

**Chief Executive's Report to the SPCB
September 2012**

Introduction

This report covers activity during the summer recess period of July and August and early September and includes the Finance Report for period 4 of 2012-13. It also includes the quarterly reports on projects at Annex A.

While some areas of the organisation tend to be quieter during the recess period, many offices continued to be busy. Many staff, led by the Events Team, were involved in supporting major events such as the Festival of Politics and the Edinburgh Culture Summit while others, like Facilities Management, took advantage of quieter periods in the building to carry out maintenance works and new projects such as the Queensberry House Lounge and the installation of clocks in the Garden Lobby (synchronised with the Chamber clocks).

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

SECTION 1 – OVERVIEW OF PARLIAMENTARY ACTIVITIES

Chamber and Reporting

- The change in sitting patterns went smoothly with a good demand for the first Topical Questions on 4 September. Guidance was issued to all Members in relation to deadlines for the submission of parliamentary questions and motions for debate. Business was extended on two days of the first week back.
- During June and July, 5 new proposals for Members' Bills were lodged – on reforming criminal verdicts, apologies, lobbying, British Sign Language and the living wage – all accompanied by consultation documents. This brings the total number of current proposals to eleven. The Non-Government Bills Unit (which has recently changed its name from NEBU) continues to work with members on other prospective proposals, and is currently analysing responses to two major consultations (on assisted suicide and alcohol) lodged earlier in the year, and working on drafting instructions for a bill on building repairs. It is anticipated that one or two Private Bills will be introduced later in the year, and work may also begin on a possible committee bill.
- One Scottish Government bill was introduced in June – the Water Resources (Scotland) Bill – and five completed their parliamentary passage. Five further bills are currently being considered by the Parliament and 15 bills are expected to be introduced following the announcement of the Government's legislative programme on 4 September.
- At the end of June, the first in a new electronic series of Passage of the Bill volumes was published on the Parliament's website, bringing together in one publication all the official parliamentary documents relating to the passage of the Offensive Behaviour at Football and Threatening Communications (Scotland) Act 2012.
- Prior to the summer recess, to inform the ongoing review of the Subordinate Legislation Committee's scrutiny role, a seminar was held with lead committee clerks which helped to identify action to improve the relationship between the SLC and lead committees. This included agreement to provide lead committees with details of the policy context of instruments and to highlight where the SLC had raised serious concerns on particular instruments.

Committees and Outreach

- The Health and Sport Committee's stage 1 report on the Social Care (Self-directed Support) (Scotland) Bill had a successful media launch at Glasgow East End Carer's centre.

The Committee has been piloting the use of Twitter and now has over 300 followers.

The Committee will be holding a chamber debate in the middle of its inquiry into community sport, to generate a wider parliamentary debate to help inform conclusions. This is not the first time this has been done, but it is a first for the Health and Sport Committee.

- The Justice Committee's last meeting before the summer involved evidence from Dame Elish Angiolini and other members of the Commission on Women Offenders, speaking to their recently published report. The meeting was held in the early evening to accommodate panel members. Five members of the Equal Opportunities Committee also attended the meeting.
- The Public Audit Committee will be holding a business planning session in early September when the Committee hopes to meet with the new Auditor General for Scotland, Caroline Gardner. The Committee also anticipates publishing its report on Cardiology Services. Otherwise it will be considering new AGS reports published in August, September, and October.
- The new petitions system was made available to the public via the Parliament's web site on 25 June. An update is included in the quarterly projects Report at Annex A.
- The Welfare Reform Committee also developed a twitter account in June. In July it held a private meeting with the UK Minister for Welfare Reform, Lord Freud.

In September/October it will take evidence from a number of individuals directly impacted by welfare reform and visit a Housing Association in the West of Edinburgh which is the Scottish pilot for a key aspect of welfare reform. It will also be visited by Stormont's Social Development Committee, which is scrutinising parallel legislation to that dealt with at Holyrood.

UK and International Relations Office (UKIRO)

The main visits currently planned in September and October are:

- Duncan McNeill MSP and Tavish Scott MSP represented the Scottish Parliament at the Commonwealth Parliamentary Association Plenary Conference in Colombo, Sri Lanka, from 10 to 15 September 2012.
- The British Irish Parliamentary Assembly will hold a Plenary Session, in Glasgow, from 21 to 23 October 2012. The Scottish Parliament is likely to be represented by John Scott MSP, Willie Coffey MSP, Alison McInnes MSP, Michael McMahon MSP and Mary Scanlon MSP.

Financial Resources

Living wage

Advice was provided to the SPCB, at its meeting on 30 May 2012, in respect of the commercial and legal implications of introducing the 'living wage' in SPCB contracts and we agreed to alert the SPCB to any developments.

The Scottish Government has now received a response from the European Commission on this issue. The response clarifies that public bodies cannot require contractors to pay their employees a living wage as a condition of participating in a tendering exercise or through a contract performance clause. Public bodies may, if they wish, encourage contractors to pay a living wage to their employees but any discrimination against suppliers who do not pay the living wage would be in breach of EU Treaty principles.

The position therefore remains as previously advised to the SPCB.

Internal Audit

Internal Audit has recently completed routine audits of Members expenses and local offices. Both provide strong assurance on the basis of robust systems and procedures. Some issues arose in respect of which the Corporate Body will be invited to consider issuing guidance – further advice will be provided on this in due course.

Human Resources

Modern Apprenticeship Scheme

The Scottish Parliamentary Service is to pilot its first ever modern apprenticeship scheme in January 2013 and will operate under the auspices of the Edinburgh Guarantee – an initiative which brings together businesses from across the city of Edinburgh to work towards increasing the number of jobs, education and training opportunities being made available to young people in Edinburgh.

The scheme will offer two apprenticeship posts at a grade 1 level and comprise a two year structured workplace training programme to enable the apprentices to gain an SVQ level 3 qualification in Business Administration. During the two years, apprentices will also have the opportunity to work in both corporate and parliamentary business areas in order to maximise their experience within the Parliament and increase their chances of securing a post at the end of the apprenticeship.

While there is no guarantee of a post, every effort will be made to ensure that suitable posts are identified for the apprentices before the completion of their apprenticeship.

Communications and Research

Media Relations Office: Summer media promotion

- 13-14 August, Edinburgh International Culture Summit. A communications campaign was led by the partner organisations and supported by the Parliament. Wide ranging coverage was secured from print, broadcast and online media. The Parliament's website was used to host video footage and an online gallery of images from the conference. Cross promotional opportunities with the William Wallace letters exhibition and the Festival of Politics were also exploited.
- 17-18 August and 24-25 August, Festival of Politics (FoP). This year's media approach was supported by an online campaign which included website and social media promotion. FoP sessions were well attended by journalists from all formats of media, and early evaluation of coverage achieved points to a positive, successful campaign. A more detailed evaluation will be provided once available.

SPICe

The level of enquiries to SPICe from Members and their staff has remained at a high level throughout the recess period with 397 substantive enquires into the SPICe desk in July this year compared to 175 in the same month last year. The figure for August is expected to be over 400, again slightly up on the August 2011 figure of 360.

Information Management and Governance Team

The Scottish Parliament Open Licence agreed by the SPCB was adopted on 1 September. The key benefits of the new licence are:

- It demonstrates the Scottish Parliament's compliance with re-use of public sector information and open data policy across the UK
- It demonstrates the Scottish Parliament's commitment to openness by encouraging the use and re-use of its information.
- It is straightforward to use and the terms of the licence are easier to follow.

As part of the introduction of the new licence MSPs have been asked for their consent to make their official portrait photographs available in a downloadable format on the Scottish Parliament website.

We have also taken the opportunity to update the copyright policy to reflect the requirements of the new open licence and to remind MSPs of the official parliament photographs terms of use.

Facilities, Events, Exhibitions and Visitor Services

Maintenance

- Cladding Inspections

Following storm damage to cladding panels on Tower 1 at the end of last year a site wide inspection was undertaken. A small amount of remedial work was identified with most of the repairs completed during the summer recess. Outstanding remedial works are planned for completion by October.

- Roof Access Systems

High level maintenance around the campus is continuing, where practical, using alternative access methods such as mobile platforms. Works to fully re-instate access to the grass canopy area will be completed in September. Testing of the posts for the MSP building is planned for October with site works taking place shortly afterwards. Preliminary in situ testing on other roofs also took place during the summer recess.

- Electrical Maintenance

A test of the site's back-up supply generator was undertaken along with essential electrical maintenance on Sunday 19 August. This was successful and demonstrated the resilience of the site's stand-by power supplies and systems.

- Projects

Projects completed during the summer recess included:

- QBH coffee lounge
- Clocks in the garden lobby (synchronised with the chamber clocks)
- Installation of proximity readers in the ministerial tower

Public Café

During the summer we have reviewed the presentation of the food within the Public Café. Our catering provider has now introduced a new range of sandwiches using breads from a local bakery as well as new bakery goods including pastries. These new offers are eye catching and proving popular with our visitors. The counter display will also be improved by the removal of the redundant hot lamp gantry.

Environmental Management

The SPCB continues to practice robust environmental management and to make environmental performance improvements. At the end of the first quarter the carbon reduction target set for 2012/13 is on course to be achieved.

Following a number of recent external audits it has been confirmed that the SPCB continues to meet the requirements of the CEMARS (Certified Emissions Measurement and Reduction Scheme) and continues to maintain its environmental management system in accordance with ISO 14001:2004.

Health and Safety

The SPCB operates a health and safety management system to ensure legal compliance and enable continuous improvement of its health and safety performance. The following improvements and actions will take place over the coming months:

- An audit of the health and safety management system
- A new procedure for control of contractors will be introduced
- Legal briefings will be given to the Leadership Group covering recent cases and forthcoming developments in occupational health and safety law

Fire Safety

Following support from the Crown Enforcement Officer, adjustments will be made to the process for automatically notifying the Fire Rescue Service (FRS), which currently happens as soon as a fire or smoke detector is activated. As a result FRS would receive automatic notification only at the end of the 5 minute grace period, or in the event of a 'double-knock' or upon receiving a backup call from security control stating there is a fire on the premises. This change should see a reduction in the number of unnecessary calls to FRS.

Events and Exhibitions

- **The British Irish Parliamentary Reporters Association** conference took place from Sunday 22 to Wednesday 25 July and was attended by 30 delegates representing other legislatures.
- The **World Press Photo 2012** exhibition was on display from Thursday 5 until Saturday 28 July. Held in July instead of August for the first time, visitor numbers for the Exhibition were less than in previous years although they did increase the overall figures compared with July 2011. Overwhelmingly the majority of visitors surveyed (88%) rated the exhibition as excellent or good. Nearly 70% were first-time visitors and nearly 60% had visited specifically to see the exhibition.
- The **Edinburgh International Culture Summit 2012** took place on Monday 13 and Tuesday 14 August. The Summit, which was the first event of its type, was attended by representatives of 37 nations from across the world. The event was held in the Debating Chamber chaired by the Presiding Officer. The Opening Ceremony included contributions from Scots Makar Liz Lochhead and the National Youth Choir of Scotland Girls' Choir. Policy Discussion sessions focused upon Cultural Dialogue; Funding; and Technology. The Scottish Parliament and the British Council co-hosted the closing reception where entertainment was provided by Scottish Opera and the Royal Conservatoire of Scotland.
- The **Special Delivery: The Letters of William Wallace** exhibition was on display from Friday 10 August until Saturday 8 September. It featured the only two surviving letters with a link to William Wallace; specially commissioned tapestries by Dovecot Studio; audio-visual footage of the making of a replica

letter and the making of the tapestries; images of Wallace; and perspectives on Wallace and the 13th century submitted by primary schools.

To accompany the exhibition, Visitor Services staff devised and delivered another new tour: **Scotland's Story**. With the assistance of life-sized characters from the past, featuring historical paintings from the Royal Collection and Scottish National Portrait Gallery, visitors have enjoyed this 45 minute journey through Scotland's history. Stories from Scotland's history have been retold, inspired by the building's contemporary architecture, location and exhibits on display.

- The **8th Festival of Politics** took place over 4 days - Friday 17, Saturday 18, Friday 24 and Saturday 25 August. The festival comprised 47 events, 9 of which were Chamber events. The programme was split into themes - Arts; History; Music; People; Politics; Theatre; and Young People.

Visitor Services assumed responsibility for all non-website-based bookings for Festival tickets, removing the requirement for an external ticketing agency. Tickets were sold at the Visitor Information Desk in the Main Hall and in the Parliament Shop.

The Festival was well attended with a number of events being sold out. A report on the Festival will be presented to the SPCB.

- **Moving Stories** was on display at Eden Court, Inverness until Monday 23 July and opened at **North Ayrshire Heritage Centre, Saltcoats**, on Tuesday 14 August running until Saturday 15 September.
- A previously agreed by the SPCB, a smaller scale version of Design and Democracy is on display in the Sackler Centre at the Victoria and Albert Museum as **Designing for the Future – New design talent from Scotland** as part of the London Design Festival from Friday 14 to Sunday 23 September 2012.

Visitor Services

In addition to the items noted above,

- The Parliament Shop has carried enlarged ranges of merchandise and books for both the **World Press Photo 2012** and **Special Delivery** exhibitions, which continue to sell well.
- Whilst a number of regular public guided tours were suspended in July and August due to Parliament events, tours operated whenever possible and quickly became fully booked.
- A number of sculptures by George Wylie MBE (1921 – 2012) are on display in the Parliament Garden until October. To accompany the exhibition, Visitor Services staff developed and delivered the **Sculpture and Garden Tour**. Three tours have operated so far, and have included additional works from the parliament art collection. Additional tour dates are being offered to visitors before the end of October. Visitor feedback has been very positive on the

content and presentation of these tours, including from the Chair of the Friends of George Wyllie.

Forward Look

- The Scottish Parliament building will be opened as part of the **Edinburgh Doors Open Day** on 22 September 2012. A free-flow, self-guided route will be operated, and Visitor Services staff will be present to meet visitors around the campus. The Garden and some rooms of Queensberry House will be open to view, allowing the public a further chance to discover the George Wyllie sculptures closely and gain entry to the Dewar Room.

SECTION 2 – SPCB FINANCE REPORT

1. This report is to inform SPCB of general financial activity and expenditure trends in 2012-13.

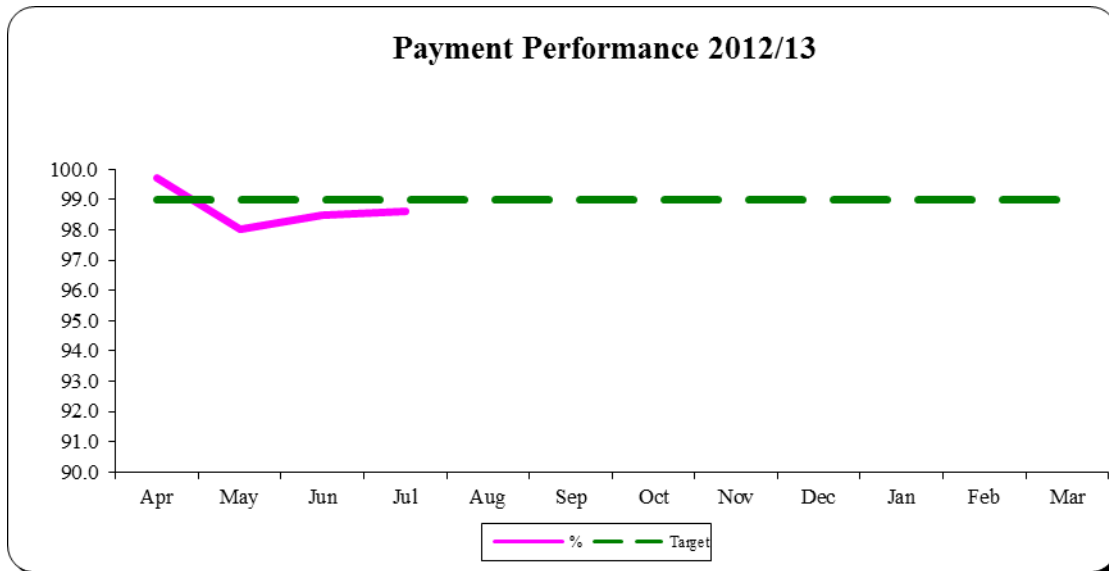
Head of Financial Resources Commentary / Executive Summary

2. The Scottish Parliament's total revenue and capital expenditure for the four months in 2012-13 of £21.6m represents an under spend against budget of £1.1m (4.8%). This is higher, in percentage terms, than the comparable position in 2011-12 at period 4 of £1.1m (4.2%).
3. We have incorporated an early reallocation of the SPCB's approved 2012-13 budget within the period 2 figures to reflect known adjustments between the budget setting process in November 2011 and the start of the financial year. This includes budget transfers resulting from the early realisation of savings achieved from the 2011-12 change management programme.
4. Our ability to provide the normal level of financial reporting is currently constrained, due to the recent SEAS system upgrade. This was due to be resolved for Period 3 but has not been fully completed. We will work with the Scottish Government to fully resolve these outstanding issues.

General Financial Activity

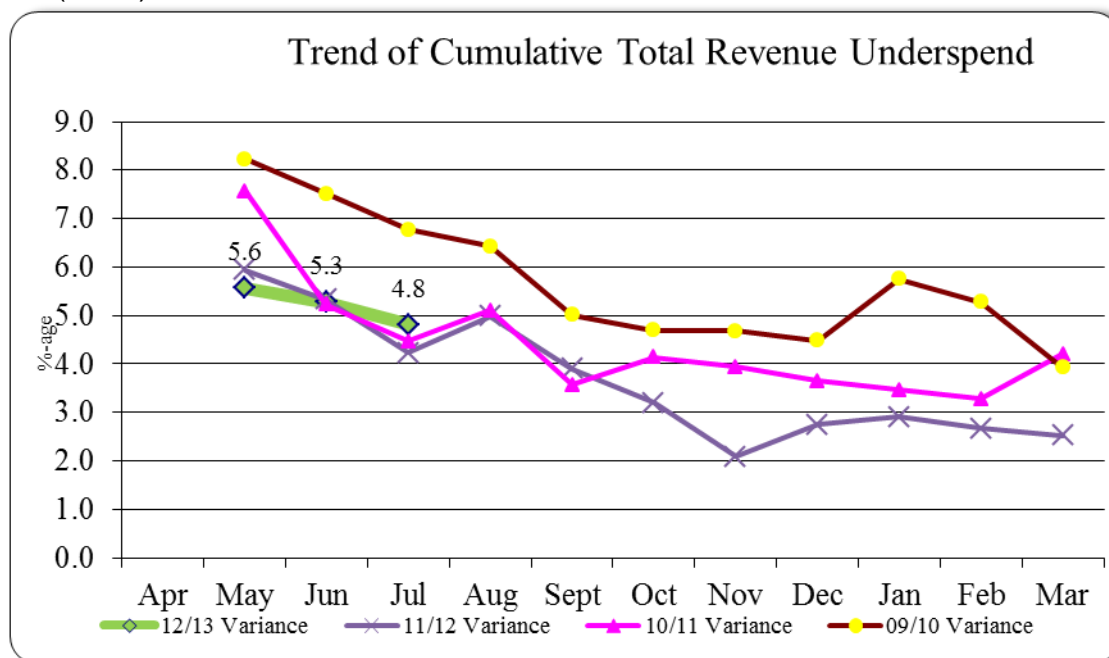
5. Bank reconciliations and main control account reconciliations for 2012-13, including CORE holding accounts, have been completed and reviewed up to period 4. Payroll reconciliations have been completed up to period 4.
6. The 2011-12 annual accounts were drafted to timetable and Audit Scotland is substantially through their audit fieldwork which is due to complete in early September. Work on the 2011-12 reconciliations for the CASE control account is nearing completion.
7. The Finance Office has been liaising closely with the Scottish Government (SG) on the project to upgrade SEAS, the financial accounting system which we use. The upgraded version went live on 3 April and the satisfactory migration of balances from the old system was confirmed by a review by the Head of Internal Audit. All transactions for 2012-13 are being processed through the new system. A log of issues arising with the operation of the new system is being maintained and we are pursuing these issues with the SG. Following some progress on resolving reporting issues for period 3, the focus remains on now resolving the remaining reporting issues, including VAT analysis and VAT accruals and accounting. We will work with the SG to address these as quickly as possible.
8. As reported last year, we implemented a new system for the processing of travel and expense claims with effect from 1 March. Following some initial delays while the new system bedded down, action has been taken to restore the service levels for processing claims.

9. Our performance for payment of invoices within contract terms was 98.6% for the month of July and 98.3% for the year to date, which is below our target of 99.0%. However, this is an improvement on the initial months of the year which were affected by some delays in processing due to the implementation of the SEAS upgrade. Performance for payment within 10 days was 86.9% for the month and is 81.3% for the year to date.



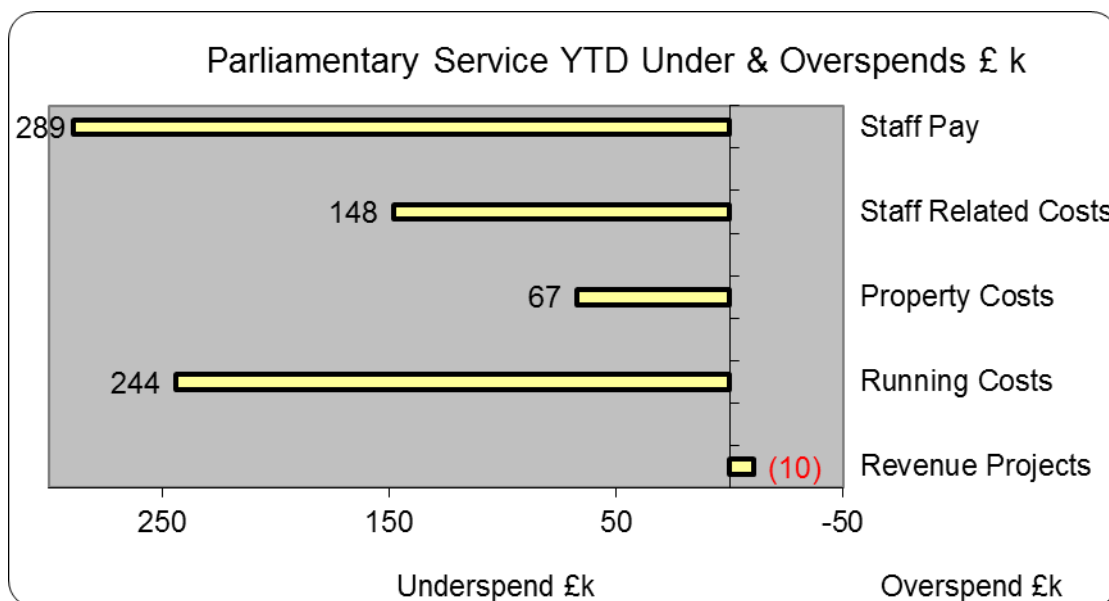
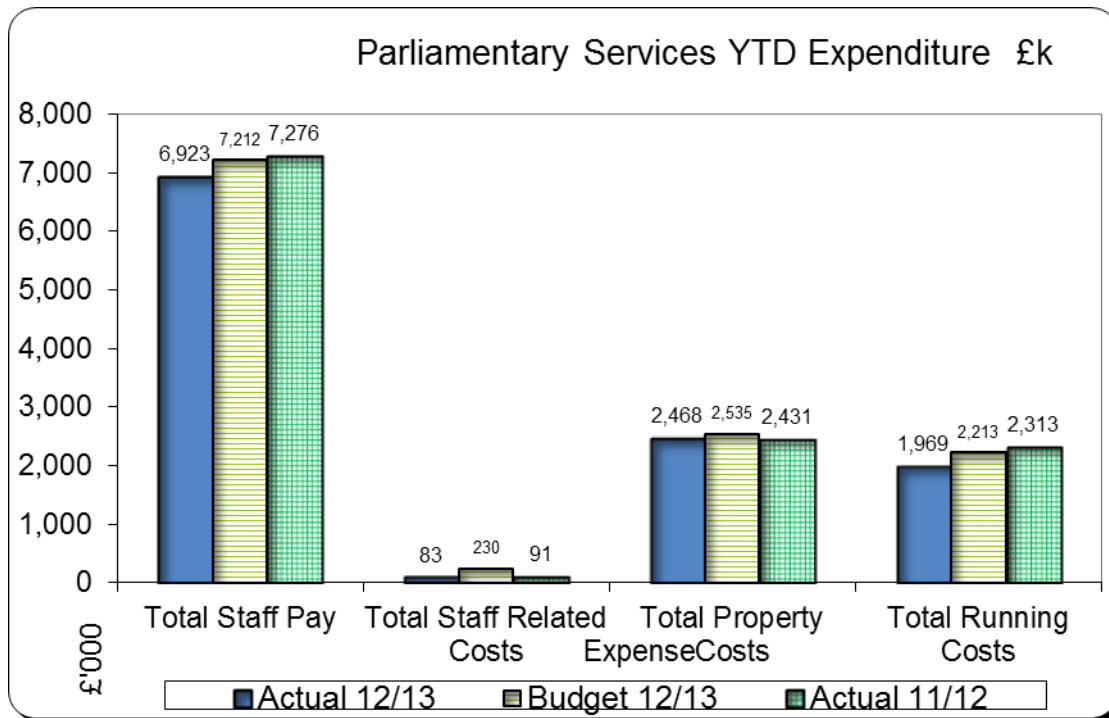
Financial Results

10. The SPCB's net revenue expenditure per Schedule 1 for the four months ended July 2012 is £21.6m, which is £1.1m (4.8%) under the approved revenue budget of £22.7m. The comparable net revenue underspend at July 2011 was £1.1m (4.2%).

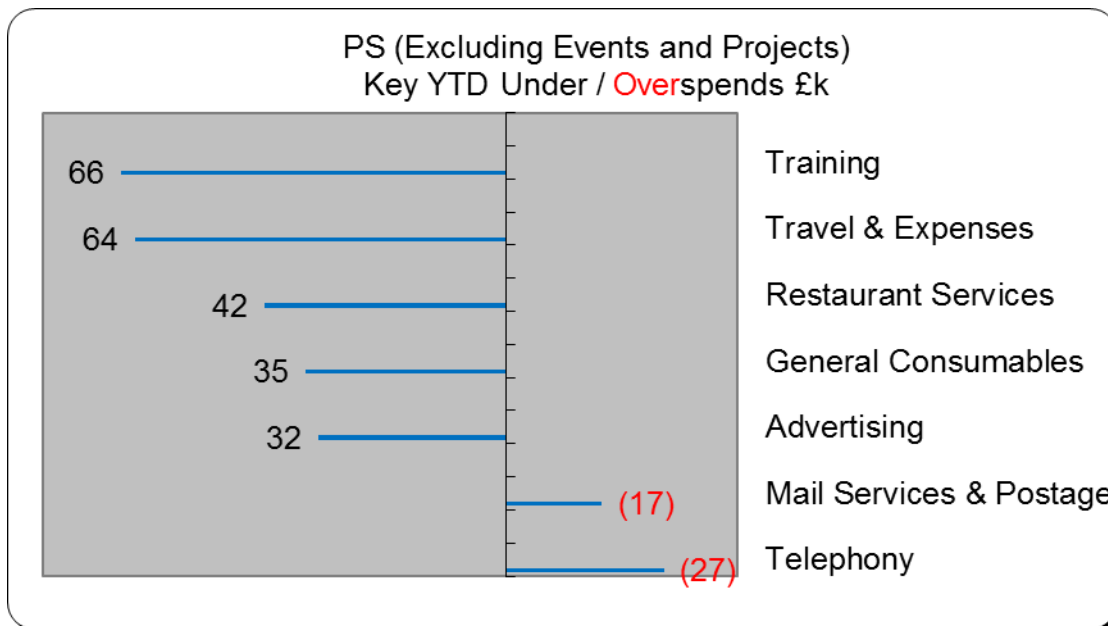


Parliamentary Service Costs (Schedule 2)

11. The cumulative gross revenue expenditure for the Parliamentary Service (SPS), at £11.6m, is £0.7m (6.0%) under budget. The previous year's expenditure of £12.4m at the equivalent stage was £0.5m (4.1%) below budget. Revenue projects are £10k over phased budget. An analysis of the current financial year by main category of expenditure is shown in the two charts below.



- Staff pay and staff related costs, which represent over half of Parliamentary Service Costs, are currently showing as being £437k under budget and, within this figure, staff pay at £6.9m is being reported at £289k (4.0%) under budget. This staff pay variance is principally attributable to the SPICe (£74k) and Chamber (£85k) Offices staff pay.
- Staff related costs of £83k are £148k (64.1%) below budget. Training accounts for £66k of this variance and travel & expenses accounts for £64k.
- Property costs of £2.5m are £67k (2.6%) under budget
- Running costs of £2.0m are £244k (11.0%) under budget. Main running cost underspends are against Restaurant Services (£42k) and Printing (£68k). The main reported overspends are against Mail Services & Postage (£17k) and Telephony (£27k). The telephony costs variance is due to a payment of annual upfront costs on the new Virgin contract.



Project Reporting (Schedule 3):

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

- Revenue Projects show a total spend of £173k against a YTD budget of £163k. Most of this is accounted for by the CPA Conference and the tender exercise for the ESF.
- The capital expenditure programme for 2012-13 of £1.5m, currently has £255k allocated against specific projects. Total expenditure for the year is £69k against the phased year to date budget of £74k, an underspend of £5k (6.6%). Most of this spend has been on the Enhanced Desktop Provision and the Server Replacement Programme.

13. Overall, only 8.4% of the the total annual project budget has been spent by the end of July 2012, providing the SPCB with considerable flexibility for re-allocation of project funding for the remainder of the year.

Members' Costs (Schedule 2)

14. Members' costs are analysed in Schedule 2, which shows £7.5m reported costs for the year to date, £246k (3.2%) below budget. (The corresponding underspend figures for 2011-12 were £0.5m, 4.7%). Of this underspend, £220k is on Members' Expenses. Party Assistance at £139k is £7k (5.0%) below budget.

Commissioners & Ombudsman Costs (Schedule 2)

15. The SPCB's funding cost for Commissioners and Ombudsman (Officeholders) for the year to date amounts to £2.5m, which is £104k (4.0%) below the phased budget, principally in respect of the Ethical Standards Commission and the Public Services Ombudsman.



Central Contingency



16. The SPCB's central revenue contingency remains at £1.7m.


Commitment

17. Reporting on committed expenditure for the upgraded version of SEAS is not yet available.

QUARTERLY PROJECTS REPORT

SRO & PM	Project/Programme Update	Group	Target	Status
	Delivery			
SRO: Ken Hughes PM: Keith Low	External Security Facility:- Tender evaluation was completed to timetable and the decision on to proceed to contract award was made by the SPCB on 6th September.	AC/CE	SPCB Decision September 2012	
SRO: Alan Balharrie PM: Emma Armstrong	Web Project The new website was officially launched in October 2011 and this marked a major milestone in the project lifecycle. The project has now moved into the closure phase with lessons learned reports and other project closure documentation being compiled. Discussions around the support contract have taken longer than expected and are not yet concluded. As such the project plan status remains red as project closure is currently dependent on on-going support arrangements being in place.	BIT & Broadcast	TBC	 (due to need to resolve support issues)

SRO & PM	Project/Programme Update	Group	Target	Status
<p>SRO: Ken Hughes</p> <p>PM: Steve Farrell</p>	<p>E-Petitioning System</p> <p>The new petitions system was made available to the public via the Parliament's web site on 25 June.</p> <p>Whilst all key system functionality is in place, work is continuing to resolve a small number of outstanding minor bugs. The remaining bugs do not impact on the user experience and relate mainly to system administration functions. It is hoped that it will be possible to sign-off the project in mid-September.</p> <p>Feedback from petitioners using the system has so far been very positive. To date, 40 petitioners have created accounts. 14 petitions are being processed within the system to agree and finalise wording; 10 have been published and are in the process of collecting electronic signatures; and 1 has been formally submitted, ready to go before the PPC. Proposals to publicise the launch of the new system will be discussed with the PPC Convener in September.</p>	<p>Committee & Outreach</p>	<p>Mid September 2012</p>	<p> (Due to delays in implementation)</p>
<p>SRO: David McGill</p> <p>PM: Steven Sutherland</p>	<p>Chamber Desk Systems</p> <p>The project has delivered all products with the exception of the self-service application.</p>	<p>Chamber & Reporting</p>	<p>October 2012</p>	<p></p>

SRO & PM	Project/Programme Update	Group	Target	Status
	The self-service pilot is proceeding as planned and now has 22 MSP researchers participating. The pilot is scheduled to complete at the end of September and early indications are positive that a full deployment, after evaluation, would be possible after the October recess.			
SRO: Colin Chisholm PM: Kevin Borthwick	HR Programme Final programme of work has been agreed for the roll out of functionality of the new HR system. Work is currently focused on MSP related workflows and they are due to be rolled out from October onwards.	HR & Security	Dec 2012	 (due to on-going programme development)
Closedown				
SRO: Derek Croll PM: Lis Craig & Jackie Giulianotti	Finance Change Programme - Phase 2 CORE system implemented and linked to SEAS R12.	Financial Resources	May 2012	