



A Meeting of the Care Inspectorate Board is to take place from
10.30 am-1.00 pm on Thursday 29 September 2022 in Compass House, Dundee

Arrangements will be in place to enable attendees and observers to join by video-link.
 A public notice has been placed on the Care Inspectorate website.

AGENDA

PUBLIC SESSION

Item		Time
1.	Welcome and Introductions 1.1 Chair's Introductory Remarks 1.2 Chief Executive's Introductory Remarks	10:30
2.	Apologies	
3.	Declarations of Interest	
4.	Minutes of Board meeting held on 11 August June 2022 (paper attached)	10:40
5.	Action Record of Board meeting held on 11 August 2022 (paper attached)	
6.	Matters Arising	
7.	Interim Chief Executive's Outgoing Report – Report No: B-26-2022	10:45
	STRATEGY AND POLICY	
8.	Strategic Risk Register Monitoring Report – Report No: B-27-2022	10:55
	MONITORING AND GOVERNANCE	
9.	Monitoring our Performance 2022/23 Quarter 1 – Report No: B-28-2022	11:15
10.	Budget Monitoring and Staffing Update – Report No: B-29-2022	11:35

11.	Audit and Risk Committee 11.1 Reports of Meetings held on 11 August and 8 September 2022 (papers attached) 11.2 Draft Revised Audit and Risk Committee Terms of Reference – Report No: B-30-2022	11:50
SHORT BREAK (5 mins)		
OPERATIONAL ITEMS		
12.	HR Quarterly Report – Report No: B-31-2022	12.05
13.	2021-22 Procurement Update and Performance Report – Report No: B-32-2022	12.15
14.	Review of Board Reporting Framework and Scheduling of Executive Meetings 2023/24 – Report No: B-33-2022	12.25
15.	Annual Report of Shared Services 2021/22 (Care Inspectorate and Scottish Social Services Council) – Report No: B-34-2022	12:35
STANDING ITEMS		
16.	Identification of Risk	12:45
17.	Board Schedule of Business 2022/23 (paper attached)	
18.	Any Other Competent Business	
19.	Close of Public Meeting and Date of Next Meeting: Thursday 15 December 2022 at 10.30 am in Compass House, Dundee	1.00 pm



Title:	INTERIM CHIEF EXECUTIVE'S OUTGOING REPORT
Author:	Edith Macintosh, Interim Chief Executive
Appendices:	None
Consultation:	Not applicable
Resource Implications:	None

EXECUTIVE SUMMARY

This particular report is the last update from the outgoing interim Chief Executive and includes a review of key activities and achievements during her time in post.

The Chief Executive's report to the Board underpins the successful delivery of the Care Inspectorate's Corporate Plan. The quarterly update highlights significant developments and new or completed activities that directly support the Corporate Plan and its strategic outcomes.

The Board is invited to:

- Note this report

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes
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Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Reason: Not applicable		

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:

(see *Reasons for Exclusion*) Not applicable, this is a public Board report

Disclosure after: Not applicable

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 7
Report No: B-26-2022

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.

CHIEF EXECUTIVE'S REPORT

1.0 INTRODUCTION

It has been a privilege to take up the interim role of Chief Executive and I would like to thank the Senior Leadership Team for their support in the last eight months. I would also like to extend my thanks to Craig Morris for stepping up as interim Executive Director of Strategy and Improvement during this time.

The new Chief Executive, Jackie Irvine, commenced her role on 19 September and I wish her well in this new role. I am sure she will be met with the same support that I have received in my interim role.

In my final report as interim Chief Executive, I wanted to take this opportunity to highlight some of the key activities that have taken place over the past eight months while in this role. These are noted in more detail below. Since taking up the post, we have continued to engage with the Scottish Government on a number of policy areas including the National Care Service (NCS), The Promise, education reform, the Human Rights Bill and the incorporation of United Nations Convention on the Rights of the Child (UNCRC). We have continued to have regular meetings with Kevin Stewart, the Minister for Mental Wellbeing and Social Care, Scottish Care, CCPS and Health Improvement Scotland (HIS).

I have had the pleasure of speaking at several events during my time as interim Chief Executive. I was a keynote speaker at the Scottish Policy Conference event on 2 March 2022, which focussed on priorities for the implementation of the National Care Service. I also contributed to the Scottish Care National Care Home Conference and Awards, and the Scottish Care National Care at Home and Housing Support Conference and Awards where I spoke about regulation and its future in homecare. We have also held a very successful Early Learning and Childcare conference for inspection staff for the Year of the Child which was attended by Clare Haughey, Minister for Children and Young People. Our Chief Inspector Children's Services was instrumental in the planning and delivery of this event.

I have met with colleagues from the social care regulatory bodies of each of the five nations of the UK and Ireland. At its most recent meeting earlier this month, we were represented the interim Executive Director of Strategy and Improvement, when we received a presentation on the Care Quality Commission's market oversight functions and updates from each regulator on their respective work on all public inquiries.

1.1 Key Activities

Staff Survey

We conducted our 2022 employee survey in March this year, giving our staff the opportunity to share their experiences of working for the Care Inspectorate. The findings from the survey are being used to develop an action plan for the

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 7
Report No: B-26-2022**

organisation and directorates which will prioritise areas of work and identify improvements to take forward.

Visiting rights

We have worked with the Scottish Government on the introduction of new Health and Social Care Standards and legislation to ensure that the rights of families to visit residents are upheld during restrictions. The two new Health and Social Care Standards for Scotland's adult care homes, which were introduced in March 2022, put Anne's Law into practical effect while legislation is being prepared. The Standards reinforce the rights of residents to have visits and care from loved ones. We have also published guidance for providers on how services should ensure they are meeting these new Standards, and we will consider whether they are being met when registering, inspecting, and supporting improvement in care homes.

National Care Service (Scotland) Bill

The Health, Social Care and Sport Committee launched its call for views on the National Care Service (Scotland) Bill. We continue to engage with this work and have submitted our response to the committee's call for views. We welcome the intention of the Bill and look forward to engaging with the relevant committees as the Bill progresses.

Bairns' Hoose

The Care Inspectorate, alongside HIS, published the draft standards for Bairns' Hoose (Barnahus), supporting a child-centred response to health and justice for victims and witnesses of serious crime and abuse. The draft standards, based on international best evidence and incorporating the UNCRC, are designed to put children's rights at the heart of service design and delivery, ensuring their right to recovery, participation, health and child-friendly justice is upheld. A public consultation is now underway which will use a variety of engagement methods and materials, including a child-friendly version of the draft standards. The Care Inspectorate continues to collaborate with the sector on this work, working with young people and the Children's and Young People's Centre for Justice on the development of a film. Jackie Irvine will sit on the governance group chaired by Val de Souza.

Education reform

Professor Muir's report on education reform in Scotland noted the importance of early learning and childcare. The report recommended that a shared inspection framework for ELC be developed between the Care Inspectorate and the new education inspectorate, expected to be operational in 2024. We welcomed the recommendation made by the independent advisor on education reform and we are engaging with the Scottish Government's consultation on the inspection of early learning and childcare (ELC) and school age childcare services in Scotland.

As part of this consultation the Scottish Government is seeking views on the proposal to bring forward a shared quality framework to be used in inspection of these services, developed collaboratively by the Care Inspectorate,

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 7
Report No: B-26-2022**

HM Inspectors of Education (HMIE), sector representatives, practitioners, teachers, staff and children. We published our new quality framework for daycare of children, childminding and school aged childcare, which is focussed on self-evaluation, and welcome the opportunity to collaborate on a shared framework.

While we await the outcome of the consultation, we are working with Education Scotland to highlight our plans for inspection of services that provide funded ELC over the coming year.

Quality Improvement

As reported to the board in March 2022, the Early Learning and Childcare (ELC) Improvement Programme and the Technology Enabled Care (TEC) work have had their funding extended to March 2023 and March 2024 respectively. This will allow for further development of targeted support to ELC services not meeting that national standard and TEC programmes that continue to support the understanding and use of digital solutions in social care.

The Health and Social Care Improvement Team (H&SCIT) continue to take forward two quality improvement projects commissioned by the Scottish Government. The first project is a study to examine the use and review of psychoactive medication in care homes during the pandemic. 160 care homes that met the inclusion criteria for the study will be involved. The second project is focused on supporting the Scottish Government's Rehabilitation Framework in Social Care. The Framework identifies in its scope the rehabilitation of people who have had Covid-19. Also, for those who have experienced a negative impact as a consequence of Covid-19 restrictions. This will build on the learning from the Care About Physical Activity (CAPA) programme, to re-engage with care homes, care at home housing support and adults and older people's day services. The CAPA Advisory Group has been established and has held its first meeting with representation from key stakeholder across Health and Social Care, including independent and third sectors.

The Care Inspectorate hosted eight webinars throughout June, July and August exploring Healthcare Improvement Scotland's (HIS) new Infection Prevention and Control Standards. The webinars were attended by Care Inspectorate Scrutiny & Assurance staff, care home and other adult social care providers and staff. The webinars aimed to provide an overview of how the Care Inspectorate will take the standards into account during scrutiny and assurance activity, and provide an opportunity for professional discussion about how services can evidence that they meet the standards, barriers to implementation as well as any concerns, dilemmas or solutions.

Safe staffing

The Safe staffing programme continues to work in collaboration with key stakeholders of adult care homes to inform recommendations on the development of a shared staffing method in line with the Care Inspectorate's duties under the Health and Care (Staffing) (Scotland) Act 2019. A staffing method model has been developed in consultation with the sector and in the first

Agenda item 7
Report No: B-26-2022

quarter the programme had engaged with 18 care home providers who expressed interest in working with the programme team on small scale tests of change. In June this year, the Safe staffing programme, working with the Scottish Government Act implementation team, issued communications to the social care sector to communicate information on the timeline for enactment of the staffing legislation.

Our corporate plan

Following a period of consultation with our staff, our volunteers, providers, partnerships and people who experience care, we published the Corporate Plan 2022-25 in May 2022. The Plan sets out our vision, the outcomes we want to achieve and our priorities for the next three years. As noted in the previous Chief Executive's report, strategic plans for directorates, programmes and project teams will follow. A template has been developed that directorates and project/programme teams will use which will help focus their aims and activities appropriately, and deliver a consistent, coherent suite of plans that will strengthen and support successful delivery of the overall Corporate Plan.

Digital transformation

As part of our digital transformation journey, we submitted the Stage 2 Business Case to Scottish Government at the end of April 2022. We are now liaising with Scottish Government on their feedback, and we continue to work with Scottish Government colleagues in trying to secure the funding needed to deliver this transformation. We have delivered a series of 'digital conversations' events with staff across the organisation, to help staff engage and understand the work of the programme. The events were delivered virtually and in person in almost all of the office locations across the country.

2.0 STRATEGIC OUTCOME: HIGH QUALITY CARE FOR ALL

2.1 Safeguarding Guidance

The Registrar of Independent Schools, the Care Inspectorate and Education Scotland have worked together to produce [Guidance on effective safeguarding for boards of governors in independent schools](#), to assist with self-evaluation and monitoring of child protection and safeguarding practices

2.2 Secure Care

In July we notified all local authorities and secure care providers of our plans to carry out a review to consider the impact of the [Secure Care: Pathway and Standards](#) that were published in October 2020. The review will track, listen to, and seek to understand the experiences of 30 young people across Scotland before, during and after experiencing secure care accommodation. The review team includes strategic and regulated care service inspectors. We will report in August 2023 on their views, experiences, and consider the extent to which their rights have been respected.

2.3 Report on the quality of care

At the request of the cabinet secretary. The adults team produced a report on the quality of a provider.. This was intelligence led, and identified the risks and strengths of the provider. An action plan in place for the provider areas of risk and we are monitoring this closely.

3.0 STRATEGIC OUTCOME: IMPROVING OUTCOMES FOR ALL

3.1 Anne's Law

The organisation is offering two secondment opportunities through funding received, to continue the collaborative work with services in preparation for the introduction of Anne's Law. The focus of work is with the relatives' groups, providers, and other stakeholders to promote people's rights to family life and to participate in their communities. The Chief Nurse and Chief Inspector (Adults) have oversight of this work. As part of this work the Chief Inspector has been supporting discussion with SG colleagues and insurance providers to identify solutions to implementation of Anne's law and people being able to provide care to loved ones in care homes.

3.2 Quality Conversations

Following a survey of previous attendees, we have refreshed the format of our Quality Conversation events, which were paused during the pandemic. We will be holding the first of the new series in November/December 2022 at a central-belt venue, for influencers and decision makers from the adult and older people social care sector. These valuable events will bring stakeholders and the Care Inspectorate together on a six-monthly basis, rotating events that focus on children and young people or adults and older people, as well as mixed sector events that will be in-person and online/remote.

3.3 Data, information, and intelligence to identify themes, priorities and shape policy

Since the last organisational Board meeting (August 2022), we have provided responses to the following Scottish Government consultations: UNCRC Incorporation Bill; Data Strategy for health and social care; and Physical intervention in schools guidance.

We are also currently responding to two consultations that will have a significant impact on the work of the Care Inspectorate – the National Care Service (Scotland) Bill call for evidence and the Scottish Government's consultation on Inspection of early learning and childcare and school age childcare services. These consultations close on 2 September and 28 October 2022 respectively.

3.4 ELC improvement programme

The external evaluation of the ELC improvement programme is well under way with focus groups having taken place with local authority representatives and Inspectors. Individual feedback interviews with programme participants are also underway. It is anticipated the end of the evaluation and report by the end of October 2022.

3.5 Quality Improvement (QI) support and capacity building

There are multiple requests for quality improvement capacity building workshops from the sector. The Quality Improvement Support Team (QIST) has provided a quality improvement support workshop to a Health and Social Care Partnership (HSCP). The team will provide ongoing support and there is a planned further event where the HSCP will present back their improvements. The team also supported a large provider through a series of quality improvement workshops.

3.6 Collaboration and support for improvement and resources

Led by a team manager and inspectors, the adults team has worked with a provider to support improvement, focusing on specific areas in developing communication and a learning culture. We have held nine staff events in the service which has enabled staff to better understand the need for improvement, their role in this and the importance of team working, leading to improved outcomes for people living in the home.

In one local authority area, the Service Manager and inspectors supported a learning event with the Improvement Support team for all care home managers across the health and social care partnership. The team provided information and guidance on self-evaluation and on other areas identified.

3.7 Improve outcome with the Health and Social Care Standards/The Promise/human rights

The Chief Inspector Adults has been supporting a Scottish Government review of the oversight of care homes from HSCP and how a system supports human rights and the Health and Social Care Standards.

4.0 STRATEGIC OUTCOME: EVERYONE'S RIGHTS ARE RESPECTED AND REALISED

4.1 Promoting rights for continuing care

We have worked with Centre for Excellence for Children's Care and Protection (CELCIS) to support the awareness raising and promotion of the rights of young care experienced people to continuing care. We have partly funded production of postcards packs and will help to distribute the packs across the sector and into the hands of children and young people through our inspection teams and relationships with advocacy organisations.

4.2 Collaborate with partners to support human rights

The Adults teams continue to support Scottish Government when they receive contact about issues related to visiting in care homes. We have put in place an email box and direct feedback for Scottish Government. We have had very good response on this from Scottish Government and on our proactive approach to visiting and ensuring people's rights are upheld.

5.0 STRATEGIC OUTCOME: OUR PEOPLE ARE SKILLED, CONFIDENT AND WELL SUPPORTED TO CARRY OUT THEIR ROLES

5.1 Hybrid working

Over the summer, all staff and managers contributed to the first full evaluation of our hybrid working trial. Our staff continue to be highly engaged in the trial and actively supported a range of evaluation activities, including surveys and team discussions. The findings from the evaluation were shared and considered at our managers forum event on 7 September 2022. As part of this session all managers contributed to a discussion on plans for the next stage of the trial, including our continued testing of how to effectively balance face-to-face and homeworking to support the delivery of our work.

5.2 Strategic Workforce Plan

The development of our 2022-2025 Strategic Workforce Plan has now commenced. Early activities completed include an analysis of our workforce profile; development of a SOAR (Strengths, Opportunities, Aspirations, and Results)/SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis and an assessment of the workforce implications arising from our corporate plan and other strategies. Two visioning workshops have been completed with our strategic and operational leadership teams (SLT/OLT) to explore our future workforce requirements over the next three years. A range of further consultation activities are planned over the coming quarter, to engage our joint trade unions and all staff in the development of this key strategy. This will be presented to the Board in February 2023.

5.3 Enforcement Sessions

The Scrutiny and Assurance directorate is delivering a range of sessions to support the launch of the revised enforcement policy and procedure. The sessions provide an opportunity to share good practice and support understanding and application of the revised procedure. They have developed a suite of information to support the implementation of the new policy including videos for staff prior to training and exercises on the identification of risk and record keeping.

5.4 Professional Development Award (PDA)

The Scottish Qualifications Authority (SQA) has completed a positive evaluation of the Care Inspectorate's Assessment Centre for the PDA. The quality of the Care Inspectorate's PDA in Scrutiny & improvement Practice, and the internal systems to support the delivery and assessment of the qualification were identified as sector-leading.

5.5 Volunteer development

Our volunteers have begun to return to inspection visits in adult care homes. This has been achieved through cross-directorate working, through providing training on infection prevention and control (IPC) and guidance on best practice. This is a big step forward to volunteers recommencing face-to-face inspection activities. With support from colleagues in IT, all volunteers who are involved in telephone interviews and on-site inspections, now have a Care Inspectorate email address. This has been part of a plan, to further strengthen digital inclusion for volunteers.

The Involvement Advisor for Children and Young People has worked with the Communications team to develop a recruitment campaign to attract more 'young' volunteers to be involved in our work. The intention is to start the interview and training process, early October 2022, with support from Move On who are commissioned to support our work with young volunteers.

5.6 Champion our workforce, share their expertise – Young Volunteers

Our young volunteers have co-produced a short video on methodology and the role of Care Inspectorate. This was developed virtually, with the young volunteers recording their voices, and an animation being developed with Communications and a Team Leader from Children and Young People's team. This highlights the Care Inspectorate's commitment as a Corporate Parent, and to uphold The Promise and UNCRC.

5.7 Equality Impact Assessments (EQIA)

The Equalities Professional Advisor continued to work with colleagues in Corporate and Customer Services and Organisational Workforce Development (OWD) to embed EQIA processes into the Care Inspectorate's core processes. This has included EQIA's being introduced to the corporate report templates and raising awareness of how to complete EQIA's through the OWD update and the Learning Management System (LMS).

5.8 A motivated and diverse workforce

We ran a successful inspector recruitment campaign earlier this year which led to 41 new starts joining the organisation through August and September. Our most recent campaign closed on 5 September, and we hope to fill our 11.8

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 7****Report No: B-26-2022**

vacancies from this. We will also be developing the talent pool model for Inspector recruitment.

5.9 A skilled, knowledgeable and experienced workforce

The Legal Team has provided induction training for inspectors and team managers and is in the course of contributing sessions to a series of ten enforcement training days being provided to operational colleagues.

Adults and Complaints team managers have held a development session to reflect on learning and practice and put in place an action plan to develop what we do and enhance our focus on rights and hearing the voices of people who use care services.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 8
Report No: B-27-2022



Title:	STRATEGIC RISK REGISTER MONITORING REPORT
Author:	Kenny Dick, Head of Finance and Corporate Governance
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Summary Strategic Risk Register 2. Strategic Risk Register Monitoring Statement
Consultation:	N/A
Resource Implications:	None

Executive Summary:

The Strategic Risk Register monitoring position is presented for the Board's consideration.

The Strategic Risk Register has been updated to incorporate the outcome of the Board's annual review of Strategic Risk (February 2022). The revised strategic risk register was considered by the Audit and Risk Committee at its meeting of 8 September 2022.

The Board is invited to:

1. Review and comment on the current risk monitoring position.
2. Consider setting up a member officer group to consider the 2023/24 Budget.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting	X	For Discussion	X	For Assurance	X	For Decision	X

Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
		Reason: The report is for monitoring purposes and is not changing any strategy or policy.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 8
Report No: B-27-2022

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:
This is a public report.
Disclosure after: N/A

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.
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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.

STRATEGIC RISK REGISTER MONITORING REPORT**1.0 INTRODUCTION**

- 1.1** The Care inspectorate's Strategic Risk Register is reviewed at each meeting of the Audit and Risk Committee and the Board. This report highlights changes in the risk position or risk management issues to the Board to assist with this review.

2.0 STRATEGIC RISK REGISTER REVIEW**2.1 Strategic Risk 1 – Delivery of Strategy**

The narrative of this risk has been revised to make the risk more specific in line with comments made at the Board strategic risk review session.

There is no change to the residual risk score which remains at 8 (medium).

This risk is at its target level.

2.2 Strategic Risk 2 - Financial Sustainability

There is no change to the position reported to the Board on 11 August 2022.

The potential causes of this risk arising have been updated to include reference to the current "cost of living crisis".

Further mitigating actions has been updated to include reference to the upcoming revision of the Financial Strategy and a recommendation to be made to the Board on setting up a 2023/23 member/officer budget working group.

It is likely this risk will remain high until there is more known about National Care Service implications.

This risk exceeds its target level, and we are working with the Sponsor Department and Health Finance to reduce the risk level.

2.3 Strategic Risk 3 - Workforce Capacity

The narrative of this risk has been revised to clarify the risk in line with comments made at the Board strategic risk review session.

Further mitigating actions has been updated to include reference to the Inspector Resource Thematic Review that is currently underway.

There is no change to the residual risk score which remains at 6 (medium).

This risk is at its target level.

2.4 Strategic Risk 4 - Partnership Working

There is no change to the residual risk score which remains at 8 (medium).

This risk is at its target level.

2.5 Strategic Risk 5 – ICT Data Access & Security

There is no change to the residual risk score which remains at 15 (high).

The target level for this risk is low and our tolerance has been set at medium. This risk therefore exceeds target and tolerance levels. It is expected that the risk will reduce to medium (within tolerance level) by the end of 2022/23. It is worth noting that this aim will be subject to investment requests to support the decommissioning of our Practice Management System (PMS) and the shift of Enforcements process and related archive data away from the PMS legacy platform.

This risk has been above target and tolerance levels for twelve months and therefore the tolerance rating is Red.

2.6 Strategic Risk 6 - Digital Transformation

There is no change to the residual risk score which remains at 15 (high).

The risk register has been updated to reflect the current position with controls in place and planned further action.

The target level for this risk is low and our tolerance has been set at medium. This risk therefore exceeds target and tolerance levels. This has been the position for twelve months and therefore the tolerance rating is Red.

2.7 Strategic Risk 7 – Shared Service Governance

The is no change to the residual risk score which remains at 6 (medium).

This risk is at its target level.

3.0 RESIDUAL RISK TOLERANCE RATING

3.1 The residual risk tolerance rating highlights how long there has been a mismatch between the residual risk score compared to the Board's stated risk tolerance level. The table below shows the basis of this rating:

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 8
Report No: B-27-2022

Rating	Descriptor
Green	Residual risk is at or lower than the tolerance level.
Amber	Residual risk has been higher than the stated risk tolerance for up to six months.
Red	Residual risk has been higher than the stated risk tolerance for more than six months.

The Board or Audit and Risk Committee may decide to rate as “Red” a risk that has been different to the stated tolerance for less than six months if this is considered appropriate.

4.0 IMPLICATIONS AND/OR DIRECT BENEFITS

Sections 4.1 to 4.5 note the implications and direct benefits arising from this report.

4.1 Resources

There are no resource implications associated with this report.

4.2 Sustainability

There are no sustainability implications associated with this report.

4.3 How does this report directly/indirectly improve the provision of care?

The effective management of the risks that may prevent the delivery of the Care Inspectorate’s objectives preserves our ability to contribute to the improvement of care in Scotland.

4.4 Customers (Internal and/or External)

There are no direct customer implications or benefits.

SUMMARY STRATEGIC RISK REGISTER: 2022/23 (as at 29 September 2022)

No.	Risk Area	Corporate Plan	Lead Officer	Raw Score (LxI)	Raw Grade	Residual Score (LxI)	Initial Residual Grade	Current Residual Grade
1	Delivery of Strategy	SO 1,2,3,4	CE	16	High	8	Medium	Medium
2	Financial Sustainability	SO 1,2,3,4	EDCCS	16	High	16	Medium	High
3	Workforce Capacity	SO 4	EDSI & EDCCS	16	High	6	Medium	Medium
4	Partnership Working	SO 1,2,3	EDSA	16	High	8	Medium	Medium
5	ICT Data Access & Cyber Security	Digital Trans	EDIDT	20	Very High	15	High	High
6	Digital Transformation	Digital Trans	EDIDT	20	Very High	15	High	High
7	Shared Service Governance	Value: Efficient	EDCCS	16	High	6	Medium	Medium

SCORING GRID

LIKELIHOOD	5 Almost Certain	5	10	15	20	25
	4 Likely	4	8	12	16	20
	3 Possible	3	6	9	12	15
	2 Unlikely	2	4	6	8	10
	1 Rare	1	2	3	4	5
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic

IMPACT

Black = Very High

Red = High

Amber = Medium

Green = Low

White = Very Low

Lead Officers

- CE Chief Executive
- EDS&A Executive Director Scrutiny & Assurance
- EDCCS Executive Director Corporate & Customer Services
- EDS&I Executive Director Strategy & Improvement
- EDIDT Executive Director ICT and Digital Transformation

Strategic Risk Register Monitoring

Date															
for Board 29 September 2022															
Risk		Raw Likelihood	Raw Impact	Raw Score	Raw Grade	Residual Likelihood	Residual Impact	Residual Score	Residual Grade	Risk Velocity	Movement	Key Controls	Further Actions	Risk Appetite / Target / Tolerance	Risk Owner
1	<p>Delivery of Strategy What is the Potential Situation? We are unable to fulfil our core purpose due to our inability to adapt and manage change necessitated by the impact of external factors</p> <p>What could cause this to arise? Change to macro environment adversely impacts together with an inability to influence or react / adapt appropriately; ineffective leadership and/or decision making in adapting to the change; insufficient capability or capacity to manage the changes required. The set-up of the National Care Service and the availability of public sector funding are the currently identified external factors that could have a significant impact on the Care Inspectorate</p> <p>What would the consequences be? Inability to provide the desired level of scrutiny, assurance and improvement support. Reduction in the quality of care and protection for vulnerable people across Scotland. Reputational damage with reduced public and political confidence. Possible reduced SG funding. Lack of ability and credibility to positively influence change such as SG policy development and to drive innovation.</p>	4	4	16	H	2	4	8	M	Med	↔	In Place: <ul style="list-style-type: none"> i. Corporate Plan 2022 – 25 in place with supporting operational plans and performance measures and under continuous review ii. Regular Sponsor liaison meetings iii. Regular meetings with the Minister for mental health and wellbeing and other Ministers iv. Attendance at Strategic Scrutiny Group v. Horizon scanning through our policy team vi. Scrutiny and Assurance Plan agreed by Minister vii. Attendance at key national forums viii. Attendance at meetings related to the NCS 	Further Actions: <ul style="list-style-type: none"> i. Strengthening use of risk and intelligence to inform our work. ii. Awaiting the outcome from the submission of our business case for stage 2 of business and digital transformation. This is critical to the development of our intelligence capability iii. Improvement and involvement support strategy being reviewed and to come to Board in September 2022 	Appetite: cautious Target: medium Tolerance: high At target level Rating: Green Response: <input type="button" value="Accept"/>	CE
2	<p>Financial Sustainability What is the Potential Situation? Funding level fails to increase in line with inflation, external cost pressures and additional demands</p> <p>What could cause this to arise? Inability to influence and agree sufficient funding with the Scottish Government; financial planning not aligned to corporate, operational & workforce plans, unexpected additional or changes to demands; insufficient data or information to accurately cost activities; potential costs arising from Covid 19 public inquiry; current “cost of living crisis”.</p> <p>What would the consequences be? Resulting in adverse impact on our ability to deliver the scrutiny and improvement plan, reputational damage, reduced confidence in care and protection arrangements, reduced future funding, reduced ability to influence change and policy development.</p>	4	4	16	H	4	4	16	H	Med	↔	In Place: <ul style="list-style-type: none"> i. Medium term budget and financial strategy are regularly reviewed ii. Monthly budget monitoring iii. Positive working relationships maintained with SG iv. Regular liaison meetings with SG Health Finance v. Ongoing review and development of savings and income generation options 	Further Actions: <ul style="list-style-type: none"> i. Full business case for Stage 2 of Business and Digital Transformation submitted to Sponsor ii. Early consideration of National Care Service financial implications following any announcement by SG iii. Revise our Financial Strategy 	Appetite: cautious Target: medium Tolerance: high Above target for 7 months and at high end of tolerance level Rating: Amber Response: <input type="button" value="Treat"/>	EDCS

															iv. Recommend to the Board the set-up of a 2023/24 Member / Officer Working Group		
3	<p>Workforce Capacity What is the Potential Situation? We are required to curtail our activities to prioritise areas of we identify as highest risk due to a lack of workforce capacity.</p> <p>What could cause this to arise? We do not have an effective strategic workforce plan to support the delivery of our corporate plan objectives; we do not have effective workforce planning at directorate and team level; there is ineffective monitoring of workload and capacity; we fail to recruit and retain staff in sufficient numbers and with the required skillset, we have an inefficient organisation structure and/or job design; there are ineffective staff learning and development plans; our reward offer is uncompetitive; we do not adequately address the aging demographic of a significant element of our workforce; the public enquiry process diverts resources from our intended activities.</p> <p>What would the consequences be? Inability to provide the desired level of scrutiny, assurance and improvement support Reduction in the quality of care and protection for vulnerable people across Scotland Reputational damage with reduced public and political confidence Possible reduced SG funding Lack of ability and credibility to positively influence change such as SG policy development and to drive innovation</p>	4	4	16	H	2	3	6	M	Med	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. Strategic workforce plan ii. Workload and capacity monitoring iii. Staff learning and development plan iv. LEAD process v. Recognised job evaluation system vi. Regular salary benchmarking vii. Partnership working agreement 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Develop succession planning ii. Strengthen use of risk and intelligence iii. Pay and grading review iv. Inspector Resources thematic review v. Review of SWP underway 	<p>Appetite: cautious Target: medium Tolerance: medium</p> <p>At target level</p> <p>Rating: Green</p> <p>Response: <input type="checkbox"/> Accept</p>	EDS&I & EDCCS		
4	<p>Partnership Working What is the Potential Situation? The Care Inspectorate collaborative working with our key scrutiny and delivery partners is compromised and we are not able to:</p> <ul style="list-style-type: none"> • participate in, or progress, work which would help deliver our strategic objectives • deliver public service scrutiny in a joined up and collaborative way • deliver our agreed scrutiny and improvement plan <p>What could cause this to arise? Scrutiny and delivery partner strategies are not aligned well enough to our own; our ability to fully resource our own or our partners' strategic priorities; unexpected changes in environment (PESTEL); unclear, misaligned or incomplete individual and joint plans; collaborative work does not have or adhere to legal underpinning; inadequate or deficient Information Technology; inaccurate or inappropriate information sharing.</p> <p>What would the consequences be? Reputational damage; loss of confidence and credibility, unable to fulfil statutory obligations; damage to relationship with scrutiny and delivery partners.</p>	4	4	16	H	2	4	8	M	Med	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. Wide consultation and regular meetings at Senior level inter-organisation meetings ii. Effective external comms strategy in place iii. Membership of National Strategic Scrutiny Group iv. MoUs or agreed protocols in place with all relevant partners v. Chief Executive and Directors monitor and carefully manage relationships with scrutiny and delivery partners vi. Deputy Chief Exec has specific role to promote partnership working with other scrutiny/public bodies/provider groups 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Continuing engagement with Scottish Government officials and others on the development of a National Care Service and educational reform. ii. Development of an overarching scrutiny & assurance strategy with strong focus on collaborative scrutiny 	<p>Appetite: cautious Target: medium Tolerance: High</p> <p>At target level</p> <p>Rating: Green</p> <p>Response: <input type="checkbox"/> Accept</p>	EDS&A		

												<p>vii. Inspection Plan for 2022-23 includes ongoing commitment to collaborative scrutiny</p>			
<p>5</p>	<p>ICT Data Access & Cyber Security What is the Potential Situation? Our systems or data are compromised due to cyber security attack.</p> <p>What could cause this to arise? Low overall maturity in security policy, procedure and controls. Lack of security awareness training, failure to invest in the controls and infrastructure to limit, detect and respond quickly to threats.</p> <p>What would the consequences be? Serious disruption to business and operational activities, we are held to ransom or face significant fines, potential loss of intelligence, impact on public / political confidence, loss of reputation, additional recovery costs, increased risk of fraud, additional scrutiny overhead.</p>	<p>5</p>	<p>4</p>	<p>20</p>	<p>VH</p>	<p>3</p>	<p>5</p>	<p>15</p>	<p>H</p>	<p>High</p>	<p>↔</p>	<p>In Place:</p> <ol style="list-style-type: none"> i. ICT security protocols and monitoring of compliance with the protocols ii. Trained ICT staff iii. Physical security measures iv. Business Continuity plans in place v. Cyber Security assessments (including Cyber Essentials+) to be maintained annually vi. Routine penetration testing vii. Cyber Security Maturity baselined and improvement plan in progress viii. Agreed a temporary (18 month) IT Officer post to focus on security work ix. Specific budget allocated to security x. Security compliance included in the monthly IT Operations report and therefore regularly reviewed and discussed. xi. Established regular vulnerability testing xii. Established Information Security Working Group supporting org-wide security consultation xiii. Regular updates to Leadership teams on progress on Cyber Security improvements xiv. Communication plans in place to maintain Security awareness and engagement across organisation xv. Plans established to support recovery of key systems 	<p>Further Actions:</p> <ol style="list-style-type: none"> i. Implementation of cyber security action plan (plan will take approx. further 12 months to implement) ii. Increase organisational cyber security awareness and testing iii. Enhance ICT staff cyber security awareness and technical training iv. Re-run cyber security assessment v. Additional DR plan testing vi. Implement additional security controls and reporting capabilities vii. Projects designed to reduce infrastructure security risks viii. Extend security testing to include end-user awareness ix. Managers versed on supporting a security incident response. 	<p>Appetite: cautious Target: low Tolerance: medium</p> <p>Has exceeded tolerance for 12 months. Security improvement plan is tracking towards a medium risk score by end of 2022/23</p> <p>Rating: Red</p> <p>Response: Treat</p>	<p>EDIT&D</p>

												<ul style="list-style-type: none"> xvi. Multi-Factor authentication is the default for user access to systems xvii. Quarterly updates to the ARC on progress to security improvement plan. xviii. 			
6	<p>Digital Transformation</p> <p>What is the Potential Situation? We do not get agreement and funding to proceed to digital transformation programme Stage 2.</p> <p>What could cause this to arise? SG do not prioritise our business case against other competing funding pressures. There is a significant delay in the business case and/or funding being agreed. Changed SG priorities due to Adult Social Care Review / National Care Service.</p> <p>What would the consequences be? We are unable to fully modernise and move to a digitally enabled comprehensive intelligence led approach. Our core business is reliant on end-of-life legacy systems with best endeavours support model. Staff dissatisfaction and negative impact on morale. Reputational damage and adverse public opinion. May result in long term increased unplanned costs. May compromise our ability to collaborate effectively with other organisations.</p>	4	5	20	VH	3	5	15	H	High	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. Board agreement for stage 2 Business case in February 2022 ii. Business Justification Gate (SG Digital Directorate) successfully passed iii. Health Check exercised to validate submission iv. Formally submitted the business case to SG (April 2022) v. Established regular dialogue with the National Care Service (NCS) implementation team 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Planned session with Minister to outline Digital Transformation journey now expected to take place September / October 2022 ii. Continued Ongoing dialogue with NCS implementation teams (health, data, finance and other sponsor branch departments) iii. Contingency paper to is being prepared to outline the risks to the organisation if no or reduced funding occurs in relation to our at risk systems. This is expected at SLT in Sept and ARC in Nov 22 iv. Implement programme governance arrangements v. 	<p>Appetite: cautious Target: low Tolerance: medium</p> <p>Has exceeded tolerance for 12 months</p> <p>Rating: Red</p> <p>Response: Treat</p>	EDIT&D
7	<p>Shared Service Governance</p> <p>What is the Potential Situation? The new shared service governance arrangements are ineffective</p> <p>What could cause this to arise? There is a lack of clarity over the services to be delivered, the standard of service delivery required and the consequences of service failure. Resources are not aligned to service delivery or standards. There is insufficient or ineffective reporting on performance, cost and risk. There is a lack of clarity on accountability and responsibility for decision making.</p> <p>What would the consequences be?</p>	4	4	16	H	2	3	6	M	Med	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. joint shared services strategy ii. Management agreement iii. Specifications of Service. iv. Risk register and risk management process. v. Performance measures and service standards 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Develop assurance maps for Service Review Board ii. Annual report to governing bodies 	<p>Appetite: Cautious Target: Medium Tolerance: Medium</p> <p>At target level</p> <p>Rating: Green</p> <p>Response: Accept</p>	EDCCS

	Failure to secure best value through ineffective deployment of resources and ineffective procurement, non-compliant statutory reporting, employee relations and health & safety issues, customer dissatisfaction, strained SSSC/CI working relationship, failures in physical, cyber and information security, failure to deliver legal obligations and reputational damage												vi.	Regular meetings of Review Board			
													vii.	Regular meetings of shared service oversight group			
													viii.	Internal audit positive review of arrangements			



Title:	MONITORING OUR PERFORMANCE 2022/23 – QUARTER 1 REPORT
Authors:	Ingrid Gilray, Intelligence and Analysis Manager Al Scougal, Senior Intelligence Analyst Kaisha Wallace, Intelligence Researcher
Responsible Director:	Gordon Mackie, Executive Director of IT and Digital Transformation
Appendices:	1. Technical notes
Consultation:	N/A
Resource Implications:	None
EXECUTIVE SUMMARY	
<p>This report presents the 2022/23 Q1 summary report on our performance. This is our first performance report under our new Corporate Plan 2022-2025 following approval at the March 2022 Board meeting.</p> <p>Of the eight Key Performance Indicators (KPIs) detailed in the Corporate Plan 2022-25, at the end of Q1 2022/23:</p> <ul style="list-style-type: none"> • Six were measured and compared to target, of which: <ul style="list-style-type: none"> - Four met or exceeded target - Two were slightly below target • Two (KPI4 and KPI5 which are new measures) will not be reported on until Q2 officially, although initial performance has been provided <p>This report provides a detailed account of our KPIs and work in support of our strategic objectives over the first quarter of 2022/23.</p>	
The Board is invited to:	
1.	Discuss and note the report.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting	<input checked="" type="checkbox"/>	For Discussion	<input checked="" type="checkbox"/>	For Assurance	<input type="checkbox"/>	For Decision	<input type="checkbox"/>

Equality Impact Assessment		
Yes <input type="checkbox"/>	Not Yet <input checked="" type="checkbox"/> Reason: One is planned.	No <input type="checkbox"/>

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:	
Not applicable – this is a public Board report.	
Disclosure after: Not applicable	
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.

MONITORING OUR PERFORMANCE 2022/23 – QUARTER 1 REPORT**1.0 INTRODUCTION****Impact of Covid-19 on this report and on our work**

Following approval at the March 2022 Board meeting this is our first performance report under our new Corporate Plan 2022-2025.

The range of Covid-19 restrictions put in place over the pandemic were lifted at the start of May in Scotland and for much of the quarter Covid-19 cases were at lower levels than in the previous quarter. Towards the end of Q1 Covid-19 cases began to increase again due to the Omicron sub-variants BA.4 and BA.5. In Q1 we continued to target our scrutiny, assurance and improvement support in an intelligence-led way that takes account of services we assessed as being the highest priority.

Structure of this report

Under each of the four strategic outcomes in our Corporate Plan 2022-25, we have set out our performance against our agreed measures and highlighted key areas of work delivered or progressed in the last quarter. These highlights should be focussed on the changes we seek to achieve and in particular on the priorities we have set out in our corporate plan.

The director with lead responsibility for action is noted under each measure. Our four strategic outcomes to achieve our vision for world-class social care and social work in Scotland, where everyone, in every community, experiences high-quality care, support and learning, tailored to their rights, needs and wishes are:

- High-quality care for all
- Improving outcomes for all
- Everyone's rights are respected and realised
- Our people are skilled, confident and well supported to carry out their roles

Types of performance measure

Our performance measures are split into two types: Key Performance Indicators (KPIs) which are specific and quantifiable measures against which the Care Inspectorate's performance can be assessed, and Key Outcome Indicators (KOIs) which are measures that the Care Inspectorate aims to influence by its work, but which it may have limited control over.

Detailed notes on the different types of performance measures we use and on how to interpret the charts used in this report are in appendix 1.

2.0 SUMMARY OF YEAR TO DATE PERFORMANCE UP TO 30 JUNE 2022

This table shows a summary of performance for the **year to date** for each KPI.

Key Performance Indicator (KPI) Overview

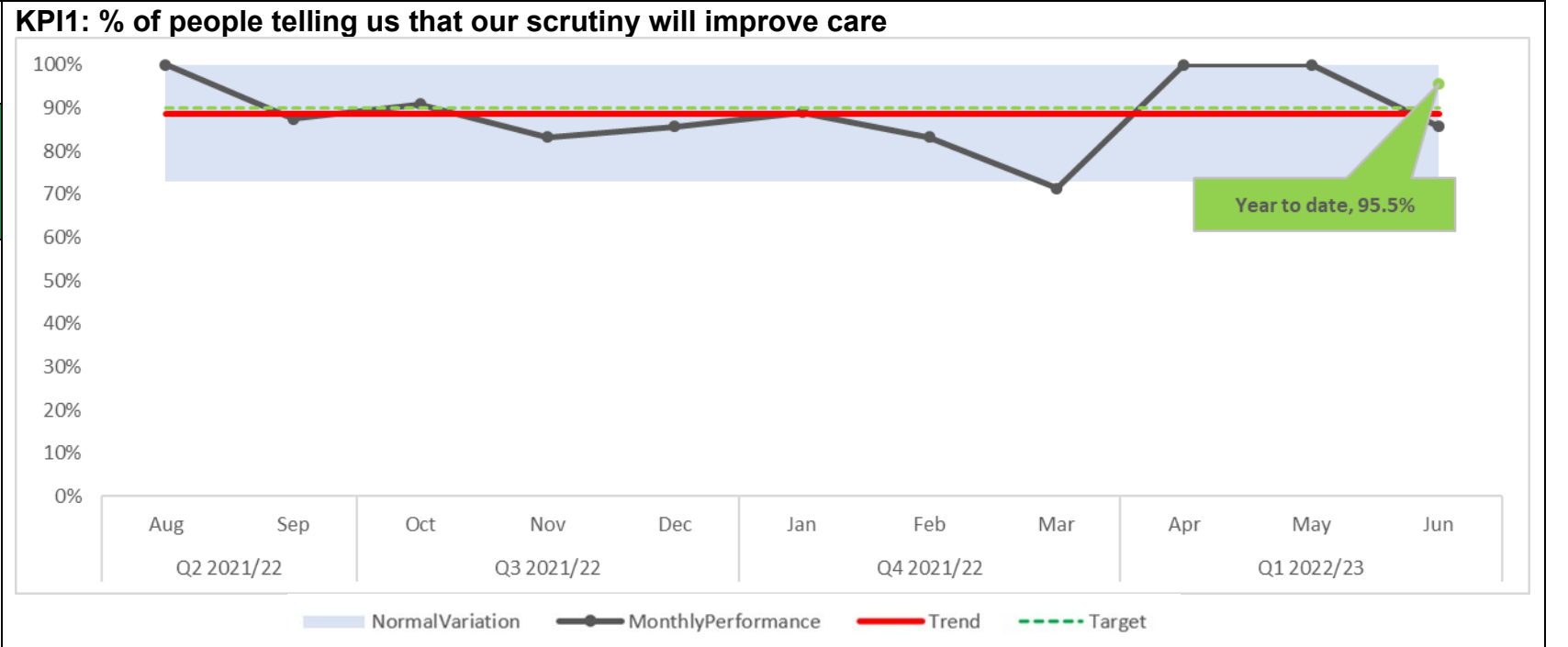
Strategic outcome: High-quality care for all	Strategic outcome: Improving outcomes for all	Strategic outcome: Our people are skilled, confident and well supported to carry out their roles	
<p>KPI1: % of people telling us that our scrutiny will improve care 95.5% from 22 responses [Target 90%]</p> <p>KPI2: % scrutiny hours spent in high and medium risk services 71.1% [Target 50%]</p> <p>KPI3: % of complaints about care that were resolved within the relevant timescales (includes all methods of resolution) 75.6% [Target 80%]</p>	<p>KPI4: % of people telling us that our quality improvement support will improve care 83% from 71 responses [Target – Baseline Year]</p>	<p>KPI5: % staff completing core learning 79.9% for Data protection and Equalities; 56%-70% for Health and Safety modules [Target 85%]</p> <p>KPI6: % staff absence 4.4% [Target 3.6%, Range 2.4% to 5.7%]</p> <p>KPI7: % staff turnover 9.8% [Q1 Target <11.5%]</p> <p>KPI8: Days per quarter that inspection volunteers and care experienced people are involved in our work 86.5 days (average per quarter) [Benchmark 90 days]</p>	
<p>Colour code: Target achieved</p>	<p>Slightly below target</p>	<p>Significantly below target</p>	<p>Initial reporting</p>

Strategic outcome: High-quality care for all

KOI1: % services with good or better grades (across all KQs)		Executive Director of Scrutiny and Assurance																																																																											
Q1 Year to Date (see label on chart)	84.4%	<p>KOI1: % services with good or better grades (across all KQs) – position at the end of the month</p> <table border="1"> <caption>Approximate data from the KOI1 chart</caption> <thead> <tr> <th>Month</th> <th>Year</th> <th>% of services</th> </tr> </thead> <tbody> <tr><td>Jul</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Aug</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Sep</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Oct</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Nov</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Dec</td><td>2020/21</td><td>87.0</td></tr> <tr><td>Jan</td><td>2021/22</td><td>87.0</td></tr> <tr><td>Feb</td><td>2021/22</td><td>87.0</td></tr> <tr><td>Mar</td><td>2021/22</td><td>87.0</td></tr> <tr><td>Apr</td><td>2021/22</td><td>86.5</td></tr> <tr><td>May</td><td>2021/22</td><td>86.0</td></tr> <tr><td>Jun</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Jul</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Aug</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Sep</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Oct</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Nov</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Dec</td><td>2021/22</td><td>85.5</td></tr> <tr><td>Jan</td><td>2022/23</td><td>85.5</td></tr> <tr><td>Feb</td><td>2022/23</td><td>85.5</td></tr> <tr><td>Mar</td><td>2022/23</td><td>85.5</td></tr> <tr><td>Apr</td><td>2022/23</td><td>85.0</td></tr> <tr><td>May</td><td>2022/23</td><td>84.5</td></tr> <tr><td>Jun</td><td>2022/23</td><td>84.4</td></tr> </tbody> </table>	Month	Year	% of services	Jul	2020/21	87.0	Aug	2020/21	87.0	Sep	2020/21	87.0	Oct	2020/21	87.0	Nov	2020/21	87.0	Dec	2020/21	87.0	Jan	2021/22	87.0	Feb	2021/22	87.0	Mar	2021/22	87.0	Apr	2021/22	86.5	May	2021/22	86.0	Jun	2021/22	85.5	Jul	2021/22	85.5	Aug	2021/22	85.5	Sep	2021/22	85.5	Oct	2021/22	85.5	Nov	2021/22	85.5	Dec	2021/22	85.5	Jan	2022/23	85.5	Feb	2022/23	85.5	Mar	2022/23	85.5	Apr	2022/23	85.0	May	2022/23	84.5	Jun	2022/23	84.4
Month	Year		% of services																																																																										
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Jun	2022/23	84.4																																																																											
Q1 Year to Date 21/22	86.3%																																																																												
<p>Notes: Up to the end of Q1 the % of services with good or better grades (across all key questions) continued to fall to 84.4% of registered services and is 1.9%-points lower than Q1 last year. Note that the axis on the chart above does not start at 0, to visualise the small but statistically significant decrease. It is important to emphasise that this is a very small change overall.</p> <p>Reasons for Difference: This small decrease is mainly attributable to the focus of our inspections during the pandemic, where we have targeted services where we have most concerns about the quality of care and support. We have continued to focus on inspecting services where concerns about quality of care are greatest, and the grades of these services are more likely to fall as a result. To increase the grade of a service we need to be confident that the improvement can be sustained. Conversely, in the current circumstances we are less likely to inspect services where quality may have improved over the course of the year, and these improvements will not yet be reflected in this measure. We expect that the percentage of services with good or better grades will continue to fall, albeit slowly, resulting in different patterns than the relatively stable trends pre-pandemic.</p> <p>Actions: We will continue to implement our inspection plan which has a focus on high-risk services, but also includes some services which are better quality but have not been inspected recently. Although we are increasing inspections of services, we expect this KOI will likely continue to fall slowly.</p>																																																																													

KPI1: % of people telling us that our scrutiny will improve care **Executive Director of Scrutiny and Assurance**

Target	90%
Q1 Year to Date	95.5% of respondents (22 responses)
Q1 Year to Date 21/22	During Q1 2021/22 we were not reporting on this measure



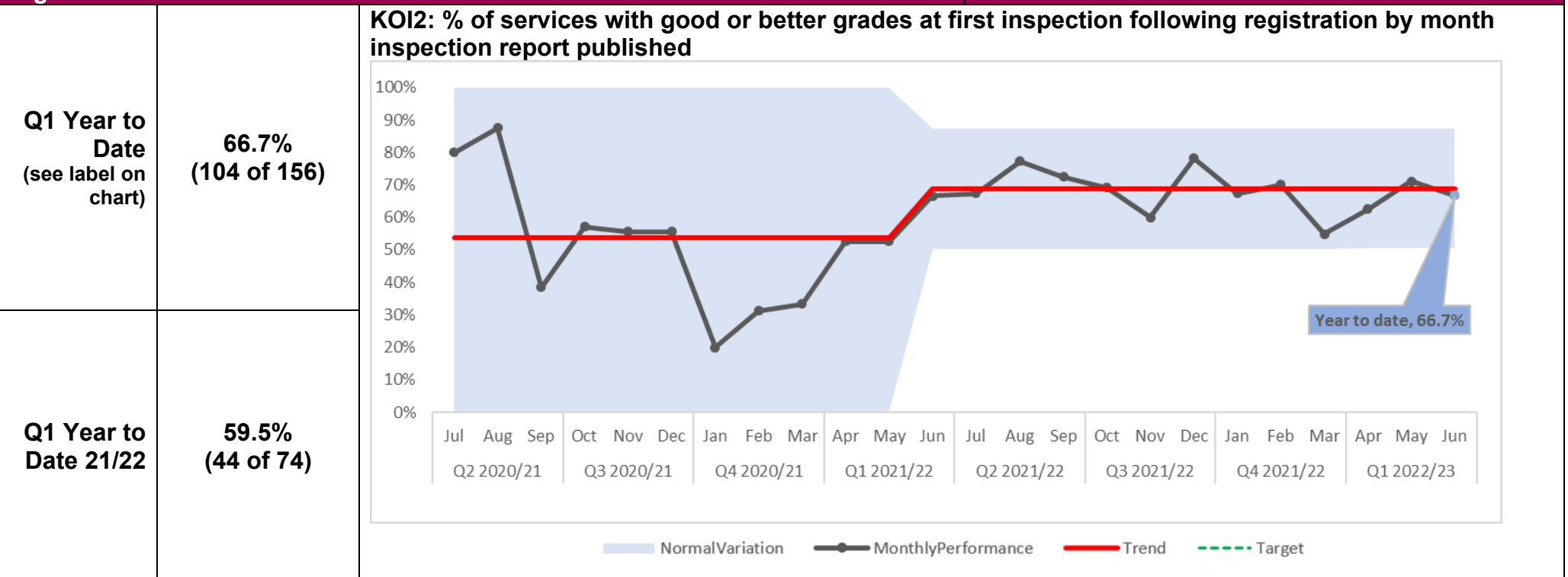
Notes: Performance for this measure is above target at 95.5% for quarter 1.

Reasons for Difference: The above performance is only from a small number of responses based on feedback about our registration process and can therefore vary considerable from month to month. Previously, this measure used data captured from paper questionnaires at, and following, our inspections. Due to the increased risk of spreading Covid-19 no paper questionnaires have been used since the onset of the pandemic.

Actions: We are planning to re-introduce paper questionnaires during Q2 to capture feedback on our inspections. Note that, as we have always done, we continue to speak with people at all inspections including people experiencing care and their carers. We are in the final stages of implementing a process of capturing feedback from our complaints procedure. We will be asking complainants whether they believed our intervention made a difference. Data will be captured though email initial with the hope of a more automated solution being built into the complaints app in the future.

KPI2: % scrutiny hours spent in high and medium risk services		Executive Director of Scrutiny and Assurance																																																
<p>Target (see green dotted line on chart)</p> <p>50%</p>	<p>KPI2: % scrutiny hours spent in high and medium risk services by month inspection completed</p> <table border="1"> <caption>Monthly Performance Data (Estimated from Chart)</caption> <thead> <tr> <th>Month</th> <th>Year</th> <th>Monthly Performance (%)</th> </tr> </thead> <tbody> <tr><td>Apr</td><td>2021/22</td><td>85</td></tr> <tr><td>May</td><td>2021/22</td><td>75</td></tr> <tr><td>Jun</td><td>2021/22</td><td>72</td></tr> <tr><td>Jul</td><td>2021/22</td><td>74</td></tr> <tr><td>Aug</td><td>2021/22</td><td>75</td></tr> <tr><td>Sep</td><td>2021/22</td><td>65</td></tr> <tr><td>Oct</td><td>2021/22</td><td>67</td></tr> <tr><td>Nov</td><td>2021/22</td><td>64</td></tr> <tr><td>Dec</td><td>2021/22</td><td>63</td></tr> <tr><td>Jan</td><td>2022/23</td><td>63</td></tr> <tr><td>Feb</td><td>2022/23</td><td>78</td></tr> <tr><td>Mar</td><td>2022/23</td><td>75</td></tr> <tr><td>Apr</td><td>2022/23</td><td>79</td></tr> <tr><td>May</td><td>2022/23</td><td>68</td></tr> <tr><td>Jun</td><td>2022/23</td><td>65</td></tr> </tbody> </table>		Month	Year	Monthly Performance (%)	Apr	2021/22	85	May	2021/22	75	Jun	2021/22	72	Jul	2021/22	74	Aug	2021/22	75	Sep	2021/22	65	Oct	2021/22	67	Nov	2021/22	64	Dec	2021/22	63	Jan	2022/23	63	Feb	2022/23	78	Mar	2022/23	75	Apr	2022/23	79	May	2022/23	68	Jun	2022/23	65
Month	Year	Monthly Performance (%)																																																
Apr	2021/22	85																																																
May	2021/22	75																																																
Jun	2021/22	72																																																
Jul	2021/22	74																																																
Aug	2021/22	75																																																
Sep	2021/22	65																																																
Oct	2021/22	67																																																
Nov	2021/22	64																																																
Dec	2021/22	63																																																
Jan	2022/23	63																																																
Feb	2022/23	78																																																
Mar	2022/23	75																																																
Apr	2022/23	79																																																
May	2022/23	68																																																
Jun	2022/23	65																																																
<p>Q1 Year to Date (see label on chart)</p> <p>71.1% (27,872 of 39,263 hours)</p>	<p>Year to date, 69.6%</p>																																																	
<p>Q1 Year to Date 21/22</p> <p>76.2% (8,852 of 11,618 hours)</p>																																																		
<p>Notes: During Q1 we recorded 39,263 hours on scrutiny, an increase of 238% from Q1 21/22 (up 27,645 hours). During Q1 just over two thirds (71.0%) of scrutiny hours were spent in high or medium risk services, a decrease of 5.1%-points from Q1 last year. This reflects our new inspection plan which still aims to target our resources where risk is highest, but also includes some services that are better quality. For context, during Q1 22/23 22% of registered services were classed as medium or high risk.</p>																																																		
<p>Reasons for Difference: The % of scrutiny hours spent in medium and high risk services dropped in Q1 22/23 following an increase in Q4 last year, when there was an increase in Covid-19 cases due to Omicron variant. The % of scrutiny hours still remains well above target reflecting the focus of our inspection plan where early learning and childcare (ELC) and children and young people services are prioritising services most at risk. In adult services, although still focussing on higher risk services, our inspection plan includes some better performing services, in particular those that have not had a recent inspection. In line with our inspection plan for 2022/23, and assuming no re-introduction of restrictions, we expect that scrutiny hours spent in medium and high-risk services will drop, especially in adult services, from the very high level seen through 2021/22.</p>																																																		
<p>Actions: Continue to implement the inspection plan for 2022/23 and respond to complaints and concerns.</p>																																																		

KOI2: % of services with good or better grades at first inspection following registration Executive Director of Scrutiny and Assurance

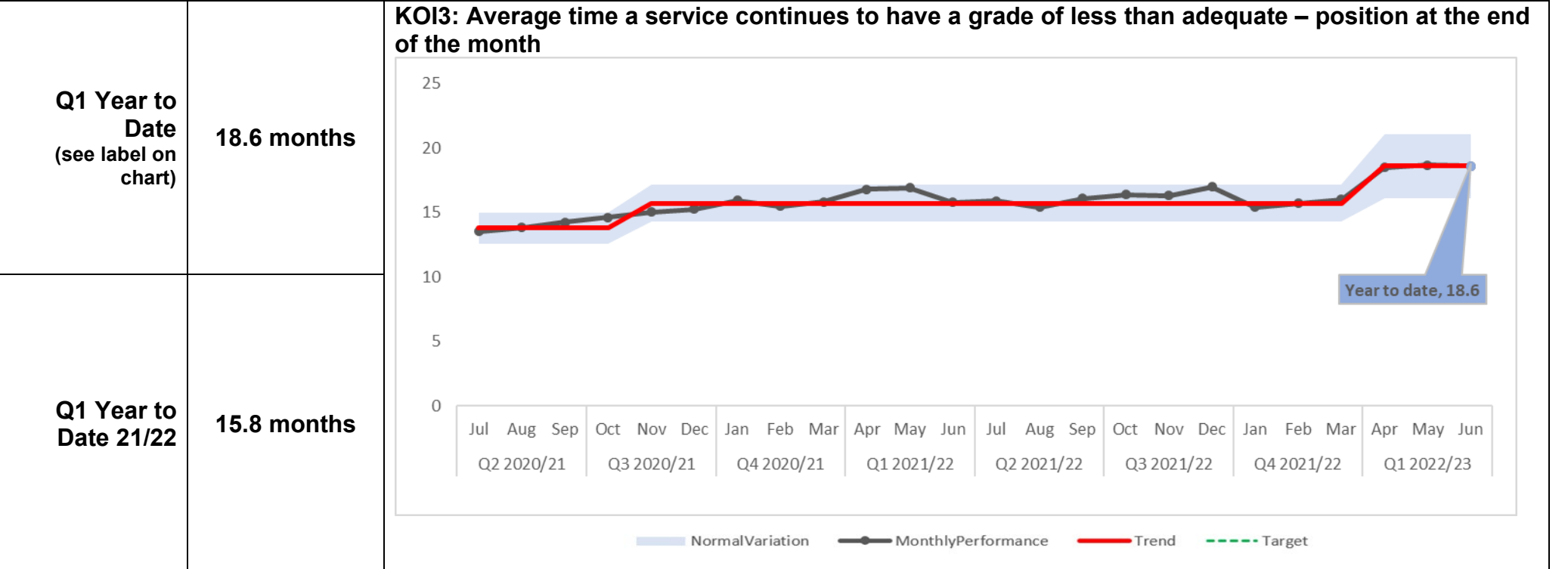


Notes: The percentage of services with good or better grades at first inspection has risen by 7.2%-points since Q1 last year to 66.7% of services. The chart above illustrates how variable performance has been, especially during the first year of the Covid-19 pandemic period due to the low number of services qualifying for the measure. From Q1 2021-22 to Q1 2022-23 we have seen a sustained and statistically significant increased performance, with variability also decreasing as illustrated by the smaller confidence intervals.

Reasons for Difference: This performance was in the context of an increase in newly registered services that were inspected due to the relaxation of restrictions. During Q1, 156 services had their first inspection report published, a large increase of 82 services (up 111%) from Q1 last year.

Actions: We will continue to monitor this measure to see if the increase in performance and the number of qualifying services is sustained.

KOI3: Average time a service continues to have a grade of less than adequate **Executive Director of Scrutiny and Assurance**



Notes: While noting exceptions, from the start of the Covid-19 pandemic there has been a steady and statistically significant increase in the average time a service continued to have a grade of less than adequate. The exceptions, where decreases were seen, were during Q1 and Q4 2021-22. However, during Q1 2022-23, the increase continued (18.6 months), up from 15.8 months at the end of Q1 2021-22.

Reasons for Difference: The average time a service continues to have a grade of less than adequate remains high. Inspections continue to be mainly focussed on services where we have concerns which are likely to have lower grades following inspection. Grades of poorly performing services will not be increased until we are confident there has been an improvement in quality which can be sustained long term – meaning this measure will be slow to decrease. ELC services, especially childminding services, have high average times with services with grades of less than adequate. Many of these services have been closed for long periods of the pandemic period and therefore have not had the opportunity to be inspected.

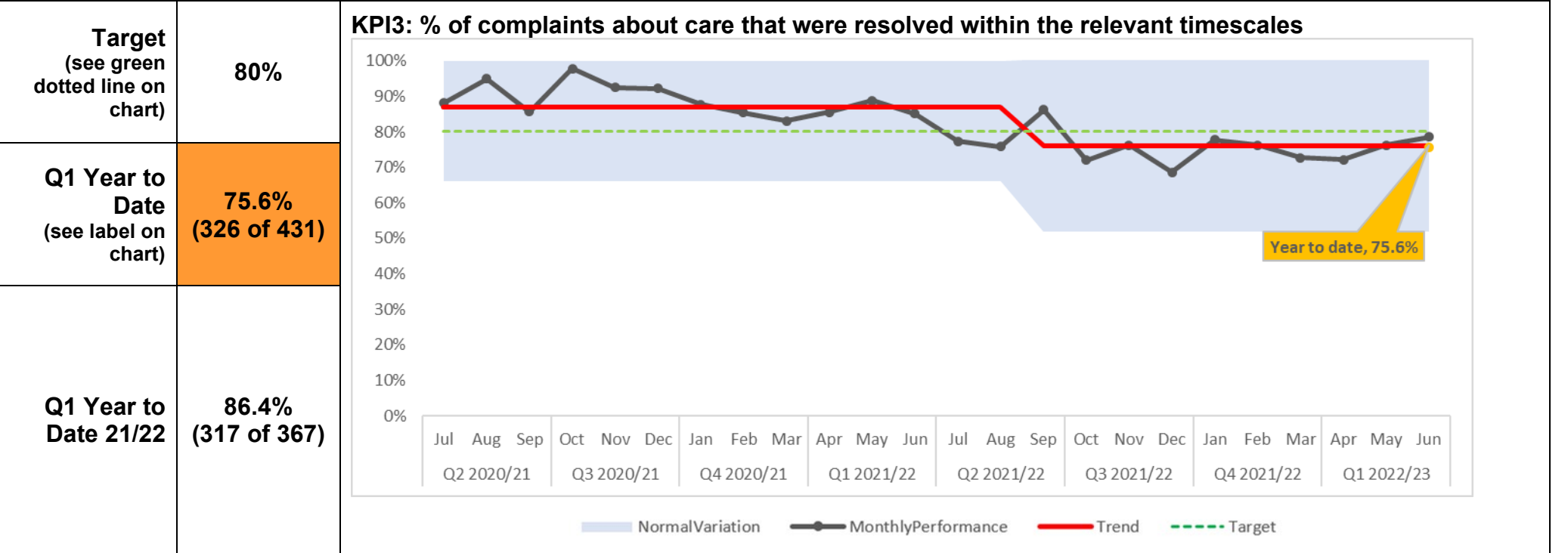
The number of services where a service has a grade of less than adequate is low with 280 services at the end of Q1. This is 2.7% of all non-cancelled services with grades at the end of Q1. 39% of services with a grade of less than adequate (110 services) were above the average of 18.6 months. Further, analysis shows that 25% of the total time services have spent with less than adequate grades is

attributable to just 10% of services with a grade of less than adequate (28 services). These outlier services skewed the overall average to be much higher than it would otherwise be. These outlier services arise in situations where services remain with poor grades due to circumstances outwith the Care Inspectorate's control such as: where we are taking enforcement action which has been prolonged by action through the courts and the services remain on poor grades throughout the process; where services have closed for long periods during the pandemic, and in some cases remain closed so we are unable to inspect these services; or where services have started making improvements and we extend timescales to enable them to fully meet these. The impact of these outlier services can be seen when looking at the median length of time a service continues to have a grade of less than adequate rather than the mean. The median time a service continues to have a grade of less than adequate is 12.4 months compared to 18.6 months for the mean highlighting the impact of these outlier services.

Actions: We do not set a target for KOIs given the number of factors that are outwith our control. However, we do expect to see the average time a service remains with grades of less than adequate stabilise and fall by the end of this year. We will continue to deliver our inspection plan which prioritises inspections of high risk services and those with poorer grades and therefore provides an opportunity to demonstrate the sustained improvement which must be evident before an increase grades. Additionally, we follow up all requirements in services to ensure improvements have taken place and do regrade where better outcomes are in place or take enforcement action if appropriate. However, many services may have started improvements and we extend timescales to enable them to fully meet these which will extend the length of time a service has grades of less than adequate.

KOI4: % of services with expected grades or better		Executive Director of Scrutiny and Assurance
Q1 Year to Date (see label on chart)	88.0% (based upon 117 adult service inspections)	
Q1 Year to Date 21/22	During 2021/22 we were not reporting on this measure	
<p>Notes: Initial data based on 117 adult service inspections in Q1 show that 88% of those services expected to have good or better grades at their next inspection achieved this. These are services which have previously been graded good or better and we have received no new information to indicate a decline in quality.</p>		
<p>Reasons for Difference: This is our first report against this measure and we expect to build up a greater sample for reporting in Q2. The results in Q1 support our risk-based and intelligence led approach, with the majority of services where we received no information indicating a decline in performance maintained a high level of performance. This initial sample for Q1 is solely based on adult services as the priorities for ELC and children and young people are still focussing on those at highest risk.</p>		
<p>Actions: Inspections from ELC and children and young people will start to be included as we progress throughout the year to give a more representative sample of our inspection work. A working group has been set up to look at the factors in the small number of cases where adult services have declined in quality and are no longer good or better and an exploratory piece of work is planned in Q3 once the initial inspections of these services are finalised to identify any common factors or patterns with a particular focus on early identification of a decline in quality.</p>		

KPI3: % of complaints about care that were resolved within the relevant timescales (not including complaints logged as intelligence) **Executive Director of Scrutiny and Assurance**



Notes: Throughout the pandemic, we continued to receive complaints about services. We assess every complaint, and most are resolved within target. Up to the end of Q1, 75.6% of all complaints about care we resolved were completed within 40 days, with performance slightly below target (80%), down 10.8%-points from Q1 last year.

Reasons for Difference: All concerns raised are assessed and dealt with using the most appropriate method. The number of complaints resolved was higher than Q1 last year overall (up 3%) but the number of complaints requiring Care Inspectorate investigation increased by more (up 17%) with the latter approach tending to take longer to resolve due to the complexity and nature of the complaints, and therefore affecting performance. The complaints team continued to have vacant posts (six FTE inspectors in Q1) and although new inspectors have been appointed to the role, they have only just started their induction period.

Actions: We continue to support people to raise concerns and assessed all concerns and complaints to ensure they were dealt with appropriately. We continued where appropriate to make adult and child protection referrals and to make referrals to police. Our complaints team worked with people who made complaints and providers to escalate and resolve complaints quickly. Complaints provide us with important information and data which forms part of our intelligence about services, and we used this in a number of

ways including to inform us about services requiring an inspection. We shared information about complaints with the local partnership oversight groups, which include directors of public health and health and social care partnerships, to inform risk assessments of services and the subsequent actions taken. The complaints team conducted a review of triage process and as a result of rising number of complaints being investigated have moved some resource from triage team into inspection teams.

Scrutiny and assurance of registered care services - activity breakdown up to 30 June 2022

The following figures show the volume and type of activity we undertook at the registered care service level.

	Number completed Q1 Year to Date 21/22	Number completed Q1 Year to Date 22/23	Comparison of 2022/23 vs 2021/22 year to date
Inspections completed	521	897	▲
Serious concern letters issued	14	14	◀▶
Improvement notice enforcements	8	13	▲
Notice to cancel enforcements	0	2	▲
Total complaints resolved (not including concerns logged as intelligence)	367	431	▲
New registrations completed	134	86	▼
Number of variations to registration completed (not including typographical changes to certificates).	485	401	▼

Inspections completed: The number of inspections completed has increased by 72% (up 376 inspections) compared to Q1 last year. After the lifting of restrictions and recruitment work more inspections have been possible to complete in Q1 compared to Q1 last year.

897 completed inspection visits in 877 services (this included inspections of services that have since cancelled):

- 322 in care homes for older people and adults
- 221 in daycare of children services
- 186 in Childminding services
- 168 across other service types

Serious concern letters issued: The number of serious concern letters issued remained unchanged from Q1 2021/22 at 14 this year. As a proportion of completed inspections, this is lower than Q1 last year, with approximately 1.6% of inspections in Q1 22/23 resulting in a serious concern letter being issued compared to 2.7% last year. 50% of the serious concern letters were in daycare of children services and 36% were in care homes for older people.

Enforcements: The number of improvement notices issued increased from 8 in Q1 2021/22 to 13 this year. There have been two notice to cancel enforcements in Q1 2022/23 compared to none the previous year. As a proportion of completed inspections this is relatively unchanged from Q1 last year (1.5% in 21/22 compared to 1.7% in 22/23).

Total complaints resolved (not including those logged as intelligence): All concerns raised are assessed and dealt with using the most appropriate method. Total complaints resolved increased 17% (64 complaints) compared to Q1 last year.

New registrations completed: The number of completed registrations fell compared to last year (down 36%, 48 completed registrations). There were fewer applications created in Q1 22/23 (457 applications) than last year (688 applications). Delays to building work and other processes due to Covid-19 and the increased cost of living may have impacted on the number of applications for new registrations.

Variations to registration completed: Variations completed have also decreased 17% compared to Q1 last year (down 84 completed variations). There were fewer applications created in Q1 22/23 (1,758 applications) than last year (3,392 applications). The drop in completed variations is due to the higher volume of variations we processed last year related to the expansion of early learning and childcare services.

Strategic scrutiny activity breakdown from completed inspections published up to 30 June 2022

The following figures show the volume and type of strategic scrutiny activity we undertook. Strategic Scrutiny focuses on the scrutiny, assurance and improvement of services provided by local authority social work services and partnerships. It covers services for children and families, adults and older people and people involved with the justice system. Strategic scrutiny explores how adults' and children's rights are promoted and

upheld, the extent to which they are enabled to exercise choice and control in how their support is provided, and the outcomes they experience. Some of the core functions of Strategic Scrutiny are listed below:

	Number completed (published during 22/23) Q1 Year to Date 22/23
Inspections completed	4
Total staff survey responses	1,755
Total people experiencing care engaged with	17
Total number of case files read	230
Number of serious incident reviews, initial or serious case reviews, and learning reviews received	39

Summary of key achievements and work progressed in Q1 2022/23

Joint Inspections of services for children and young people

During quarter 1, we completed two outstanding joint inspections of services for children and young people at risk of harm, in North Ayrshire and West Dunbartonshire. Progress in completing these inspections was interrupted by a Covid-19 wave, necessitating some adjustments in methodology. Following publication of the report about West Dunbartonshire, which identified a number of areas requiring improvement, we have worked closely with the partnership's improvement group to provide support and challenge to ensure forward momentum is maintained. This involved an agreed programme of nine facilitated improvement sessions involving the key partners from police, health, social work and education.

Thematic inquiry of carers experiences of social work and social care

During Q1 2022 we commenced this inquiry which aims to understand unpaid carers' experiences of adult social work and social care services in supporting them to maintain or improve their quality of life and to support their ability to continue to care. Our aim is to learn how the future support of carers can be delivered and improved. The strategic adults' team has now undertaken a number of sessions, including individual conversations or focus groups with unpaid carers, with Health and Social Care Partnership (HSCP) staff and leaders and with local carer organisation staff and managers. The report is due to be published in Q2 2022.

Joint inspection of adult services

The joint inspection programme for adult services is underway. This is a rolling programme of themed inspections, scrutinising how integration of services positively supports peoples' and carers' experiences and outcomes. The first theme looks at integration from the perspective of people

with physical disabilities and complex needs between 18 and 64 years of age. We seek to understand how health and social care integration arrangements are resulting in good outcomes. Further information on the methodology has been published on the Care Inspectorate's website.

Joint inspection of adult support and protection (ASP)

The programme, led by the Care Inspectorate, and delivered in partnership with Her Majesty's Inspectorate of Constabulary in Scotland (HMICS) and Healthcare Improvement Scotland (HIS), continues at pace. Inspection 17 of 26 has been announced, with this first phase of the programme expected to conclude in July 2023. This programme established the systems and processes to allow for strategic inspection to be undertaken via digital means. All inspections have been undertaken during the Covid-19 pandemic. A report on the joint inspection in Aberdeen was published in June and an interim overview report of the programme to date was published in May 2022. Consequently, the Scottish Government's ASP policy team have commissioned the Institute for Research and Innovation in Social Services to progress work on chronologies. We are pleased that the findings of the inspection programme are influencing the national improvement agenda for adult support and protection.

Adult protection: initial / significant case reviews and learning reviews

The National Guidance for Adult Protection Committees Undertaking Learning Reviews was published in May. The Care Inspectorate, on behalf of Scottish Government, acts as a central collation point for all significant cases and now learning reviews completed across Scotland at the point at which they are concluded. It is recognised that due to on-going reviews there will be overlap between the two review processes. Therefore, the Care Inspectorate will, for the foreseeable future, accept all reviews. A triennial report of initial and significant case reviews is due to be published in late 2022.

Strategic justice team

Our strategic justice team has been involved with Her Majesty's Chief Inspector of Prisons for Scotland (HMIPS) in two strands of work: the thematic review of progression, risk management and early release as well as routine inspections.

MJ awards - care and health integration

Integrating health and social care has been a real challenge for local authorities and health trusts but there have been examples of highly successful initiatives. North Lanarkshire local authority were nominated for the above award for their collaborative and innovative approach in bringing together care and health services. The Care Inspectorate were invited to join North Lanarkshire at the award ceremony on 24 June 2022 in London, in recognition of the support provided to improve healthcare for adults and older people living in care homes in Lanarkshire through working collaboratively and the support of the inspection teams.

New Health and Social Care Standards / Anne's Law

We worked with the Scottish Government to update the Health and Social Care Standards to include two new standards of the rights of people to visit their loved ones in a care home during an outbreak. This will bring the two Health and Social Care Standards into law. As part of this work

we have successfully bid for resources and funding for us to work with the sector to ensure people's connections to people are met by care homes and to ensure services are well placed to implement Anne's Law. Scottish Government funding of £200,000 has been secured for this programme of work which will help promote rights of people who use services.

Safe staffing programme

Phase two of the quality improvement and stakeholder engagement events commenced in April to support readiness for the implementation of the Act and to meet the objectives of the programme. Representatives from across the organisation have been identified to collaborate in developing guidance about chapters which are relevant to social care.

Quality frameworks

The new framework for adult care homes has been published and used at inspection from 1 April 2022. The new framework brings together the previous frameworks for adults and older people and includes an enhanced scrutiny and improvement toolbox. The framework also includes an extensive toolbox for services to undertake self-evaluation. The new framework was developed collaboratively with the sector and care experienced people and incorporates learning from Covid-19. It has been well received by the sector and people who use services.

The quality framework for daycare of children, childminding and school-aged childcare was published in Q1. To support the publication, we promoted the framework over a variety of communication channels including, web, social media, our provider updates and direct emails to partnership organisations. To support the new launch, five staff development events were delivered and staff from inspection, complaints and registration attended either in person or online. The purpose of the sessions was to increase the confidence of inspectors using the framework in their scrutiny. This has been a long-awaited new framework for the ELC sector, and we have had positive feedback on its introduction.

National regulators conference

The chief inspector of adult services presented at the National Regulators Conference on the work of the Care Inspectorate over Covid-19. The presentation covered topics such as inspection, notifications, improvement, enforcement and how we respond as an organisation working across directorates to support the sector.

Enforcement policy and procedures

We have reviewed our enforcement procedures to ensure that we take action when required, our decisions are based on risk and that we focus on outcomes for people. Development of the new procedure has been led and trialled by adult teams and has been agreed by the Operational Leadership Team (OLT) and the Strategic Leadership Team (SLT). It came into place on 1 August with a programme of staff development to support implementation.

Strategic outcome: Improving outcomes for all

KOI5: % of services with >90% of people telling us they are happy with the quality of care and support they receive		Executive Director of Scrutiny and Assurance
Q1 Year to Date	80.7% of services (responses from 57 services, 473 respondents)	
Q1 Year to Date 21/22	During Q1 2021/22 we were not reporting on this measure	
<p>Notes: From the limited number of services (57) with completed responses at the end of Q1, the feedback has been broadly positive with 80.7% of services having more than 90% of people telling us they were happy with the quality of care and support they receive.</p>		
<p>Reasons for Difference: We are now able to include responses from adult and early learning and childcare services in addition to the previously reported children and young people services. Now that surveys have launched across all regulatory areas, we expect the sample size to grow and become more representative each quarter. Although, 80.7% of services had 90% or more respondents telling us they were happy with the quality of care and support they receive, 95% of all respondents told us they were happy with the quality of care and support they receive. Of the 11 services, where less than 90% of people told us they were happy with the quality of care and support they receive most people in those services were still happy with 6 of the 11 services reporting 80% or higher. The remaining services had response rates of 3 or less resulting in lower percentages.</p>		
<p>Actions: We are considering how we can provide paper questionnaires to improve feedback options especially in services where online surveys are not optimal or possible. Our questionnaires are one way in which we get feedback about services. Throughout the pandemic, our inspectors have continued to ask people who use services, relatives and carers, staff and visiting professionals for their views. This includes face-to-face where it has been possible and safe to do that, as well as by phone or using technology such as near me, Zoom and texting to talk to people and listen to their experiences.</p>		

KPI4: % of people telling us that our quality improvement support will improve care		Interim Executive Director of Strategy and Improvement
Target	Baseline year	
Q1 Year to Date	83% of respondents (71 responses)	
Q1 Year to Date 21/22	During 2021/22 we were not reporting on this measure	
<p>Notes: Initial data based on 71 responses in Q1 show that 83% of people told us that our quality improvement support will improve care. This performance is based on a small number of improvement support work projects recorded in Q1 and we aim to have a more representative sample to work from for reporting in Q2.</p>		
<p>Reasons for Difference: This is our first report against this measure and we expect to build up a greater sample for reporting in Q2. The results in Q1 indicate that most participants in our improvement support work believe it will improve care when asked for feedback immediately after their session.</p>		
<p>Actions: We will expand the scope and number of improvement projects considered for this measure as we progress throughout the year. This initial measure looks at participants views immediately following the improvement support work session. We are undertaking further work to check back with services four months later to see if the improvement support work was effective at improving care for people using care service.</p>		

Improvement support and external communications summary year to date up to 30 June 2022

	Number completed Q1 Year to Date 22/23
External improvement support events	27
Internal improvement support events	2
Number of services engaged	152
Number of individuals engaged	Data capture being set up. Will report on in Q2
Website page views – Total / Unique	2,351,537 / 1,630,296
Hub page views – Total / Unique	110,918 / 79,190

External improvement support events: There were 27 external improvement support events recorded in Q1. These improvement support events covered a range of areas including: ELC improvement programme Learning Community Sessions, improvement planning workshops with a large provider group, childminder self-evaluation toolkit discovery sessions and safe staffing programme events.

Internal improvement support events: Two internal improvement support events were recorded in Q1 exploring Healthcare Improvement Scotland's new infection prevention and control standards. These two webinars were attended by 90 scrutiny and assurance staff.

Summary of key achievements and work progressed in Q1 2022/23

National Care Service (NCS)

The National Care Service (Scotland) Bill was introduced to the Scottish Parliament in June 2022 with the purpose to “improve the quality and consistency of social services in Scotland”. The policy team produced an overview of the Bill and will continue to monitor its progress as it moves through the parliamentary process.

Promoting excellence

The adults service manager continues to work with the Scottish Social Services Council (SSSC) and NHS Education for Scotland (NES) on Promoting Excellence and worked with NES to refresh the modules in the programme for health and social care staff. The modules ensure staff working with people living with dementia have the right skills and experience. They have now been published and shared with the sector.

Return to face-to-face events

The communications team has supported the return to face-to-face person events looking at how we engage our audiences. For example, at the Scottish Care - care at home conference, we developed an animation to launch the eyes and ears pocket guide information. This resource is designed to support care at home staff to consistently monitor the people they care for and to recognise, report and respond to any changes in that person’s ability, behaviour or presentation, so action is taken to get the right care, support and/or treatment at the right time for that person.

Digital transformation

The transformation delivery team has been working on a substantial change to improve the functionality of the case communication system. The added functionality will greatly improve usability and came directly from feedback we had from users. We introduced our updated Communication Log functionality to the Register and Registration App in May. The log has been re-designed to improve colleagues’ experiences when creating and reviewing communication entries. Full user testing and supporting demo videos and guides were produced to support this new functionality. The team continues to face recruitment of resource challenges for key roles in a very buoyant delivery market place.

Early learning and childcare (ELC) improvement programme

The early learning and childcare improvement programme team is supporting services at risk or who are not meeting the national standard. The team is running a series of cohorts to support quality improvement. Cohort 3 began in March 2022 and will run until September 2022. Four learning community sessions took place in Q1 2022-23, which includes project clinics and peer groups.

Improvement provider support

The adults service manager and team have been working with a large provider. They have provided feedback on enforcement and learning for the whole group following scrutiny work in their services. Meetings have been held with the provider, relationship manager and team managers, and we have brought inspectors together to promote consistency and improvement work. We identified the need for more robust governance

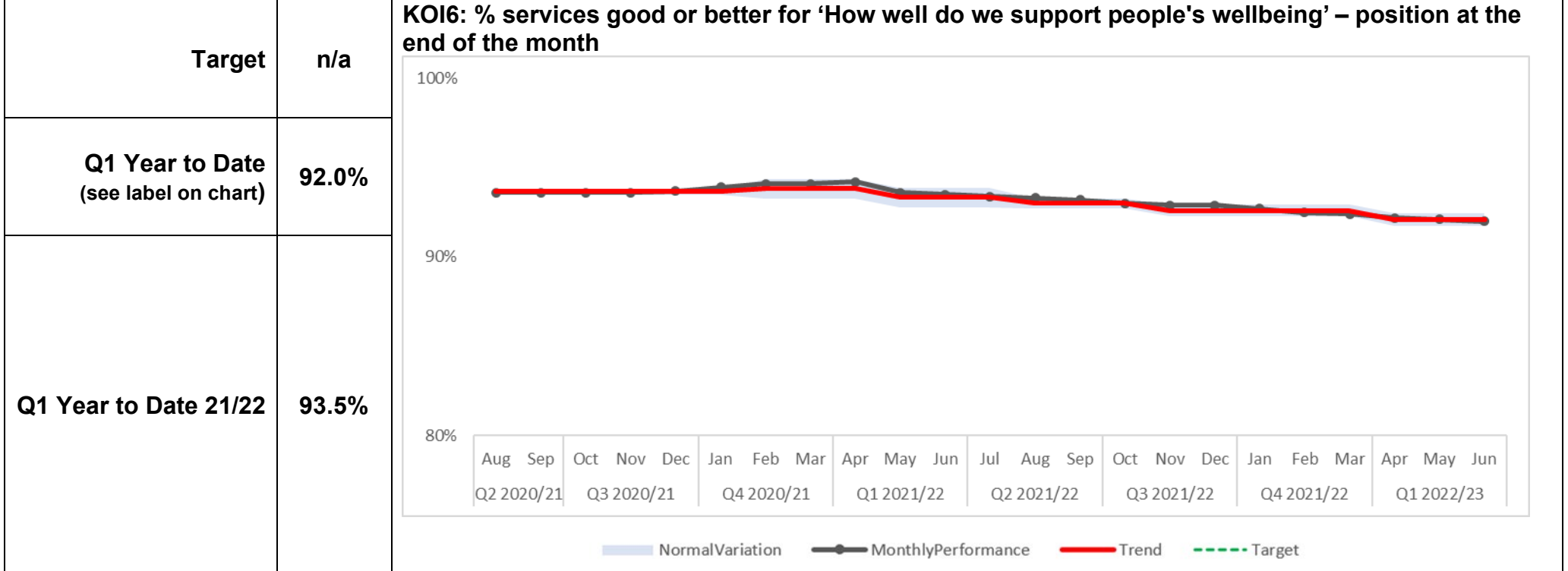
and oversight from the provider who has recognised this and the need for a new management structure which they are putting in place. We continue to work closely to support improvement and governance.

Improvement support in a local authority area

We are working very closely with a local authority with significant concerns in terms of care provision, financial resilience and staffing across care homes in their area. This includes oversight of services going into administration and supporting improvement and sector overview across the area.

Strategic outcome: Everyone’s rights are respected and realised

KOI6: % services good or better for ‘How well do we support people's wellbeing’ Executive Director of Scrutiny and Assurance



Notes: Up to the end of Q1, the % of services with good or better grades for key question ‘how well do we support people’s wellbeing’ continued to fall slightly to 92.0% of registered services and is 1.5%-points lower than Q1 last year. Note that the axis on the chart above does not start at 0, to visualise the small but statistically significant decrease.

Reasons for Difference: The majority of services have grades of good or better for how well they support people’s wellbeing, but similar to KOI1, we have seen a slow decline in this measure over the past year. We have continued to focus on inspecting services where concerns about quality of care are greatest, and the grades of these services are more likely to fall as a result. To increase the grade of a service we need to be confident that the improvement can be sustained. There is some variation between service types on the percentage of services with good or better grades for wellbeing which we will look to explore further.

Actions: We will continue to focus our inspection activities on high-risk services through a rigorous risk assessment process using the intelligence we have. Although we are increasing inspections of services, we expect this KOI will continue to fall slowly in line with our focus on inspecting higher risk services.

KO17: % of services with >90% of people telling us they make decisions about their own care		Executive Director of Scrutiny and Assurance
Target	n/a	
Q1 Year to Date	75.6% of services (responses from 78 services, 774 respondents)	
Q1 Year to Date 21/22	During Q1 2021/22 we were not reporting on this measure	
Notes: From the limited number of services (78) with completed responses at the end of Q1, 75.6% of services had 90% or more respondents telling us they make decisions about their own care.		
Reasons for Difference: We are now able to include responses from adult and early learning and childcare services in addition to the previously reported children and young people services. Now that surveys have launched across all regulatory areas, we expect the sample size to grow and become more representative each quarter. Although, 75.6% of services had 90% or more respondents telling us they make decisions about their own care, 93% of all respondents told us they make decisions about their own care. Of the 19 services, where less than 90% of people told us they us they make decisions about their own care, most people in those services were still happy with 13 of the 19 services reporting 75% or higher. Four of the remaining six services had response rates of 5 or less resulting in lower percentages.		
Actions: We are considering how we can provide paper questionnaires to improve feedback options especially in services where online surveys are not optimal or possible. Our questionnaires are one way in which we receive feedback about services. Throughout the pandemic, our inspectors have continued to ask people who use services, relatives and carers, staff and visiting professionals for their views. This includes face-to-face where it has been possible and safe to do that, as well as by phone or using technology such as Near Me, Zoom and texting to talk to people and listen to their experiences.		

Summary of key achievements and work progressed in Q1 2022/23

The Promise

In order to support The Promise, the communications team has developed an area on our intranet to support workstream leads within the Keep The Promise coordinating group to keep staff up to date with the latest Promise progress including individual workstream areas. We have set up an internal community of engagement for staff on Yammer to share best practice and highlight opportunities across directorates to increase staff understanding of The Promise, its individual workstream priorities and progress.

Bairns' Hoose

The Bairns' Hoose standards (Barnahus Standards) development group met in June 2022, to consider the development of the draft standards. The work to shape the draft standards will continue over the coming months and will be published for consultation in September 2022, led jointly by the Care Inspectorate and NHS Healthcare Improvement Scotland. The development group comprises the Care Inspectorate, Scottish Government, Healthcare Improvement Scotland, NHS Scotland, Social Work Scotland, COSLA, Scottish Children's Reporter Administration, Scottish Courts, Crown Office and Procurator Fiscal Service, Police Scotland, NSPCC, Children 1st, Kibble, Includem and other voluntary sector organisations.

Scottish child abuse inquiry

We gave evidence to the Scottish Child Abuse Inquiry which is currently hearing from people about their experiences of foster care. In addition to articulating the role of the Care Inspectorate and our predecessor bodies in the registration and regulation of fostering services, we were able to provide the Inquiry with important contextual information about the pressures, challenges and opportunities facing the sector at present. We discussed ideas for improvements, so that children's rights are better protected in future. It is expected that we will be recalled to give further evidence in the autumn once further evidence has been heard.

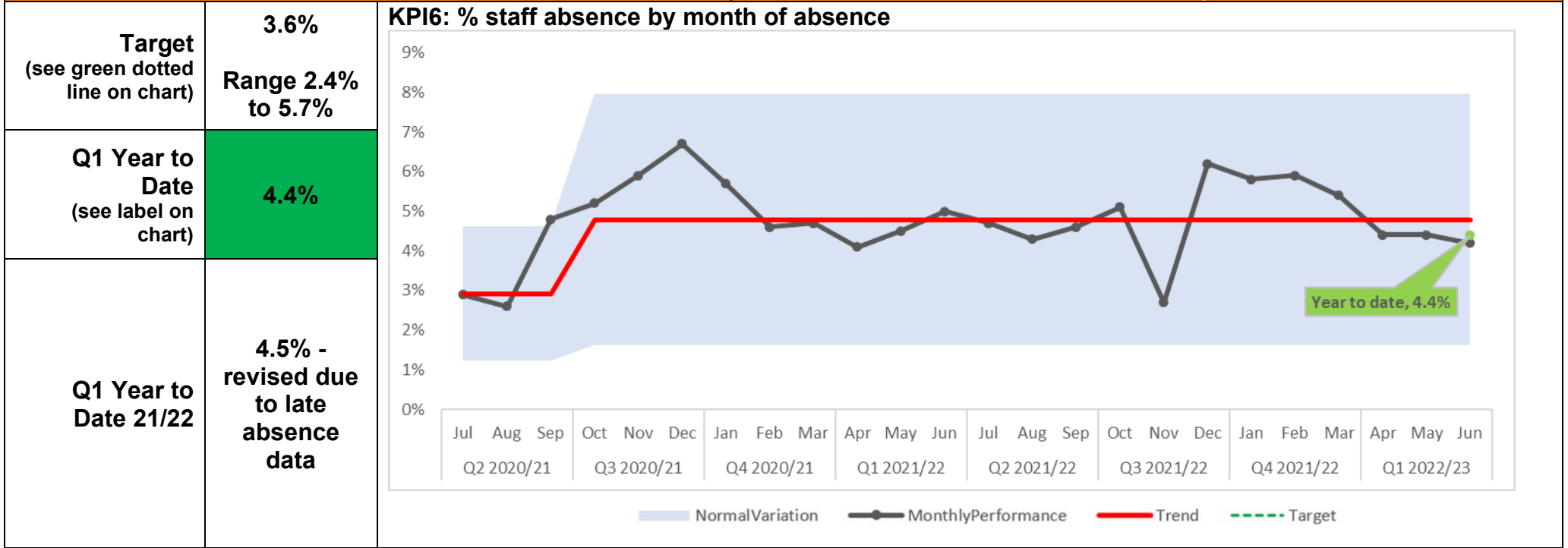
Care home visiting

Working with the Care Home Relatives Group, we have heard people are unsure of their rights to visit people in care homes. To assist with the message and working with visiting oversight group the chief inspector of adult services has commissioned a short animation for social media on care home visiting devised by our communications team. This informs people of their rights and what should and should not be in place. We contacted all services to ensure that people's right to have visitors is in place. We have had very good feedback from Scottish Government on our actions and support to ensure people's rights are maintained in care homes.

Strategic outcome: Our people are skilled, confident and well supported to carry out their roles

KPI5: % staff completing core learning		Interim Executive Director of Strategy and Improvement
Target	85%	
Q1 Year to Date	79.9% for Data protection and Equalities; 56% - 70% on Health and Safety modules	
Q1 Year to Date 21/22	During 2021/22 we were not reporting on this measure	
<p>Notes: In Q1 79.9% of staff were compliant in both data protection and equalities training modules. For health and safety modules the percentage of staff completing the core learning ranged from 56% of line managers completing Occupational Safety and Health Awareness for Line Managers to 70% of staff completing the Display Screen Equipment (Agile Working) course.</p>		
<p>Reasons for Difference: This data is an initial report on the percentage of staff completing core learning on data protection, equalities and health and safety modules. For Q1 it has not been possible to calculate the % of staff completing all required core learning across the three areas, and our health and safety data is presented separately. This is because our Health and Safety data is stored in a separate system from the main staff development system (called LMS) which holds all other learning information.</p>		
<p>Actions: We are currently procuring a new Health and Safety system that will integrate with the LMS. This means that the data will be more consistent, accurate and streamlined enabling us to improve our reporting. Further to a new system being secured for health and safety modules we will look to add cyber security training to the list of core training included in this measure.</p>		

KPI6: % staff absence **Executive Director of Corporate and Customer Services**

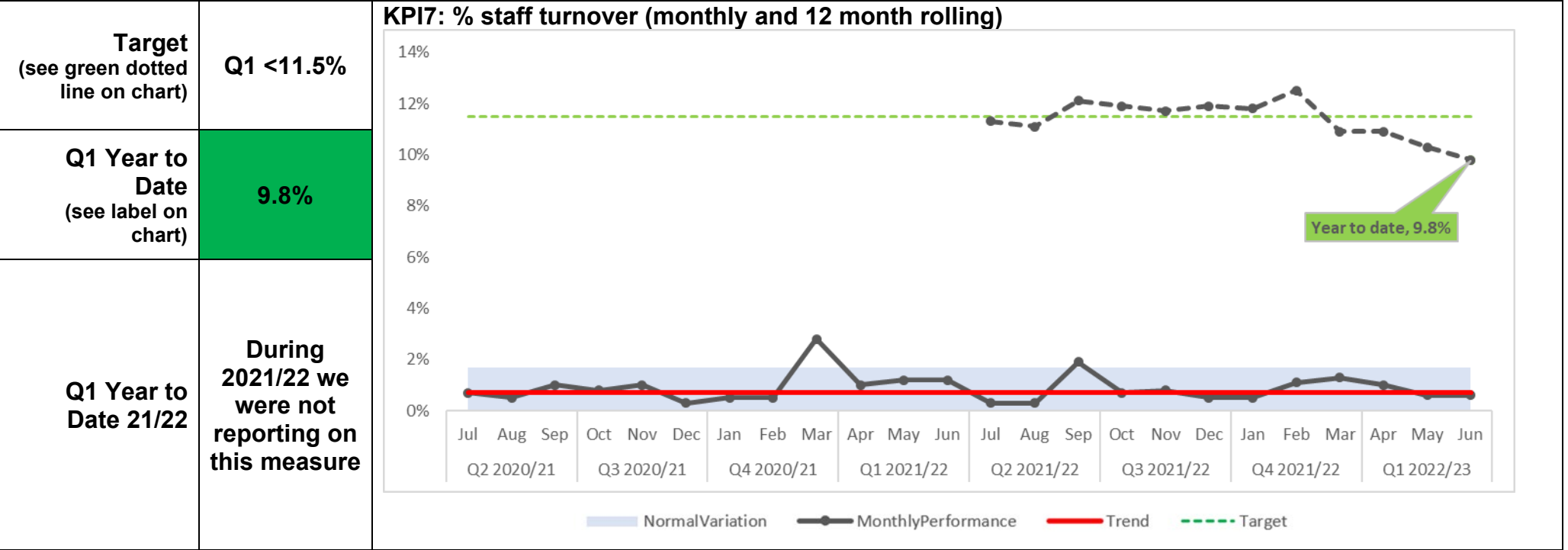


Notes: Up to the end of Q1 staff absence was 4.4%, 0.1%-points lower than Q1 last year (4.5%), and still within acceptable limits. The year-to-date figure (4.4%) was above the target level of 3.6%, but during Q1, fell below the recent average trend performance. It remains below the upper range of acceptability for this measure.

Reasons for Difference: Compared to Q4 2021-22, absence decreased across long and medium absences. Long term absence decreased (down 11%, from 8,889 hours in Q4 to 7,914 hours in Q1), mid-term absence decreased (down 18%, from 1,537 hours in Q4 to 1,264 hours in Q1), and short-term absence increased (up 14%, from 815 hours in Q4 to 933 hours in Q1). This short-term absence is the position as at the end of the quarter and a proportion of this absence will go on to become medium- or long-term absence resulting in the proportional share of absence changing over time.

Actions: The organisation is actively promoting staff health and wellbeing and how we can support people to remain healthy and well at work and at home.

KPI7: % staff turnover (month and rolling) **Executive Director of Corporate and Customer Services**



Notes: Up to the end of Q1 staff turnover was 9.8% and achieved the Q1 target level of below 11.5% and is in line with average performance from recent benchmarking data for other public sector organisations. Following a similar pattern to KPI6, KPI7 fell from the end of Q4 21/22 and has remained under the recent trend average for the last two months of the quarter.

Reasons for Difference: Over the past 12 months, 60 staff have left the organisation. Of these: 60% (36 staff) have left voluntarily, 28% (17 staff) have retired and 12% (7 staff) have left for other reasons. The decrease in this measure from the highpoint in February 2022 has been driven by the higher numbers of leavers from March 2021 being excluded from the 12 month rolling calculation.

Actions: We will continue to monitor this measure.

KPI8: Days per quarter that inspection volunteers and care experienced people are involved in our work		Interim Executive Director of Strategy and Improvement
Benchmark	90 days per quarter	
Q1 Year to Date	86.5 days (no on-site inspection activity possible)	
Q1 Year to Date 21/22	139.5 days (no on-site inspection activity possible)	
<p>Notes: During Q1, care experienced people took part in Care Inspectorate involvement activity on 86.5 days. Performance was slightly below the benchmark of 90 days, and 38% lower than Q1 last year (139.5 days). Involvement activities in Q1 included:</p> <ul style="list-style-type: none"> • 49.5 days on inspection activity (46 completed inspections) which were done remotely by telephone. We conducted 344 telephone interviews (with 100 people experiencing care and 244 family members) • Trained and prepped – including infection, prevention and control (IPC) training for six volunteers to go out on site inspections from 27 July 2022 • Face to face group meetings in offices • Young inspection volunteer in-depth interviews which produced both social media voiceover clips and contribute to participation review • Young inspection volunteer co-production of animation film supporting regulatory inspection work. 		
<p>Reasons for Difference:</p> <ul style="list-style-type: none"> • Before Covid-19, the inspection volunteers' involvement in our work was mainly around on-site inspection with an inspector. A core group of inspection volunteers continued to support the involvement work by carrying out telephone interviews, talking with family members and people experiencing care. Reports back from the inspection volunteers are they want to be back in services and are fatigued with the telephone interviews. We have been working with our colleagues in scrutiny and assurance to get inspection volunteers back on site, and this is progressing with training in IPC and support and supervision being provided to the inspection volunteers going back on site. • The core group of inspection volunteers has reduced, and we have plans to do a recruitment drive once we established inspection volunteers going back on site, and there is a confidence that there will be inspections for them to be involved in talking with people experiencing care. • As the pandemic eased and there are less restrictions, inspection volunteers are going on holiday, spending time with family and generally getting back to normal. 		
<p>Actions: Continue to review, expand and enhance the role of a volunteer in all organisational activities. The involvement team continue to work collaboratively with colleagues in scrutiny and assurance, to get inspection volunteers back on site. Volunteers are completing</p>		

training in IPC, and scrutiny and assurance colleagues are providing support and supervision to the volunteers going back on site. The involvement team is planning to conduct a recruitment campaign, once volunteers are back on site regularly, and there is a confidence that there will be inspections for them to be involved in talking with people experiencing care.

Summary of key achievements and work progressed in Q1 2022/23

Employee survey

Our 2022 joint partnership survey was open for responses between 14 March and 1 April 2022. A response rate of 85% was achieved which provides confidence that the data is robust and widely representative of the views of the workforce. A high-level overview of results was shared with all staff during a Teams live session in May, supported by our external partners BMG Research. This was the start of an organisation wide conversation to consider the results and work together to shape the action plan.

Over May, staff participated in directorate level sessions facilitated by the organisational workforce development team to share their feedback on their priorities and actions. The SLT, OLT and Partnership Forum will consider the results and follow-up feedback in detail to identify organisational priorities and actions. In August 2022 we will bring together all managers to help prioritise the final action plan, with the intention of publishing this by 30 September 2022.

Regulated care inspectors and stakeholder events about IPC standards

The Healthcare Improvement Scotland (HIS) IPC standards were published in May 2022. The Care Inspectorate is the lead agency invited by CNOD (Chief Nursing Officers Directorate) to develop and deliver training to inspectors and to the social care sector. Learning webinar events started in June 2022 and the response has been positive with events having been well attended. These will continue until August and approximately 100 inspectors and 600 external stakeholders have requested and are scheduled to attend over four more webinars.

Recruitment

We ran a successful inspector campaign in the spring which resulted in offers to 40 candidates. Some of the learning from the recruitment review was incorporated into this and recommendations for longer term changes to recruitment processes will be reviewed on an ongoing basis.

Human resources (HR) structure

The new HR structure has been implemented and we now have no temporary or acting up arrangements in the team, meaning that all staff have stability in their roles. The team remains under-resourced as we still have vacancies to fill but we are working through this and hope to have a full complement of staff soon. Having function-specific roles in the team is leading to better efficiency and service.

Procurement contracts

We have published eight procurement notices on Public Contracts Scotland procurement portal and have awarded four contracts with a combined contract value of £0.159m.

Young inspector volunteers

We have carried out a survey for inspectors and strategic inspectors (children's team) on working with young inspection volunteers and their skills and confidence in doing so and soliciting ideas for how we might strengthen our practice in this regard. The results of the survey will inform both the participation strategy, which is under development, and the skills matrix for inspectors and strategic inspectors. Both of these actions come directly from commitments we made in response to the report of the independent care reviews and making progress on both is essential to our contribution to Keeping the Promise to Scotland's children and young people.

Scottish Government flexible framework

The Scottish Government's flexible framework sustainability tool was completed to assess our current level of performance and the actions required to embed good procurement practice to realise intended sustainable outcomes. An action plan is being developed from the outcomes of this.

Hybrid working

As we continue to trial our hybrid working trial, we have produced and signposted a range of resources to support staff to adapt and transition to hybrid working. A number of learning and development opportunities have also been offered to staff including chairing hybrid meetings and hybrid working webinars for managers and employees. These webinars have been well attended and evaluated.

All managers and staff have also been invited to participate in a range of activities to support our evaluation of the trial so far. The intelligence gathered will inform our approach to the trial and ensure we target support and resources in the key areas of most value to our staff.

Wellbeing of our workforce

As the hybrid working trial progresses, we have proactively supported colleagues to cope with the psychological impact of adapting to new ways of working, through the opportunity to attend webinars facilitated by a professional counsellor from our external partners, Optima.

Mental Health Awareness Week ran from 9–15 May 2022, with the theme of loneliness which is a significant public health issue. We shared resources with staff to help combat loneliness and maintain strong relationships and community connections.

With the impact of the current cost of living crisis being felt by everyone, we have also signposted our staff to a range of resources and support for financial wellbeing.

The chief inspector of adult services led on a policy to support staff back to business-as-usual following Covid-19. This policy will ensure we support staff but also that we are clear on the expectations of staff and the role they hold. It enables us to be aware of wellbeing and have in place support plans for staff to enable them to fulfil their full potential and job remit.

Following a recent enforcement and closure of a care home which has been very distressing for those involved we have implemented a series of support for staff. This included independent trauma session for staff and a series of debriefing sessions for staff to support wellbeing. Feedback from staff has been positive and we have incorporated the inclusion of staff wellbeing and debrief as part of our new enforcement policy and procedure.

Regulated care inspectors: webinars

Webinars delivered to adult inspection, complaint and registration inspectors about eating and drinking well in adult social care settings (June 2022, chief nurse and three senior improvement advisors). The focus was on malnutrition screening, swallowing difficulties, wider health conditions, food descriptors, food fortification, medicines that impact on appetite, respect for religious or philosophical beliefs.

Two professional discussion webinars delivered to adult inspection, complaint and registration inspectors about aspects of medicine management. The focus was adverse incidents and psychoactive medication (May 2022, chief nurse and senior improvement advisor).

Adult recruitment

The team manager group in adults led a very successful recruitment campaign where 24 people have been recruited to work in adult and complaints teams. This involved assessment of skills and experience and ensuring people could undertake the role of inspector within the Care Inspectorate. Ensuring new staff had good values and the rights of people at the heart of their decision making. The adults team has also introduced a way to build people's skills with the opportunity for them to take on roles that enables them to build skills in team management. This will support career progression within the organisation.

ELC conference

We held a successful ELC staff conference in Stirling on Tuesday 21 June 2022. It was wonderful to see colleagues in the one room from across the Care Inspectorate's ELC community: inspection, complaints, registration, methodologies, improvement and the promise team. The day focused on the importance of children's early years and the impact of positive relationships by adults who care on children's long-term outcomes. The role of the Care Inspectorate was prominent throughout the day focusing on the difference we can make.

The conference was opened by our Executive Director of Scrutiny and Assurance and we welcomed thought provoking speakers including Clare Haughey the Minister for Children and Young People, John Carnochan, James MacTaggart Educational Psychologist, Pauline Beirne National AHP Lead and Dr Colin Morrison from the Children's Parliament. Alongside these speakers there were also workshops for staff to reflect and identify learning to be taken forward. There were so many stimulating and thought-provoking areas throughout the day.

The end of the day was hosted by Raploch's Big Noise, the children's orchestra from Stirling. What excellent musicians. Two of the young people shared their story and told us that they had been part of the group since nursery. Truly inspiring to see the focus of our conference in reality.

3.0 IMPLICATIONS AND/OR DIRECT BENEFITS

In addition to the performance measures reported here, the following annual reports will be submitted separately to the Board:

- Annual health and safety report
- Annual reporting statement on compliance with information governance responsibilities
- Annual reporting on our progress against the public sector equality duty.
- Budget monitoring, billing of care providers, debt analysis
- Annual procurement performance

3.1 Resources

There are no additional resource implications arising from this report.

3.2 Sustainability

There are no direct sustainability implications arising from this report.

3.3 How does this report directly/indirectly improve the provision of care?

This report relates to the monitoring of performance against the Care Inspectorate Corporate Plan 2022-25. This evidences the performance of the organisation in delivering strategic outcomes and as such provides a level of assurance and protection for people who experience care.

3.4 Customers (Internal and/or External)

This report includes a number of measures of customer satisfaction.

4.0 CONCLUSIONS/NEXT STEPS

The Board is invited to note and discuss this report.

Technical Notes

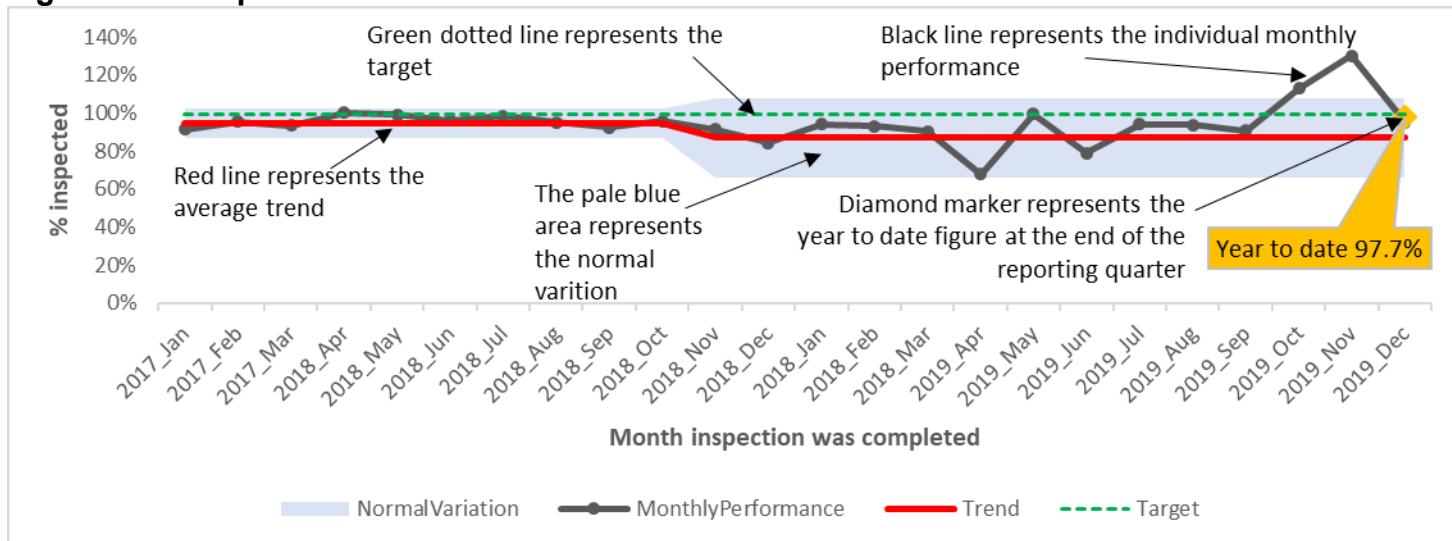
Types of performance measure

Our performance measures are split into two types: Key Performance Indicators (KPIs) which are specific and quantifiable measures against which the Care Inspectorate’s performance can be assessed, and Key Outcome Indicators (KOIs) which are measures that the Care Inspectorate aims to influence by its work, but which it may have limited control over. Some of the KPIs and KOIs were reported in previous reports as KPIs and Monitoring Measures (MMs).

Notes on presentation

For some of the KPIs and KOIs a specific type of chart has been used to determine whether performance is within normal statistical control limits. This will help us to understand whether any month-to-month variation in performance is persistent and reflects a real change, or whether it is within an expected range of variation we would expect to see. The chart used is called an XmR chart and typically displays two charts (X chart and mR chart) for a measure. For simplicity and clarity, only X charts are displayed in the report whilst the mR charts have been used internally to aid analysis of performance. An X chart shows performance over time, average over time and upper and lower statistical control limits (see Figure 1 below).

Figure 1: Example X chart



The black line with markers shows a measure’s performance over time whilst the red solid line shows the average performance for that measure for the first 6 time periods (months in the example above). The pale blue shaded area represents the range of routine variation and falls between the upper and lower statistical control limits. The green dotted line indicates the target for the KPI and a diamond marker with text box shows the year to date performance at the end of the quarter. If a measure’s performance is consistently above or below the average line (8 consecutive time periods, 10 out of 12 or 12 out of 14 etc.) or it is near/outwith the control limits for 4 consecutive points then we can be confident there has been a real change in performance. The average line and control limits are then recalculated from the first period the change in performance started to show the new level of performance. Note also that, while we would usually follow good practice and start all vertical axes on charts at 0, in some cases we have not done this in order to focus on small but significant changes. Please be aware that this can make small changes appear much bigger visually than they actually are.

This report generally uses percentage points (%-points) to illustrate changes in performance. Percentage points reflect an absolute change (the difference in performance between two time periods) e.g. if the % of complaints investigated in relevant timescales was 40% in Q1 and 50% in

Q2 the percentage points change would be 10 percentage points (%-points). This is different to percentage change which shows the relative change in performance (the difference in performance between two time periods as a percentage of performance in the earlier time period) e.g. if the % of complaints investigated in relevant timescales was 40% in Q1 and 50% in Q2 the percentage change would be 25%.



Title:	BUDGET MONITORING AND STAFFING UPDATE
Author:	Kenny Dick, Head of Finance and Corporate Governance
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	None
Consultation:	
Resource Implications:	Yes

EXECUTIVE SUMMARY

This report provides the Board with details of the projected 2022/23 financial position and incorporates an update on the staffing position.

The general reserve balance as identified in the draft Annual Report and Accounts is £0.771m greater than was anticipated when the 2022/23 budget was set. Of this, £0.100m is due to expenditure that was expected in late 2021/22 slipping into the 2022/23 financial year. The remainder of the greater than anticipated general reserve balance can fund non-recurring costs identified in-year and temporarily fund any additional unexpected budget pressures arising during 2022/23.

After expenditure delayed from 2021/22, additional core grant budget and adjustments and virements are accounted for, the projected financial position is a deficit of £1.820m. This is £1.075m lower than the budgeted deficit before calling on the £0.738m in-year funding available from the letter of comfort provided by the Sponsor. It is projected we will not need to call on the letter of comfort funding and deliver a deficit which is £0.337m lower than the revised budgeted deficit.

The significant risks to this projection are set out in Section 5 of this report.

The Board is invited to:

- Note the projected financial position for 2022/23 and the risks that may affect this position.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting	x	For Discussion	x	For Assurance		For Decision	

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10
Report No: B-29-2022

Equality Impact Assessment		
Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/> Reason: This report is for information and there is no direct impact on people with protected characteristics.

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: Not applicable – this is a public Board report
Disclosure after: Not applicable.

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.

FINANCE AND STAFFING UPDATE**1.0 INTRODUCTION**

The Board approved a 2022/23 core revenue budget with a deficit of £2.046m, to be funded from the general reserve balance. This approved budgeted deficit was subsequently revised to £2.157m to include the transfer of Adult Significant Case Reviews grant funding into core grant in aid, expenditure originally planned for 2021/22 that will now be incurred in the current year and the virement of £0.020m which was accrued for the new Inspector pay and grading structure for Inspectors supporting grant funded programmes of work. The projected financial position as at 31 March 2023 projects a deficit of £1.820m. This report provides the key assumptions used to arrive at this projected position and identifies key risks.

The report also provides an update on any changes to the establishment.

2.0 SUMMARY FINANCIAL POSITION**2.1 Core Approved Budget****2.1.1 Position Summary**

The approved 2022/23 budgeted deficit of £2.046m has been amended during the year to give a revised budgeted deficit of £2.157m, as follows:

	£m
Approved 2022/23 budgeted deficit	2.046
Adult Significant Case Review funding (£0.025m) and associated expenditure (£0.056m) transferred as part of core grant in aid	0.031
2021/22 expenditure incomplete before financial year end – funding carried forward in general reserve balance	0.100
Budget virement from core to grant funding in respect of new Inspector grade for Inspectors supporting grant funded programmes	(0.020)
Revised 2022/23 budgeted deficit	<u>2.157</u>

The projected deficit of £1.820m detailed in the table below is £0.337m lower than the budgeted position.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10
Report No: B-29-2022

	Approved 2022/23 Budget	Budget Virement and Adjustments 2022/23	Additional Core Grant 2022/23	Expenditure b/fwd from 2021/22	Revised 2022/23 Budget	Projected Expenditure	Variance
	£m	£m	£m	£m	£m	£m	£m
Staff costs	34.560	(0.158)	0.054	0.021	34.477	33.502	(0.975)
Accommodation costs	1.746	0.000	0.000	0.000	1.746	1.716	(0.030)
Administration costs	2.225	0.138	0.000	0.000	2.363	2.607	0.244
Travel costs	1.188	0.000	0.001	0.000	1.189	1.189	0.000
Supplies and services	1.952	0.000	0.001	0.079	2.032	1.980	(0.052)
Gross Expenditure	41.671	(0.020)	0.056	0.100	41.807	40.994	(0.813)
Grant in aid	(25.894)	0.000	(0.025)	0.000	(25.919)	(25.919)	0.000
Fee income	(11.900)	0.000	0.000	0.000	(11.900)	(11.900)	0.000
Shared service income	(0.895)	0.000	0.000	0.000	(0.895)	(0.994)	(0.099)
Other income	(0.198)	0.000	0.000	0.000	(0.198)	(0.361)	(0.163)
Total Income	(38.887)	0.000	(0.025)	0.000	(38.912)	(39.174)	(0.262)
Net Expenditure before Letter of Comfort	2.784	(0.020)	0.031	0.100	2.895	1.820	(1.075)
Letter of Comfort	(0.738)	0.000	0.000	0.000	(0.738)	0.000	0.738
(Surplus) / Deficit	2.046	(0.020)	0.031	0.100	2.157	1.820	(0.337)

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10
Report No: B-29-2022

The draft Annual Report and Accounts for 2021/22 shows an improved general reserve balance compared to the position anticipated when the budget was set. The table below shows the latest projected position:

	Revised Budget	Projected Position	Variance
	£m	£m	£m
Opening general reserve balance *	3.289	4.060	0.771
2022/23 projected outturns:			
Operating Surplus / (Deficit)	(2.057)	(1.820)	0.237
2022/23 Grant Surplus / (Deficit)	(0.629)	(0.435)	0.194
Potential 2022/23 use of reserve:			
222303: Extend Temp Project Manager		(0.035)	(0.035)
222304: Extend Temp Scrum Master		(0.055)	(0.055)
Funding of in year budget pressures		(0.926)	(0.926)
Projected closing balance	0.603	0.789	0.186
Less prepaid specific grant		(0.178)	(0.178)
Available for general expenditure	0.603	0.611	0.008
Operational reserve target maximum (1.5%)	0.603	0.611	
Variance to target balance	0.000	0.000	

* opening balance for 2022/23 projected position is per the draft 2021/22 Annual Report and Accounts.

The combination of a greater than anticipated general reserve opening balance and an in-year projected net expenditure underspend variance of £1.075m means we will not require to draw on the letter of comfort agreed with our Sponsor and still have £0.926m available to fund in year pressures.

2.2 Specific Grants

A deficit of £0.435m is currently projected on work funded by specific grants. This is an underspend of £0.194m compared to the budgeted deficit (funded by prepaid grant held in the general reserve). Discussions will require to be held with the Scottish Government funding providers with regard to the treatment of projected grant underspends in 2022/23 and prepaid grant.

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

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10
Report No: B-29-2022

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

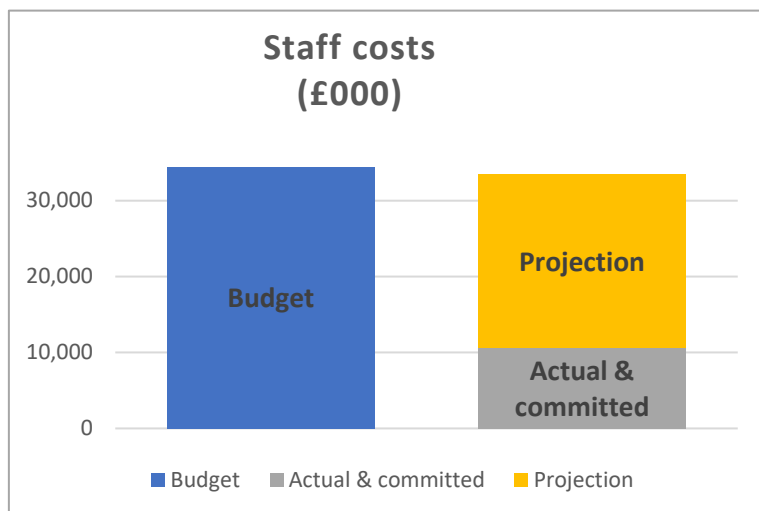
3.0 STAFFING UPDATE

3.1 Establishment Changes

A new permanent post of Senior Methodology Adviser (1.0 FTE, grade 8) has been approved since the budget was set. With the post anticipated to be filled from August, the part year impact in 2022/23 is £40,060 (full year equivalent is £63,518). The post is being funded from a reduction of 1.13 Inspector FTEs within the Methodology Team.

4.0 BUDGET VARIANCES

4.1 Staff Costs – projected underspend of £0.975



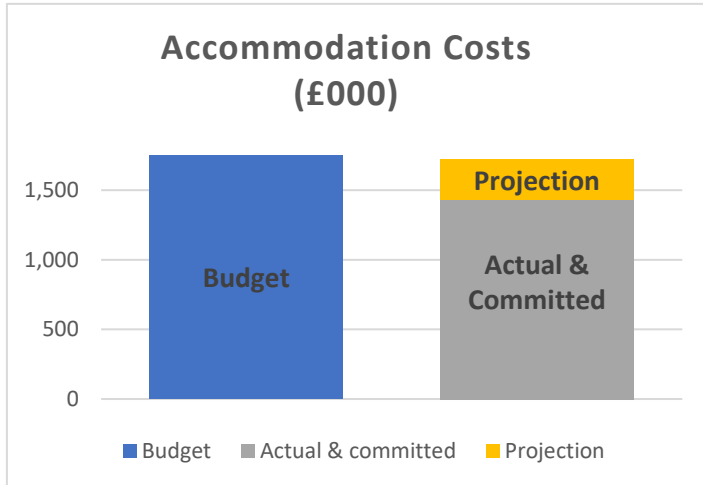
The main areas of underspend are:

- Within Scrutiny and Assurance, an underspend of £0.761m is anticipated as 26 FTE Inspectors are not due to commence employment until August and September, with a further 15 FTE assumed to be filled from February 2023.
- Vacancies within Corporate and Customer Services has also contributed significantly to the underspend, with Customer Services anticipated to underspend by £0.426m.
- Difficulties in recruiting Digital Transformation's Head of Business Change has resulted in a projected underspend of £0.036m.

These projected underspends have been partly offset by:

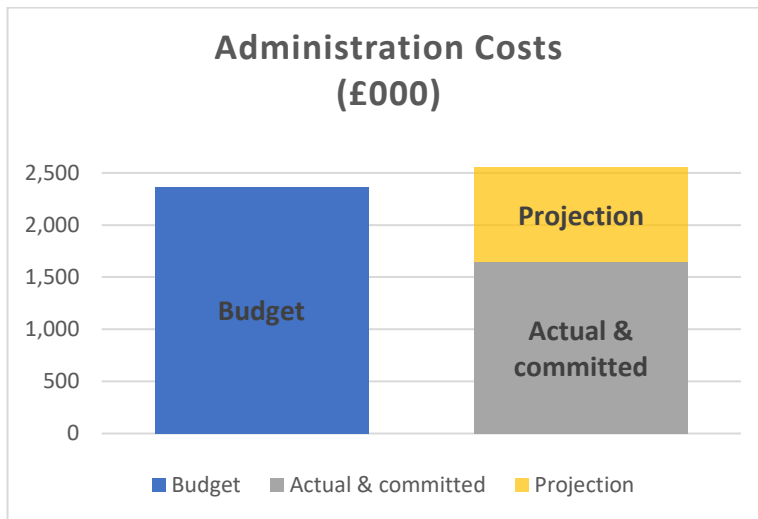
- A projected overspend of £0.248 in hired agency costs across IT, Digital Transformation, Finance and Corporate Governance, Intelligence and Improvement Support.

4.2 Accommodation costs – projected underspend of £0.030m



The budget set aside for Dunfermline and Stirling office moves is anticipated to underspend by £0.030m. This is to be used to purchase additional furniture (see section 4.5) that continues to be required as the hybrid working trial progresses.

4.3 Administration Costs – projected overspend of £0.244m



The overspend is primarily in professional fees to support the digital transformation programme, including:

- Additional developer contracted to work on stage 1 of the programme, estimated at £0.059m (a corresponding reduction in IT’s supplies and services ICT costs has been made to offset this).
- The extension of a temporary developer for a further three months at a projected unbudgeted cost of £0.055m as noted in 3.2.

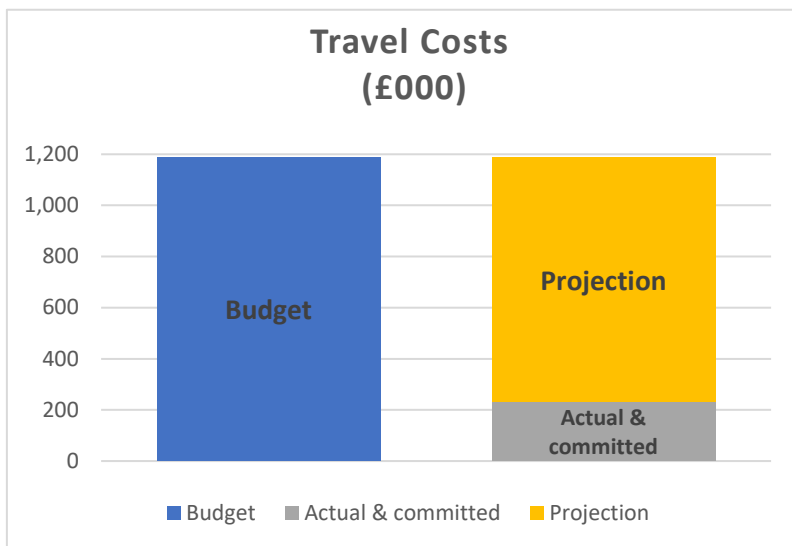
BOARD MEETING 29 SEPTEMBER 2022

**Agenda item 10
Report No: B-29-2022**

- Business analyst spend is projected to be £0.044m more than budget.
- Digital architect spend is projected to be £0.058m more than budget.
- The cost of a Scrum Master contractor is projected to exceed budget by £0.051m.
- Other costs totalling £0.002m

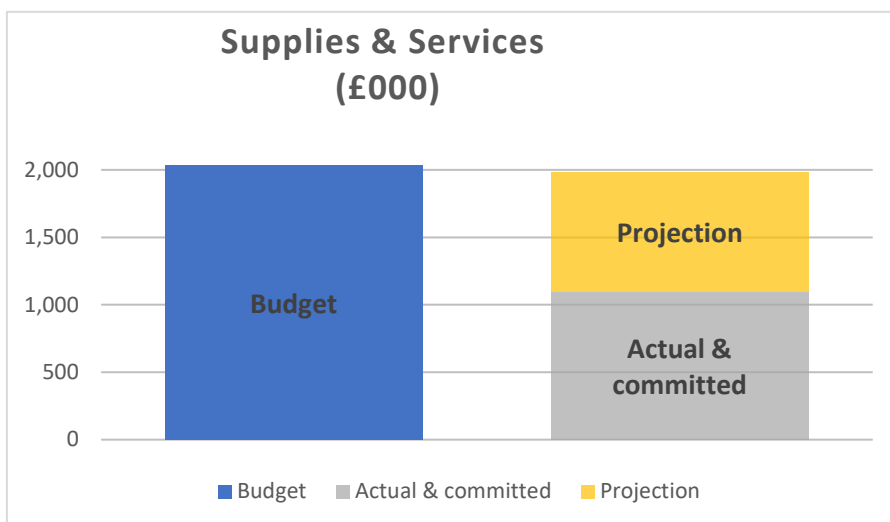
The overspend is partially offset by a projected saving of £0.025m in telephony costs.

4.4 Travel Costs – on budget



Travel continues to increase across the organisation following the Covid-19 pandemic. This area is projected to outturn on budget at the present time.

4.5 Supplies and Services – projected underspend of £0.052m



A managed underspend of £0.086m is being made within ICT costs in order to compensate for additional professional fees and hired agency costs arising elsewhere within the IT department. This is partly offset by the additional £0.030m expenditure being incurred on

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10

Report No: B-29-2022

furniture noted in section 4.2 and other budget variances totalling a net increase of £0.004m in other supplies and services costs.

4.6 Funding and Income – projected income reduced by £0.476m

Core grant-in-aid and fee income are currently projected to be as budgeted. The additional funding offered through the Scottish Government's letter of comfort (0.738m) is anticipated to no longer be required due to the wider outturn position and additional resources carried forward from 2021/22 in the general reserve.

Other income is projected to be £0.163m more than budgeted, due to income from staff on secondment to other organisations and joint inspection travel recharges.

Income from shared services is estimated to be £0.099m above budget.

5.0 RISKS TO FINANCIAL PROJECTIONS

Budget Area	Description of Risk	Sensitivity	Likelihood
Staff costs	Projected staff costs are based on staff in post and known changes. Following a recent recruitment drive, the anticipated start date of 26 FTE Inspectors is by the end of September. A further 15 FTE vacancies are assumed to be filled by February 2023.	Projection could be overstated by as much as £0.300m	High
	The ongoing cost of living crisis is putting pressure on pay award settlements across the public sector. Very challenging 2022/23 pay negotiations are anticipated.	Each additional 1% above that already assumed in the 2022/23 budget adds £0.365m to payroll costs.	High
Staff costs – other staff costs	Recruitment advertising (including costs such as assessment centres, etc.) may exceed budget should the number of vacancies continue at the levels experienced over the last year or so. At present it is projected to be largely contained within the wider budget available for other staff costs, however this is dependent on other variable costs such as severance and relocation costs.	Projection could be understated by £0.020m.	Medium

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 10
Report No: B-29-2022

Administration costs – legal fees	The approved budget provides allowance for costs associated with the Covid-19 enquiry. Our role in the enquiry will involve additional legal fees for instructing Counsel, the full extent of which is unknown.	The current projection of £0.200m set aside for additional legal fees is a best estimate, however actual expenditure may be significantly more or less than this.	High
Business and Digital Transformation	A business case to obtain funding for the Stage 2 Transformation Programme was submitted to the Scottish Government in April 2022. The approved budget does not provide for extending the temporary posts beyond 31 October 2022 as this is dependent on additional funding.	We may not get a funding decision to proceed with stage 2 until after October 22. The cost of extending the team beyond 31 October 22 is estimated to be in the region of £0.100m per month.	High
Travel costs	Projected costs assume that travel will largely return to normal levels following the Covid-19 pandemic. Restrictions may however be put in place once again should further waves of the virus necessitate this.	Projection could be overstated by £0.250m.	Medium
Fee income	The number of services newly registering is intrinsically difficult to predict, with a prudent approach taken at the budget setting stage. Projected income has been based on average periods to complete a registration. The actual number of services completing their registration by 31 March is uncertain and it's possible the income may either exceed or be less than projected.	Projection risk in the range of £0.100m understated to £0.150m overstated	High

6.0 IMPLICATIONS AND / OR DIRECT BENEFITS

6.1 Resources

The financial implications arising from this report are noted in section 2.1.

6.2 Sustainability

There are no direct sustainability implications arising from this report.

6.3 How does this report directly/indirectly improve the provision of 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.

6.4 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 service strategic themes.

7.0 CONCLUSION

An underspend of £0.337m against the 2022/23 budget is currently projected after foregoing drawing on the letter of comfort of up to £0.738m supplied by our Sponsor.

The greater than budgeted opening general reserve balance provides funding for the in-year projected deficit of £1.820m and £0.926m for further budget pressures identified in the remainder of the financial year and the risks set out in Section 5.0 of this report.



Minutes

Meeting: Audit and Risk Committee

Date: 11 August 2022

Time: 10.30 am

Venue: Compass House Dundee and via Teams video-link

Present: Bill Maxwell, Convener
Gavin Dayer
Rona Fraser
Paul Gray
Ronnie Johnson
Maria McGill

In Attendance: Paul Edie, Chair
Naghat Ahmed, Board member
Charlotte Armitage, Board Member
Sandra Campbell, Board member
Keith Redpath
Edith Macintosh, interim Chief Executive
Jackie Mackenzie, Executive Director of Corporate and Customer Services
Kevin Mitchell, Executive Director of Scrutiny and Assurance
Craig Morris, interim Executive Director of Strategy and Improvement (EDSI)
Fiona McKeand, Executive and Committee Support Manager (ECSM)

Apologies: Audrey Cowie, Board member
Rosie Moore, Board member
Carole Wilkinson, Board member
Kenny Dick, Head of Finance and Corporate Governance (HFCG)
Gordon Mackie, Executive Director of IT and Digital Transformation (EDIDT)
Claire Brown, Executive Support Officer (ESO)

Item**Action****1.0 WELCOME**

The Convener welcomed everyone to the meeting, which was open to all members of the Board. In particular, it was noted that this was the first meeting for Maria McGill in her recent appointment to the Committee.

On behalf of the Committee, the Convener thanked the Chair for his support, guidance and leadership over the years, with this being his last Committee meeting before his term of office as Chair ended on 31 August 2022.

2.0 APOLOGIES FOR ABSENCE

Apologies were received as noted above.

3.0 DECLARATION OF INTERESTS

There were no declarations of interest.

**4.0 REVISED EXTERNAL AUDIT TIMETABLE –
REPORT NO: ARC-19-2022**

The Executive Director of Corporate and Customer Services presented a paper outlining the current position regarding the external auditors' adjusted timetable for audit fieldwork and their reports. Thus, will cause a delay to the date when the Board would be required to formally approve the Care Inspectorate's Annual Report and Accounts.

The reasons for the external auditors' adjustments were outlined in the paper, and members noted that, although the revised timing would still allow for submission of the reports and accounts package to the Scottish Parliament within the statutory deadline of 31 December 2022, the advice from the Sponsor department was that the Board give approval prior to its December meeting.

The Committee was invited to consider a revised timeline, whereby it would discuss and recommend to the Board the final draft of the annual report and accounts at its meeting on 17 November 2022, and that the Board would then be able to consider these later on the same date, convening as separate public Board meeting prior to its Board Development session.

Members were advised that officers and their teams had completed the work required within the original timescales and recognised that the changes to the timetable were outwith the control of the Care Inspectorate. Members noted that the external auditors had given

assurance the work would be completed within the revised timescales.

The Committee **agreed** to the revised timetable and that a Board meeting be convened on 17 November 2022 in order to approve the final submission of the annual report and accounts.

E&CSM

5.0 **DRAFT AUDIT COMMITTEE ANNUAL REPORT TO THE BOARD 2021-22 – REPORT NO: ARC-20-2022**

The Convener presented the second draft of the Committee’s annual report to the Board and invited discussion on the specific areas outlined in the covering report prepared by the Head of Finance and Corporate Governance.

The following modifications were noted:

HoF&CG

Section 3.2, final paragraph

To add in a sentence to reflect that the committee had satisfied itself that any delays in management actions caused by the pandemic did not result in any significant additional risk.

Section 7.2

To change the first sentence in the last paragraph to read, “The Committee is of the opinion that the Statement is a fair reflection of the adequacy and effectiveness” etc.

Section 8.1

To remove the extra “/” at 2021/22 in third paragraph.

During discussion on this section, which covered fraud, irregularity and whistleblowing, it was noted that one Board member had formally recorded their position as Chair of NHS National Services Scotland which encompassed the NHS Counter Fraud Service on the Care Inspectorate’s Register of Members’ Interests.

Section 9.1

To add wording to the end of this paragraph to acknowledge it was an exceptional year in which the care sector and organisation were challenged by the tragic circumstances of pandemic. Ensure the wording is consistent with that used in other corporate documents.

Section 10.0

To remove the word “largely” at the end of the second sentence.

ESO

During discussion on this section, the Committee agreed that the internal auditors be invited to attend its annual self-assessment and effectiveness sessions.

There was also discussion on the membership of the Committee, specifically in relation to financial/accounting experience and it was agreed that the word “substantial” be added to this bullet point.

The Committee agreed that these modifications be made to the final version of the report and noted the changed timetable for its submission to the Board.

6.0 DRAFT ANNUAL REPORT AND ACCOUNTS – REPORT NO: ARC-21-2022

The Executive Director of Corporate and Customer Services presented the draft Annual Report and Accounts, which were opened to the Committee and wider Board members to comment and ask questions on. Following review, the amended final draft would be formally considered along with the external audit report at the Audit and Risk Committee meeting of 17 November 2022.

There was initial discussion on the Chair and Chief Executive signatories to the annual report and accounts and it was agreed that, since these related to the previous year, the outgoing Chair would be provided with sight of any further changes prior to finalising the documents. Board members were advised that, as Accountable Officer at the point the Annual Report and Accounts would be finalised, the incoming Chief Executive would sign the documentation.

The following modifications were agreed by the Board:

**Actions to
be taken
Cross-
Directorates**

SECTION A

Section 1.6

- To remove the words “or reduce” in the first sentence.
- To change the wording in the first sentence of final paragraph in this section to read: “A combination of the statutory maximum fees chargeable being unchanged since 2005 and our core grant in aid remaining static in cash terms over several years has meant that it **has been particularly important** to identify significant efficiencies”

Section 1.7

To add a footnote to explain the amount that went into Care Inspectorate reserves, and to move the graphic to the end of the narrative section, to be used as a summary point.

Section 2.2

- To modify this section by adding wording to reflect that the lower numbers last year would be expected to vary upward to some degree in the coming year, since 2021/22 was an exceptional year caused by pandemic.

- To also request that the Communications team review the graphical presentation of this section.

Section 2.3

- To check that the link takes the reader to the correct document (currently links to full set of Board papers).
- Clarify which KPI's were no longer reported on or were otherwise impacted by the changes to the inspectorate's activities during the pandemic.
- To present the tabled information on page 20 as a graphic.
- To add a note to confirm the target range of KPI4 (currently showing over target but within range).
- Under "Variations to registrations completed", split the first long sentence into two shorter ones.
- Under the section "Crown Office and Procurator Fiscal Service (COPFS)", remove the third sentence.
- On page 24, under the section "National Care Service Consultation, remove the final sentence in this paragraph.
- On page 26, under "Staff Absence" add in some wording to reflect that the absence rate dropped, despite the intense demand on staff.
- On page 28, review the "Market oversight" section, since direction in this area is still unclear, arising from the new National Care Service.
- On page 28, under "Digital Transformation", remove the clause, "- where data is all held in one place, allowing us to transform how we use data and intelligence to inform our decision making".
- Add link to Equalities Mainstreaming report.

SECTION B

- On page 32, under "Estates Management Plan, explain that 2017-20 rolled forward so that there does not appear to be a gap in the years.
- Check that links to register of members interests and strategic risk register are current.
- Amend the Board members' attendance table on page 35 to show that member Keith Redpath stood down from the Audit and Risk Committee during the year.
- On page 39, review and expand on the narrative under "Impact of Pandemic" section.
- Review the shape of the graphic on page 50 showing "Sickness Absence"

The Committee and wider Board members welcomed the reduced length of the annual report and were pleased with the quality of the first draft, the use of hyperlinks and information graphics. The next draft would be presented to the Audit and Risk Committee meeting on

17 November, before being finally considered by the Board on the same date.

9.0 DATE OF NEXT MEETING

The date of the next meeting was noted as Thursday 8 September 2022 at 10.30 am at Compass House, Dundee

Signed:



Bill Maxwell, Convener



Title:	DRAFT REVISED AUDIT AND RISK COMMITTEE TERMS OF REFERENCE
Author:	Kenny Dick, Head of Finance and Corporate Governance Kenneth McClure, Head of Legal Services
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Draft revised Audit and Risk Committee Terms of Reference
Consultation:	n/a
Resource Implications:	None

Executive Summary:

Following the Audit and Risk Committee effectiveness review the following changes to the Committee Terms of Reference are recommended to the Board:

- set a defined term for the Convener role
- clarify terms of appointment for Committee members
- make explicit the requirement for at least one member to have financial/accounting experience
- include reference to the Convener's role in reporting to the Chair on Committee member performance

Appendix 1 provides the draft revised Audit and Risk Committee Terms of Reference with the revised text shown in red.

The Board is invited to:

1. Approve the draft revised Audit and Risk Committee Terms of Reference (attached as Appendix 1).
2. Note the revised Audit and Risk Committee Terms of Reference as approved by the Board will be incorporated into a revised version of the current Reservation of Powers and Scheme of Delegation.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes
For Noting		For Discussion	X	For Assurance
				For Decision
				X

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 11.2
Report No: B-30-2022

Equality Impact Assessment		
Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/> Reason: No change to any policy, therefore not required.

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: Not applicable – this is a public Board report.
Disclosure after: Not applicable

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

Membership

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

The Convener will be appointed for a fixed term of no more than three years duration. A Board member may be re-appointed to the Convener role for a second term. No further re-appointments will be permitted.

Board members may be appointed as members of the Audit and Risk Committee without restriction on duration of appointment.

At least one member of the Audit and Risk Committee must have financial experience.

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.

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

Reporting

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.

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.

The Convener will provide the Chair of the Board with a report on individual Audit and Risk Committee members' performance at least annually.

Responsibilities

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

Rights

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.

Access

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

Meetings

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 and 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.

Information Requirements

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).

Interpretation

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.



Title:	HR QUARTERLY REPORT
Author:	Lucy Finn, Head of Human Resources
Responsible Director:	Jackie MacKenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Workforce Profile Data
Consultation:	N/A
Resource Implications:	None

EXECUTIVE SUMMARY

This report provides HR metrics for the Board covering the period April 2022 to August 2022. Includes data on staff absence and turnover as well as an overview of recruitment during the period and an update on the HR structure.

Appendix 1 outlines additional workforce data.

The Board is invited to:

1. Note the details in the report.
2. Consider whether any other information would be relevant to receive in future reports.

Links	Corporate Plan Outcome (Number/s)	4	Risk Register (Yes/No)	No			
For Noting	<input checked="" type="checkbox"/>	For Discussion	<input checked="" type="checkbox"/>	For Assurance	<input type="checkbox"/>	For Decision	<input type="checkbox"/>

Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
		Reason: Not required as presentation of information only

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: (see Reasons for Exclusion)

Not applicable, this is a public Board report.

Disclosure after: Not applicable

BOARD MEETING 29 SEPTEMBER

Agenda item 12
Report No: B-31-2022

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 29 SEPTEMBER**Agenda item 12**
Report No: B-31-2022**HR QUARTERLY REPORT TO BOARD****1.0 INTRODUCTION AND BACKGROUND**

The Human Resources (HR) Quarterly report provides the Board with an update on the activities of the HR team during the previous quarter.

The HR Annual Report 2021-22 was delayed until June 2022 and so we have not published a quarterly report for April-June 2022. Therefore, this report covers the period April to August 2022.

The timetable for future Board reports will be:

- Report in July each year for April to June data
- Report in October each year for July to September data
- Report in January each year for October to December data
- Annual report in April each year to cover the previous 12 months.

1.1 Data Included

We report on metrics under Corporate Plan Outcome 4: Our People are skilled, confident and well supported to carry out their roles, specifically staff absence and turnover.

We also report on recruitment information over the period and an update on progress or changes in the HR team.

We have provided information and analysis on the organisation's workforce profile at Appendix 1.

2.0 PROGRESS MADE APRIL TO AUGUST 2022

The new structure for the HR team has been in place since 1 April 2022. This supports the best use of resources to deliver an efficient and effective shared service to both the Scottish Social Services Council (SSSC) and the Care Inspectorate (CI). The basic principles that support this are:

1. To realise the system efficiencies in a shared service through transactions and recruitment processes.
2. Introduction of an HR business partnering approach in the CI and SSSC to allow HR to work more closely with managers to support the achievement of strategic aims and organisational objectives.
3. A separate recruitment team to enable a focussed and dedicated service that can better plan campaigns and give a more value-added professional recruitment service.

BOARD MEETING 29 SEPTEMBER**Agenda item 12
Report No: B-31-2022**

4. Scope for project and development work built into the team so we are agile to emerging challenges and changing needs

As of 1 April 2022, we have also placed all HR staff in permanent, substantive roles, ending the temporary employment status of many in the team.

2.1 Challenges

Although we have filled key positions in the team, we remain with some vacancies which has meant we have not always been able to respond as quickly or as fully as we would wish to organisational requirements. Also, many of the team have been recruited within the last 12 months and so are still learning the role. In addition, we have lost some corporate knowledge with longer serving staff leaving the team.

That said, the new structure is embedding well and we are beginning to see the benefits of this. Feedback in our recent customer survey recognised the resourcing pressures in the team but acknowledged the progress made and the improvements this would lead to.

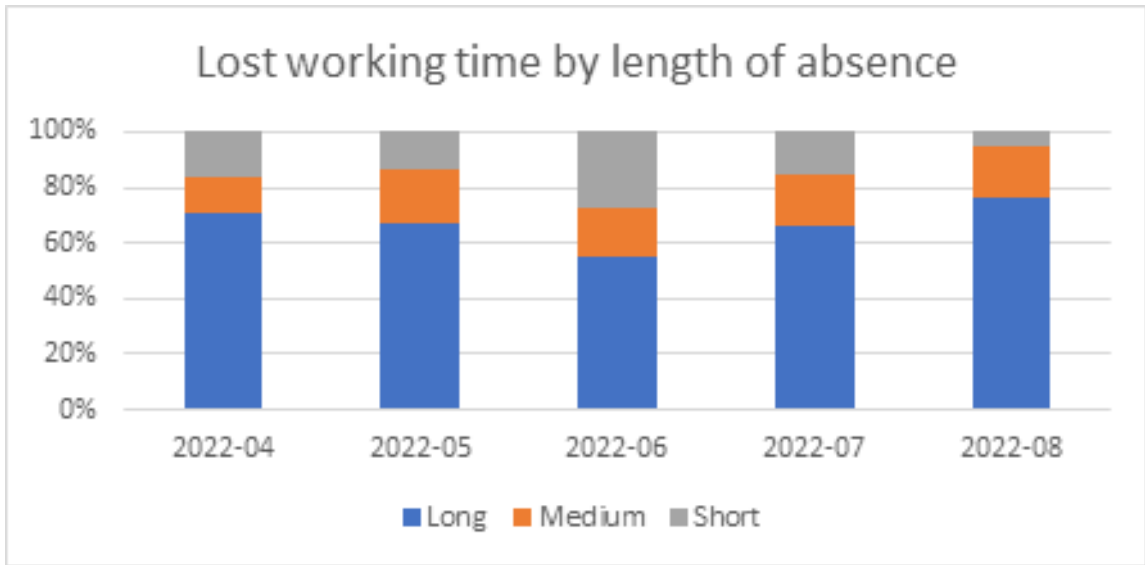
3.0 WORKFORCE DATA**3.1 Sickness Absence****3.1.1 Lost working time by length of absence**

The following table and graph show the relative impact of short-, medium- and long-term absence on working time. As evidenced, most lost working time was due to long term absence (between 60-75%). The median figure for public bodies at April 2022 was 3.6% so we have been higher than this, except in August.

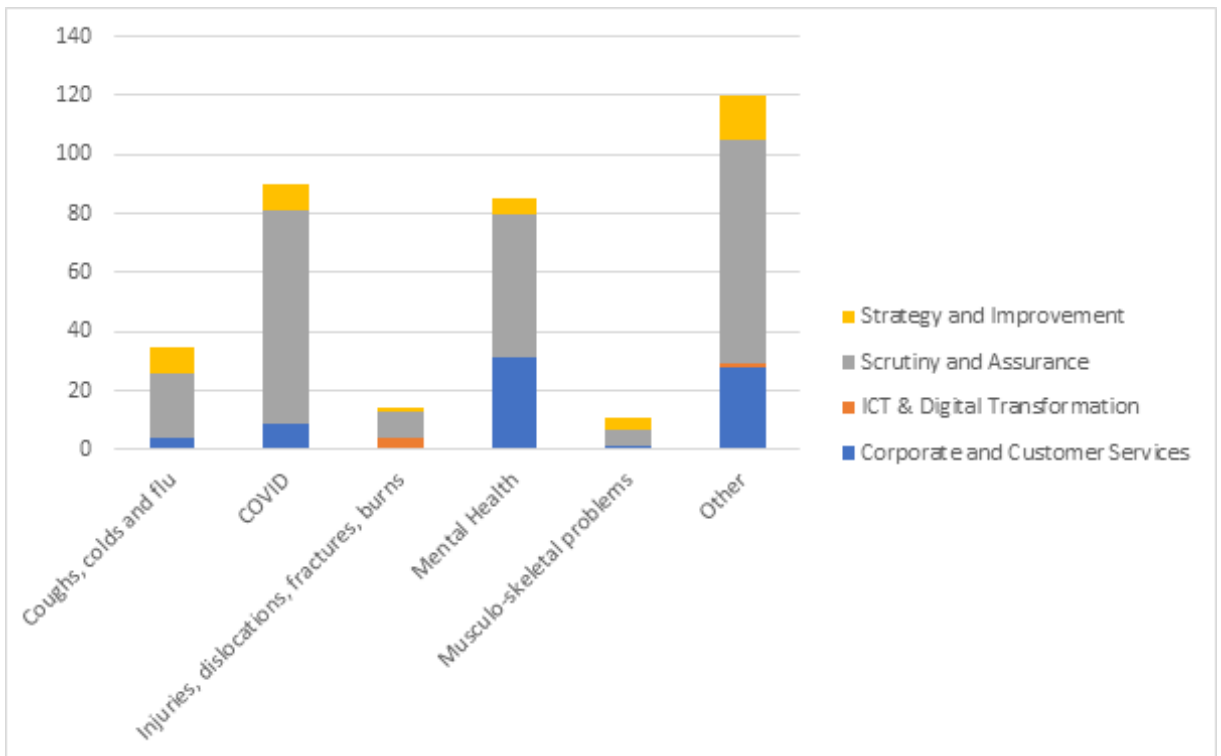
Month	Long	Medium	Short	Total
April 22	4.66%	0.85%	1.07%	4.69%
May 22	4.56%	1.33%	0.92%	4.87%
June 22	4.50%	1.44%	2.21%	5.85%
July 22	3.97%	1.17%	0.90%	4.13%
August 22	3.64%	0.87%	0.26%	3.26%

BOARD MEETING 29 SEPTEMBER

Agenda item 12
Report No: B-31-2022



The following chart outlines the reasons given for absence. The largest is the 'other' category with 120 employees, then COVID and mental health related issues.



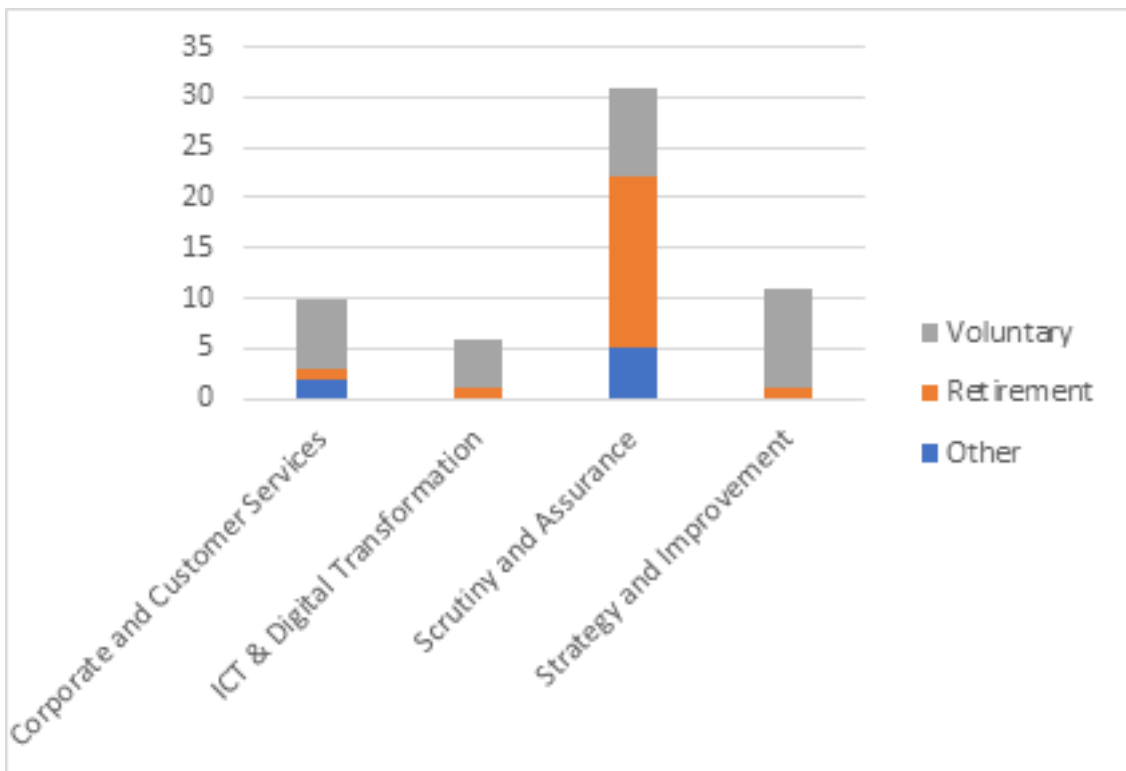
3.2. Staff Turnover

The overall turnover rate for these five months is 11.8% which is slightly below the public sector median figure in 2021 of 12.4%.

A breakdown of turnover by directorate and by reason for leaving are shown in the following table and chart. 53% of staff leavers were due to voluntary resignations and 34.5% due to retirement.

The figures for Scrutiny and Assurance are 29% for voluntary resignations and 55% for retirement, indicative of the age profile in the directorate as summarised in Appendix 1.

Directorate	Total
Corporate and Customer Services	10
ICT & Digital Transformation	6
Scrutiny and Assurance	31
Strategy and Improvement	11



BOARD MEETING 29 SEPTEMBER**Agenda item 12**
Report No: B-31-2022**4.0 RECRUITMENT ACTIVITY**

Between April and August 2022, the following recruitment activity took place:

- We worked with all directorates to manage 41 recruitment campaigns:
 - 16 internal only
 - 22 temporary posts
 - 19 permanent posts
- This was over eight campaigns per month.
- We have filled 62 vacancies in total. 47 of these were filled by new employees, of which 38 were inspectors.
- The vacancy fill rate during this period was 85%.

4.1 Recruitment Campaigns

The number of campaigns by directorate was:

- Scrutiny and Assurance – 8 in total
- Corporate and Customer Services – 11 in total
- Strategy and Improvement – 17 in total
- ICT & Digital Transformation – 4 in total
- Executive – 1 (Chief Exec)

We have had to re-run 5 campaigns due to the current buoyant recruitment market. We are working with recruiting managers to plan how we might mitigate this.

4.2 Recruitment Processing

The average number of days to process a campaign (from vacancy going live to the employee's first day not including volume campaigns) is 74 calendar days. This is a reduction of 12 days on last year. This decrease is largely due to the online processing of PVG's, electronic checking of right to work documents and a focus during the short hiatus in summer to conclude pre-employment checks.

The number of vacancies filled by directorate was:

- Scrutiny and Assurance – 38 externally / 7 internally = 45 in total
- Corporate and Customer Services – 4 externally / 0 internally = 4 in total
- Strategy and Improvement – 4 externally / 8 internally = 12 in total
- ICT and Digital Transformation – 1 externally / 0 internally = 1 in total

We have processed 502 applications in total.

333 were for inspectors only.

The average number of applications per campaign (not including inspectors) is 4.12.

BOARD MEETING 29 SEPTEMBER**Agenda item 12**
Report No: B-31-2022**4.3 Scrutiny and Assurance Recruitment**

Following a successful campaign in the first half of the year, 41 inspectors were recruited.

Our most recent campaign, which went to advert at the beginning of August, has returned 333 applications in total – with 131 for Early Learning and Childcare, 77 for Children and Young People and 125 for Adults and Complaints.

5.0 IMPLICATIONS AND/OR DIRECT BENEFITS**5.1 Resources**

There are no additional resource implications because of this report.

5.2 Sustainability

This report is for information only and there are no sustainability issues or benefits because of it.

5.3 Policy

There are no direct policy implications in relation to this report but, as outlined there has been pressure on recruitment and retention across the social care sector during the period covered by this report and we expect that to be ongoing throughout the coming year. This will have an impact on the HR team in terms of recruitment and workforce planning support.

The ongoing review of health and social care and the implementation of the National Care Service remains an unknown in terms of the impact on the CI and SSSC and therefore the support that will be required from HR. We will keep a close eye on developments and resource plan accordingly.

5.4 How does this report directly/indirectly improve the provision of care?

HR data reporting is used to support Corporate Plan Outcome 4: Our People are skilled, confident and well supported to carry out their roles.

The use of HR metrics in these areas allows us to focus our efforts on areas that will ensure our employees are well supported and equipped to deliver their roles and can deliver a high-quality service which will in turn improve the provision of care.

5.5 Customers (Internal and/or External)

This report is for information only and there are no direct customer issues or benefits because of it. However, customer service remains a key priority for HR and we will seek customer feedback as appropriate to inform and improve our service.

BOARD MEETING 29 SEPTEMBER

Agenda item 12
Report No: B-31-2022

6.0 CONCLUSIONS/NEXT STEPS

This report highlights some of the key HR metrics for the Care Inspectorate which we continue to monitor and review in line with our aims in both the Corporate Plan and the Strategic Workforce Plan. We welcome feedback on this report and any additional or different measures that the Board would like to see in future reports.

WORKFORCE PROFILE DETAILS

The following detail covers various information on the workforce not included in the main Board report.

HR will update these on a quarterly basis and include any other metrics considered of interest and/or relevance.

Commentary will be provided to draw out pertinent points and/or to outline any risk or action based on the data.

Headcount and FTE

Directorate	Headcount	FTE
Corporate and Customer Services	133	123.9
Executive Team	5	4.8
Scrutiny and Assurance	411	387.5
Strategy and Improvement	79	76
ICT & Digital Transformation	21	20.7
Total	649	612.9

These figures exclude any locum staff, agency staff and consultants. It includes all staff on payroll whether they are currently at work or not (ie includes staff on maternity leave or absent due to long term sickness).

Age profile

We have an aging workforce – more than 70% of our workforce are over 45, with over a third over 55, this increases to nearly 50% in Scrutiny and Assurance.

HR are working with organisational workforce development (OWD) to produce robust workforce data to allow us to plan and future proof for employees' retirement. We are also exploring use of a 'talent pool' for inspectors so we can over recruit to vacancies and have a constant pool of resource to draw from.

Type/Age	Under 25	25-34	35-44	45-54	55-64	65+
Corporate and Customer Services	5	21	23	32	46	6
Exec Team	Fewer than 5 in each category so not listed for data protection					
Scrutiny and Assurance	0	10	77	146	161	17
Strategy and Improvement	0	13	21	25	20	0
ICT and Digital Transformation	0	0	8	7	6	0
% of workforce	0.8%	6.7%	20%	33%	36%	3.5%

Breakdown by sex

Directorate	Female	Male
Corporate and Customer Services	116	17
Executive Team	Not reported for DP	
Scrutiny and Assurance	335	76
Strategy and Improvement	59	20
ICT & Digital Transformation	7	14
% of workforce	80%	20%

Our workforce data also informs work in other ways – for example given the fact we are a 4/5 female workforce and have a high level of staff in the 45-54 age bracket, we are establishing a menopause policy and toolkit, engaging employee representatives in a working group as this area is of relevance to staff.

Staff Locations

The following table shows the office locations where our staff are based – it includes the nearest office location for our contractual homeworkers. Most of our staff are based near to the Dundee or Paisley offices with some offices being much smaller having a small employee base. We will continue to monitor this to see whether this changes given the ongoing hybrid working trial.

We will also review the home postcodes for staff to assess whether we are attracting staff who live further away from one of our offices than previously.

Office Location	Staff	%
Aberdeen	47	7
Dumfries	10	1.5
Dundee	154	24
Dunfermline	48	7
Edinburgh	76	12
Elgin	6	1
Hamilton	61	9.4
Inverness	20	3
Oban	4	0.6
Paisley	161	25
Selkirk	15	2
Shetland	1	0.1
Stirling	44	7
Western Isles	2	0.3
Total	649	100

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 13
Report No: B-32-2022



Title:	2021-22 PROCUREMENT UPDATE AND PERFORMANCE REPORT
Author:	Gillian Berry, Accounting and Procurement Manager
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Annual Procurement Report 2021/22
Consultation:	N/A
Resource Implications:	No

EXECUTIVE SUMMARY

This report provides an overview of our procurement performance for 2021/22. The Annual Procurement Report is appended to this report, which documents our progress towards achieving our strategic procurement objectives.

The Board is invited to:

- Note and comment on the Annual Procurement Report 2021/22 (Appendix 1) which we will publish on the intranet and website, adjusted for any feedback received from the Board.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting	<input checked="" type="checkbox"/>	For Discussion	<input checked="" type="checkbox"/>	For Assurance	<input type="checkbox"/>	For Decision	<input type="checkbox"/>

Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
		Reason: An EQIA has been completed for the overarching Procurement Strategy and this reports our performance in achieving our procurement strategic priorities.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 13

Report No: B-32-2022

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:*(see Reasons for Exclusion)*

Not applicable – this is a public Board report

Disclosure after: Not applicable**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.

PROCUREMENT UPDATE AND PERFORMANCE REPORT 2021/22

1.0 INTRODUCTION

The Care Inspectorate has a duty to ensure compliance with the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations. The Accountable Officer also has a specific responsibility to ensure compliance with the procurement section of the Scottish Public Finance Manual. This report provides an overview of procurement developments and reports on procurement performance for 2021/22.

2.0 PROCUREMENT PERFORMANCE

The procurement strategy and annual procurement report are part of the reporting landscape for organisations that have an estimated regulated procurement spend of £5m or more. Whilst the Care Inspectorate does not meet this criterion, we develop an annual procurement report and will publish it on our website as good practice.

The annual report is attached as Appendix 1.

3.0 PROCUREMENT SHARED SERVICE FROM SCOTTISH GOVERNMENT

We partner with the Central Government Procurement Shared Service (CGPSS) to benefit from both operational and strategic support to make sure the Care Inspectorate maximises value and performance from its third-party expenditure, manages risk and remains compliant with changing legislation and policy. This partnership provides benefits in further improving our procurement capability by providing specialist advice for more complex aspects of procurement. Our CGPSS partner provided the following in 2021/22:

- provision of specification writing training to IT and Digital staff
- specialist procurement advice.

The shared service is provided on the basis of a Memorandum of Understanding.

4.0 PROCUREMENT CAPABILITY

Scottish Government assesses procurement capability through the Procurement and Commercial Improvement Programme (PCIP). The PCIP focuses on the policies and procedures driving procurement performance, and the results they deliver.

The PCIP includes Full, Medium and Lite Assessments and, for those bodies with an annual procurement spend of less than £7m, a Healthcheck.

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 13****Report No: B-32-2022**

The Care Inspectorate's last assessment was completed in November 2019 and was a joint assessment with the SSSC. We scored green in all nine key areas assessed using a RAG assessment tool. A revised PCIP is in development and our next assessment is scheduled for completion in 2023.

5.0 IMPLICATIONS AND/OR DIRECT BENEFITS

Sections 5.1 to 5.5 note the implications and direct benefits arising from this report.

5.1 Resources

There are no direct resource implications associated with this procurement update report. This section provides details of the Care Inspectorate's procurement performance for the year, and any benefits realised from procurement are incorporated into the 2022/23 budget.

The procurement processes in place are compliant with legal requirements.

5.2 Sustainability

The progress towards meeting our strategic sustainability priorities is reported in the Annual Procurement Report.

5.3 How does this report directly/indirectly improve the provision of care?

Efficient procurement will help secure best value from contracts awarded. This in turn means that the Care Inspectorate optimises the use of its resources to maximise the benefits of the work of the Care Inspectorate to people who experience care.

5.4 Customers (Internal and/or External)

The objectives of strategic theme 4 relate to our commitment to measure, monitor and publish our procurement performance. This report demonstrates how we carry out and monitor our activities in this area.

6.0 CONCLUSIONS/NEXT STEPS

This report summarises the developments in procurement over the last financial year. The Annual Procurement Report, Appendix 1, highlights that the Care Inspectorate continues to have very strong procurement capability.



Annual Procurement Report 2021/22

Prepared by: Gillian Berry, Accounting and Procurement Manager
Contact: 01382 207140

Approved by:
Board:

Contents

1.0	Introduction
1.1	About the Care Inspectorate
2.0	Procurement strategy
3.0	Key priorities
3.1	Achieve value for money
3.1.1	Collaborative procurement
3.1.2	Non contracted spend
3.1.3	Contract benefits realised
3.1.4	Summary of procurement activity
3.1.5	Forward procurement plan
3.1.6	Electronic purchasing card
3.1.7	Invoice analysis
3.2	Deliver sustainable procurement
3.2.1	Prompt payment to suppliers
3.2.2	Paying the living wage through regulated procurement
3.2.3	Community benefits
3.2.4	SME's local businesses, supported businesses and the third sector
3.2.5	Fair and ethical trading
3.2.6	Other sustainability benefits
3.3	Raise the level of procurement knowledge, skills and expertise
3.4	Provide timely performance information
3.5	Achieve the benefits derived from collaborative working
3.6	Strengthen contract and supplier management processes
3.7	Provide a procurement service which supports effective procurement which delivers best value
4.0	Top 10 contracted suppliers
5.0	Supplier activity
6.0	Conclusion

Glossary

1.0 INTRODUCTION

1.1 About the Care Inspectorate

The Care Inspectorate is the independent scrutiny and improvement body for care, social work and child protection services and has a significant part to play in improving services for adults and children across Scotland. It regulates and inspects care services and carries out joint inspections of adults' and children's services delivered by health and social care partnerships across local authority areas.

The Care Inspectorate operates from offices across Scotland. Its headquarters are co-located with the Scottish Social Services Council (SSSC) in Dundee.

We aim to make sure that people receive high quality care and that their rights are promoted and protected.

It's our job to make sure that:

- vulnerable people are safe
- the quality of care, social work and child protection services improve
- people know the standards they have a right to expect
- we can report publicly on the quality of these services across Scotland
- we can support and encourage the development of better ways of delivering these services.

2.0 PROCUREMENT STRATEGY

The Care Inspectorate and SSSC published a joint Procurement Strategy in 2020. This strategy covers the period April 2020 to March 2023 and is designed to take a responsible and sustainable approach to procurement. The strategy has the following key priorities:

1. Achieve value for money
2. Deliver sustainable procurement
3. Raise the level of procurement knowledge, skills and expertise
4. Provide timely performance information
5. Achieve the benefits derived from collaborative working
6. Strengthen contract and supplier management processes
7. Provide a procurement service which supports effective procurement which delivers best value.

The purpose of this report is to record and publish the Care Inspectorate's procurement performance and achievements in delivering its procurement strategy.

3.0 KEY PRIORITIES

3.1 Achieve Value for Money

Procurement spend subject to procurement legislation and procedures excludes the following:

- Payroll expenditure
- Internal spend - i.e., 'spend' or cross charging between departments
- All direct payments to Her Majesty's Revenue and Customs
- Rent
- Rates
- Shared services

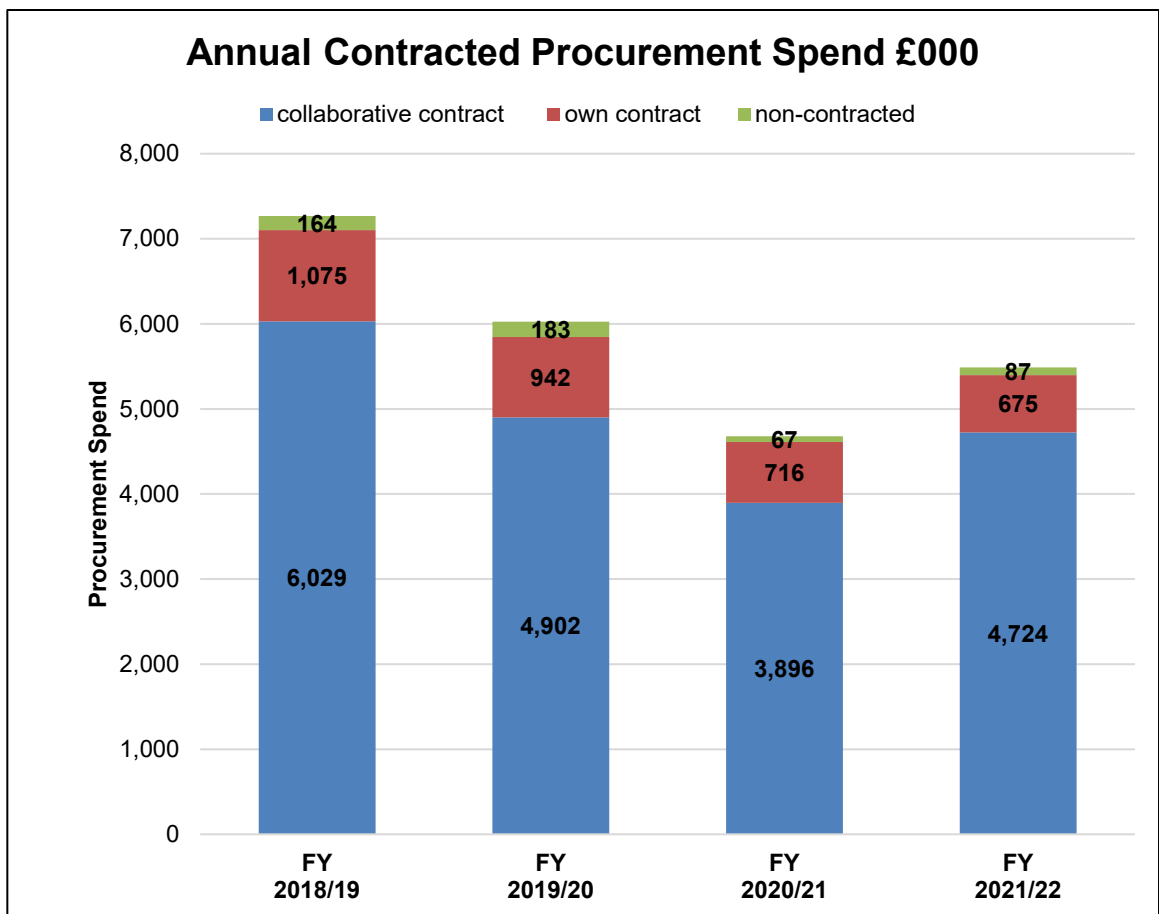
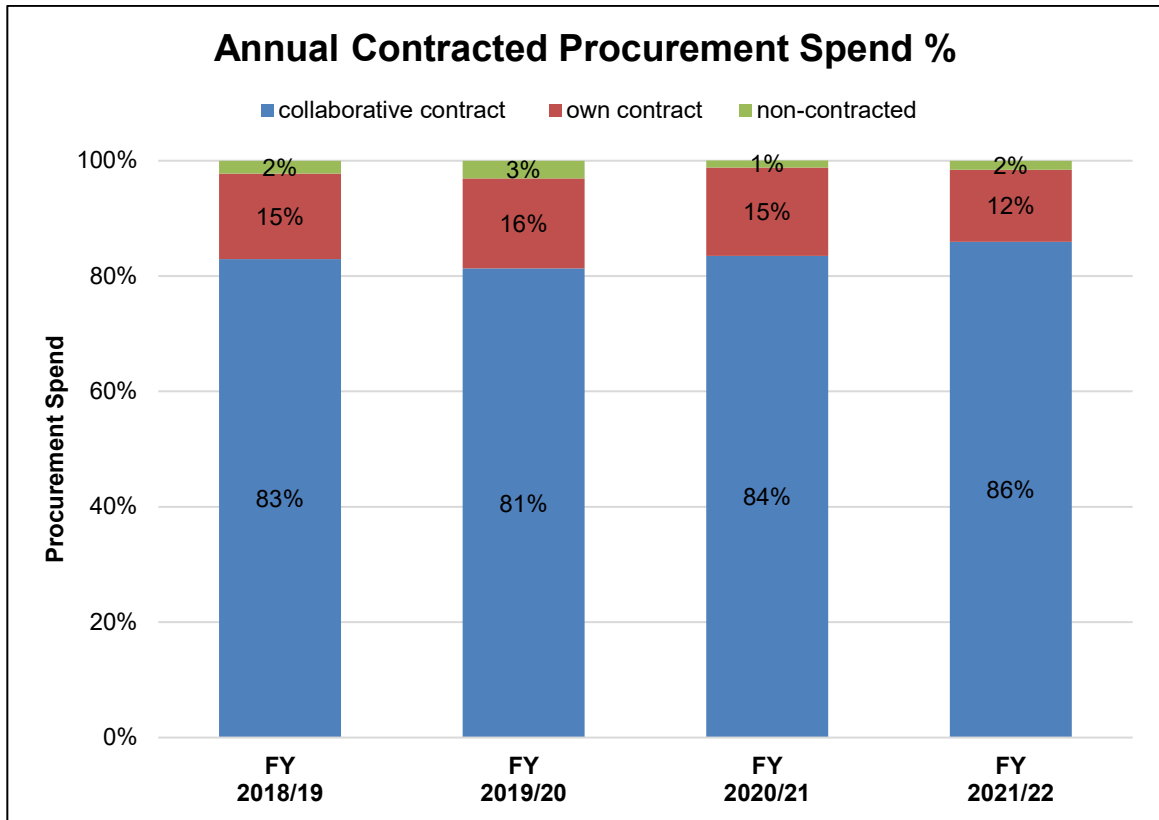
To make sure we achieve value for money in our procurement activity, we prepare sourcing strategies for all standard tenders.

The table below shows the value and volume of procurement activity for the year to 31 March 2022 (figures for the year to 31 March 2021 are shown for comparison):

Table 1: Value and Volume Summary		
	2020/21	2021/22
Total Spend	£6,556,547	£7,408,948
Total Procurement Spend	£4,678,779	£5,486,986
Total Invoice Value	£6,596,094	£6,780,826
Number of Invoices	1,884	1,977
Number of Suppliers Paid*	363	326
Average Invoice Value	£3,501	£3,430

* No of suppliers includes 112 paid by electronic purchasing card (2020/21; 108).

The analysis of procurement spend between spend on collaborative frameworks and spend on organisation owned contracts and frameworks is as follows:



As can be seen from the analysis above, contracted spend represents 98% of procurement spend. This is a reduction of one percentage points from 2020/21. A very small proportion of spend is classified as non-contracted. This represents spend with suppliers where there is no contract in place and an analysis of this is provided in 3.1.2.

3.1.1 Collaborative procurement

We use collaborative frameworks wherever possible and only tender for our own procurement where there is not a suitable framework in place. Spend on collaborative procurement continues to represent the highest value of procurement spend. During the year we have undertaken mini-competitions or continued to call off frameworks with the following contract or framework owners:

- Scottish Procurement and Property Directorate (SPPD)
- Scotland Excel
- Advanced Procurement for Universities and Colleges (APUC)
- Scottish Prison Service
- Crown Commercial Services (CCS)
- Health Trust Europe (HTE)
- Eastern Shires Purchasing Organisation (ESPO)
- Yorkshire Purchasing Organisation (YPO)
- National Services Scotland (NSS)
- Audit Scotland
- HMRC.

Where possible, we collaborate with the Scottish Social Services Council (SSSC) in the award of contracts.

3.1.2 Non-contracted spend

Non-contracted procurement spend comprises expenditure with suppliers who are not on our contracts register and for which our below threshold procurement guidance has not been followed. Non contracted spend for 2021/22 is £87,000, representing 2% of total procurement spend. An analysis of this is:

Description	Value (£000)	Percentage
Total no-contracted spend	87	100%
Spend which should have followed a non-regulated procurement process	(39)	(46%)
Spend now regularised	(29)	(33%)
Spend outwith scope of contract	(17)	(19%)
Legacy banking contract for which transactions are being phased out	(2)	(2%)
Total unidentified spend	0	0%

All non-compliant spend is addressed directly with the relevant officers.

All regulated procurement spend is compliant with our procurement guidance.

3.1.3 Contract benefits realised

We have calculated reported procurement savings following the 'Procurement Benefits Reporting Guidance' which was developed for the Scottish Public Sector.

We have realised savings totalling £0.325m (2021/22: £0.418m) from procurement during the year. This comprises £0.241m cash savings (2020/21: £0.358m) and £0.084m non-cash savings (2020/21: £0.060m). The highest savings were realised from the following contracts:

- Mobile telephony services
- Storage and archiving services
- Digital technology products
- Building Maintenance
- Cloud services

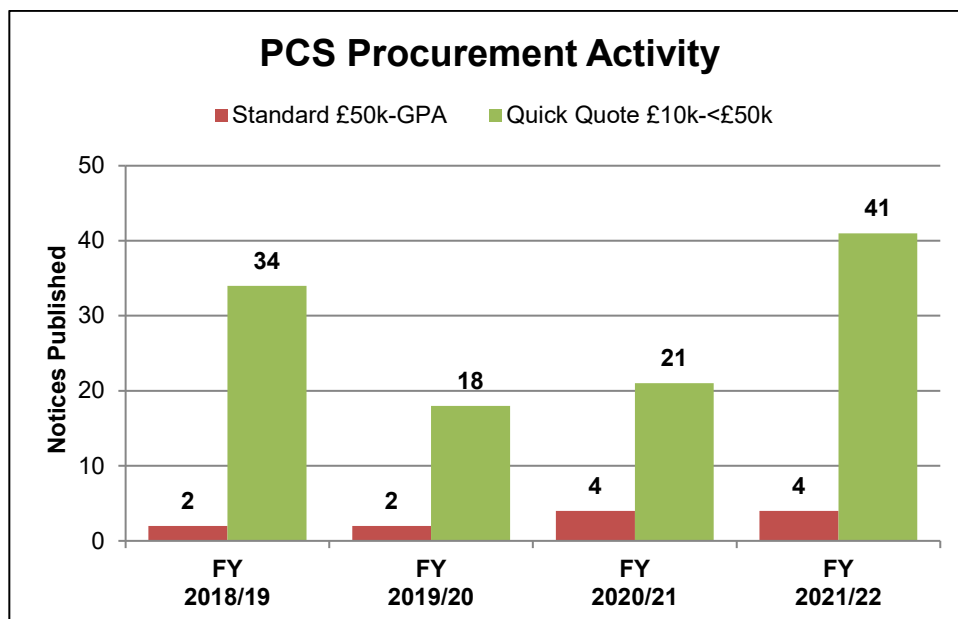
Sustainability benefits realised during the year are detailed in 3.2.

3.1.4 Summary of procurement activity

We are committed to making public procurement open and accessible to businesses, especially small and medium sized enterprises (SMEs), the third sector and supported businesses. Most of our tender opportunities greater than £10,000 are advertised on the Public Contracts Scotland (PCS) advertising portal. We also publish our contract register on PCS.

The PCS portal has a 'Quick Quote' facility which is a proportionate process to request and receive quotes for lower value goods and services and for goods and services which are competitively advertised using collaborative framework suppliers.

The following summarises the tenders which were advertised on PCS and shows that all the Care Inspectorate's 2021/22 procurements are below the GPA threshold.



All regulated procurement followed a compliant procurement route.

3.1.5 Forward procurement plan

We publish a two year plan of our procurement activity to promote wider participation in our procurement process. This plan gives notice to suppliers of future opportunities and provides the following information:

- the subject matter
- whether it is a new, extended or re-let procurement
- the expected contract notice publication date
- expected award date
- expected start date
- the estimated value of the contract.

3.1.6 Electronic purchasing card

We encourage purchasing and payment by electronic purchasing card (ePC) when paying for low value, high volume goods and services. There were 475 transactions (2020/21: 364) totalling £65,814 (2020/21; £50,775) using this method in 2020/21 with an average transaction value of £137.40 (2020/21; £139.49).

The value and volume of spend has seen an increase from the position reported in 2020/21. This was due to an increase in requirement for low value goods and services as our offices re-opened following the initial response to the Covid-19 pandemic.

3.1.7 Invoice analysis

We processed a total of 1,977 invoices (2020/21: 1,884), totalling £7.409m (2020/21: £6,557m) during the year.

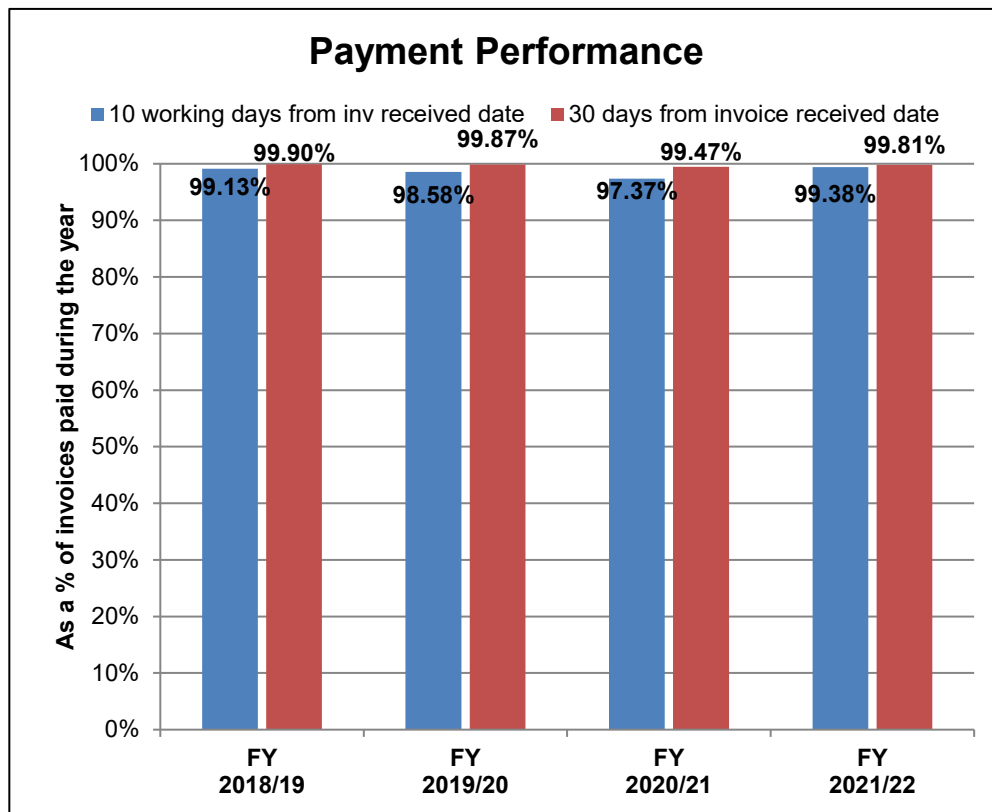
We continue to explore opportunities for consolidating invoicing and purchasing low value goods and services using ePCs, where savings are realised from the reduction in volume of invoices processed. The cumulative saving from this is £23k (2020/21; £21k) and is reported in the non cash savings in 3.1.3.

3.2 DELIVER SUSTAINABLE PROCUREMENT

The Care Inspectorate has a duty to comply with the sustainable procurement duty as detailed in the Procurement Reform (Scotland) Act 2014. The procurement strategy details our sustainability priorities and our progress towards achieving those are outlined in 3.2.1 to 3.2.6.

3.2.1 Prompt payment to suppliers

We are committed to paying our suppliers promptly and payment performance continues to be maintained at a high level. 99.81% of suppliers were paid within 30 days of the invoice received date, and 99.38% paid within the Scottish Government’s target of 10 working days. The following shows payment performance for the financial years 2018/19 to 2021/22.



3.2.2 Paying the living wage through regulated procurement

We promote fair work practices in all of our tender documentation and are committed to promoting the payment of the Real Living Wage. The Care Inspectorate is an accredited living wage employer.

During the year we have awarded 59 contracts or call-offs where sustainability benefits were secured. Of those, 19 suppliers documented that they pay either the Real Living Wage or the Living Wage for the provision of the following services:

Contracted Service	Award Value £000
Provision of temporary/interim staff	1,971
Provision of security services	483
Enterprise architectural services	250
Film, animation, film and editing training services	100
Water and wastewater services	90
Cloud services	82
Security alarms, CCTV and access control provision, maintenance and monitoring	44
Media services	42
Provision of meeting room conferencing equipment	33
Server and infrastructure support and maintenance	9
Events and video production services	4

During the year, contracts were awarded to six suppliers who confirmed they have signed up to the Scottish Business Pledge during the year. These contracts comprise:

- Water and wastewater services
- Provision of media services
- Interim and temporary staff services
- Recruitment services

3.2.3 Community benefits

We promote the use of community benefits within procurement exercises where they are relevant and proportionate to the contract. We have not had any contracts exceeding £4m in value, however, we continue to call-off of Scottish Procurement and Property Directorate collaborative contracts which supports the provision of apprenticeships and work placements.

Our call-off from the SPPD's collaborative frameworks is contributing to the commitment to provide the following benefits:

- provision of apprenticeship schemes
- graduate programmes,
- participation in the Duke of Edinburgh Award Scheme
- volunteering work contributing to schools and education
- providing training and skills to support the development of, and build capacity in, the local community and create lasting employment opportunities.
- providing work experience placements and regularly host students from local schools in this capacity.

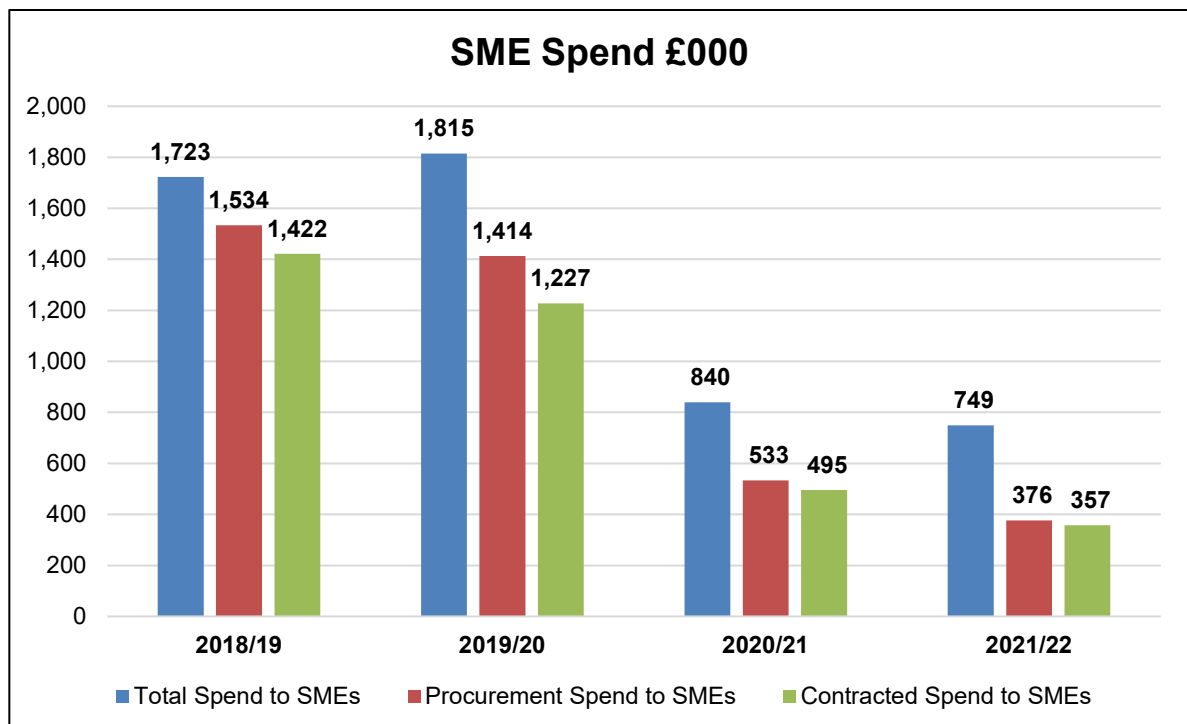
We also continue to realise the following benefits from the award of contracts:

- The provision of approved work placements for secondary school pupils and support for events to promote and encourage entrepreneurship.
- An opportunity for a modern apprentice to be involved in the delivery of the contract.
- Free advice and help to charity and not for profit clients around financial and fundraising activities. As a new client, we have access to this.
- A commitment to working with us in supporting charitable causes.
- A commitment to work closely with Elevator on the Dundee Accelerator Programme and provide financial and specialist business improvement advice to the business incubator which assists fledgling companies to become market and investor ready.
- Recruitment of school leavers for Association of Accounting Technicians (AAT) via the modern apprenticeship route and the Institute of Chartered Accountants of Scotland (ICAS) direct entry route towards the CA qualification.

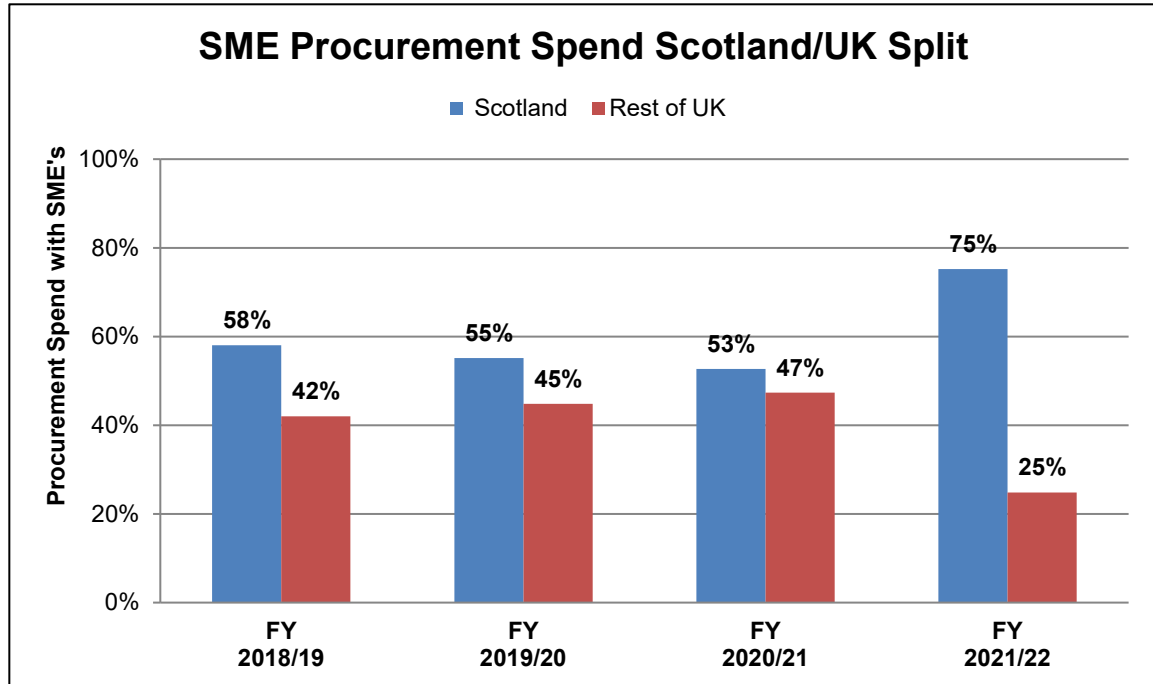
3.2.4 SME’s local businesses, supported businesses and the third sector

During the year we have continued to address sustainability in procurement. A directory of supported businesses is published on the Care Inspectorate intranet. This directory provides supported business supplier names, contact details including website links and a summary of goods and services provided by each supported business.

We continue to capture spend with SME’s, social enterprises and third sector suppliers. Our annual spend with SMEs is £0.749m, representing 10% (2020/21: 13%) of our total spend and 7% (2020/21: 11%) of our procurement spend. An analysis of our annual spend with SMEs is shown below:



A breakdown of the procurement spend between Scottish and other UK SMEs is represented in the table below:



The 2020/21 procurement spend with SME's included non recurring spend. This has resulted in a shift in balance with percentage of spend between Scottish and other UK SMEs.

3.2.5 Fair and ethical trading

Our standard procurement procedures involve assessing a bidder's suitability to be awarded the contract. This process includes considering whether the bidder has been convicted of certain offences or committed any acts of professional misconduct while running their business. There were no tenders where mandatory or discretionary grounds for exclusion were applied.

Our standard terms and conditions allow us to end a contract if the contractor or subcontractor fails to keep to their legal duties in the areas of environmental, social or employment law when carrying out that contract.

3.2.6 Other sustainability benefits

We continue to maintain a sustainability tracking tool where we capture sustainability benefits in our procurement activity. For 2021/22 the Care Inspectorate awarded nine contracts and 50 call-off agreements where the following social, environmental and economic benefits were realised:

Environmental Benefits

- Vehicle emission reduction
- Carbon and energy consumption reduction
- Reduction of carbon in production.

Socio-economic benefits

- Fair work first principles
- Equality & human rights
- Employment skills and training
- Award and subcontracting to SMEs
- Commitment to Scottish Business Pledge
- Equalities within the workforce.

These benefits relate to regulated and lower value contracts and include the following:

1. Our media services supplier has committed to a number of sustainability targets, including setting a target to implement a global supplier ESG ratings methodology to incorporate sustainability into their supplier sourcing and management.
2. Our contract for IT hardware includes a requirement to recycle legacy hardware.
3. The provider of our conference room meeting commitment has committed to holding meetings and provide post implementation support virtually where possible to reduce carbon emissions.
4. We only purchase sustainable promotional materials.

To keep emissions and other waste to a minimum, the supplier of our health and safety support service has committed to the following through delivery of the framework:

- Completing DSE assessments remotely where possible, reducing unnecessary travel
- providing locally based assessors available for onsite assessments
- using appointment planning software to reduce travel
- using hybrid vehicles where possible, with no use of diesel vehicles
- using local distribution hubs for consolidated delivery plans
- removing packaging from site and sending to local recycling centres for ethical disposal.

The cleaning and environmental services contract includes the use of biodegradable cleaning materials, energy efficient tools and recycling services.

The award of the provision of hot and cold drinking water contract was made to a supplier who continues to make significant investment in sustainability across their whole service delivery process.

As our offices have remained closed in response to the Covid-19 pandemic, we have developed more sustainable methods of working where our paper requirement has reduced from 626 boxes in 2019/20 to 101 boxes this year. We plan to maintain many of these more sustainable methods of working.

3.3 RAISE THE LEVEL OF PROCUREMENT KNOWLEDGE, SKILLS AND EXPERTISE

The Care Inspectorate continues to invest in ensuring our staff are equipped with the right tools and experience in order to discharge their procurement duties effectively and efficiently. A central procurement training register is maintained by the Procurement Team. Activities during the year included:

- The Procurement Team continued to deliver training at Care Inspectorate team level. This allowed the training to be delivered around individual team requirements, ensuring it was meaningful and relevant. During the year, they delivered eight formal training events.
- Our shared service partner delivered specification writing training to our IT and Digital Transformation staff. Evaluation training is planned for August 2022.
- All of the Procurement Team attended the Scottish Government's Central Government Procurement Event held in June 2021.
- Informal training is provided on an on-going basis by the Procurement Team and procurement continues to form part of the induction that new staff undertake when they join the Care Inspectorate.
- Through our partnership with NHS Counter Fraud Service, Counter Fraud awareness sessions were delivered to our Procurement Development Group in March 2021. There are plans to further role out this training to all staff with delegated authority to commit or approve expenditure during 2022/23.

The Procurement Development Group meet at least twice each year.

3.4 PROVIDE TIMELY PERFORMANCE INFORMATION

The Procurement Development Group (PDG) provides an opportunity where key procurers within the Care Inspectorate and SSSC can discuss best practice, new developments and procurement plans with a specific aim of developing and improving the organisations' procurement capability and the effectiveness of our internal processes. The PDG inform the development of our internal procedures and reporting requirements, both internally and to Scottish Government.

A set of agreed performance measures are reported to this group bi-annually where progress against targets is reviewed and solutions are sought for further improvement.

This report on annual performance is also presented to this group, the respective Executive Management Teams of the Care Inspectorate and SSSC, the Care Inspectorate's Board and the SSSC's Audit and Assurance Committee and Council. Feedback from this report will be incorporated into the 2022/23 procurement action plan where required.

Outwith the above, any areas of concern are reported to the relevant management team as they occur.

3.5 ACHIEVE THE BENEFITS DERIVED FROM COLLABORATIVE WORKING

As can be seen from the information reported in 2.1, we continue to use collaborative frameworks where available and continue to explore opportunities for collaboration through CGPSS and our membership of our Procurement Cluster Group.

Our relationships with CGPSS and the Procurement Cluster Group facilitate the sharing of knowledge and encourage partnership working to ensure we deliver value for money and pool resources and expertise.

Savings of £0.270m (2020/21: £0.374m), representing 83% (2020/21: 89%) of our total procurement savings, have been realised from the use of collaborative frameworks.

3.6 STRENGTHEN CONTRACT AND SUPPLIER MANAGEMENT PROCESSES

Contract management training has been delivered to all staff with responsibility for managing contracts. This training provides staff with the tools and techniques required to better manage their contracts and suppliers.

During the year, we worked with a third party to refine Scottish Government's contract and supplier management e-learning modules so they fit with our organisational style. We will roll this out in 2022/23. We also provide a contract management handbook to provide further support and guidance to staff who have a role in managing contracts and suppliers.

We appoint contract managers for all relevant contracts, and we hold regular contract management meetings for all key contracts. We effectively manage supplier performance on key contracts to deliver value for money.

The procurement team collate contract management information bi-annually and maintain a central record of this which is linked to the contract register.

3.7 PROVIDE A PROCUREMENT SERVICE WHICH SUPPORTS EFFECTIVE PROCUREMENT WHICH DELIVERS BEST VALUE

We review the procurement business processes on a cyclical basis to make sure they reflect current legislation and meet the needs of the users. We have amended and continue to amend and develop several of our processes to support the changing procurement landscape.

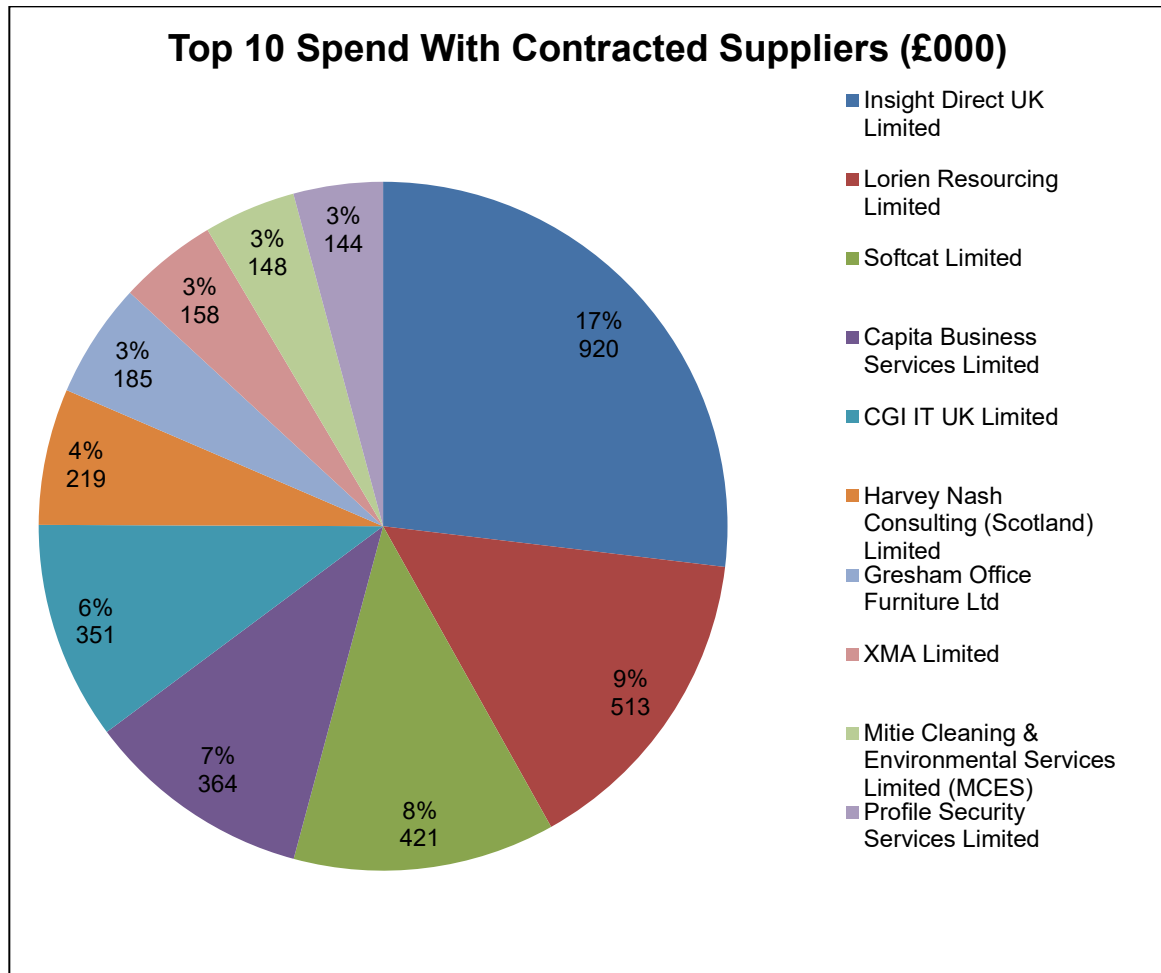
The Procurement Team has also had an integral role in the creation of lessons learned reviews during the year. These are shared with the wider internal procurement community to make sure they consider these valuable lessons for future procurements.

The success of the service delivery is informed by the independent 'healthcheck', agreed performance measures, regular feedback from users of the procurement service and a customer survey which we distribute annually. This feedback and

follow-up actions contribute to making sure that we deliver the right level and quality of service.

4.0 TOP 10 CONTRACTED SUPPLIERS

Together, the top 10 suppliers account for 62% (2020/21: 54%) of our total procurement spend, and 63% (2020/21: 55%) of our contracted spend.



The top 10 contracted suppliers provide goods and services across the following categories of expenditure:

Spend category	Spend value '£000
Information systems	1,538
Staff costs	733
Professional fees	367
Property costs	290
Telephones	252
Furniture and equipment	185
Training and development	53

Advertising, publicity, subscriptions & publications	5
Total	3,423

5.0 SUPPLIER ACTIVITY

The Procurement Team review active suppliers quarterly, with the aim being to ensure only suppliers we do regular business with are set up in the creditors' ledger. Suppliers who have not been used for a period of 13 months are made 'inactive' and any request to use them requires completion of a procurement template to ensure procurement procedures are being complied with. Only when this has been undertaken can new suppliers be created, or inactive suppliers updated to 'active' status. This ensures current contract arrangements have been analysed to ensure we are buying from a contract wherever possible. This is also good practice to mitigate the risk of purchasing or supplier fraud.

The number of active suppliers as of 31 March 2022 was 250 (2020/21: 261). Comprising the following:

- 182 supplier sites for the supply of goods or services (2020/21: 194)
- 68 supplier sites for reimbursing inspection volunteers and associate assessors for travel and subsistence expenses (2020/21: 67).

6.0 CONCLUSION

The Care Inspectorate continues to make good progress towards the achievement of the published procurement priorities and the procurement action plan which supports the procurement strategy has been updated to reflect current priorities. The implementation of this plan will support continued development in procurement.

Glossary

Term	Description
Call-off	Either mini competition or direct call-off from a collaborative framework using framework conditions.
CGPSS	Scottish Government Central Government Procurement Shared Service.
Collaborative Frameworks	A collaborative framework is a framework which has been awarded to meet the needs of a number of public sector organisations.
Community Benefits	Contractual requirements which deliver a wider social benefit in addition to the core purpose of the contract. In particular, requirements in relation to targeted training and employment outcomes.
Contract spend	Spend which is compliant with Care Inspectorate procurement governance.
GPA	Government Procurement Agreement. Applies to procurement of minimum estimated value equal to or exceeding certain specified financial value thresholds.
Living Wage	National minimum wage for workers aged over 25.
Non contracted	Spend not linked to a formal contract which is recorded on the contract register.
Own contracts	Contracts advertised and awarded by the Care Inspectorate.
Procurement Cluster Group	Group of Scottish Public Sector bodies of differing sizes who meet to discuss best practice, new developments and procurement plans. This facilitates the development of procurement capability within the Scottish Public sector.
Procurement spend	Spend which is influenced by Procurement governance arrangements.
Public Contracts Scotland (PCS)	Public procurement advertising portal where contract notices and awards are published.
Regulated procurement	Procurement seeking offers in relation to a contract with a value of £50,000 or over.
Real Living Wage	Living wage calculated to be sufficient to provide the necessities and comforts essential to an acceptable standard of living. Applies to all workers over the age of 18.
SME	The usual definition of small and medium sized enterprises (SMEs) is any business with fewer than 250 employees.
Supported Business	A supported business' primary aim is the social and professional integration of disabled or disadvantaged persons. At least 30 per cent of the employees of those businesses should be disabled or disadvantaged.
Third Sector	Term used to describe the range of organisations that are neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations,

Term	Description
	self-help groups and community groups), social enterprises, mutuals and co-operatives.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 14
Report No: B-33-2022



Title:	REVIEW OF BOARD REPORTING FRAMEWORK AND SCHEDULING OF EXECUTIVE MEETINGS 2023/24
Author:	Fiona McKeand, Executive and Committee Support Manager
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Draft Schedule of Board, Committee and Board Development Event meetings 2023/24
Consultation:	Previous Chair of the Board Strategic Leadership Team Executive Director of Corporate and Customer Services Intelligence and Analysis colleagues Head of Finance and Corporate Governance Head of Human Resources
Resource Implications:	None

EXECUTIVE SUMMARY

This report gives the background to a review of the Care Inspectorate's reporting framework, the corresponding scheduling of leadership and strategic internal meetings and sets out proposals for a new Board and Committee cycle from 1 April 2023.

The Board is invited to:

- To approve, pending comments, the draft Board and Committee dates for 2023/24.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting		For Discussion	X	For Assurance		For Decision	X

Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Reason: No change to any policy, therefore not required.		

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 14
Report No: B-33-2022

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: Not applicable, this is a public Board report.
Disclosure after: Not applicable

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 29 SEPTEMBER 2022

Agenda item 14
Report No: B-33-2022

REVIEW OF BOARD REPORTING FRAMEWORK AND SCHEDULING OF EXECUTIVE MEETINGS 2023/24**1.0 BACKGROUND**

The scheduling of the annual Board and Committee cycle, from 1 April to 31 March, has followed a very similar pattern over the years. In each quarter, the Board meets in the months of June, September, December and March, normally from the middle to the end of those months. The Committees of the Board (currently only one, the Audit and Risk Committee) meet a few weeks beforehand and subsequently report their business to the next Board meeting.

At its meetings, the Board receives regular monitoring reports, with the key reports being

- monitoring our performance (quarterly);
- budget monitoring (currently 6 monthly, but with a move to quarterly); and
- HR report (to be reported on quarterly to the Board, commencing September 2022)

The monitoring our performance report is prepared from data and information collated during the reporting period that precedes the quarter in which the Board meets. This means that the Board receives performance information up to 10 weeks after the preceding quarter end.

In carrying out its monitoring and scrutiny role, it has not been uncommon at Board meetings for members to ask for more information on the up-to-date performance position in specific areas of activity. This was one of the drivers for the review of the Board reporting framework; if it would be feasible to set Board meeting dates slightly earlier in each quarter, whilst ensuring that the data and information could be collated, analysed and reviewed through the internal process within a manageable timeline that would then enable the Board to receive as up-to-date information as possible by the time it met.

1.1 Consultation

Forward planning for the 2023-24 Board cycle has taken the above into consideration and initial proposals for bringing the Board meeting dates forward by four weeks were firstly discussed with colleagues in the Intelligence and Analysis team. Their views were sought specifically to determine the impact on their capacity to prepare and have the report approved within a shorter timeframe. The Senior Intelligence Analyst has been supportive of the proposals to bring forward the Board dates, but mindful that any new reporting timeline must be fully supported through the internal approval process.

Discussions have also been held with the Head of Finance and Corporate Governance and the Head of Human Resources in respect of the preparation and internal approval of the Budget Monitoring and HR reports. No significant issues were

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 14
Report No: B-33-2022**

highlighted during those discussions, and the proposed set of meeting dates have been supported by both of the heads of service.

The Executive and Committee Support Manager and the Head of Customer Services have met with the Executive Director of Corporate and Customer Services to keep her informed of each round of consultation and agree for the findings and recommendations to be submitted to the SLT for discussion and approval.

At its meeting on 10 August, the SLT considered the proposals for a revised Board and Committee meetings cycle and agreed that these should be submitted to the Board for final approval at its meeting on 29 September 2023.

As part of the consultation process, the new Chair and the Convener of the Audit and Risk Committee have also been provided with advance copies of these proposed dates.

2.0 SYNCHRONISATION WITH EXECUTIVE MEETINGS

As part of the operational planning process, there has been a need to ensure that the scheduling of the Care Inspectorate's leadership and key strategic meetings is co-ordinated so that they run in sequence, thus enabling a structured framework for discussion and decision-making as part of the internal approval process, culminating in reports being submitted to the Board. This scheduling work has been completed and agreed with the SLT, and for the Board's information these cover:

- Strategic Leadership Team (SLT)
- Operational Leadership Team (OLT)
- Joint SLT/OLT
- Joint CI/SSSC Senior Management Team (SMT)
- Joint Health, Safety and Wellbeing Committee
- Partnership Forum
- The new Scrutiny Governance Group (name to be agreed)

3.0 SYNCHRONISATION WITH HEALTHCARE IMPROVEMENT SCOTLAND BOARD AND SSSC COUNCIL MEETINGS

Due to our respective Chairs and Council Convener holding *ex-officio* seats, there is a need to ensure that their Board and Council meeting dates do not coincide with those of the Care Inspectorate. Being part of the shared service with SSSC, we also need to take account of the respective Audit and Risk/Assurance Committee dates, due to the required attendance of the Executive Director of Corporate and Customer Services and the Head of Finance and Corporate Governance/Head of Shared Services. Having had sight of the proposed HIS dates and the confirmed SSSC dates, we can advise the Board that there is no overlap with our own proposed dates.

4.0 BOARD DEVELOPMENT EVENTS

The proposed meetings schedule does not, at this stage, include dates for Board Development Events during 2023/24. Further discussion will be required with the Chair, with the intention being to prepare an annual development programme comprising agreed topics/subjects for the full 12 months from 1 April 2023.

5.0 IMPLICATIONS AND/OR DIRECT BENEFITS

5.1 Resources

There are no resources implications for these proposals.

5.2 Sustainability

There are no direct sustainability implications arising from this report.

5.3 Policy

There are no direct policy implications for these proposals.

5.4 How does this report directly/indirectly improve the provision of care?

These proposals seek to make improvements to the Care Inspectorate's operational and strategic reporting framework, providing the Board with regular, up to date information on how the Care Inspectorate is achieving the delivery of the strategic outcomes in its Corporate Plan. The detailed scrutiny of this information by the Board will demonstrate to people who experience care that the organisation is committed to fulfilling its mission to provide public assurance about the quality of social care, social work and early learning services.

5.5 Customers (Internal and/or External)

There are no direct implications on internal or external customers.

6.0 CONCLUSIONS/NEXT STEPS

The Board is invited to consider these proposals and, pending comments, approve the new meetings schedule for 2023/24.

REVIEW OF BOARD & COMMITTEE MEETING DATES 2023/24

NOTE: The Audit and Risk Committee does not receive quarterly reports, as does the Board. Advice from Head of Finance and Corporate Governance is that the A&RC meets as it currently does in mid-to end May, thus allowing a report to be submitted to an August meeting of the Board, thereafter its meetings scheduled to run in sync with revised Board dates.

	Date	Comments	SLT Meeting
1st Quarter			
Public Board (including Governance Review)	11 May 2023	For reporting of Q4 2022/23 information	19 April 2023
Audit and Risk Committee (including self-evaluation)	25 May 2023	For reporting to August Board	19 April 2023
Board Development Event	Beginning June - tbc		
2nd Quarter			
Public Board	10 August 2023	For reporting of Q1 2023/24	19 July 2023
Audit and Risk Committee	10 August 2023	Single item meeting for Annual Report and Accounts. Open to all Board members	19 July 2023
Audit and Risk Committee	29 September 2023	Reporting to November Board	13 September 2023
Board Development Event	Beginning/mid-September tbc		
3rd Quarter			
Board Strategic Event	Late 2023 or early 2024	Timing to be reviewed	
Public Board	9 November 2023	For reporting of Q2	18 October 2023
Audit and Risk Committee	14 December 2023	Reporting to February Board	15 November 2023
Board Development Event	Mid-January tbc		
4th Quarter			
Public Board	8 February 2024	For reporting of Q3	17 January 2024
Audit and Risk Committee	7 March 2024	Reporting to May Board	14 February 2024
Board Development Event	Mid-April - tbc		
Additional Board Meeting			
Public Board	28 March 2024	Discuss and approve Budget	13 March 2024



Title:	ANNUAL REVIEW OF SHARED SERVICES 2021/22 (CARE INSPECTORATE AND SCOTTISH SOCIAL SERVICES COUNCIL)
Author:	Kenny Dick, Head of Finance and Corporate Governance
Responsible Director:	Jackie Mackenzie, Executive Director of Corporate and Customer Services
Appendices:	1. Shared Service Performance 2021/22 2. Shared Service Risk Register Monitoring
Consultation:	N/A
Resource Implications:	No

EXECUTIVE SUMMARY

We have carried out an annual review of shared services following revised arrangements effective from 1 April 2021. We have made good progress and will continue to update the improvement plan.

The Board is invited to:

- Note the 2021/22 annual review of shared services.

Links	Corporate Plan Outcome (Number/s)	All	Risk Register (Yes/No)	Yes			
For Noting	<input checked="" type="checkbox"/>	For Discussion	<input checked="" type="checkbox"/>	For Assurance	<input type="checkbox"/>	For Decision	<input type="checkbox"/>

Equality Impact Assessment

Yes <input type="checkbox"/>	Not Yet <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Reason: The report is a review and is not changing any strategy or policy.		

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 15
Report No: B-34-2022

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.

<p>Reason for Confidentiality/Private Report: <i>(see Reasons for Exclusion)</i></p> <p>Not applicable – this is a public Board report.</p>
<p>Disclosure after: Not applicable</p>

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.

ANNUAL REVIEW OF SHARED SERVICES 2021/22

1.0 INTRODUCTION

The Care Inspectorate has shared services with the Scottish Social Services Council (SSSC) from 2001 i.e., Finance, HR, Payroll, Procurement, Estates and Health and Safety. Following recommendations in a CIPFA report in 2020 both organisations agreed to strengthen governance arrangements and the Board and SSSC Council approved the following governance documents in June 2021 and May 2021 respectively:

- shared services strategy
- management agreement
- performance measures
- risk register.

The revised shared services arrangements were in place from 1 April 2021. Henderson Loggie, internal auditors for the Care Inspectorate and the SSSC carried out an audit of documentation in two phases. The phase 1 review on governance documents rated the overall level of assurance as satisfactory and we implemented all their recommendations in the final documents. The phase 2 review on operational documents rated the overall level of assurance as good and there were no further recommendations to implement.

2.0 ANNUAL REVIEW PROCESS

2.1 Review Meetings – Shared Service Review Board

The Shared Services Review Board comprises the Chief Executives of the Care Inspectorate and SSSC, the Executive Director of Corporate and Customer Services (CI), the Director of Finance and Resources (SSSC) and the Head of Finance and Corporate Governance (SSSC). The Shared Service Review Board met three times to discuss quarterly performance for 2021/22, although one meeting was not quorate. These meetings were positive with no significant issues raised. The quarter four meeting also served as an annual review and the group reflected that the governance and operational arrangements were working well and that there was evidence of improved performance over the period with the Head of Finance and Corporate Governance putting in place an improvement plan that considered feedback from internal customers.

2.2 Review Meetings - Shared Services Oversight Group (SSOG)

The Shared Services Oversight Group (SSOG) has the same membership as the Review Board, excluding the Chief Executives. The Group met regularly throughout the year to monitor performance, risk and use of resources and worked to constructively resolve any issues that arose during the year.

BOARD MEETING 29 SEPTEMBER 2022

Agenda item 15
Report No: B-34-2022

2.3 Review Meetings – Board Level Review

The Care Inspectorate Chair and SSSC Convener met with the Chief Executives of both organisations, the Executive Director of Corporate and Customer Services (CI) and the Interim Director of Finance and Resources (SSSC) on 17 May 2022. Directors made a short presentation on what has gone well and what we need to keep working at. The Chair and Convener considered that the shared service arrangement is making good progress.

3.0 PERFORMANCE

3.1 Performance Measures

The shared Service Review Board considered a report containing the agreed performance measures at each of its meetings. We use the performance monitoring work to inform service improvements.

The annual performance measure results are shown in Appendix 1. Performance was good in most areas.

3.2 Customer Survey

A customer feedback survey to key Care Inspectorate and SSSC service users was issued in June 2022. This survey had sufficient similarities with the previous survey issued by CIPFA to allow broad comparisons to be made. The table below summarises the 2021/22 returns and shows the equivalent results from the previous CIPFA survey conducted in 2020. Questions were rated on a 5-point scale with 5 being very satisfied and 1 being very dissatisfied.

	Care Inspectorate		SSSC	
	2021/22	CIPFA 2020	2021/22	CIPFA 2020
%age of respondents dissatisfied	5%	14%	5%	54%
Average score for all questions	3.7	3.9	3.7	3.4

3.3 Risk Management

The SSOG monitored the risk register agreed by the Board and SSSC Council Board throughout the year. The risk register monitoring template at April 2022 is attached as Appendix 2.

The movement of risk throughout the year is summarised below:

Risk 3 - Terms and Conditions Variances increased in risk score but remains at the target level of medium. The increase is due to the SSSC and CI taking a different approach to reviewing reward and the potential for the cost-of-living crisis to mean that the SSSC and CI agree different pay awards.

BOARD MEETING 29 SEPTEMBER 2022**Agenda item 15**
Report No: B-34-2022

Risk 6 - HR capacity has reduced from high risk to medium risk and is now within tolerance level. This is due to implementing the new HR structure and appointing staff to permanent contracts.

4.0 DOCUMENTATION REVIEW

The management agreement covers a three-year period. Both organisations agreed to annually review and update the document, if necessary. Given that internal audit's phase 2 joint review of shared services was reported to the Audit and Risk Committee on 9 September 2021 (SSSC equivalent committee on 2 November 2021), we will carry out the first review of the management agreement and operational documents and make any changes in advance of 1 April 2023, in consultation with colleagues in both the Care Inspectorate and SSSC using shared services.

5.0 IMPLICATIONS AND/OR DIRECT BENEFITS

Sections 5.1 to 5.5 note the implications and direct benefits arising from this report.

5.1 Resources

There are no direct resource implications associated with this annual review.

5.2 Sustainability

There are no direct sustainability implications associated with this annual review.

5.3 How does this report directly/indirectly improve the provision of care?

Shared services are intended to be an economic, effective and efficient method of delivering key corporate services. This in turn means that the Care Inspectorate optimises the use of its resources to maximise the benefits of the work of the Care Inspectorate to people who experience care.

5.4 Customers (Internal and/or External)

Shared services deliver services to both internal and external customers. The process of review is intended to ensure we meet the needs of customers.

6.0 CONCLUSIONS/NEXT STEPS

We ask the Board to note the annual review of shared services, which shows that we have made good progress in the 2021/22 financial year.

Shared Service Performance 2021/22

Area	Measures	Target	CI Annual Result	SSSC Annual Result
Shared Services	SRB01 Reports & papers are accurate in format agreed by the officer responsible for the report/ paper and submitted to EMT/ SLT; Committee; Board/Council within agreed timescales.	100%	100%	87.1%
	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly). The rationale should be set out for any score of less than four in order to clearly articulate the issues and the improvement actions required.	5-point scale; score of 4 or more	4	3
	SRB03 Positive feedback resulting from gathering and recording perceptions via annual survey. (Targeted surveys may also be undertaken).	5-point scale; score of 4 or more	3.7	3.7
Accounting	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	4	4.25
	SRB04 Shared Services provide Budget Managers with budget reports to timescales agreed by the Executive Director of Corporate and Customer Services in the CI and Director of Finance and Resources in the SSSC that are in a format that is understandable and allows	80% positive responses	77% scored 4/5 23% scored 3 0% scored 1/2	60% scored 4/5 40% scored 3 0% scored 1/2

	them to discharge the duties of a budget holder. (Annual survey).			
	SRB05 Agreed information provided to agreed timescales to allow draft Annual Report and Accounts to be submitted to the external auditors by the agreed deadline.	Compliance	Yes	Yes
	SRB06 we receive an unmodified audit opinion (for the areas of shared service responsibility) on our Annual Report and Accounts.	Compliance	Yes	Yes
	SRB07 Number of recommendations made by external auditors for shared services areas of responsibility in preparing the ARA.	0	2	2
Procurement	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	3.75	4
	SRB08 Procurement & Commercial Improvement Programme (PCIP) (RAG rating).	Green	n/a	n/a
Property	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	4	3
	SRB09 We respond to Emergency, Medium and Low priority requests within agreed timescales.	100%	100%	100%
Health and Safety	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate	5-point scale;	3.75	3

	Services is satisfied with service provided (rated quarterly).	score of 4 or more		
	SRB10 We mitigate the number of HSE interventions through provision, monitoring and reporting of training and risk assessments.	0	0	0
Transactions	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	4	4
	SRB11 %age of Suppliers paid within 10 working days.	95%	99.4%	99.6%
	SRB12 %age of debt collected within 30 days.	80%	80.4%	CI
	SRB13 %age of annual and renewal fees collected by the fee due date.	80%	SSSC	71.7% affected by decision not to collect fees 2020/21
	SRB14 Credit notes due to processing error as a %age of all invoices issued per quarter.	< 1%	0%	0%
	SRB15 %age of payments collected by automated means (direct debit, online direct debits, bacs, or automated telephone).	90%+	98.9%	97.9%

HR	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	3.75	3
	SRB16 Quality of HR Policies delivered to the Director of Finance & Resources / Executive Director of Customer & Corporate Services in accordance with best practice, complying with all relevant legislation/ regulations and any other standards required by SSSC and CI that are included in the service specifications.	100%	100%	100%
	SRB17 Agreed schedule of HR metrics delivered in line with the timescales agreed with the Director of Finance & Resources/Executive Director of Customer & Corporate Services.	100%	n/a	83%
Payroll	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	4	3.25
	SRB18 % of staff paid accurately in quarter	98%	99.79%	100%
	SRB19 % of payrolls within last 12 months paid on time.	100%	100%	100%
Bursaries	SRB20 Annual student satisfaction questionnaire.	80% positive responses in 2021/22	SSSC	No longer delivered by shared service

		with year-on-year improvement		
	SRB21 Bursary payments paid to students accurately and on time.	100%	SSSC	No longer delivered by shared service
Reception	SRB02 Director of Finance & Resources/ Executive Director of Customer & Corporate Services is satisfied with service provided (rated quarterly).	5-point scale; score of 4 or more	n/a	n/a

Shared Service Risk Register Monitoring

Date	26 April 2022													
Risk	Raw Likelihood	Raw Impact	Raw Score	Raw Grade	Residual Likelihood	Residual Impact	Residual Score	Residual Grade	Risk Velocity	Movement	Key Controls	Further Actions	Risk Appetite / Tolerance	Risk Owner
1	4	4	16	H	2	3	6	M	Med	↔	<p>Governance What is the Potential Situation? The new shared service governance arrangements are ineffective</p> <p>What could cause this to arise? There is a lack of clarity over the services to be delivered, the standard of service delivery required and the consequences of service failure. Resources are not aligned to service delivery or standards. There is insufficient or ineffective reporting on performance, cost and risk. There is a lack of clarity on accountability and responsibility for decision making.</p> <p>What would the consequences be? Failure to secure best value through ineffective deployment of resources and ineffective procurement, non-compliant statutory reporting, employee relations and health & safety issues, customer dissatisfaction, strained SSSC/CI working relationship, failures in physical, cyber and information security, failure to deliver legal obligations and reputational damage</p>	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Develop assurance maps for Service Review Board ii. Annual report to governing bodies iii. Internal audit assignment (No. 3) 	<p>Appetite: Cautious Target: Medium Tolerance: Medium</p> <p>Residual risk in accordance with target and tolerance.</p> <p>Rating: Green</p>	Review Board
2	5	4	20	VH	3	3	9	M	Med	↔	<p>Organisational Divergence What is the Potential Situation? The SSSC and CI exhibit a divergence of priorities / values / standards / culture leading to misalignment of resources and lack of commitment to shared goals resulting in failure of arrangements and breakdown of shared services</p> <p>What could cause this to arise? Differences in the political and financial environment within which each organisation operates leading to diverging priorities. Impact of organisation cultural and structural differences on the operation and perception of shared services leading to different levels of organisational commitment to successful shared services. A change of Board / Council members or executive management changes the appetite for shared services. Perception or reality that one organisation has more influence or is more favourably treated than the other. A significant difference in organisational perception of shared services demonstrably already exists.</p> <p>What would the consequences be? Shared services may not be responsive to changes in the operating environment of SSSC, CI or both. The delivery of SSSC / CI priorities may not be effectively supported. There may be a failure to agree on broad principles such as technology employed, data / intelligence structure and the implementation of policies and procedures leading to dissatisfaction with the service. Reputational damage as a result of the failure of shared services. Damage to the motivation and morale of staff working in shared services.</p>	<p>Further Actions</p> <ul style="list-style-type: none"> i. Joint shared service planning and budgeting 	<p>Appetite: Receptive Target: Medium Tolerance: High</p> <p>Residual risk in accordance with target and below tolerance.</p> <p>Rating: Green</p>	HoSS

Risk		Raw Likelihood	Raw Impact	Raw Score	Raw Grade	Residual Likelihood	Residual Impact	Residual Score	Residual Grade	Risk Velocity	Movement	Key Controls	Further Actions	Risk Appetite / Tolerance	Risk Owner
3	<p>Terms and Conditions Variances What is the Potential Situation? Staff working in shared services are employed either by the CI or SSSC. Terms, conditions, pay and grading may differ between organisations and this may cause employee relations issues within shared services but also within the wider respective organisations where conditions are viewed as more favourable in one organisation compared to the other.</p> <p>What could cause this to arise? Pay and grading reviews, different approaches to pay awards and terms and conditions negotiations, differing access to training, development and non-financial employee benefits. SSSC potentially piloting a 4-day (32 hour week); CI are not. Cost of living crisis will place upward pressure on pay uplifts and CI and SSSC Sponsors may take different views on affordability</p> <p>What would the consequences be? Reduced performance, inter-organisation flexibility, potential employee relation issues and reputational damage. Damage to the motivation and morale of staff working in shared services.</p>	4	3	12	M	4	2	8	M	Med	↑ 6 to 8	<p>In Place:</p> <ul style="list-style-type: none"> i. Similar pay scales (but different underlying grade evaluation) ii. Shared service oversight group as a discussion and liaison forum 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Both organisations undertaking a reward or pay and grading review 	<p>Appetite: Receptive Target: Medium Tolerance: High</p> <p>Residual risk in accordance with target and below tolerance.</p> <p>Rating: Green</p>	HoSS
4	<p>Digital / ICT Platform What is the Potential Situation? Shared services are required to operate across the CI and SSSC digital / ICT platforms and networks. Differences in technology and difficulties in effectively collaborating across the two platforms / networks is detrimental to the efficiency and effectiveness of the services provided.</p> <p>What could cause this to arise? The proposed move to CI staff on CI platform and SSSC staff on SSSC platform may disrupt working arrangements and effective communication between shared service staff and create difficulty accessing the finance and payroll / HR system. Each organisation using different applications, different licensing, reporting and analytical software etc.</p> <p>What would the consequences be? Reduced efficiency and effectiveness of services, customer dissatisfaction, financial loss through fines for non-compliance, fraud or error. Damage to the motivation and morale of staff working in shared services.</p>	4	4	16	H	3	3	9	M	High	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. Shared service digital group ii. All shared service staff on a single platform (CI) iii. Respective SSSC and CI digital functions liaison 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Finance system upgrade (probable move to cloud based) ii. Further training 	<p>Appetite: Receptive Target: Medium Tolerance: High</p> <p>Residual risk in accordance with target and below tolerance.</p> <p>Rating: Green</p>	HoSS
5	<p>Structure Design What is the Potential Situation? The new staffing structure is not effective for the delivery of successful shared services.</p> <p>What could cause this to arise? Structure is largely based on the previous structure that was dependent on a single director working for CI and SSSC deciding priorities on the balance of need across SSSC and CI. The new structure has two directors representing priorities of their respective organisations making compromise and prioritisation in the use of resources more difficult. Failure to stop (as</p>	4	4	16	H	2	2	4	L	High	↔	<p>In Place:</p> <ul style="list-style-type: none"> i. Management agreement ii. Specifications of Service. iii. Performance measures and service standards iv. Regular meetings of Review Board v. Shared service oversight group vi. Revised HR team structure 	<p>Further Actions:</p> <ul style="list-style-type: none"> i. Continued prioritisation and compromise where acceptable ii. 2022/23 Resource plan and 	<p>Appetite: Cautious Target: Low Tolerance: Medium</p> <p>Residual risk in accordance with target and below tolerance.</p> <p>Rating: Green</p>	Review Board

	recommended by CIPFA report) the practice of organisational “ownership” of staff working in shared services. What would the consequences be? Reduced service capacity, commitments not delivered, duplication, staff capacity to deliver leading to bad feeling and frustration, customer dissatisfaction and reputational damage. Cessation in whole or in part of shared services.											vii. Time recording analysis	associated development plan iii. Improve time recording analysis		
Risk		Raw Likelihood	Raw Impact	Raw Score	Raw Grade	Residual Likelihood	Residual Impact	Residual Score	Residual Grade	Risk Velocity	Movement	Key Controls	Further Actions	Risk Appetite / Tolerance	Risk Owner
6	Capacity HR What is the Potential Situation? HR have several vacancies and may incur further capacity reduction making it difficult to deliver on all commitments and aspirations. What could cause this to arise? Operating for a significant amount of time with many posts filled on a temporary basis, low team morale, relatively buoyant external market for HR staff (lose existing & difficult to attract new), new HR staff will require an induction period and additional employee related issues due to pandemic. What would the consequences be? Reduced service capacity, commitments not delivered, increased fraud / error risk, customer dissatisfaction, non compliance, impact on staff health and wellbeing and morale as they may work excessive hours, feel under pressure and/ or under-valued and reputational damage	4	4	16	H	3	3	9	M	High	↓ 12 to 9	In Place: i. New HR structure agreed and majority of appointments made	Further Actions: i. Complete remaining appointments to the new structure ii. Short term agency where required	Appetite: Cautious Target: Low Tolerance: Medium Residual risk is above target but within tolerance. Rating: Amber	HoSS