**MINUTE**

**Independent Living Fund Scotland: Board meeting**

**Fleming A, Atlantic Quay, 5 Broomielaw, Glasgow**

**Monday 16 January 2017: 11:00am – 3:00pm**

**In Attendance**

Susan Douglas-Scott Chair, Board of Directors

Alan Dickson Board Director

Fiona O’Donnell Board Director

Elizabeth Humphreys Board Director

Betty McAtear Board Director

**Apologies**

Bridget Sly Board Director

Twimukye Mushaka Board Director

**Present**

Peter Scott CEO

Harvey Tilley Chief Operating Officer

Jim Maguire Finance Director

Nadeem Hanif Head of Finance

Susie Braham Head of Policy and Sponsorship,

 for Independent Living Fund, Scottish

 Government

Holly Child Communications Manager (Secretariat)

**Welcome, declarations of interest and apologies**

The Chair welcomed everyone to the ILF Scotland Board meeting.

There were no declarations of interest expressed from any attendees.

It was noted that Liz Humphreys (LH) had stated that a previous declaration of interest she had raised is now no longer relevant.

Apologies were noted.

**1. Minutes of Previous Meeting**

The ILF Scotland Board noted and recommended the following amendments to previous minutes:

* On page 7, item 5 there was a spelling error and to change Northern Island to Northern Ireland.
* On page 10, item 9, it was requested that the first sentence of the last paragraph was removed.

**2. Matters Arising**

The following points were noted:

Audit and Risk Committee

A date had been set for a supplementary Audit and Risk Committee, which will take place on Friday 27th January 2017.

The Board agreed that after this had taken place, a date would be proposed for a risk workshop for Board Directors to attend.

Sleepovers

PS re-iterated GCC’s position with regards to sleepovers, the involvement of ILF Scotland in this work and that the best interests of fund recipients would continue to be prioritised in this work.

Welsh Administration

It was noted that since the last meeting, the Welsh Government had made the decision that from 2017/2018 they would now devolve ILF monies to Local Authorities in Wales.

Susan Douglas Scott (SD-S) explained to the rest of the Board that she had raised concerns at a meeting with Jamie MacDougall (Deputy Director for Care, Support and Rights in Scottish Government) about the fact that ILF Scotland staff and Board Directors had not been directly informed about this development and that they were only aware of this through subsequent media coverage.

Susie Braham (SB) wanted it to be noted that her understanding was that the Scotland Sponsor Team had informed ILF Scotland’s CEO and COO of the Welsh Government’s decision at a meeting in October. However, the Board challenged this statement.

Policy 13 – Decision Review

PS confirmed to the Board that the amendments to Policy 13 that had been submitted and were discussed at the previous meeting have now been approved.

Disability Equality Training (DET)

Betty McAtear (BM) asked if the date for DET training could be sent to Board Directors who are due to attend this training.

**Action 1: Aileen McNiven to send date of DET training to Board Directors**.

**3. Strategic Report**

The CEO introduced the paper and highlighted the following key points:

* The format for the strategic report will change and be more aligned with ILF Scotland’s strategy and business plan.
* ILF Scotland won the Community Engagement Award at December’s Scottish Public Service Awards for the work the organisation had done in relation to its New Fund engagement programme. The CEO and Jamie MacDougall jointly and publically thanked all stakeholders who were involved for their help and support during the process.
* ILF Scotland is in the process of implementing a data sharing agreement with the Department for Work and Pensions (DWP). However, DWP systems may need to be edited to allow this to happen, which may incur an extra cost to ILF Scotland. A final decision will be taken once the cost is known.
* The Framework Agreement has been received from SG and will now be sent to lawyers to check. There was a subsequent question from Fiona O’Donnell (FO) regarding whether there will be a guidance and practice document for this. The CEO explained that ILF Scotland will need to compare the Framework Agreement to the Terms of Reference.
* There have been a number of enquiries about the New Fund and there is concern that there are a large number of people who are expecting the New Fund to open and operate in the same format as the current fund, which will not be the case. The CEO highlighted that this is a risk and issue that the Board need to be aware of. He also emphasised that ILF Scotland will work closely with the Scottish Government Communications team to establish a plan and to manage this risk.

The Board **noted** the feedback from the staff survey. They raised concerns over the comments regarding the pay policy reward structure.

The Board/FO acknowledged disability committed accreditation.

The Board **noted** the statistics from the satisfaction survey from recipients was good.

**Action 2: Updated satisfaction surveys to be sent to Board Directors.**

**4. Audit Committee Minutes 22/09/16**

 (Refer to Minutes of Audit & Risk Committee 15 December 2016)

The Board **noted** the update on the recent Audit and Risk Committee and that there will be a supplementary Audit and Risk Committee on Friday 27th January 2017.

AD highlighted that the Scottish Government has granted ILF Scotland permission to use unspent monies to cover the shortfall in administration costs.

AD emphasised the Committee’s concerns around the consequences of the implementation of the Scottish Living Wage and the risks posed by New Fund costs being absorbed into the current administration budget.

**Action 3: The Board to send a letter to Aileen Campbell (Minister for Public Health and Sport) to outline their concerns surrounding the administration budget and the overall fund budget going forward.**

**5. Management Accounts to November 2016.**

(Refer to paper)

The Board noted the management accounts and agreed the following points:

Grant in Aid Award Payments

* The Board raised concerns about the overall financial impact on the Fund through the implementation of the Scottish Living Wage given that this must be implemented within the existing Grant in Aid Award payments, which were agreed before the SLW commitment existed.
* Discussions were had around the £5 million New Fund budget. The Board expressed concerns around the lack of funds received for the New Fund, especially as SB stated that a significant amount of this New Fund budget had been returned to Health Finance without any discussion with and/or notification to ILF Scotland.

Administration Costs

* The Board raised concerns over the continued absence of an agreed administration budget for 2016/2017, despite reassurances that an acceptable letter of Grant-in-Aid would be received in time for today’s board meeting.
* The Board asked SB if ILF Scotland could continue, in subsequent years, to use any unspent monies to cover any future shortfall in administration costs, in the event that ILF Scotland does not receive enough funding to cover administration costs. SB confirmed that ILF Scotland has permission to do this.
* The Board raised concerns over the absence of an administration budget for the New Fund.

The Board **noted** the management accounts and agreed that they would have a conference call to look at the budget for 2017/18.

**6. Risk Register**

 (Refer to paper)

The Board **noted** the Risk Register and the following points were highlighted:

* Risk 1S: The Minister has now been informed of this risk and is going to discuss with the Minister for Local Government (Kevin Stewart MSP).
* Risk 1F: It was acknowledged that the implementation of the Scottish Living Wage is the most imminent financial pressure on the Fund. Jim Maguire (JM) and Nadeem Hanif (NH) highlighted that it is likely that there is enough funding for us to implement this year, however there is a significant funding shortfall for implementation in the 2017/18 year. It was also noted that this would have significant consequences to address other areas which had been identified as priorities for the organisation.
* Risk 1P: It was highlighted that following the resignation of a key member of staff, the pay reward structure is now a priority for the Board to look at.
* Risk 2S: Scottish Government (SG) has now agreed the Policy Circular, which has been distributed to all Local Authorities. Following this, concerns were raised by some Local Authorities within the Scottish Government Local Partnership (SLGP). Subsequently, the CEO and Head of Social Work have met with a number of these representatives to look to agree a future approach that ensures the value of ILF recipients’ awards is not eroded.
* Risk 3PW: It was also highlighted that the implementation of the Scottish Living Wage poses a risk to those ILF recipients who are at their maximum level of award as policies currently stipulate that no recipient can breach this maximum level. Therefore, any ILF recipients who wish to pay this rate may be forced to either reduce their number of hours or to go to the Local Authority for additional funding. The Board noted that this is significant risk. Betty McAtear (BM) asked if the maximum award level could be looked at and if this could potentially be increased. It was noted that this was unlikely as priority has been given to the SLW, where our limited resources will have to be directed.
* Risk 6L: It was acknowledged that the implementation of the Scottish Living Wage has had a knock on effect on the potential implementation of other policy changes, for example, Policy 4 ‘Available Income’. It was noted by the Board that there is a significant reputational risk to the organisation if this policy cannot be changed, particularly for those who have to contribute part or their entire occupational pension in order to receive support from ILF Scotland.

PS explained that the organisation will try to implement all and any policy changes within the current allocated budget for Grant in Aid Awards, however an alternative policy change may be required in the interim, such as the ability to waiver an ILF recipient contribution under strict guidelines and criteria. PS will have further dialogue with SG about this.

The Board noted this and also asked if an Equality Impact Assessment could be carried out in relation to this risk.

**Action 4: PS to speak to Margaret Wheatley (Head of Policy) about how to implement an EQIA.**

**7. MACC’s and PQQ’s**

 (Refer to paper)

The Board **noted** the paper.

**8. New Fund**

SB explained that the Minister has looked at the report and recommendations that were submitted by the Working Group. Following advice from Jeanne Freeman MSP (Minister for Social Security) and Shona Robison MSP (Cabinet Secretary for Health, Wellbeing and Sport), the Minister is looking to approve the recommendations.

The Minister is currently in discussion with the Scottish Government Communications team around the process for making further announcement surrounding the New Fund.

The Board highlighted concerns over the financing and implementation of the New Fund. Therefore, they agreed that they would approve the proposals for the New Fund on the basis of reassurance about costs and affordability from SG.

**9. AOB**

**Governance**

Internal Audit – Company Secretary:

The Board decided that JM would now be the Company Secretary.

Internal Audit – Terms of Reference:

The Board noted that there is currently nothing at the moment in the terms of reference for the Board to make urgent decisions.

Therefore, it was agreed by the Board going forward that the process for urgent decision making will be taken on a case by case basis at the discretion of the Chair.

NH stated that Aileen requires SD-S and AD to submit their registered interests to her as soon as possible.

The Board asked if the dates of all of the Remuneration Committee meetings for this year could be sent to them.

**Action 5: Notify Companies House re change of Company Secretary from Peter Scott to Jim Maguire.**

**Action 6: Terms of Reference for Board and sub-committees to be changed to reflect Urgent Decision Making procedure.**

**Action 7: S-DS &AD to submit Declaration of Interest Forms.**

**Action 8: Aileen to send the Remuneration Committee dates to Board Directors.**

The Board **noted** the paper that had been sent by the Northern Ireland Sponsor Team.

The Chair thanked everyone for their attendance and with no further business, the meeting was closed.

Next Board Meeting Date: Monday 10th April 2017

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| **Action Point** | **To be Actioned by** | **Timescale** | **Actioned?** |
| Action 1: DET training dates to be sent to Board Directors. | Aileen McNiven | 31st January 2017 | **Complete** |
| Action 2 – Item 3: Updated satisfaction surveys to be sent to Board Directors. | Harvey Tilley | 28th February 2017 | **Complete** |
| Action 3 – Item 4: The Board to send a letter to Aileen Campbell (Minister for Public Health and Sport). | Susan Douglas- Scott | 28th February 2017 | **PS to update on 10th April 2017.** |
| Action 4 – Item 6: Peter to speak with Margaret about implementing a Quality Impact Assessment. | Peter Scott | 31st January 2017 | **PS to update on 10th April 2017,** |
| Action 5 - AOB:Notify Companies House re change of Company Secretary from Peter Scott to Jim Maguire | Aileen McNiven | 31st January 2017 | **Complete** |
| Action 6 - AOB: Terms of Reference for Board and sub-committees to be changed to reflect Urgent Decision Making procedure. | Aileen McNiven | January 31st 2017 | **Complete** |
| Action 7 - AOB:S-DS & AD to submit Declaration of Interest Forms | Susan Douglas-Scott & Alan Dickson | January 31st 2017 | **Complete** |
| Action 8 - AOB: Remuneration Committee dates to be sent to Board Directors.  | Aileen McNiven | 31st January 2017 | **Complete** |