**MINUTE**

**Independent Living Fund Scotland: Board meeting**

**Fleming A, 5 Atlantic Quay, Broomielaw, Glasgow, G2 8LU**

**Thursday 7th April 2016: 1:30pm – 5:00pm**

**In Attendance**

Susan Douglas-Scott Chair, Board of Directors

Bridget Sly Board Director

Alan Dickson Board Director

Fiona O’Donnell Board Director

**Present**

Peter Scott CEO

Harvey Tilley Chief Operating Officer

Nadeem Hanif Head of Finance

Aileen McNiven Executive Business Manager

1. **Welcome, introductions and apologies**

The Chair welcomed everyone to the second ILF Scotland Board meeting.

**Declarations of Interest**

There were no declarations of interest expressed from any attendees.

1. **Minutes of previous meeting**

The ILF Scotland Board approved the previous meetings minutes (BD.01.16) with no amendments.

1. **Matters Arising**

All matters arising were discussed within the scope of the agenda

1. **Chairs discussion with Scottish Ministers (verbal)**

The Chair spoke positively of her recent communications and meeting with the Minister for Sport, Health Improvement and Mental Health, Jamie Hepburn.

4.1 Constructive and encouraging discussions centred around the co-production of the New Fund and the launch of the New Fund towards the end of 2016. The Chair reassured the Minister that following the Scottish Government’s commitment to raising the Living Wage (LW) to £8.25 in Scotland, ILF Scotland would investigate the best outcome to ensure PA’s employed by ILF Recipients could pay the LW. This commitment from ILF Scotland would cost approximately £900k. The Board noted that there is work to do around PA’s employed by agency staff, and asked the executive to try to find a solution.

1. **CEO Report and strategic performance (refer to paper)**

The CEO spoke to the paper and highlighted the following areas:-

5.1 The CEO spoke positively of the first nine months, stating that ILF Scotland had achieved its objectives in setting up the new organisation successfully, in a timely manner and within budget.

5.2 The Board were informed that £40 million had been paid out to ILF Scotland and Northern Ireland recipients since 1st July 2015 and systems and processes had been set up and now in place and fully functional.

5.3 The CEO spoke of the work which had been carried out and was continuing with internal and external stakeholders forming a co-production working group to prepare the foundations and new criteria for the new fund.

5.4 The first meeting of a Stakeholders group has taken place and is formed of 10 people who receive an ILF award. This group have been asked to provide valuable feedback to current and developing policies within ILF Scotland and will meet at regular intervals throughout the year.

5.5 It was **noted** that continuing collaboration and work will be carried out with COSLA and Local Authorities to ensure ILF recipient awards are administered within the spirit of the policies which support ILF Scotland.

5.6 It was **noted** by the Board that 65 Agreement Forms (sent out in early Autumn) have yet to be received.

The CEO informed the Board that a final drive to phone recipients has begun. The Board **noted** the intention to start suspending awards if Agreement forms were not received.

5.7 Social Work students will be offered placements to shadow Assessors and observe the process, additionality and importance of ILF Scotland awards to recipients. It is hoped that this will be a positive experience offering a balance to other areas of their course work.

5.8 The draft reward strategy is nearing completion, however the Learning & Development area is in the planning stage and the senior team have an expectation to deliver this at the next Board meeting.

5.9 A CRM system is being developed and the plan is for it to be in place by the end of the summer.

The Board **noted** the CEO Report and strategic performance.

1. **Audit & Risk Committee feedback (refer to papers)**

The Chair of the Audit & Risk Committee (Alan Dickson) spoke to the papers and previous minutes from the Audit & Risk Committee.

The Chair shared the following points/actions from the Audit & Risk meetings which were discussed at length:

6.1 The Committee reported concerns and has queried the absence of a Finance Business Partner within the Scottish Government sponsor team , this would aid the whole decision making process, whilst ensuring that any financial decisions were considered appropriately and on a timely basis.

**ACTION**: The Chair will raise the above issue with Maureen Bruce, Lead of ILF Scotland Sponsor Team.

6.2 The Committee recorded concerns relating to the change in payment profile mid-year. . It was proposed that further business discussions should take place between the Chair of the Board of Directors and the Scottish Government (SG) sponsor team to discuss consequences of changing mutually agreed understandings.

The Committee also felt that there needed to be an agreed timing of cash allocations and what year they were to relate to at the start of each financial year.

**ACTION**: PS will raise the above issue with the SG.

6.3 The Chair requested an agenda item be added to the next sponsor team meeting in April: - *Audit & Risk Committee Feedback*.

**ACTION:** Agenda item to be added to SG Sponsor Team agenda.

6.4 The Committee acknowledged the robust checks and balances which have been put in place in the form of the Risk Register.

**ACTION:** The Board requested that the Risk Register forms part of future board agendas.

6.5 The Chair spoke of concerns of the absence of a ‘letter of comfort’ from the sponsor team regarding the confirmation of Award Payments and Administration costs for 2016/17.

**ACTION**: PS to follow this issue up with the SG sponsor team.

6.6 The Chair requested that an Annual Performance and Resources letter should be issued to ILF Scotland from the Scottish Government. In terms of good governance this should really be issued in advance of 1st April and if not, a comfort letter is required to ensure that ILF Scotland can meet its expenditure.

**ACTION:** An Annual Performance & Resources letter to be requested from SG sponsor team

6.7 The Committee registered concerns regarding the governance of starting the financial year without an agreed budget.

6.8 The Board requested the Risk Register be updated in light of both the lack of an agreed budget and also the current proposed limited budget.

**ACTION:** Risk register to be updated.

6.9 The Board recorded that due to the lack of a 2016/17 budget the potential impact of service delivery at the proposed budget level may be severe. Serious concerns were recorded regarding the financial, reputational, safeguarding and quality issues to the organisation.

6.10 The Board **agreed** that on receipt of 2016/17 budget from the Scottish Government sponsor team, an emergency board meeting will be called to both discuss and approve.

6.11 The Board acknowledged that it is challenging to operate in this environment..

6.12 The Board **noted** the Audit &Risk Committee feedback.

1. **Remuneration Committee feedback ( refer to paper)**

The Chair of the Remuneration Committee spoke to the papers and previous minute, informing the Board of the following:

7.1 Terms of Reference (ToR) had been **agreed** for the Remuneration Committee and were satisfied that the ToR were robust and suitable to support governance and remuneration

7.2 Fiona O’Donnell spoke of the recent benchmarking which had taken place within ILF Scotland where all job roles had been evaluated and grades and bands applied.

7.3 The Remuneration Committee reported that negotiations with the Public Pay Policy team continue, however is nearing completion. The Committee are confident they will be able to sign off the ILF Scotland Pay Policy by the end of the year.

7.4 The Remuneration Committee shared concerns that pension rates for ILF Scotland staff are lower than other comparable public bodies. The Committee requested that a business case be prepared with the intention that the pensions are increased for 2017/18.

7.5 Concerns were raised by the Board that staff retention may be compromised due to the lower rates compared with other public bodies. The Board requested this issue be added to the Risk Register until the risk has been mitigated.

**ACTION**: The Chair of the Board of Directors to raise the issue with the Scottish Government.

7.6 The Board requested that ‘continual service’ should be investigated as part of the Terms & Conditions for ILF Scotland staff.

7.7 The Board requested that the Sickness & Absence Policy be distributed again.

**ACTION**: Harvey Tilley to distribute policy

7.8 The Board **noted** the remuneration Committee feedback.

1. **Terms of Reference ( refer to paper)**

The Board noted the amendments made following the ToR being presented at the following meetings:

* Audit & Risk Committee
* Remuneration Committee
* Board of Directors

8.1 The Board **approved** the Terms of Reference for all of the above subject to one amendment within the Board of Directors.

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1. **Mission, Vision & Draft Strategy ( refer to tabled paper)**

The CEO (Peter Scott) spoke to the tabled paper and the Board discussed at length the Mission, Vision and Draft Strategy.

9.1 The Board discussed at length and requested that the CEO distribute the tabled paper for further discussion and comment.

9.2 All comments should be with the CEO by the end of April, before being redrafted and circulated again.

**ACTION:** Comments /suggestions to be communicated by April 30th

9.3 The Board **noted** the tabled Mission, Vision and Draft Strategy.

1. **Health & Safety : Policy statement & handbook ( refer to paper)**

The Chief Operation Officer (Harvey Tilley) spoke to the paper, acknowledging the hard work that staff had put into completing the Health & Safety statement and handbook.

10.1 The Board requested that Health & Safety should be added as a standing agenda item at the Audit & Risk Committee.

10.2 The Board **agreed** that a paragraph be added to the Health & Safety Manual stating that Health & Safety RIDDOR incidents be reported to the Audit & Risk Committee.

10.3 The Board requested that terminology is consistent throughout the manual.

**ACTION**: Paragraph to be added to H&S Manual and consistent terminology applied.

10.4 The Board **approved** the Health & Safety Policy Statement & Handbook subject to the paragraph addition and clarity around titles

1. **Board recruitment (verbal)**

The Chair spoke of the forthcoming interviews on April 11th and 12th at Europa House in Glasgow to recruit for an additional three Board members. The shortlisting followed a robust and measured process with eight candidates invited to interview.

11.1 Following the interviews the panel will recommend the successful candidates for approval to the Minister.

11.2 The Board **noted** the verbal report from the Chair.

1. **AOB**

12.1 **Resolution: (Verbal)**

The CEO spoke of the inaccuracy in the Articles of association in the document with reference to charities. It was acknowledged that ILF Scotland is a company limited by guarantee and not a charity.

The CEO proposed a second resolution be submitted to Companies House by the Directors, amending the Articles of Association to reflect the above- this resolution will need the approval of Scottish Ministers, following its proposal to them by the Chair.

The Board **agreed** the above proposal.

**ACTION**: The CEO to draft the 2nd resolution for the Chair to submit to the Scottish Ministers for approval before lodging with Companies House.

12.2 **Complaint: (Verbal)**

The CEO informed the Board of a recent complaint from a payroll agency outlining the dispute between an ILF Scotland recipient and the payroll agency and nonpayment of outstanding invoices for alleged provision of PA’s.

The Board discussed the matter and **agreed** that the complaint is a civil contractual matter between the ILF Scotland recipient and the payroll agency and should be resolved out with ILF Scotland with no input from the Board.

**ACTION**: The CEO to prepare a response to the payroll agency on behalf of the Chair to outline the Boards decision and refer the payroll agency to the Scottish Public Ombudsman Office if not satisfied with outcome.

12.3 **Project Plan (refer to Presentation)**

The COO presented a brief update on projects and processes of work which have been completed and those planned to make ILF Scotland more effective and efficient.

The COO informed the Board that the projects will form the infrastructure to support ILF Scotland for the future.

The Board **noted** the Project Plan.

1. **Close**

The Chair thanked everyone for their input and for attending. The date of the next Board meeting was confirmed as 27th June in Denholm House, Livingston. A Remuneration committee meeting will also be held on this date.

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| **Action Point** | **To be Actioned by** | **Timescale** | **Actioned?** |
| 6. Audit & Risk Committee Feedback  6.1  6.2  6.4  6.5  6.6  6.8 | Chair  Chair  Chair  Chair  Peter Scott  Nadeem Hanif |  | **Complete** |
| 7. Remuneration Committee Feedback  7.5  7.6  7.7 | Chair  Chair  Harvey Tilley |  | **Complete** |
| Mission Vision & Draft Strategy  9.2 | All | April 30th 2016 | **Complete** |
| 10. Health & Safety  10.3 | All | April 30th 2016 | **Complete (Version 5)** |
| 12 Resolution  12.1 | Peter Scott |  | **Complete** |
| 12 Complaint  12.2 | Peter Scott |  | **Complete** |