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FLEXIBLE CHILD CARE SERVICES SCOTLAND

FIRST MEETING OF SCIO TRUSTEES

30 MAY 2019, 16H00 – 17H30

2 YORK PLACE, EDINBURGH, EH1 3EP

PRESENT

SUSAN McGHEE

CHARLES SWEENEY

GARETH MORGAN (CHARITY CONSULTANT)

CANELLE FRIIS (MINUTE-TAKER)

MARK FERGUSON (CONVENOR)

NEIL MATHERS

KEN MILL

SALLY CAVERS

CHRIS JAMIESON

DEBORAH LOUDEN

APOLOGIES

MD

JANE MALCOLM

MINUTES OF FIRST TRUSTEE MEETING

1. Introduction

MF acted as Convenor of the meeting. He welcomed everyone to the meeting and all attendees went around the table and introduced themselves. Apologies were noted.

2. Election of Office Bearers and confirmation of SCIO address

- MF agreed to act as **Interim Chair**. The election of office bearers was postponed to a later date.
- Kevin Cadman was co-opted as a Trustee onto the FCSS Board.
- DL attended as an observer and agreed to confirm her availability to act as Trustee after the meeting.
- Board Trustees are confirmed as:

Name	Email [Redacted]
Mark Ferguson	
Neil Mathers	
Marion Davis	
Ken Mill	
Kevin Cadman	
Jane Malcolm	
Sally Cavers	
Chris Jamieson	

- The SCIO's principal address was confirmed:

2 York Place
Edinburgh
EH1 3EP
Scotland

3. Operational Update

SMG, OPFS Operations Director, reported on the activities of the SCIO.

General:

- Flexible Childcare Services Scotland (FCSS) was registered by the Scottish Charity Regulator (OSCR) as a Scottish Charitable Incorporated Organisation (SCIO) on 22 May 2019. The SCIO number is SC049318. The status award letter from OSCR was issued to the Trustees in the agenda pack.
- There is one vacancy for a Board member. SMG asked the Trustees to suggest any suitable people to fill the vacancy, who (in the interest of promoting gender equal representation) should be a woman.
- The Scottish Government have spoken to the Early Learning and Childcare team and she awaits a recommendation from them.
- SMG explained that many activities were dependent on the OSCR SCIO number, such as opening a bank account, arranging the provision of insurance, payroll and pension services as well as registering with regulatory bodies such as the Care Inspectorate, the Scottish Social Services Council (SSSC) and Disclosure Scotland. Now that the registration has been received, these tasks are able to be progressed.

Funding:

- The *Social Innovation Partnership* (a collaboration between the Hunter Foundation and the Scottish Government) has agreed to fund FCSS the amount of £250K with the potential to increase it to £310K (discussions are ongoing, and dependent on the outcome of the Aspiring Communities and Highland Council bids).
- The Scottish Government's *Aspiring Communities Fund* has agreed to in-principle funding for a 15 month period. The Scottish Government Social Justice team has supported the application and are communicating with their colleagues in other departments regarding the application.
- *Highland Council*: the application for SLA was submitted with an annual value of £113K, of which £46K is confirmed, with the remainder to be sought through separate Highland Council funds.
- *Community Asset transfer / Regeneration Capital Grant fund*: There is planning around the Community Asset Transfer from Dundee City Council of the Fintry Nursery Building and its development as a Community Hub and centre of excellence. It will not only deliver childcare, but also be a place for skills sharing and intergenerational activities. The building will be ready in August 2020, the next steps are to focus on the community garden in the meantime.

The Social Justice team at the Scottish Government suggested applying to the Regeneration Capital Grant Fund for £1 million to develop the site into a Community Hub. The proposal must be done with a Local Authority partner, and the Dundee City Council will act as a partner and submit the application on behalf of OPFS (with the intention to transfer the project to FCSS at the proposed transfer date). The deadline for the RCGF application is 10 June 2019.

- SIP is setting up a joint meeting with the *Robertson Trust*, which is presently providing £16K per annum to Flexible Childcare Services, to consider becoming part of the broader funding plans for FCSS, including making a capital cost contribution to Dundee.
- The final challenge around early years partnership at *Dundee City Council* is ensuring that the provision of flexible childcare has cohesion with NAMS (the nursery admissions management system software which the Council uses to track childcare hours and make payments). A consultant has been hired to figure out a way to track flexibility using NAMS for one year, at which point it is intended that NAMS will be systematically retired anyway.
- *Investing in Communities fund*: £500K over three years will be bid for.
- *Scottish Futures Trust* is interested in creating more capacity in the early years' sector, and in the Dundee centre of excellence model for infrastructure development in the early years and childcare sector.

The funders are all aware of the transfer, and communications and permissions are being tracked to ensure compliance with agreements on assignation.

CJ offered to assist with funding conversations, and SMG confirmed that help would be beneficial as the RCGF funding bid progresses.

Current services:

Dundee Flexible Childcare Services (day-care and mobile crèche): the service is running well with no issues to report. The team is aware of the transfer and excited about it.

Aberdeenshire Flexible Childcare Services (8 current registrations): the service entered into an agreement with the Department of Social Work at Aberdeenshire Council to offer more services in addition to existing ones. However, there has been a delay in the service provision (due to start in April) because of processing registrations at the Care Inspectorate. One of the registrations depends on finding suitable premises from which to operate in Huntly.

Aberdeenshire Council have agreed to assign the contract to Flexible Childcare Services, and would like more complex work to be done, however further investigation is required before committing to providing more complex care services.

SMG informed the Board that a tender is being submitted for a 30-place nursery at *North East Scotland College*, which would be a good reference site to use when applying to provide childcare services at other universities, colleges and workplaces in the future. One of the existing Aberdeenshire services is located very close by to the College and therefore it is a good opportunity for mutual support.

Policies

A link to the policies was issued prior to the meeting, which had been pre-approved by the OPFS OPFS FCSS Sub-Group on 16 May 2019. They include the data protection policies, HR policies, the TUPE policy and procedure and any other which affects the terms and conditions of employment, as required by TUPE regulations. The policies were adopted by the Board.

Other policies that do not relate specifically to staff and the conditions of their employment will be approved in batches by priority. An internal policy working group will review these and send to the Board for approval. The priorities among these are those required by the Care Inspectorate.

Branding and website:

- Branding and MFeting progressing well. A six page pull out guide to flexibility was published in Nursery World Magazine and further trade press activity and contributions agreed to.
- The website is being re-developed. It currently focusses only on the Dundee Flexible Childcare Services, and will in future cover all of the services. The content for the website is ready to be uploaded but will form part of a larger redevelopment.

Flexibility Pathway toolkit:

- Excellent progress has been made with software development company Ember, a full nursery management system including a support forum and policies with the capability to sell extra capacity and linking with childcare journals and training systems for staff. It will have two partner apps – one for parents to book childcare and another for staff to access information.
- SMGoffered to send the development specifications to interested Trustees.
- It will cost £90K approximately to develop with running costs estimated at £15K per annum. The work is funded through SIP and STV. SIP are supportive of this work as it matches their scale-up targets for our work.
- A Development Manager has been recruited, to start on 15 July 2019, to oversee the development of the Pathway and Toolkit and to MFet it to childcare providers.
- It would be ideal if the Flexibility Pathway could be given out for free to childcare providers to encourage flexibility, however State Aid regulation around government funding of a product that may be seen to be competing with providers of private nursery management systems.
- Alternative monetization of the product, including advertising revenues, is also being considered
- Early planning of the product launch is underway with SIP. The timing will be around Ministerial attendance, as well as not competing for time with other key sector events. A working group will be established around the event planning with members from SIP, COSLA and staff members.
- The next steps will be the development of accreditation and a flexibility emblem

4 and 5: Transfer and Service Agreements

GM, charity consultant (who was in attendance at the meeting) has drafted a transfer agreement and a service agreement for the OPFS and FCSS and is an advisor to the FCSS, with OPFS having consulted their own advisor. He provided the background to the agreements, noting that the agreements were designed for two collaborative partners, and read through both with the Trustees.

The agreements were subject to internal scrutiny by management as well as the OPFS OPFS FCSS Sub-Group, with draft agreements and comments being sent for legal review on 24 May.

The agreements had been subject to independent general legal review by Alastair Keatinge of Lindsays on behalf of both parties (OPFS and FCSS), and the lawyer's comments (received on 29 May) were circulated with the draft agreements to the Trustees prior to the meeting.

It was noted that the OPFS Board, having met directly before the FCSS Trustees, had suggested several changes to the agreements. The updated version with collated comments is to be sent to Trustees, and two independent (no co-opted or nominated by the OPFS Board) are to sign off on the changes before 30 June 2019.

Noteworthy comments arising from the discussion are:

- A review date has been built into the service agreement for service recharges to OPFS by FCSS in March 2020 at which point the HR and Finance functions will be considered
- VAT must be considered in the future as it will affect the value of the recharges. This should be an agenda item at a future meeting.
- The Interim Chair requested that the main points on both agreements for the Trustees to review be highlighted. SMG agreed to do this.

6. Financial Report

6.1 Financial Planning

CS, the new Head of Finance for OPFS, who is providing the Finance functions to FCSS – presented an updated budget and cashflow forecast for FCSS. Notes were provided on the documents issued as part of the agenda pack. The documents had been considered by the FCSS Sub Group on 16 May, and updated prior to the Trustees meeting.

A Reserves Policy for FCSS needs to be considered. It is currently three months at OPFS for operating costs.

There will be £16K from OPFS on the date of transfer (1 October), with funding from SIP also transferring in.

6.2 Delegation of Powers of Purchase

SMG and CS have limited signatory powers (up to the value of £25K). One or two signatories with unlimited powers are required. KM will be the signatory. CS is to contact him directly to arrange the completion of necessary documentation before KM goes on holiday in July.

6.3 Banking

CSis in the process of opening a bank account for FCSS, with the Royal Bank of Scotland (where OPFS currently banks). The choice of provider was discussed, and it was agreed that for efficiency of transfer (due to OPFS being an existing customer), and for its dual administration capability, RBS was a good choice. It is important that a bank account be opened so as to progress other operational activity. It was noted that CAF Bank also offered dual authorisation and that in future, the Trustees may decide to change banks.

7. HR

7.1 Staff Transfer Plan

A plan is in place to transfer staff from OPFS to FCSS. The scoping exercise was conducted by a TUPE Project Team comprising the Director, Deputy Director and Operations Director of OPFS as well as Head of Finance, service Managers and Project Manager. SMGis scheduled to transfer first, aiming for 1 July 2019. MF will conduct her consultation on behalf of FCSS, and Ann McKenzie from OPFS.

Staff information meetings are being scheduled in Dundee and Aberdeenshire, after which individual consultations will be held with affected staff members, and their effective transfer date will be 1 October 2019.

7.2 Agreement on employees to transfer

An audit of employee information has been conducted across OPFS in order to satisfy the Due Diligence requirements of the TUPE process. The FCSS Board should receive the final list of employees' information 28 days prior to the transfer (3 September 2019).

The Trustees were given a spreadsheet of anonymized employee data of the roles for transfer to agree on in principle in order for the transfer to go ahead. It was noted that there would, in the ordinary course of business as usual, be slight changes to the list as new staff leave or join the organisation.

The Trustees agreed on the transfer plan and the employees to be transferred.

7.3 Appointment of new staff

The Chief Executive's Job Description and salary was discussed and approved by the OPFS OPFS FCSS Sub-Group on 16 May 2019, with minor amendments to the JD requested.

The updated version of the Chief Executive job description as well as the salary was approved by the Trustees.

7.4 Policies for TUPE

Adopted above.

7.5 Confirmation of the Provision of Staff Benefits and Terms and Conditions of Employment

The HR and Finance team are working on being able to provide the terms and conditions of employment for transferring employees. This includes the provision of a pension, insurance, access to a credit union, employee counselling service, Living Wage accreditation and more.

Susan's transfer on 1 July and all other staff's transfer on 1 October is conditional upon ensuring the employment terms and conditions are in place, and are at least as good as what OPFS currently provides.

8. Any Other Business

Trustees were requested to complete the Care Inspectorate Trustee form (in the agenda pack), in order for the registration of FCSS services to be processed. Questions can be sent to Canelle.

9. Future meetings

It was agreed that 4-6 weekly meetings would be helpful leading up to the transfer. The next meeting to be scheduled in coming weeks.

	Action	Responsibility	Progress
1.	DL to confirm her availability to act as Trustee	DL	
2.	All encouraged to suggest an additional Board member	All	
3.	SMGto send the Flexibility Pathway spec to interested Trustees	SMG/ All	
4.	Updated agreements with suggested changes and comments to be circulated to Trustees (CSto collate), with the main points for review to be highlighted (SMGto highlight)	CS/ SMG	
5.	Two trustees (independent) to sign off the agreements before 30 June	Independent Trustees	
6.	VAT to be added to the agenda of a future meeting	CF	
7.	KM to be made full signatory	KM/ Charles	
8.	Reserves Policy for FCSS to be considered at future Board meeting	CF/ All	
9.	Trustees to complete the Care Inspectorate form 7a-c and send to SMG/ Canelle	All trustees	