

Minutes of the Board meeting of 10 June 2015

The meeting started at 13.00

Present:

Garry Coutts, Chair
Marian Martin

Alastair Hamilton, Deputy Chair
Linda Watt

Also present:

Boyd McAdam, National Convener/Chief Executive (NC/CEO), CHS
Joe Campbell, Interim Director of Finance and Corporate Services (IDoFCS), CHS
Franck David, Executive Assistant (minute taker), CHS
Fraser Thompson, Performance and Research Officer, CHS

The Chair welcomed everyone to the meeting. Apologies were received from Brian Baverstock and John Anderson, Board members.

Items	Actions / owner	Time- scales
1 Declaration of interests		
None.	N/A	N/A
2 Minutes of previous meeting		
The Board agreed to approve the minutes of its meeting on 24 March.	N/A	N/A
3 Action log		
No current actions.	N/A	N/A
4 Chair update		
<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> Since the last meeting, the Chair had attended and observed a number of pre-service training days and hearings in various locations across Scotland. The Chair had also been involved in discussions with the Scottish Government and sat on the interview panel for the post of CHS Deputy Chief Executive. 		

	<p>2) Decision—</p> <ul style="list-style-type: none"> The Board agreed to note the Chair’s update. 		
5	<p>Chief Executive update</p>		
	<p>1) Summary of discussion and/or issues raised—</p> <p>The NC/CEO introduced the paper.</p> <ul style="list-style-type: none"> There had been significant activity around the Children’s Hearings Improvement Partnership (CHIP) with issues emerging about how to improve the hearings system and the role of, and opportunities for, digital technologies. The digital strategy in particular was welcomed by the group. It was confirmed that the annual AST management information report would be circulated to the Board for information. The Long Service recognition event had taken place on 26 March and was hosted for the first time by CHS. The feedback was overall very positive with 66 panel members receiving an award. Although some guests would have wanted the minister to present the awards this had had to be balanced by the time constraints due to the number of awards. The feedback would be used for next year’s event. The work with ASTs was being developed in particular through the AC Liaison Group meetings which provided focused discussions on the issues facing the panel community. In parallel, the group of networks was being refined through better linkage and was empowered to feed issues to the AC Liaison Group. Discussions were also taking place to set up regional hubs to share best practice although this had to be balanced with keeping the overall structure light. <p>2) Decision—</p> <p>The Board agreed to note the NC/CEO update.</p>		
6	<p>Finance outturn report for 2014/15</p>		
	<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> PwC (external auditors) had completed their audit on 9 June and their report would be considered by the Audit and Risk Management committee at a meeting at the end of the month. No issues were expected. The grant in aid allocation for CHS for 2014/15 was £3,700,000. The Scottish Government had requested CHS to reduce the cash surplus to around £70,000 by 31 March 2016 and, at the Board meeting in December, the Board had agreed to endeavour spend an additional £50,000 of the net reserves in 		

2014/15 and to draw down £100,000 less of grant in aid. This gave a total actual spend of £3,714,000 which was £14,000 over budget.

- The closing bank balance at 31 March 2015 was £659,044 and the cumulative grant in aid drawn down for 2014/15 was £3,600,000 which was £100,000 less than agreed.
- At the 1 April 2014, the general fund had a cash surplus of £320,895 and after pension losses of £44,000 (non-cash) for 2013/14 an opening balance of £276,895.
- At the 31 March 2015, following adjustment for £100,000 of GIA not drawn down and excess spend of £20,000 in 2014/15, the general fund balance had a cash surplus of £201,613 and after pension losses of £41,000 (non-cash) for 2014/15 a closing balance of £160,613.
- Re. corporate costs, the final outturn for 2014/15 was £150,000 which was £47,000 more than budget and was due to additional shared services support from SCRA and legal and human resource consultancy costs (£10,000).
- Actual panel members and ASTs' expense claims reimbursed for 2014/2015 had amounted to £768,000, giving a small saving of £26,000 but only after reflecting the write back in full of the accrual of £123,597 made in the 2013/14 Accounts. Based on the actual 2013/14 expense claims paid in 2014/15, around £25,000, without the over accrual, the expenses budget would have recorded an overspend in the region of £75,000. This was mainly due to an increase on the expenses associated with training courses organised by West Lothian College, which had resulted in an actual cost of £277,000 against a budget of £200,000. This was explained by additional training activity in 2014/15 where some 1100 volunteers had been trained in permanence and contact. It was said that moving to an annual workplan would ensure a more realistic budget. Further, CHS had asked the Training Unit to explore ways of obtaining better value for money from training venues in 2015/16 and this would be monitored by CHS at the monthly Contract Management Group meetings.
- It was reported that CHS had to undertake retrospective checking for AST and panel members who had transferred to CHS on 24 June 2013. This had to be completed by 31 October 2015, failing which it would become an offence for CHS to have a barred person doing regulated work. The estimated liability of undertaking these retrospective checks for AST and Panel Members was £45,000 and PwC had confirmed that CHS could create a provision for the full amount in the 2014/15 Accounts.
- There was confirmation that the training budget was very tight and that new monitoring arrangements had been put in place with the Training Unit to understand expenses better. There was however clarity that expenses associated with hearings were constant.

2) Decisions—

The Board agreed to—

- Put on the record their appreciation for the work of the Interim Director of

	<p>Finance and Corporate Services, and budget holders, to ensure a very positive outturn</p> <ul style="list-style-type: none"> • note the report. 		
7	Annual reporting - plan and timescales 2014/15		
	<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> • CHS will submit the Annual Accounts to the Scottish Government for comment on 10 June with a view to publish the Annual Report, Annual Accounts and Summary Annual Report on 22 October. The latter publication is scheduled to happen a week before SCRA’s publishing their Annual Report and Accounts. <p>2) Decision—</p> <p>The Board agreed to approve the annual reporting plan and timescales for 21014/15.</p>		
8	Revisions to Training contact – CCN7 and CCN8		
	<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> • CCN7- Four administrative support posts had been transferred to West Lothian College under TUPE regulations at the start of the contract. In accordance with the CCN 5, two of these posts were to cease 18 months into the contract. CCN7 proposed to retain one of these FTE administrative posts which would give the CHS Training Unit a total of three FTE (currently four) administrative posts. The change was triggered by a significant increase in the administrative and support load of the Training Unit compared to that planned for in the contract submission. The financial implication for CHS for 2015/16 would be £26,050. • CCN8 proposed to retain the 0.8 FTE e-learning officer post that, in accordance with CCN 5, was to cease 18 months into the contract period. This change reflected the additional work that had been generated due to changes in the quantity, modes of delivery and patterns of training that had evolved over the first 18 months of the contract. The financial implication for CHS for 2015/16 would be £20,232. • Both change requests had been raised after CHS had set its budget for 2015/16. • The increase in the monthly contract price would mean a budget shortfall for the annual training cost in 2015/16 of £20,000. That shortfall could be absorbed through net savings on staff costs due to unfilled posts which were projected to be around £50,000 net. However, it was made clear that moving forward it would be extremely difficult to accommodate such changes within 		

<p>the existing grant-in-aid.</p> <p>2) Decision—</p> <p>The Board agreed to approve both Change Control Notes.</p>		
<p>9</p>	<p>Training contract review</p>	
<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> • The current contract was due to expire on 30 September 2016. There was provision in the contract to extend on a one year plus one year basis and the process for review consisted of identifying future training requirements, agreeing targets for improvements in the delivery of training and negotiating with WLC. • Scottish Government Procurement Shared Services would provide advice on the process, advise on any changes that CHS wished to make, compile all letters, make revisions to the contract, attend negotiation meetings, advise on KPIs, assist with preparation of change control note for Board Approval. <p>2) Decisions—</p> <p>The Board agreed to recommend to—</p> <ul style="list-style-type: none"> • start negotiations with West Lothian College and to receive a paper in September setting out recommendations • work on the basis of a two-year extension pending on substantial changes. 		
<p>10</p>	<p>Board self-assessment</p>	
<p>1) Summary of discussion and/or issues raised—</p> <ul style="list-style-type: none"> • There was a consensus that the summary provided did reflect individual observations on the areas that worked well, those that could be developed as well as the current operations of the Board and committees. • Although the current self-assessment had been done internally this year, it should be done using external resources in 2016. <p>2) Decisions—</p> <p>The Board agreed—</p> <ul style="list-style-type: none"> • That the Chair, together with executive staff, would develop a Board Development Plan to members around areas for improvement • To note the Board self-assessment report 	<p>Chair/ Executi -ve</p>	<p>End July 2015</p>

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The Chair thanked everyone for their contribution.

The next Board meeting (in private) will be on 30 June 2015, Edinburgh.

The meeting closed at 13.38.