

Finance Committee
of the
Directors of The Promise Scotland (SC693269)
on Thursday 1st February 2024 at 14.00-15.30
at The Promise Scotland office

APPROVED MINUTE

Attendees - Directors

Jim Savege (JS)	Chair
Fraser McKinlay (FMK)	Director and Chief Executive
Jackie Brock (JB)	Director

Apologies:

David Garbutt (DG)	Director
Morag Burnett (MB)	Head of Governance and Operations

In attendance from The Promise

Gillian Sinclair (GS)	Minutes of the meeting
Asima Hussain (AH)	Finance & Central Services Manager

Item 1. **Welcome, apologies and purpose of meeting**

Jim Savege (JS) welcomed Directors of The Promise Scotland to the 2024 Finance Committee. He noted that its purpose was to review the budget for 2024/25 for discussion and recommendation.

Item 2. **Declarations of interest**

There were no interests to declare in relation to the business of the meeting.

Item 3. **Minutes of previous meeting**

The Minute from the 2023 Finance Committee was approved as an accurate record.

Item 4. **Draft Budget 2024-25 - Sensitive**
Papers 2 and 2a

Fraser McKinlay (FMK) introduced Paper 2 and 2a and updated the Finance committee on the budget process and the management of the Scottish Government grant. The budget is straight forward with no budget increase for this year and FMK has had conversations on the process with the Scottish Government.

Directors discussed the increase in project spend from last year, Directors noted this was a positive increase and reflects project maturity.

FMK updated the committee on the proposed structure changes following the recent resignation of one of the Senior Leadership Team.

- FMK will not be backfilling this post with a view to flattening the management structure and reducing the management team from four to three.
- A secondment post for supporting Fiona Duncan on Plan 24-30 will start in March and run for 12 – 18 months.
- The Head of Support role will now stay in post until July 2025.
- The arranged part-time support from PHS will continue.
- The Events and Administration and Public Affairs vacant posts are still currently being assessed and The Promise Scotland will have a clearer picture of this and present it to the Board of Directors on the 29th of February.

Directors discussed the strategic work programme and the structure of staff working in a more integrated way and how The Promise Scotland is mitigating the risks involved from these changes. FMK to bring assurances on the risks and benefits to the Board of Directors meeting at the end of February. JB and FMK to meet offline to discuss further.

A discussion on Freedom of Information requests and the recent interest by the media in The Promise Scotland's finances were discussed. Directors agreed that the budget should be structured in a way to show empathy for external organisations who are dealing with budget cuts and present responsible use of funds during this time of hardship. FMK to circulate an updated version of the budget to show that the reduction in Senior Management staff aligns with the increase in the project work. Also, to communicate the need to keep staff lean and bring in expertise when needed as an organisation that is serious about its obsolescence.

A paper will be circulated following the joint meeting between The Promise Scotland Directors and the Oversight Board on what is expected under secretariat and agree on a shared agreement that is more precise and provides clarity and parameters.

Overall, the Directors feel content with the budget as presented, subject to amendments discussed on presentation and positioning of budget summary.

Item 5. **Pay Policy - Sensitive**
Paper 3

FMK gave a brief reminder of the 2023 pay policy and cost-of-living uplift and an explanation of the gradient process used, reaffirming the three principles equitable, comparable and fair.

FMK asked the finance committee to discuss the proposed process for 2024 and feedback, explaining the conflict of his own salary being included in this increase.

Directors discussed the sensitivity around the pay policy and FMK's involvement in the decision-making process and all agreed to a decision on a pay uplift being taken to the Board of Directors to give FMK separation. JS requested a paper is ready to go to the Board of Directors meeting on the 29th of February. JS and FMK to meet separately and discuss scenarios and comparatives based on equivalent organisations. The Directors also requested a breakdown of figures from finance on last year's pay uplift.

Item 5. **Any other business**

No other business.

Governance Principles

Independence – Assurance - Proportionate – Transparent

N.B. All papers are copied to the Scottish Government, as per the Members' Agreement.