

**Chief Executive's Report to the SPCB
October 2016**

Introduction

This report looks at work carried out during September and October and includes the SPCB financial report for Period 5 2016-17.

Some of the items to note include:

- As of 12 October two Member's Bills had been lodged and the Non-Governmental Bills Unit (NGBU) is working with Members to support a further nine.
- The Parliament is currently working to implement the provisions of the Lobbying Act. A Lobbying Registrar has now been appointed from within the SPS Staff and the recruitment of an administrator will commence shortly. The Registrar will work on preparing the necessary guidance and code of conduct to meet the requirements of the Act.
- The Secretary of State for Work and Pensions will appear in front of the Social Security Committee on Thursday 3 November.
- The Presiding Officer will host the launch of the Scottish Poppy Appeal in the Garden Lobby on Wednesday 2 November.
- The Parliament is currently running a photography competition called "Seeing Scotland". Members of the public have been invited to submit their photographs via Instagram of life in modern Scotland, with renowned photographer Harry Benson judging the competition.

If you have any comments or questions on any aspect of this report, I would be happy to discuss them with you.

P E GRICE

Clerk/Chief Executive

OVERVIEW OF PARLIAMENTARY ACTIVITIES

Chamber, Reporting and Broadcasting

Chamber Office

Legislation Team

A new webpage has been launched outlining the parliamentary process for passing legislation and can be found using the following link: <http://www.scottish.parliament.uk/visitandlearn/100529.aspx>.

Materials are provided on the page in different formats designed to make the process more accessible. Further work is underway to improve links into the rest of the website to make sure that people who are specifically interested in legislation can navigate easily from other parts of the site.

Non-Government Bills Unit (NGBU)

As of 12 October, two Member's Bill proposals have been lodged and NGBU is working with Members on a further nine. In addition, NGBU is in contact with promoters/agents for four prospective Private Bills all of which are anticipated for introduction by mid-2017.

NGBU has worked with colleagues in the legal and procurement offices to put in place a new panel of drafters for 2016-21. As previously agreed by the SPCB, the panel will undertake around half of NGBU's Bill-drafting work, and Parliamentary Counsel Office (PCO) will do the remainder of this work.

Lobbying Act implementation

A Lobbying Registrar was appointed recently from within the SPS staff complement. The Registrar took up post in October and recruitment of an administrator will begin shortly. Together these staff will work on preparing the necessary guidance and code of conduct to meet the requirements of the Act. They will also develop engagement and public awareness plans to support effective implementation of the legislation.

In the meantime, work is progressing on securing the necessary IT infrastructure. A public procurement process for development of an online register of lobbyists is underway. The contract will be advertised in October 2016 with contract award expected by February 2017.

Official Report

The Official Report was released as open data on 5 October 2016. The launch began with committee official reports; plenary official reports will follow by the end of October. The publication of the Official Report as open data, in a machine readable format, means that it can now be used by website and

software developers in creating their own apps and websites. They may choose to present the data in interesting ways and potentially combine it with other data to create new sources of information about the Parliament and its work.

Committees and Outreach Services

Draft Budget 2017/18

The Cabinet Secretary for Finance and the Constitution has indicated that he will publish the draft budget on 15 December following the UK Autumn Statement on 23 November. The Finance and Constitution Committee has indicated its concern at the amount of time which will be available for parliamentary scrutiny after the draft budget is published. The subject committees will have only two weeks to scrutinise the draft budget after it is published. The Committee has, therefore, asked the Cabinet Secretary to provide scenario planning information prior to the publication of the draft budget. The Cabinet Secretary indicated in a parliamentary debate on the draft budget timetable on 4 October that he would publish the requested scenario planning information by the end of October recess. The Committee has indicated to the Cabinet Secretary that the publication of Draft Budget 2017/18 in December should not be viewed as a precedent for future years. The Budget Process Review Group will bring forward proposals for a revised budget process prior to Summer recess.

Subject committees are considering their scrutiny options in the time available. For example, the Environment, Climate Change and Land Reform committee has decided to focus its work on the outcomes of three public bodies and the extent to which these outcomes have met the Scottish Government's national objectives. The bulk of this scrutiny will take place before the draft budget is published.

Commissioners

Scottish Land Commissioners

Stemming from the Land Reform (Scotland) Act 2016, the Scottish Land Commission will consist of six commissioners: five Land Commissioners and a Tenant Farming Commissioner. While these are ministerial appointments, they also require to be approved by the Scottish Parliament. The Committee has therefore agreed to write to the Scottish Government seeking information on its selection process as well as to hold a public pre-appointment hearing with all six nominated candidates (expected to take place in mid/late November).

In considering this work the Committee will wish to be satisfied that the appointment process is appropriate, fair and will result in a Commission that reflects the requirements set out in the Land Reform (Scotland) Act. The Rural Economy and Connectivity Committee is also aware of this process given the Tenant Farming Commissioner's future work will likely engage its remit.

Scottish Fiscal Commission

The Scottish Fiscal Commission will become a statutory public body on 1 April 2017 at which point the number of commissioners will be increased from 3 to 4. One of the current commissioners has been appointed on a temporary basis until 31 March 2017. This means that two new commissioners will be appointed from 1 April. The Finance and Constitution Committee considered a draft specification for the two posts in private prior to its meeting on 5 October and heard from Scottish Government officials and the Commissioner for Ethical Standards in Public Life in Scotland. The Cabinet Secretary will recommend nominees for the posts to the Parliament following completion of the public appointments process. The Committee will then hold pre-appointment hearings with the nominees before recommending to Parliament whether or not to support the appointments.

The Finance and Constitution Committee clerks are also working with the Standards, Procedures and Public Appointments Committee clerks and the Environment, Climate Change and Land Reform Committee clerks to ensure a consistency of approach to the Parliament's role in the public appointments process.

Equalities and Human Rights Committee

The Equalities and Human Rights Committee (EHRC) has given further consideration as to how to incorporate scrutiny of human rights into its remit. Stakeholders have been making the case that the UN Concluding Observations serve as a useful "road map" as to whether human rights issues are being taken account of in public policy and legislation. EHRC is also looking at inequalities in the education system, using its scrutiny of the draft 2017/18 budget to examine inequalities for disabled people accessing and attending university in Scotland.

Social Security Committee

The Secretary of State for Work and Pensions will appear in front of the Social Security Committee on Thursday 3 November. This is the first time that a DWP Minister has given formal evidence to the Committee.

Health and Sport Committee

The Health and Sport Committee agreed a strategic plan to inform its scrutiny work. This is the first time that a committee has adopted such a plan and it can be found on the Committee's webpage.

Outreach Services

Into Film: Selma and panel discussion

As part of the education programme that is supporting the 'Benson: Seeing America' exhibition, the Equal Opportunities and Human Rights Committee Convener Christina McKelvie MSP will host a panel discussion on the film

Selma on 11 November. The audience of 100 young people will have visited the exhibition prior to the film showing and the panel will explore the themes raised by both.

International Relations Office (IRO)

The Parliament has hosted the following recent inward visits:

- Courtesy calls on the Presiding Officer from the Slovakian Ambassador; French Consul General; and the Romanian Ambassador.
- Presiding Officer meetings with the Chief Executive of the Westminster Foundation for Democracy; the President of the National Assembly of Quebec; and the Speaker of the Senate of Canada.
- Education committee from the Flemish Parliament meeting with MSPs on the Education and Skills Committee.
- Researchers from the Moroccan House of Councillors.

The following outward visits are currently planned:

- Presiding Officer visit to Brussels to meet the Speaker of the Flemish Parliament and the President of the Chamber of Representatives (Federal Parliament).
- Kate Forbes MSP participation at the Commonwealth Youth Parliament.
- Liam McArthur MSP participation in UK delegation visit to Malawi.

Research, Communications and Public Engagement

SPICe

Two members of the Financial Scrutiny Unit presented and chaired sessions on budget scrutiny and data visualisation at a recent conference of Balkan Budget Offices. This continues our close working and mentoring relationship with the new parliamentary budget offices in Serbia and other states in the Balkans.

Events and Exhibitions

The Presiding Officer hosted a reception for the 60th Anniversary of the Duke of Edinburgh's Award on Wednesday 5 October for Members, participants and supporters from across Scotland. The event also recognised a number of young people who successfully completed their Duke of Edinburgh Leadership qualification.

The Deputy Presiding Officer, Christine Grahame MSP, and the Minister for Childcare and Early Years, Mark McDonald MSP, co-hosted the 30th anniversary reception for Childline on Wednesday 26 October. The event provided an opportunity for Members to mark 30 years' service and to thank the Scottish volunteers and supporters without whom Childline wouldn't exist.

Forward Look

On Wednesday 2 November the Presiding Officer will host the Scottish Parliament launch of the 2016 Scottish Poppy Appeal in the Garden Lobby. PoppyScotland is the Parliament's nominated charity and works to provide support and funding for veterans' individual needs.

The Presiding Officer will host the Coalition for Racial Equality and Rights graduation ceremony for their Black and Minority Ethnic (BME) Political Shadowing Scheme on Thursday 10 November. The scheme provides an opportunity for BME people to become politically engaged through experience within public and political life in Scotland. In 2016, ten participants completed the scheme, which included training sessions on politics, equalities, and the media, writing blogs and articles of political interest and shadowing Members within their parliamentary and constituency offices.

Visitor Services

Over 92,600 visitors entered the building from July-September. This is up on the same period in 2015 which recorded a figure of just under 87,400. Tours have also been very busy, with a total of 86% capacity being filled over the same quarter, hitting 96% in September.

The Visitor Services team are also increasing the frequency of their new "10 Minute Talks", including on parliamentary business days. Direct feedback from visitors and TripAdvisor reviews continue to be overwhelmingly positive.

New signage has been installed in the public areas, alerting visitors to the new rules concerning use of mobile devices in Chamber and Committee meetings.

The official Scottish Parliament Christmas Cards have been prepared for launch later in October, featuring some striking new designs for 2016, with bestsellers from previous years returning as well. Preparations for the Parliament Shop's popular Christmas shopping event days are nearing completion and dates will soon be published in the Corporate Bulletin.

Web and Social Media

The Parliament is currently piloting the use of a new Instagram account and has launched the photography competition "Seeing Scotland" as part of that. The competition, inspired by the *Harry Benson: Seeing America* exhibition, asks people to submit their photos of life in modern Scotland.

A shortlist will be selected and will then be judged by Harry Benson. Three finalists will then be voted for by the public through social media on St Andrew's Day.

The pilot of the Instagram account will be evaluated in the New Year.

SPCB FINANCE REPORT Period 5 – August 2016

1. This report is to inform SPCB of general financial activity and expenditure trends in 2016-17.

Executive Summary

Performance against Budget (year to date variance)		
a) Total SPCB revenue and capital expenditure	3.2%	Para 2 & 6
b) Total SPS expenditure	3.0%	Para 7
c) Total project expenditure	9.1%	Para 8
Operation of Financial Controls		
d) Key reconciliations up to date	100%	Para 4
Other Key Indicators		
e) Payment performance	99.4%	Para 4

Key: RAG Status



Performance within target range



Performance outwith target range but acceptable



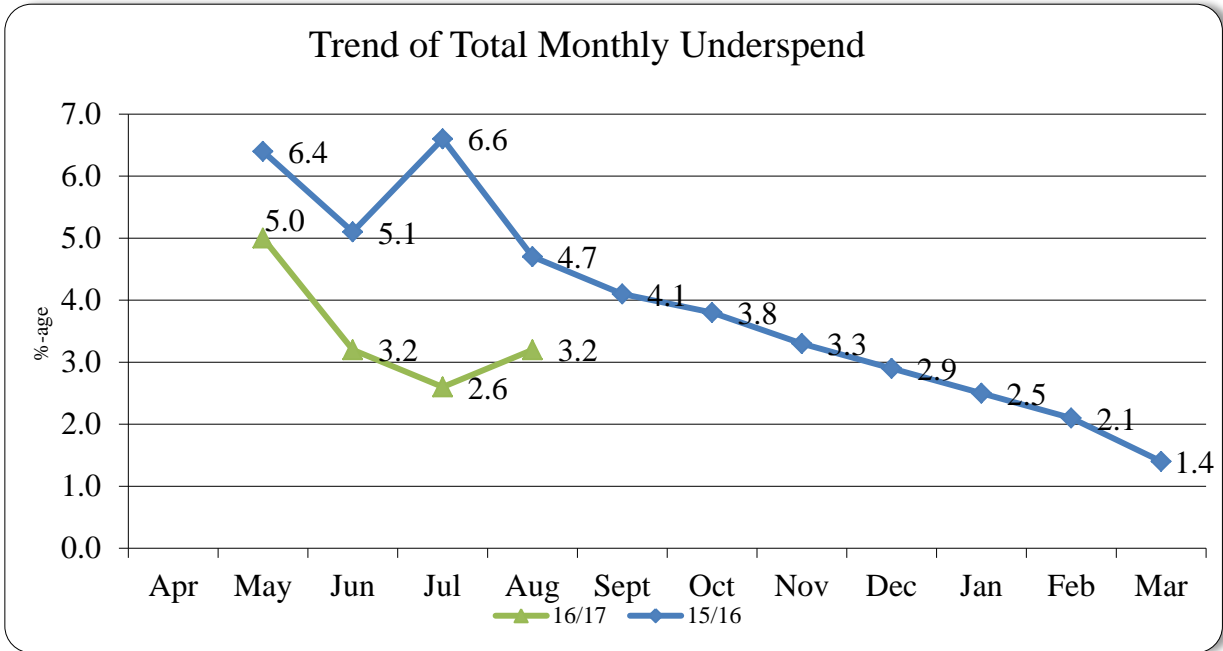
Performance outwith target range not acceptable

Financial Commentary

2. The Scottish Parliament's total revenue and capital expenditure for the first five months of 2016-17 of £33.9m represents an underspend against budget of £1.1m (3.2%) which is within the SPCB's target range of 0% to 5.0% under budget at this stage of the financial year (as shown in green in the Executive Summary chart). The expenditure for the year to date includes resettlement payments in May of £2.1m to MSPs who stood down or were not returned for Session 5. The overall underspend is lower than the comparable position for 2015-16 of expenditure of £29.4m which represented an underspend against budget of £1.5m (4.7%).
3. There were no further transfers within central contingency in August. The re-forecasting exercise in September will be reflected in the Period 6 figures.
4. All key reconciliations are up to date and payment performance within contract terms for the year to date exceeds the 99% target. The equivalent figure for payment within 10 days is 95.6% for the year to date.
5. The 2015-16 year-end accounts process is now complete with the draft accounts reviewed at the AAB meeting on 21 September and approved by the SPCB on 29 September. An unqualified audit certificate has been received from the Auditor General for Scotland.

Financial Results

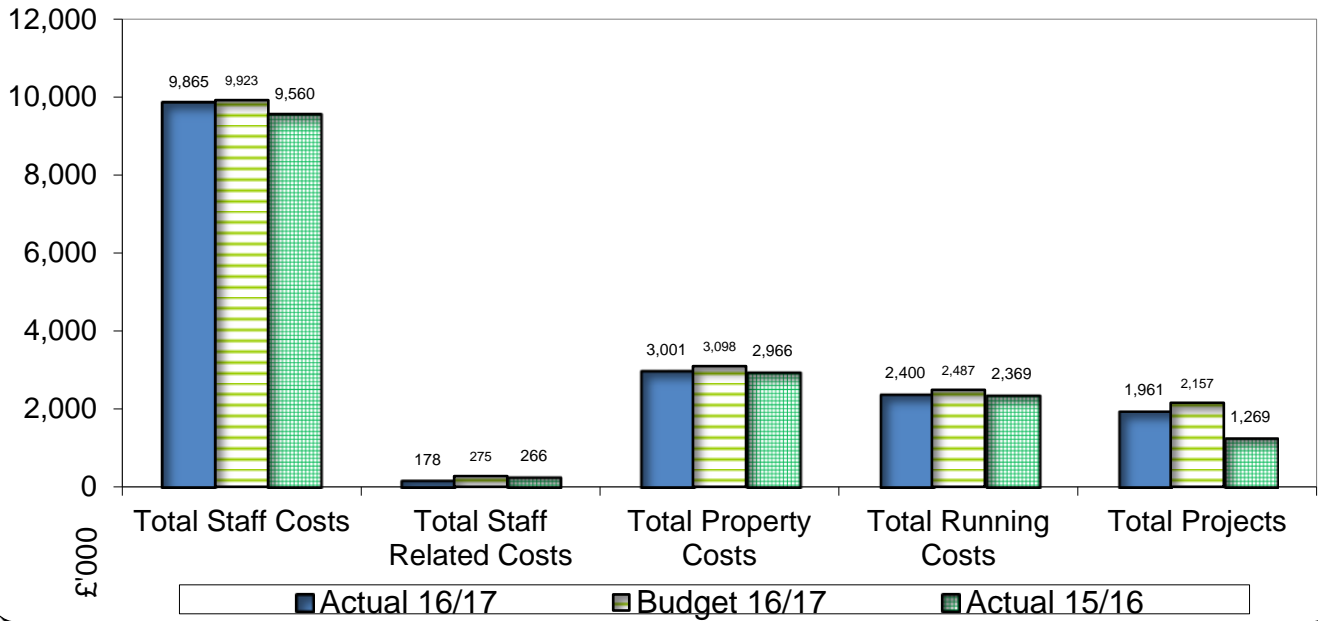
6. The SPCB’s total revenue and capital expenditure per Schedule 1 for August 2016 is £33.9m, which is £1.1m (3.2%) under the approved budget of £35.0m. This is lower than the underspend as at August 2015 of 4.7%.



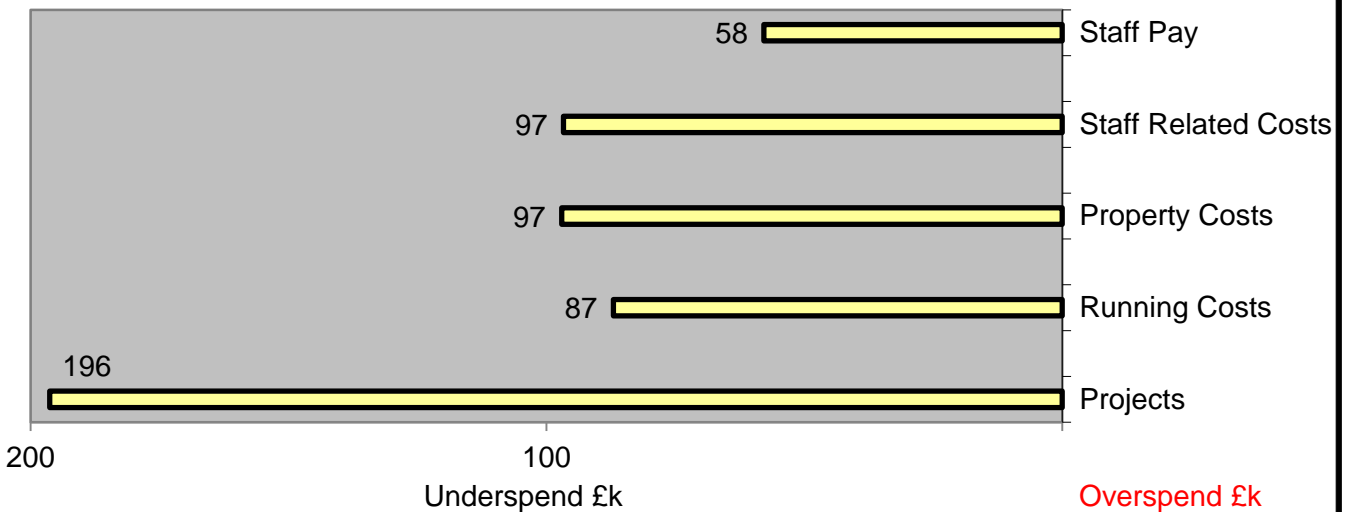
Parliamentary Service Costs (Schedule 2)

7. The year to date expenditure for the Parliamentary Service (SPS) of £17.4m is £0.5m (3.0%) under budget. Parliamentary Service Costs incorporate both capital and revenue projects. The previous year’s expenditure of £16.4m at period 5 was £0.8m (4.5%) below budget. An analysis of the current financial year by main category of expenditure is shown in the two charts below.

Parliamentary Service YTD Expenditure £k

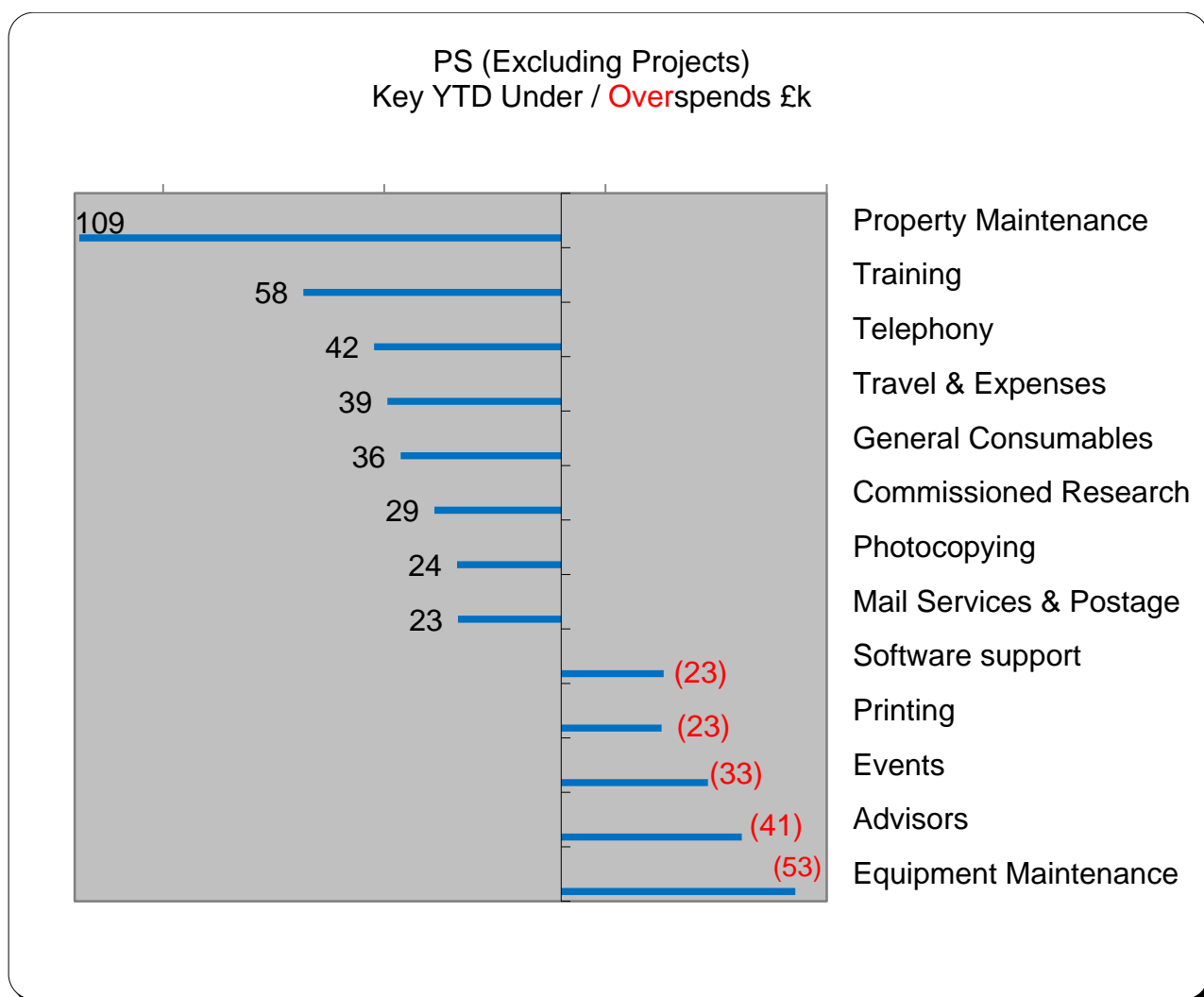


Parliamentary Service YTD Under & Overspends £k



- Staff Pay is reported as £58k (0.6%) under budget including Agency staff and contractors.
- Expenditure on staff pay to date is £9.87m, £306k (3.2%) higher than the equivalent 15-16 costs of £9.56m.
- Expenditure on Staff Related Costs is £178k. This is £97k (35.1%) below the budget to date of £275k, due to underspends on Training of £59k and Travel & Expenses of £39k. Actual spend on staff related costs is £87k (33%) less than that for the equivalent period in 2015-16. The September budget re-forecast exercise has reversed this underspend to date by re-phasing. Committee travel and expenses are expected to be higher than budgeted due to business levels in the remaining 7 months of the year.

- Property Costs of £3m are £97k (3.1%) below the Year to Date budget. This is principally attributable to Maintenance (£109k) offset by small overspends in utilities, rates and cleaning. The Maintenance underspend is due to timing differences (actual expenditure occurs later than budgeted) and is forecast to reverse by year end.
- Running Costs of £2.4m are £87k (3.5%) under budget. Main running cost underspends are Telephony (£42k) (due to invoicing); General Consumables (£36k), Commissioned Research (£29k), Photocopying (£24k) and Mail Services & Postage (£23k) all due to timing differences offset by overspends in Printing (£23k) – timing difference, Events (£33k) – timing of income, Advisors (£41k) - legal costs and Equipment Maintenance (£53k) – additional digital storage maintenance.



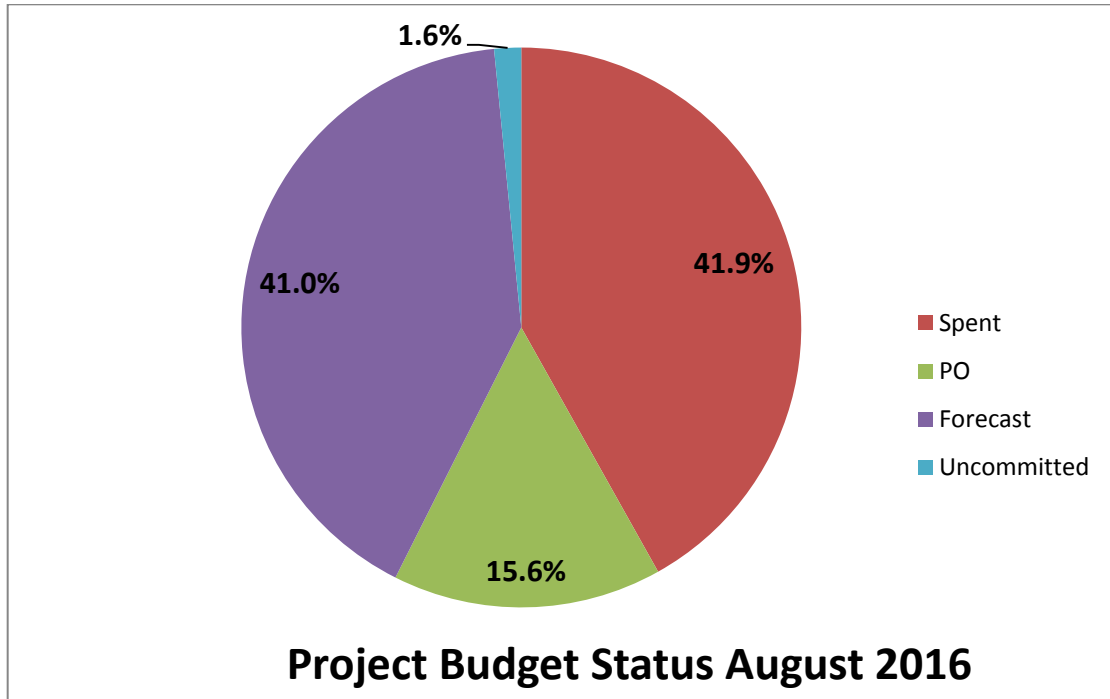
Project Reporting (Schedule 3):

8. Schedule 3 shows project spend by category of project.

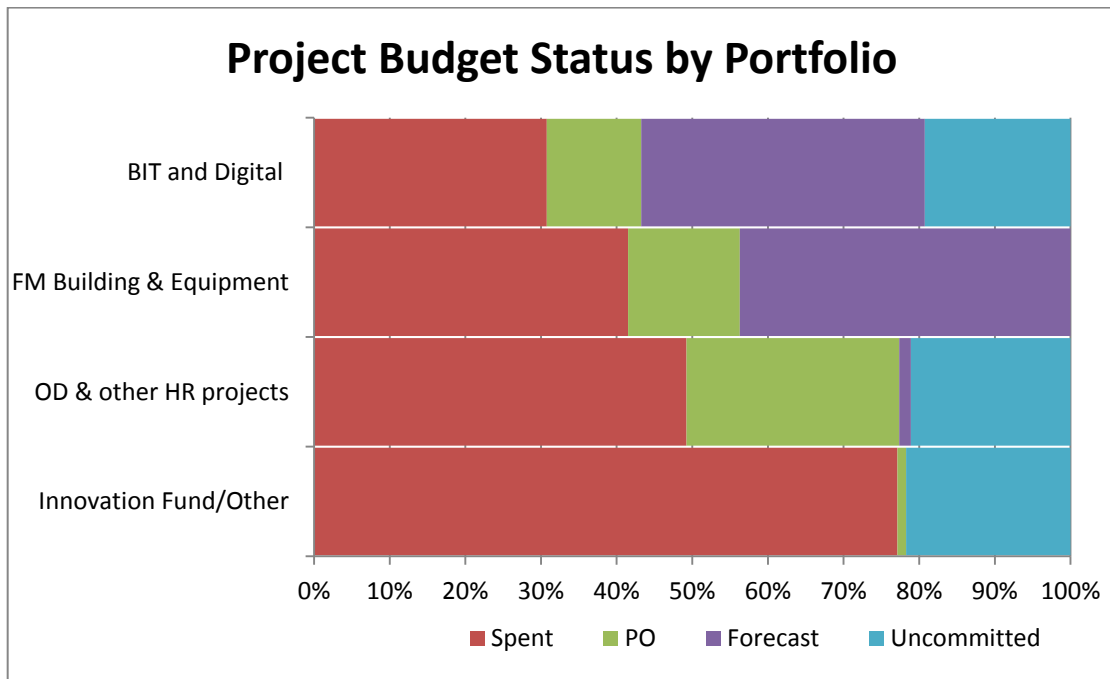
- Total project expenditure to August is £1.96m, £196k (9.1%) under the budget to date of £2.16m.
- Revenue Projects show a total spend of £1.72m against a budget of £1.8m, a reported underspend of £85k (4.7%). The primary underspends are on

Organisational Development (£42k), and FM M&E 25 year plan (£47k). Project budgets will be re-phased in September.

- Capital Projects have spent £245k for the year against a budget of £356k, an underspend of £111k (31%). The main underspends occur in the HR Time & Attendance System project (£35k) and DWP Phase 1 (£90k) offset by an overspend in Desktop Refresh (£23k). Budget on these projects is forecast as committed for the year.



This compares with 21% spent, 21% purchase order, 45% forecast and 10% uncommitted at the same period in 2015-16.



Members' Costs (Schedule 2)

9. Members' costs are analysed in Schedule 2, which shows £13.2m reported cost to August 2016, £469k (3.4%) below the phased year to date budget. (The corresponding figures for 2015-16 at period 5 were an underspend of £679k, 6.6%). Members' pay includes payment of resettlement grants to MSPs who stood down or were not returned for Session 5 and Members' expenses includes some members' staff redundancy payments incurred under winding up costs. In addition, July 2016 figures included backdated contributions for pension auto-enrolment for Members' staff amounting to £358k. A further small charge for auto-enrolment costs is envisaged in September 2016. These are met from a release of an accounting provision established in previous financial years for anticipated costs associated with implementing this scheme.

Commissioners & Ombudsman Costs (Schedule 2)

10. The SPCB's funding cost for Commissioners and Ombudsman (Officeholders) in the first five months of 2016-17 amounts to £3.22m, which is £131k (3.9%) under the budget to August 2016 of £3.35m. The Officeholders contingency remains at £166k.

Central Contingency

11. The SCPB's central contingency remains at £862k with no movements in August 2015.

Commitment

12. SPS actual and planned expenditure is shown below. Only £187k remains uncommitted for the year.

