or as the case may be, they think) fit, exclude the person from the meeting while the matter in which the person has a pecuniary interest, direct or indirect, is under consideration.

8. STANDING ORDERS TO BE OBSERVED

- 8.1 It shall be the duty of the Chair to ensure that Standing Orders are observed. Without prejudice to Standing Order 13, any member may draw the attention of the Chair to the terms of the Standing Orders if he/she considers that they are not being observed.

9. SUSPENSION OF STANDING ORDERS

- 9.1 In the case of emergency or upon a motion to do so, any one or more of the Standing Orders may be suspended at any meeting provided that two thirds of the Board members (rounded up to a whole number) present shall so decide.

10. NOTICES OF MOTION

- 10.1 A member of the Board who wishes to move or amend a motion shall send a written notification of this to the Chair at least ten clear days before the meeting (or in the event that less than ten days notice of the meeting is given, as soon as practicable following receipt thereof). The Chair will insert this notice in the agenda. This does not, however, prevent any motion being moved during the meeting, without notice, in relation to an item of business appearing on the agenda.

11. MOTIONS

- 11.1 The proposer of a motion will have a right to reply at the close of any discussion on the motion or any amendment to it.
- 11.2 When a motion is under discussion, or immediately prior to discussion, it will be open to a Board member to move:
- an amendment to the motion
 - the adjournment of the discussion or the meeting
 - to proceed to the next item of business
 - to appoint an ad hoc committee or a member / officer working group to deal with a specific item of business
 - to close the debate
 - to suspend a member
- 11.3 No amendment to the motion will be allowed if, in the opinion of the Chair, the amendment negates the substance of the motion.

12. WITHDRAWAL OF MOTION OR AMENDMENTS

- 12.1 A motion or amendment, having been proposed and seconded, may be withdrawn by the proposer with the agreement of the seconder and the consent of the Chair.
- Motions and amendments made but not seconded shall not be discussed or recorded in the minutes.
 - A motion or amendment made and seconded shall not be altered or withdrawn, except with the consent of the proposer and seconder.

13. CHAIR'S RULING

- 13.1 Statements of members at a meeting of the Board should be relevant to the matter under discussion at the time. The decision of the Chair on questions of order, relevancy, regularity and any other matter will be final.

14. VOTING

- 14.1 If it shall be deemed necessary by the Chair, a question at a meeting will be decided by a majority of votes of the Chair and members present and voting on the question. In the case of the number of votes for and against the motion being equal, the Chair, or in the Chair's absence, the person presiding shall have a second or casting vote.
- 14.2 All questions put to the vote will, at the discretion of the Chair of the meeting, be determined by oral expression or by a show of hands.
- 14.3 At the request of at least one third (rounded up to a whole number) of the members present, the voting on any question may be recorded to show how each member present or participating by video or telephone conference, voted or abstained.
- 14.4 In no circumstances may a member, who is absent at the time of the vote (save for a member participating by video or telephone conference in terms of Standing Order 2.1), vote by proxy. Any member may put a question to the Chair at any meeting of the Board concerning any relevant and competent business arising from the agenda. When a question of order is raised at a meeting of the Board, the Chair's ruling on it will be final.

15. MINUTES

- 15.1 Minutes shall be drawn up of meetings of the Care Inspectorate's Board. The draft minutes of Board meetings shall be approved by the Chair. Following such approval, the minute shall be circulated to all Board members and shall thereafter be placed before the Board for

approval and signature at its next meeting. Conveners of any committee(s) of the Board shall approve draft minutes of the committee concerned for circulation to committee members, who shall intimate proposed amendments within 7 days of receipt of the approved draft. The committee convener shall consider all proposed amendments and produce a finalised and signed minute within a further 14 days. The decision of the committee convener as to whether to give effect to any proposed amendment shall be final. Finalised, signed minutes of committee meetings shall be circulated to all Board members for information and noting as soon as practicable following their signature. Notwithstanding the foregoing, minutes shall be placed before the next meeting of the Board, or committee to which they relate, for approval.

- 15.2 The names of the Chair/Convener and members present at any meeting will be recorded in the minutes.
- 15.3 No discussion will be allowed regarding the minutes of a Board meeting except upon their accuracy, or matters arising.
- 15.4 All Board and committee minutes, when finalised and signed by the Chair or the relevant Convener, will be published on the Care Inspectorate's website (www.careinspectorate.com) with the exception of those items:
- i) containing personal data;
 - ii) falling within Standing Order 3.2 or considered by the Board to be exempt from publication in terms of the Freedom of Information (Scotland) Act 2002;

16. ADJOURNMENT

- 16.1 The Board and any committee(s) may at any of its meetings adjourn the meeting to such time as it may deem appropriate. Any member may request that the Chair/Convener grants an adjournment at any time during a meeting (except during the course of an address by another member). The Chair/Convener may agree such a request or on his/her own initiative, adjourn the meeting for a specified time. The quitting of the chair by the Chair/Convener will be confirmation that the meeting is adjourned. When an adjourned meeting is resumed, proceedings will recommence at the point of adjournment.

17. DEPUTATIONS

- 17.1 Deputations - Except with the consent of a majority of the members present and voting, no deputation will be received by the Board unless an application for admission (whether in person, or in the case of a meeting in which all members attending are participating by video or telephone conference, by video or telephone conference), setting out the subject on which the deputation wishes to be heard,

has been received by the Chief Executive prior to the issue of the agenda for the meeting. Notice of any such deputation will be given with the notice of the meeting and agenda at which time the Board may decline to receive the deputation.

- 17.2 When a deputation is received it shall be competent for members of the Board to put to the deputation any question relevant to the matter about which the deputation has been heard. No member will express an opinion or discuss the matter until the deputation has withdrawn.
- 17.3 No deputation will exceed three persons in number nor may the deputation address the Board for a period exceeding ten minutes.

18. QUORUM

- 18.1 The quorum of the Board will be the total of one third (rounded up to a whole number) of the current appointed membership plus one.
- 18.2 The quorum of any committee shall be as specified in its Terms of Reference.
- 18.3 No business shall be transacted (whether by the Board or by any committee thereof) unless there is a quorum.
- 18.4 If the Chair (or in the case of a committee meeting, the Convener of the committee), or a member, has been disqualified from participating in the discussion on any matter and/or from voting on any resolution by reason of a declaration of conflict of interest, (s)he may no longer be counted towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter shall be remitted to the next meeting of the Board or committee.
- 18.5 Where the Board is considering the appointment of a Chief Executive, the Board shall not be quorate unless the Chair is present (save that where the post of Chair is vacant, during a period of absence on the part of the Chair, either exceeding 28 days, or following intimation of incapacity by the Chair, the Board will be quorate if the Vice Chair (if one has been appointed) is present).

19. DELEGATION TO COMMITTEES AND MEMBER/ OFFICER GROUPS

- 19.1 The Scheme of Delegation and Reservation of Powers to the Care Inspectorate details the Terms of Reference of any committees of the Board and matters delegated to these committees, to member /officer groups and to officers of the Care Inspectorate. Day to day operational and management issues are delegated to the executive of the Care Inspectorate so far as is practicable and in accordance

with the framework of strategic control as set out in the Reservation of Powers and Scheme of Delegation.

- 19.2 The Board may decide to delegate responsibility for specified matters to committees, which may in turn, with the approval of the Board, further delegate to sub-committees, in accordance with Para 3.1 of the Reservation of Powers and Scheme of Delegation. Any decisions taken at these meetings shall be recorded within minutes and shall be made available to the Board for information, in terms of Standing Order 23.
- 19.3 Further, the Board or any of its committees or sub-committees may delegate specific pieces of work to groups comprising both members and officers to consider and report to the Board, committee, or sub-committee concerned. Any such group shall be advisory only, and shall be vested with no decision-making powers. No member of the executive participating in such a group shall, by reason of that be regarded as a member of the Board or of any committee or sub-committee establishing the group. The proceedings of any such group shall be subject to Paragraphs 3.3.1 – 3.3.3 of the Care Inspectorate's Reservation of Powers and Scheme of Delegation.

20. CONDUCT OF COMMITTEE MEETINGS AND SUB-COMMITTEES

- 20.1 The foregoing Standing Orders shall, so far as these are applicable, be the rules and regulations for the proceedings of any other committee(s) and sub-committee(s) (except in so far as these Standing Orders make provision to the contrary, and substituting the term 'convener' for 'Chair'). Meetings of committee(s) will be held at such dates and times as the Board may determine, failing which, at such dates and times as the convener of the committee concerned may determine.
- 20.2 The convener of the committee (as appointed by the Board, or in the case of sub-committees, by the parent committee) shall preside at meetings. If the convener of the committee or sub-committee is absent, the committee or sub-committee shall choose one of its members to preside at the meeting.
- 20.3 The Chair shall be entitled to attend and participate in any meeting of any committee of the Board (with the exception of an Audit Committee, at which he or she is expected to be in attendance and entitled to participate in the Committee's discussions, but not entitled to vote).

Agenda Item 9

Appendix 4

Table of Amendments to Reservation of Powers and Scheme of Delegation

RoPSoD		
Amendment No.	Paragraph	Description of Amendment
1.	2.3.1	Substitute “Management Statement, Financial Memorandum” with “Executive Framework”
2.	4.1-5.8.1	Substitution of Amended Terms of Reference of Audit & Risk Committee
3.	N/A	Various minor typographical errors
SOs		
1.	2.1	Clarification that in exceptional circumstances, not only may one or more members attend a meeting by video / telephone conference, but all members may do so
2.	3.1	Clarification that where a meeting is held by video / audio conference, members of the public / press may also attend by that means, if reasonably practicable
3.	3.6	Addition of the words “or capture of images by any other means”
4.	4.1	Addition of the words “or otherwise authenticated” to make clear that a “wet” signature is not necessary
5.	4.3	Addition of words (in relation to the display of a notice of meeting at the Care Inspectorate’s HQ) “provided it is reasonably practicable to do so”
6.	15.4	Insertion of “minutes” – to address typographical error
7.	17.1	Addition of text to allow for deputations by telephone or video conference where the meeting concerned is being conducted exclusively by that means.

(“RoPSoD”) and Standing Orders (“SOs”)



Title:	FINANCE AND STAFFING UPDATE		
Author:	Kenny Dick, Head of Finance and Corporate Governance Marnie Westwood, Head of HR		
Appendices:	1.	Revised Establishment	
Consultation:			
Resource Implications:	Yes		

EXECUTIVE SUMMARY

This report provides the Board with details of the projected 2020/21 financial position and incorporates an update on the staffing position.

The general reserve balance as identified in the draft Annual Report and Accounts is greater than was anticipated when the 2020/21 budget was set. This can be used to fund non-recurring costs and temporarily fund unexpected budget pressures.

After expenditure delayed from 2019/20 is accounted for the projected financial position is an underspend of £0.159m. The significant risks to this projection are set out in Section 5 of this report.

This report informs the Board that the Scottish Government has approved the additional recurring grant in aid requested to fund the outcome of the Inspector job evaluation exercise and the Team Manager review.

The Board is invited to:

- | | |
|----|---|
| 1. | Note the projected financial position for 2020/21 and the risks and emerging issues that may affect this position. |
| 2. | Approve the regrading of all Inspector posts from grade 5/6 to grade 7 in line with the outcome of the job evaluation exercise. |
| 3. | Note the Scottish Government has agreed funding to support a Team Manager review. |
| 4. | Approve the changes to the budgeted permanent establishment as set out in Appendix 1. |

Links:	Corporate Plan Outcome		Risk Register - Y/N		Equality Impact Assessment - Y/N		
For Noting		For Discussion	✓	For Assurance		For Decision	✓

BOARD MEETING 13 AUGUST 2020

Agenda item 10
Report No B-28-2020

If the report is marked Private/Confidential please complete section below to comply with the Data Protection Act 2018 and General Data Protection Regulation 2016/679.

Reason for Confidentiality/Private Report: N/A <i>(see Reasons for Exclusion)</i>
Disclosure after:

Reasons for Exclusion	
a)	Matters relating to named care service providers or local authorities.
b)	Matters relating to named persons which were they to be discussed in public session, may give rise to a breach of the Data Protection Act 2018 or General Data Protection Regulation 2016/679.
c)	Matters relating to terms and conditions of employment; grievance; or disciplinary procedures relating to identified members of staff.
d)	Matters involving commercial confidentiality.
e)	Matters involving issues of financial sensitivity or confidentiality.
f)	Matters relating to policy or the internal business of the Care Inspectorate for discussion with the Scottish Government or other regulatory or public bodies, prior to final approval by the Board.
g)	Issues relating to potential or actual legal or statutory appeal proceedings which have not been finally determined by the courts.

BOARD MEETING 13 AUGUST 2020

Agenda item 10
Report No B-28-2020

FINANCE AND STAFFING UPDATE

1.0 INTRODUCTION

The Board approved a 2020/21 revenue budget with a deficit of £0.808m to be funded from the general reserve balance. The projected financial position as at 31 March 2021 projects a deficit of £0.845m. This report provides the key assumptions used to arrive at this projected position and identifies key risks.

The report also provides an update on the staffing position and recommends changes to the establishment.

2.0 SUMMARY FINANCIAL POSITION

2.1 Core Approved Budget

There was £0.196m of expenditure budgeted to be spent in 2019/20 that was delayed due to the Covid-19 position. The funding for this expenditure has been carried forward in the general reserve balance and this expenditure will now be incurred in 2020/21.

This when added to the 2020/21 budgeted deficit of £0.808m provides an expected deficit of £1.004m. The projected deficit of £0.845m is £0.159m less than this as shown below.

	Approved 2020/21 Budget £m	Expenditure b/fwd from 2019/20 £m	Revised 2020/21 Budget £m	Projected Expenditure £m	Variance £m
Staff cost	29.125	0.036	29.161	29.300	0.139
Accommodation costs	2.496		2.496	2.399	(0.097)
Administration costs	1.110	0.071	1.181	1.263	0.082
Travel costs	1.232		1.232	0.823	(0.409)
Supplies and services	1.538	0.089	1.627	1.797	0.170
Gross Expenditure	35.501	0.196	35.697	35.582	(0.115)
Grant in aid	(21.906)		(21.906)	(21.906)	0.000
Fee Income	(11.850)		(11.850)	(11.850)	0.000
Shared service income	(0.836)		(0.836)	(0.836)	0.000
Other income	(0.101)		(0.101)	(0.145)	(0.044)
Total income	(34.693)	0.000	(34.693)	(34.737)	(0.044)
(Surplus) / Deficit	0.808	0.196	1.004	0.845	(0.159)

The draft Annual Report and Accounts for 2019/20 shows an improved general reserve balance compared to the position anticipated when the budget was set. The table below shows the latest projected position:

BOARD MEETING 13 AUGUST 2020

Agenda item 10
Report No B-28-2020

	Budgeted General Reserve Position £m	Projected General Reserve Position £m
Opening general reserve*	1.552	2.140
(Surplus) / Deficit	(0.808)	(0.845)
Projected closing general reserve	0.744	1.295
Minimum of target range	0.744	0.744
Maximum of target range	0.913	0.913

Exceeds Target Range Minimum by £0.551m

Exceeds Target Range Maximum by £0.382m

2.2 Specific Grants

The projected expenditure on work funded by specific grants has been affected by the Covid-19 position. An underspend of £64k is currently projected. Discussions with the various grant providers are on-going.

We are engaging with the Sponsor to convert short term specific grant funding into core grant in aid as appropriate.

The remainder of this report focuses on our core budget financial position and excludes further consideration of specific grant funded expenditure.

2.3 Update on Expenditure Excluded from Budget Due to Affordability

The budget paper considered by the Board at its meeting of 26 March 2020 set out areas of expenditure considered important, if not essential, to the continued operation of the Care Inspectorate but that was not affordable within the current funding settlement.

Significant progress has been made and this is summarised in the table below:

	Requested for 2020/21 £m	Recurring Requested 2021/22 £m	SG Agreed Additional 2020/21 Funding £m	SG Agreed Additional Baseline Funding £m	Notes
Structural deficit	0.371	0.371			Further discussion in-year
Inspector job eval outcome	0.737	0.737	0.737	0.737	
Incremental Progression		0.309		0.309	
Team Manager review	0.600	0.600	0.363	0.600	
Intel Researcher posts	0.030	0.030			Advised: use existing funding
Reinstate baseline reduction	0.049	0.049		0.004	Further discussion in-year
Indexing of archived records	0.100				Improved general reserve
Phase 2 digital business case	0.057				Improved general reserve
	1.944	2.096	1.100	1.650	

BOARD MEETING 13 AUGUST 2020**Agenda item 10
Report No B-28-2020**

This additional funding for the job evaluation outcome and the Team Manager review is only recently confirmed and is not currently reflected in the revised budget and projected costs.

3.0 STAFFING UPDATE**3.1 Job Evaluation**

The outcome of the job evaluation exercise has confirmed that all Inspectors should move from the current grade 5/6 to grade 7.

Board approval is requested to make this change with effect from 1 April 2020. This will allow Inspector posts to be advertised at the higher salary range associated with grade 7 and help alleviate our Inspector recruitment difficulties.

The additional recurring funding of £0.737m is sufficient to fund this. The Scottish Government has also recognised the cost in future years of incremental progression on the new Inspector grade i.e. the Scottish Government has confirmed the additional £0.309m for 2021/22. Similar baseline funding increases will be required over the period 2022/23 to 2025/26.

The job evaluation outcome recommended no change to the grade of the Senior Inspector and Team Manager roles which remained at grade 7 and 8 respectively.

3.2 Team Manager Review

The Scottish Government has recently approved part year funding of £0.363m in 2020/21 and full year recurring funding of £0.600m for 2021/22 to support a Team Manager review.

Further details on progress will be submitted to the Board meeting on 30 September 2020.

3.3 Establishment Changes**3.3.1 Additional Chief Inspector**

The Chief Executive has used his delegated authority (approve changes to the establishment of up to £0.200m per annum) to approve the creation of an additional Chief Inspector post at grade CS3. The £0.103m cost of this is funded through a reduction in the Practitioner Inspector budget of £0.133m. There is no intention to continue with Practitioner Inspector posts. All four posts are currently vacant.

3.3.2 Transformation Lead

The Chief Executive has used his delegated authority to approve the creation of a Transformation Lead post at grade CS1. The £0.078m cost of this is funded through a £0.050m and a £0.028m reduction in the ICT equipment replacement and printing/postage/stationery budgets.

BOARD MEETING 13 AUGUST 2020**Agenda item 10
Report No B-28-2020**

The reduction in the ICT equipment will mean an increase in the planned equipment replacement times.

The Covid-19 enforced working from home has reduced postage, print and stationery costs and a proportion of this will be sustainable even after a return to the office.

3.3.3 Intelligence Researchers

The request to Scottish Government included a request for £0.030m to make two temporary Intelligence Researcher that were budgeted up until 30 September 2020 posts permanent. The Scottish Government have not provided this additional funding and advised that we should fund this from efficiencies within the existing budget.

The Covid-19 experience has highlighted the need to retain these posts on permanent basis. The permanent establishment of these posts is in line with the intentions of our new business model and becoming more intelligence led in our scrutiny and improvement activity.

The additional budget required to fund these posts for a full year is now £0.032m after the application of pay awards and salary progression. This will be funded by the remaining £0.030m Practitioner Inspector budget and a further £0.002m reduction in the postage, print and stationery budget.

The Board is requested to approve the addition of two FTE Intelligence Researcher posts (grade 3) to the permanent establishment.

3.3.4 Service Manager – Early Learning and Childcare (ELC)

The increase in the number of Team Managers through a combination of the expansion of ELC and the Team Manager review means that the span of control for the current ELC Service Manager will become unmanageable.

Additional funding has already been secured for ELC expansion and discussions are ongoing to secure the full future requirement. The establishment of an additional Service Manager at a cost of £0.078m is a priority for the funding agreed.

The Board is requested to approve the addition of 1 FTE Service Manager post (grade CS1) to the permanent establishment.

3.4 Executive Director Recruitment

The position on the recruitment to executive director posts is set out below.

3.4.1 Executive Director of Strategy and Improvement

This is a permanently established post currently held by Edith MacIntosh on a temporary basis. The recruitment process for a permanent appointment is advanced with interviews scheduled for Monday 10 August 2020.

BOARD MEETING 13 AUGUST 2020**Agenda item 10
Report No B-28-2020****3.4.2 Executive Director of Corporate and Customer Services**

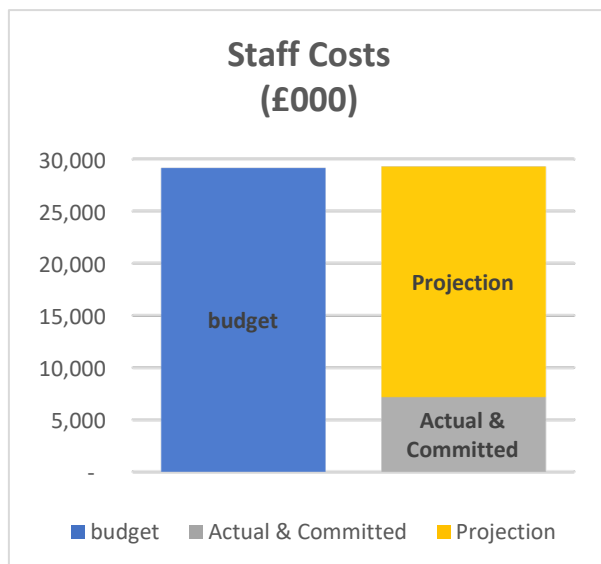
This is a permanently established post that will become vacant on Monday 10 August 2020. The recruitment process has commenced. Following a procurement process Livingston James, a recruitment agency that are experts in executive recruitment, have been appointed to assist with making a permanent appointment.

3.4.3 Executive Director of ICT, Transformation and Digital

This is a temporary executive director post. Following a recruitment process Gordon Mackie's appointment has been extended from the original end date of August 2020 to February 2022.

3.5 Extension of Temporary Contracts

As part of the response to the Covid-19 position most temporary contracts were extended to 30 September 2020 if due to end before this date. The position is currently being reviewed but it is anticipated that any further extensions to temporary contracts not covered by budget will be affordable by drawing on reserves due to the improved general reserve position.

4.0 BUDGET VARIANCES**4.1 Staff Costs – projected overspend of £0.139m**

Temporary arrangements were put in place to provide additional senior management and flexible response capacity due to the impact of the Covid-19 crisis. This is at a projected cost of 0.132m.

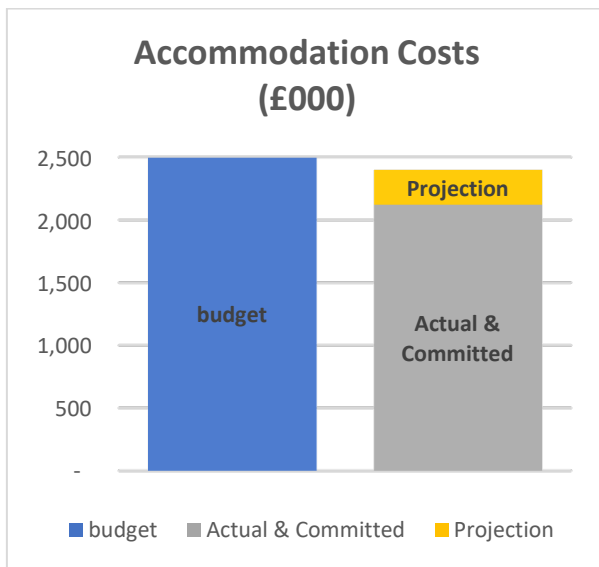
An additional Team Manager has been allocated to support Complaints ahead of the implementation of the Team Manager review at a projected cost of £0.041m.

**Agenda item 10
Report No B-28-2020**

An allowance of £0.035m is included in the projected costs for the extension of two temporary Intelligence Researcher posts to the end of the financial year. The Scottish Government have rejected a request for funding to make these posts permanent. If these posts are to be made permanent or to be extended into next financial year, then compensatory savings will need to be identified elsewhere in the budget.

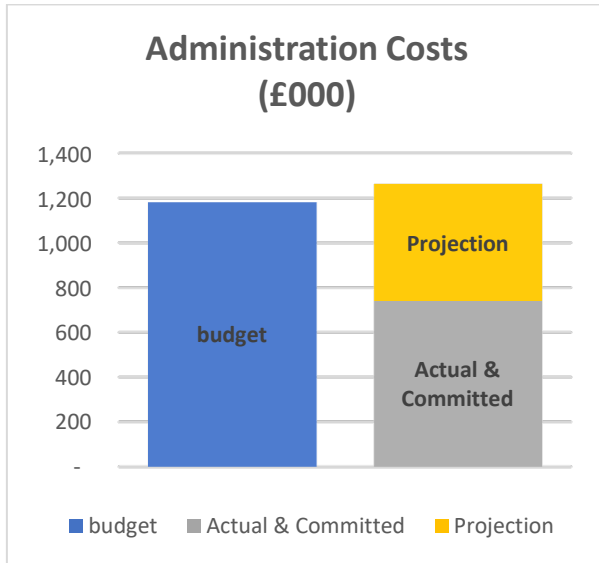
Mainly due to the impact of Covid-19 on recruitment the budgeted ordinary and extraordinary slippage saving is projected to be exceeded by £0.069m. This partially offsets the additional expenditure identified above.

4.2 Accommodation costs – projected underspend of £0.097m



The budget included provision of £0.097m for end of lease and possible move costs for the Stirling and Dunfermline offices. The leases have been extended into 2021/22 and this budget will not be required this financial year. This will become a financial pressure for next year's budget.

4.3 Administration Costs – projected overspend of £0.082m



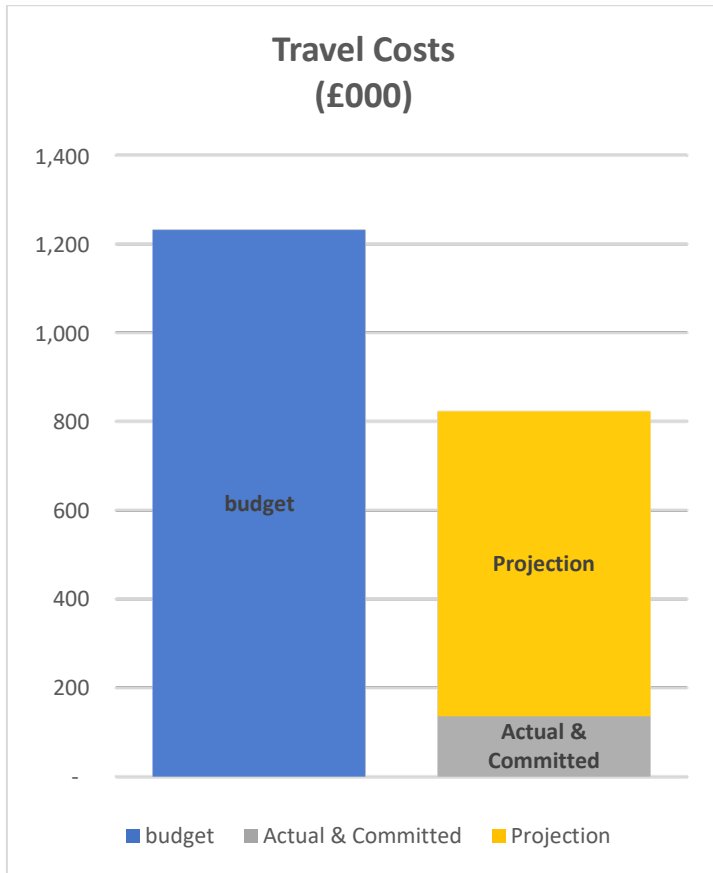
There are professional fees of £0.047m associated with business / digital transformation that are included in the agency staff budget. This will be resolved via a budget adjustment.

The £0.057m cost of developing the business case for phase 2 of our transformation work is included in the projected costs. Additional funding was requested from the Scottish Government, but it has subsequently been agreed that this will be funded from the improved general reserve balance (see Section 2.1 and 2.3 above).

There are additional legal fees of £0.028m projected.

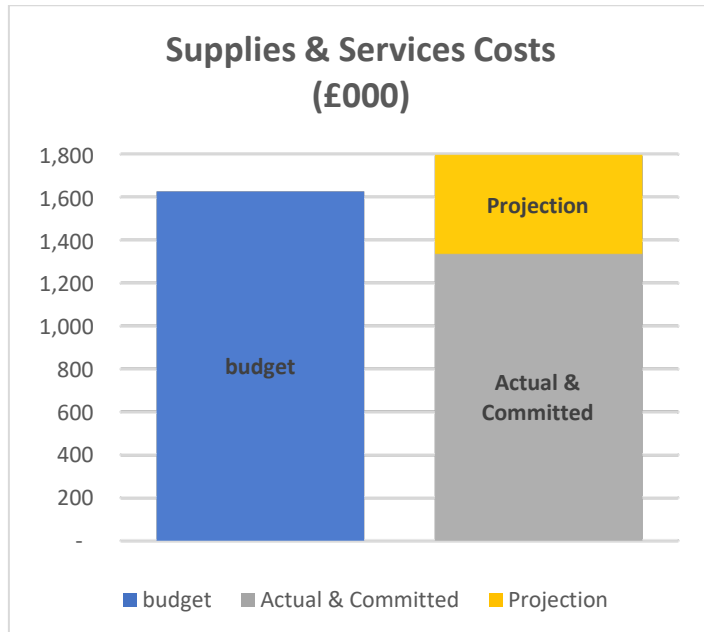
The additional costs identified above are partially offset by projected savings on printing, postage and stationery of £0.050m due to the Covid-19 position.

4.4 Travel Costs – projected underspend of £0.409m



The significant reduction in travel costs is a direct result of the travel restrictions imposed due to the Covid-19 crisis. This and the public health advice on visiting care services has significantly reduced scrutiny and improvement travel associated with inspection, complaints, registration and enforcement.

In addition, the need to work from home has greatly increased the use of Teams to hold meetings remotely without the need for travel. This is expected to be sustainable even after the Covid-19 restrictions are relaxed.

4.5 Supplies and Services – projected overspend of £0.170m

Additional furniture and ICT equipment has been purchased to support staff to work from home. The additional cost of this is £0.084m.

The delay to digital transformation has required maintenance agreements with a cost of £0.072m to be renewed. The budget assumed renewal of these agreements would not be necessary.

Funding of £0.100m was requested from the Scottish Government to support records indexation work. It has subsequently been agreed that this will be funded from the improved general reserve balance (see Section 2.1 and 2.3 above). Further negotiation with the supplier has reduced the cost of this work to £0.060m. There are projected in-year savings on storage and archiving costs of £0.046m which partially offsets the records indexation cost.

4.6 Funding and Income – projected additional income of £0.044m

Grant-in-aid, fee income and shared service charges are currently projected to be as budgeted.

Other income is projected to be £0.044m more than budgeted due to a secondment to Social Work Scotland until 30 September 2020. The secondment charge is projected to be £0.033m. Projected VAT recovery and union fee administration charges are projected to be £0.011m more than budgeted.

BOARD MEETING 13 AUGUST 2020

Agenda item 10
Report No B-28-2020

5.0 RISKS TO FINANCIAL PROJECTIONS

Budget Area	Description of Risk	Sensitivity	Likelihood
Staff costs	Projected costs assume a full complement of Inspectors and Team Managers in post by October 20. This will be challenging.	Projection could be overstated by as much as £0.350m	High
Staff costs	Projected costs include a provision of £0.300m for overtime which may be necessary to catch up on scrutiny and improvement activity as Covid-19 restrictions ease. There is significant uncertainty over areas such as changing public health advice, a second spike and the capacity of staff to undertake significant overtime working.	Projection risk in the range £0.200m understated to £0.100m overstated	Medium
Travel costs	Projected costs assume that travel costs will increase from September 20 onwards as Covid-19 restrictions ease. There is significant uncertainty over areas such as a second spike and access to services.	Projection risk in the range £0.150m understated to £0.100m overstated.	Medium
Fee Income	As a result of the covid-19 crisis a decision was made to delay the issue of 2020/21 fee invoices and to suspend the pursuit of debt. We have just resumed income collection and debt management, but it is not clear yet what the impact of Covid-19 has had on the finances of service providers and their ability and/or willingness to pay our fees.	Projections currently assume all budgeted fee income will be collected. It is not possible at this point to quantify the risk of not collecting all income due.	Medium

6.0 EMERGING FINANCIAL ISSUES

6.1 Organisation Structure

Options to make some changes to organisational structure are currently being explored. This is focused on methodology development, creating a Chief Executive's office function, and increasing ICT and digital applications support capacity.

BOARD MEETING 13 AUGUST 2020**Agenda item 10
Report No B-28-2020****6.2 Transformation Phase 2**

The outline business case for phase 2 of our business and digital transformation programme has been prepared and shared with senior managers. The cost projections in this report include funding (see Section 4.3) to support the development of a full business case for submission to the Scottish Government with a view to attracting funding. This will take time and it may be necessary or highly desirable to incur phase 2 transformation costs ahead of funding being agreed.

The improved general reserve will assist with this in the short term, but recurring funding needs to be identified for recurring costs.

6.3 Market Insight

Early discussions with the Scottish Government are on-going about creating a care market insight function for the Care Inspectorate. The initial thinking is indicating recurring costs of circa £0.300m would be incurred to create and run this function.

7.0 IMPLICATIONS AND/OR DIRECT BENEFITS**7.1 Resources**

The Scottish Government has agreed to provide additional recurring funding of £1.650m in 2021/22 to support the job evaluation outcome and expected additional costs associated with a Team Manager review.

7.2 Sustainability

The report highlights the significant reduction in travel costs, a proportion of which will be sustainable. This reduction will lower CO² emissions and increase productivity through reduced time spent travelling.

7.3 Policy

The Scottish Government's Budget for 2020/21 was agreed by Parliament in March 2020. Finance Secretary Kate Forbes placed the spending plans in the context of downgraded projections for the UK economy and Brexit uncertainty, but it should now be noted that the Coronavirus (COVID-19) outbreak has since had, and will continue to have, a significant impact on the economy, as well as current and future policy development. The Budget has since been revised upward to take account of this and consequentials resulting from the UK Government's response to the crisis.

As well as the broader financial landscape, this paper should be considered within the context of a range of policy developments and any additional responsibilities or projects that emerge from these. The Care Inspectorate has a key role in supporting the successful delivery of many ongoing policy drivers, including continued developments around health and social care integration, self-directed support, workforce planning, human rights

BOARD MEETING 13 AUGUST 2020**Agenda item 10
Report No B-28-2020**

promotion, early learning and childcare expansion, as well as reform of both adult and children's social care.

When considering this paper, it is also important to be aware of the need to ensure effective governance within the context of public service delivery and reform to the benefit of the people of Scotland. Relevant policy developments in this regard include the National Performance Framework and the Four Pillars of Public Service Reform: Prevention, Performance, People and Partnership.

7.4 People Who Experience Care

This report considers how the Care Inspectorate uses and reports on the use of the funds entrusted to it. This is a key element of public accountability and corporate governance. Public accountability and the governance framework are key drivers towards ensuring that the resources available are directed in accordance with corporate plans and objectives, with the ultimate aim of bringing benefits to people who experience care.

7.5 Customers (Internal and/or External)

The budget represents the Care Inspectorate's plan in financial terms and the delivery of this plan supports all five customer services strategic themes.

8.0 CONCLUSION

The additional funding for the Inspector job evaluation outcome will assist with the recruitment and retention of Inspectors.

An underspend of £0.159m against the 2020/21 budget is currently projected. There are risks and emerging issues that will exert pressure on our resources.

The indicative 2021/22 budget considered at the Board meeting of 26 March 2020 identified a very challenging budget position. A budget savings / additional funding requirement of £2.6m was identified. The significant additional funding secured for job evaluation and the Team Manager review does not assist with this position. Securing further additional funds at a time when public finances are in an unprecedented parlous state will be very challenging.

A revised financial strategy is to be submitted to the Board in September 2020 and this will need to address these issues.

Care Inspectorate Revised Budgeted Establishment 2020/21

Post	2020/21 Approved Budgeted FTE	2020/21 Revised Budgeted FTE	Movement	Reason for Movement
Chief Officer	4.00	5.00	1.00	Creation of temporary Executive Director ICT, Transformation and Digital
Grant Funded	23.96	23.96	0.00	
Inspector	264.67	264.67	0.00	Grade changed form 5/6 to grade 7
Senior Inspector	24.00	24.00	0.00	
Strategic Inspector	26.46	26.46	0.00	
Team Manager	24.00	24.00	0.00	
Displaced Post	1.00	1.00	0.00	
Admin & Professional	191.99	192.99	1.00	2 Intelligence Researcher posts (currently budgeted to 30 Spetember 20).
Senior Managers	21.00	24.00	3.00	Additional Chief Inspector, Transformation Lead and Service Manager ELC
Prof Advisor	6.00	6.00	0.00	
Practitioner Inspector	4.00	0.00	(4.00)	Used to fund Chief Inspector and Intelligence Researcher additions
Temp Asst Strategic Inspector Adults	0.77	0.77	0.00	
Temp Asst Strategic Inspector CJ	0.77	0.77	0.00	
Total FTE	592.62	593.62	1.00	



BOARD

Schedule of Business 2020/21

BUSINESS TOPIC	7 May 2020 <i>(Special)</i>	18 June 2020	13 Aug 2020	30 Sept 2020	17 Dec 2020	21 Jan 2021 <i>(if req'd)</i>	25 Mar 2021
OPENING BUSINESS							
Chair's Report		✓	✓	✓	✓	✓	✓
Chief Executive Report		✓	✓	✓	✓	✓	✓
Update on Covid-19 (within CE Report)	✓	✓		✓			
Covid-19 Activity report (including proposed evidence to SP Health & Sport Committee)			✓ <i>Private Item</i>				
STRATEGY AND POLICY							
Approval of Care Inspectorate Strategies on a rolling/as required basis <ul style="list-style-type: none"> • Financial Strategy • Customer Service Strategy • Legal Services Strategy • ICT Strategy • Intelligence Strategy • Shared Services Strategy • Information Governance Strategy • Communications Strategy • Improvement Strategy • Health and Safety Strategy • Workforce Strategy 							

BUSINESS TOPIC	7 May 2020 (Special)	18 June 2020	13 Aug 2020	30 Sept 2020	17 Dec 2020	21 Jan 2021 (if req'd)	25 Mar 2021
Review of KPIs and proposals for refresh of Corporate Plan				✓	✓		
Financial Strategy				✓	✓		
Scrutiny and Assurance Plan 2020-21 Update (in light of Covid-19)			✓				
Scrutiny and Assurance Plan 2021-22					✓ (Draft)		
Budget and Indicative Budget							✓
Strategic Risk Register 2020/21		✓					✓
Approval of Risk Appetite and Risk Policy							
Annual Review of Procurement Strategy					✓		
MONITORING AND GOVERNANCE							
Budget Monitoring				✓	✓		
Monitoring our Performance Quarterly Report		Q4 ✓		Q1 ✓	Q2 ✓		Q3 ✓
Deferral of Continuation Fees	✓						
2020/21 Financial Position Update	✓	✓					
Finance and Staffing Update			✓				
Board Membership Changes	✓						
Minute of Audit and Risk Committee		✓		✓	✓		✓
Complaints Activity Report		✓ (annual)			✓ (mid-year)		
Annual Report and Accounts - Audit Committee Annual Report to the Board - Draft Annual Report and Accounts 2019/20 - Combined ISA260 Report to those Charged with Governance and Annual Report on the Audit				✓			
Health and Safety Annual Report		Deferred to Sept		✓			
Code of Corporate Governance		✓					

BUSINESS TOPIC	7 May 2020 (Special)	18 June 2020	13 Aug 2020	30 Sept 2020	17 Dec 2020	21 Jan 2021 (if req'd)	25 Mar 2021
Changes to Reservation of Powers & Scheme of Delegation (arising from annual Board Governance Review)			✓				
Board Self-Evaluation Action Plan (arising from annual Board Governance Review)				✓			
UN Convention on the Rights of the Child – report		✓					
Equality Duty Reporting – Annual Progress Report							✓
Annual Review of the Care Inspectorate's Financial Regs		✓					
CAPA 2 Programme Final Report		✓					
Best Value Report 2019/20 (to 1 st Quarter meeting of Board)		Deferred to Sept		✓			
Annual Accounts 2019/20 Progress Report (to 1 st Quarter meeting of Board)		✓					
Board and Committee Cycle – 2021/22 draft dates				✓			
Annual Procurement Performance Report				✓			
Shared Services Update Report		✓		✓	✓		✓
OPERATIONAL							
Digital and Transformation Programme Update		✓		✓	✓		✓
HR Annual Report		Deferred to Sept		✓			
Approval of Pay Remit for submission to Scottish Government (tbc)							
Update on Significant Organisational Restructures (when required)							
Estates Update (when required)							

BUSINESS TOPIC	7 May 2020 (Special)	18 June 2020	13 Aug 2020	30 Sept 2020	17 Dec 2020	21 Jan 2021 (if req'd)	25 Mar 2021
Approval of Compensation Payments <i>(when required)</i>							
STANDING ITEMS							
Identification of Risk	✓	✓		✓	✓		✓
Schedule of Board Business		✓	✓	✓	✓		✓
CONFIDENTIAL/PRIVATE ITEMS							
CI Employee Relations Appeals <i>(to be standing item)</i>				✓	✓		✓
Independent review of the New School Butterstone			✓				
OTHER INFORMATION TO BOARD							
Policy/Parliamentary Tracker and Timetable <i>(email briefings in advance of Board meetings)</i> Work and Policy Direction of UK Regulators <i>(email briefings in advance of Board meetings)</i> Scottish Government Programme for Government <i>(email briefing)</i>							