

**ALEO GOVERNANCE HUB
BON ACCORD CARE LTD
15 AUGUST 2016**

APPENDIX 2

ABERDEEN, 15 August 2016. Minute of Meeting of the ALEO GOVERNANCE HUB. Present:- Roderick MacBeath (Democratic Services), Chairperson; and Mary Agnew (Health, Safety and Wellbeing), Neil Buck (CG Business Team), Jeff Capstick and Keith Tennant (Human Resources and Customer Service), Paul Dixon (Finance), Alex Stephen (Aberdeen City Health and Social Care Partnership (ACHSCP)), Sarah Ward (Commercial and Procurement Services) and Sally Wilkins (ACHSCP); and Sandra Ross (Managing Director, Bon Accord Care (BAC)).

Also in attendance: Iain Robertson (Clerk), Mark Johnstone (Audit Scotland) and Hilary Merrett (Good Governance Institute).

Apologies: Joan McCluskey (Commercial and Procurement Services) and Alistair MacLean (Finance Director, BAC)

| No | Item | Documents Submitted | Assurance Provided | Actions/Decisions | Lead Officer(s) |
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| 1. | Chair's Opening Remarks | N/A | The Chair (Democratic Services) opened the meeting and welcomed Sandra Ross (Managing Director, Bon Accord Care (BAC)) and introduced Hilary Merrett from the Good Governance Institute (GGI) who would be supporting the Council's review of its approach towards risk management during the ongoing governance review. Ms Merrett advised that this work would touch upon the governance arrangements in place between the Council and its ALEOs. | <u>The Hub resolved:-</u> to note the information provided. | N/A |
| No | Item | Documents Submitted | Assurance Provided | Actions/Decisions | Lead Officer(s) |
| 2. | External Audit Report | Audit Scotland Report to Audit, Risk and Scrutiny Committee – 27 June 2016. | The Chair advised that the External Audit Annual Report had been presented to the Audit, Risk and Scrutiny Committee on 27 June 2016 and explained that the report focussed on the Council's internal controls. He added that the Council's | <u>The Hub resolved:-</u> (i) to note the report; and (ii) to note the information provided. | R MacBeath |

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| | | <p>relationship with its ALEOs would be subject to a significant degree of scrutiny as five of the report's seven recommendations related to ALEO governance. The Chair informed the Hub that recommendations had been approved by the Audit, Risk and Scrutiny Committee and its recommendations would now be taken forward by officers and noted that this process would be incorporated into the wider governance review. He added that this review would be supported by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the GGI.</p> <p>The Chair then summarised the report's recommendations:</p> <p>With reference to recommendation 1, the Chair advised that ALEO Service Level Agreements (SLA) would be reviewed by the legal team working with Commercial and Procurement Services but noted that this was a small team and the process would take time to complete;</p> <p>With reference to recommendation 2, the Chair explained that the Hub would begin to undertake more robust scrutiny of service performance in order that clear assurance could be provided to Council committees;</p> <p>With reference to recommendation 3, the</p> | | |
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| | | | <p>Chair highlighted that the remit of the Hub would be reviewed and that the 360 survey would be incorporated into wider governance review;</p> <p>With reference to recommendation 4, the Chair noted that the Hub would now take a view on the robustness of governance arrangements and service performance to provide further assurance to Council committees; and</p> <p>With reference to recommendation 5, the Chair advised that the Hub would begin to adopt a more proportionate approach to ALEO scrutiny and would have the discretion to determine the frequency of meetings based on the level of assurance provided by each ALEO.</p> <p>Thereafter the Chair enquired if Bon Accord Care had met with the Council's Director of Corporate Governance since the previous Hub meeting and Sandra Ross confirmed that such a meeting had taken place and explained that these meetings may be scheduled on a more regular basis.</p> | | |
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| 3. | Minute of Previous Meeting | Minute of the previous Hub meeting-9 May 2016. | With reference to item 2 (iii) (Internal Audit Report on ALEO Governance), the Chair explained that Internal Audit colleagues had confirmed they had not consulted | <p><u>The Hub resolved:-</u></p> <p>(i) to approve the minute as a correct record;</p> <p>(ii) to note the</p> | I Robertson |

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| | | | <p>BAC before submitting their report on ALEO Governance to the Audit, Risk and Scrutiny Committee on 9 March 2016 as their client was the Council and they had focussed their scrutiny on the arrangements the Council had put in place with its ALEOs. The Chair noted that Internal Audit felt there were no inaccuracies in their report with regards to BAC. Sandra Ross highlighted a number of errors and discrepancies in the report and asked if the consultation process would be addressed in the future. The Chair explained that her concerns with regards to the consultation process would be incorporated into the Council's ongoing governance review.</p> <p>The Chair noted that all other relevant items and actions had been included in today's Improvement Plan.</p> | <p>(iii) information provided; and to request that BAC's concerns about the consultation and reporting processes as it relates to ALEOs be incorporated into the Council's ongoing Governance Review.</p> | R MacBeath |
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| 4. | Improvement Plan | <p>(a) BAC's Improvement Plan as at 15 August 2016;</p> <p>(b) Internal Audit Scores; and</p> <p>(c) Health and Safety Audit Scores.</p> | <p>With regards to item 1 (Internal Audit Arrangements), Sandra Ross advised that a new quality management system had been installed and the revised audit tools had been approved by the Board on 6 May 2016;</p> <p>With regards to item 2 (Compliance with Procurement Reform Act), Ms Ross noted that a meeting had been scheduled with colleagues from Commercial and</p> | <p><u>The Hub resolved:-</u></p> <p>(i) to note the Improvement Plan;</p> <p>(ii) to note the reports;</p> <p>(iii) to note the information provided;</p> <p>(iv) to request information on the service audit process and the revised audit tools as outlined in BAC's</p> | I Robertson |

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| | | | <p>Procurement Services for later this week;</p> <p>With regards to item 3 (Health and Safety Arrangements), the Chair advised that this item was on today's agenda under item 6;</p> <p>With regards to item 4 (Service Performance Working Group), Ms Ross confirmed that she had met with senior managers from the ACHSCP on 3 August 2016 and a further workshop had been scheduled to discuss the refresh of BAC's performance management framework ahead of the revised Service Level Agreement (SLA) in 2018; and</p> <p>With regards to item 5 (Leasing Arrangements), Ms Ross informed the Hub that no progress had been made since the previous meeting with regards to the lease at Hillylands Independent Living Centre and the Chair advised that he would raise this issue with the Council's Head of Land and Property Assets.</p> | (v) Risk Register; and to request that the Chair raise the leasing arrangements at Hillylands Independent Living Centre with the Council's Head of Land and Property Assets. | R MacBeath |
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| 5. | Risk Register | BAC's Risk Register. | Neil Buck (CG Business Team) noted that BAC had added the British exit from the European Union as a risk in their register and he enquired if they had a significant number of EU workers and if this would have an impact on their staff support pool. Sandra Ross advised that the support pool was mainly used to cover planned annual | <p><u>The Hub resolved:-</u></p> <p>(i) to note the register; and</p> <p>(ii) to note the information provided.</p> | N Buck |

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| | | | <p>leave, not an unplanned absence. She added they had installed a new software package as a management tool which had increased their capacity to manage unplanned leave as the system was less labour intensive.</p> <p>Mr Buck noted this response and advised that the addition of the British exit from the European Union as a risk in their register demonstrated that they reviewed their register on a regular basis and treated it as a dynamic and living document.</p> | | |
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| 6. | Management Trading Accounts | BAC's Management Accounts as at 30 June 2016. | Paul Dixon (Finance) noted that BAC's level of expenditure was higher than their budgeted position for the first three months of 2016-17 and asked why this had been the case. Sandra Ross explained they had not met their efficiency targets so far this year but noted they had received additional income through their support pool and City Home Helpers programme. Ms Ross informed the Hub that under their SLA BAC were required to deliver a balanced budget and they would strive do so by Year End. | <p><u>The Hub resolved:-</u></p> <p>(i) to note the accounts;</p> <p>(ii) to note the information provided; and</p> <p>(iii) to request the full set of trading accounts which had been presented to the BAC Board.</p> | P Dixon |
| No | Item | Documents Submitted | Assurance Provided | Actions/Decisions | Lead Officer(s) |
| 7. | Health and Safety Training Arrangements | <p>(a) Health and Safety Performance – July 2016;</p> <p>(b) Learning and Development Policy – February 2016;</p> | Mary Agnew (Health, Safety and Wellbeing) asked for an overview of BAC's health and safety training arrangements. Sandra Ross advised that their learning | <p><u>The Hub resolved:-</u></p> <p>(i) to note the reports;</p> <p>(ii) to note the information provided;</p> | M Agnew |

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| | | <p>(c) Learning and Development Process;</p> <p>(d) Scottish Vocational Qualifications (SVQ) Centre Process – February 2016; and</p> <p>(e) Supervision and Performance Review – February 2016.</p> | <p>and development prospectus outlined a broad range of training opportunities and these were delivered on three levels:</p> <p>Generic Level : All staff were required to undertake this training and this included a robust introductory health and safety module;</p> <p>Specialist Level: Training was delivered to staff on a job specific basis; and</p> <p>Management Level: Training was provided to managers and senior staff who had additional duties and responsibilities.</p> <p>Ms Ross explained that courses were delivered through their e-learning system though a number of courses including manual handling were delivered on a practical basis. She informed the Hub that each module included a learning outcomes assessment at the end of the session to test the trainee's knowledge and how this would modify their future practice.</p> <p>Ms Agnew asked Ms Ross to provide a summary of BAC's health and safety audit scores. Ms Ross advised that audit scores had improved significantly in recent years and they were tested twice a year. She explained it was the responsibility of line managers to address low performance in</p> | <p>(iii) to request an outline of the modules and learning outcomes covered in the introductory health and safety course;</p> <p>(iv) to request that BAC's health and safety action plan be presented to the Hub at its next meeting on 14 October 2016;</p> <p>(v) to request information on the number of staff who had undertaken health and safety training in the previous six months; and</p> <p>(vi) to request that BAC meet with the Council's Health, Safety and Wellbeing Manager to discuss health and safety performance reporting with regards to care homes.</p> | |
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| | | | their areas and to monitor areas of concern in their management action plans. | | |
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| 8. | Service Performance | N/A | <p>The Chair informed the Hub that BAC's SLA would need to be reviewed in 2018 and asked for an update on plans to revise the contract. Sally Wilkins (ACHSCP) advised that she received performance information weekly and KPI data monthly but explained a number of KPIs were no longer fit for purpose and a workshop had been scheduled for 26 September 2016 to review the performance management framework and to develop new indicators that could effectively monitor performance and shape service planning. She added that these refreshed indicators would place a greater emphasis on measuring outcomes rather than service outputs, and that that this process had replaced the Performance Review Working Group.</p> <p>Alex Stephen (ACHSCP) highlighted that he and the Chief Officer for the ACHSCP and had met Sandra Ross recently to align BAC and the Partnership's priorities and to consult on the budget setting process. Mr Stephen advised that multiple meetings would be arranged between the two bodies to strengthen the Partnership's relationship with BAC.</p> <p>Jeff Capstick noted that BAC had received</p> | <p><u>The Hub resolved:-</u></p> <ul style="list-style-type: none"> (i) to note the information provided; (ii) to recognise that BAC had attained Living Wage accreditation; and (iii) to request an update on the development of a refreshed performance management framework at the Hub's next meeting on 14 October 2016. | S Wilkins |

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| | | | Living Wage accreditation and welcomed this on behalf of the Council. | | |
| No | Item | Documents Submitted | Assurance Provided | Actions/Decisions | Lead Officer(s) |
| 9. | Closing Remarks | N/A | The Chair thanked Sandra Ross for her attendance and contributions and brought the meeting to a close. | <u>The Hub resolved:-</u> To thank Sandra Ross for her attendance and contributions at today's meeting. | N/A |

If you require further information about this minute, please contact Iain Robertson tel. 01224 522869 or email iairobertson@aberdeencity.gov.uk