

OFFICEHOLDERS – BUDGETARY ISSUES

Executive summary

1. The SPCB is invited to consider two budgetary issues relating to officeholders
 - (a) A contingency fund application of £44k from the Scottish Information Commissioner for costs incurred defending Appeals to the Court of Session and
 - (b) A request from the Scottish Public Services Ombudsman to note they propose to spend approximately £75k on an upgrade to their case management system. The SPCB is invited to note this request as it will mean transferring £40K from the Ombudsman's resource budget to their capital budget. The costs will not exceed their total budget.

Issues and Options

- (A) *Scottish Information Commissioner Contingency Funding Approval*
2. There is a memorandum of understanding between the SPCB and Officeholders in relation to access to the Officeholders' contingency fund for any exceptional additional funding which cannot be met from their agreed budget allocations for any given year.
 3. The central contingency fund is £250k and was established to avoid contingency funding being part of each individual officeholder's budget thereby reducing the overall amount of funding required on an annual basis.
 4. It is for use by the officeholders for funding for unforeseen legal fees, special one-off projects etc.
 5. Contingency funding is reported to the Finance Committee annually.

Court of Session Appeals

6. The Scottish Information Commissioner (SIC) is sometimes involved in defending Court of Session Actions. An application for contingency funding has now been received in respect of on-going or concluded appeals. In the first instance we would expect the Commissioner to meet the costs from his existing budget and to only make an application where this was not possible. A breakdown of the funding requested is as follows:-

Appellant	Notes	Costs
Scottish Ministers	Appeal abandoned	£15,094 less £11,500 (costs recovered) =£3,594
Individual member of the public	Administrative matter	£60
South Lanarkshire Council	Hearing Dates 23 & 24 February 2012	£43,060 (est)
Individual member of the public	Appeal lodged 30 Jan 2012	£6,286 (est)
	Identified savings	-£9,000
Total		£44,000

7. There is sufficient funding available to meet this cost as explained in the section on resource implications below and the SPCB is now invited to agree the contingency funding request.

(B) Scottish Public Services Ombudsman – Case Management system

8. The Scottish Public Services Ombudsman (SPSO) has submitted a business case (Annex A) to support capital expenditure of £75K on an upgrade to their case management system. The SPSO has an agreed capital budget of £30K and an underspend within the revenue budget to meet the costs of the upgrade. No additional funding is therefore sought.

9. The SPSO considers that efficiency savings are anticipated from the proposed upgrade which will offset these implementation costs within 2 years. We are advised upgrading the existing system will increase efficiency in case handling and processing electronic contacts.

10. The SPCB is invited to note the costs of the upgrade being met out of the SPSO existing budget.

Resource Implications

SIC Contingency Funding Approval

11. The central contingency fund is £250k. The Scottish Information Commissioner has, following approval from the previous SPCB, used £240k of this for a new case management system. This was procured in 2011 and will become operational on 1 April 2012. This leaves £10k in the central contingency fund.

12. The Information Commissioner's approved budget bid for 2011-12 is £1,517k. However, at the start of the financial year, a vacancy arose in the Commissioner's office and he decided not to fill it but offer it up as a saving. The Commissioner's available drawdown for this financial year was therefore reduced to £1,473k. The saving of £44k which the Commissioner has secured effectively supplements the central contingency fund and can be used to offset in full the current application for legal costs.

Scottish Public Services Ombudsman – Case Management system

13. The SPSO has £30K in this year's approved capital budget. The additional costs of the upgrade (£45K) would be met by an underspend in the 2011-12 revenue budget and additional income which has been generated.

Governance issues

14. All relevant governance issues have been considered.

Publication Scheme

15. This paper may be published.

Next steps

16. Officials will write to the officeholders informing them of the SPCB's decision.

Decision

17. The SPCB is invited to approve the contingency fund application and to note the Ombudsman's proposals to upgrade the case complaints handling system.

Officeholder Services
February 2012