

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

Introduction

This report covers activity during December, January and the early part of February and includes the Period 8 and 9 Finance Reports.

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

- Officials are undertaking discussions with senior politicians in relation to the Standards, Procedures and Public Appointment Committee's report on remodelling the parliamentary week. This will result in formal consideration at the Bureau and a written response to the Convener of the committee.
- Three Scottish Government bills have been introduced during January; the Budget, Long Leases and Police and Fire Reform Bills. A further bill is scheduled for introduction in February
- Two draft proposals for Members' Bills have now been lodged – High Hedges in December and Building Repairs in January – both accompanied by statements of reasons. NEBU continues to support around 10 Members with preliminary work on other proposals. Work is also continuing on an internal review of NEBU's working methods.
- A second meeting of the joint parliamentary-government working group on the scrutiny of certain Scottish Law Commission Bills has taken place. The group is on schedule to report in March. The Bureau will then be asked to consider its findings and agree an approach to Parliamentary scrutiny of such Bills.
- The Official Report expedited publication of the report on the Scotland's Future debate on 12 January covering referendum issues, making it available as a stand-alone document on the web within a few hours of its conclusion. This was well received by customers.

Committees and Outreach

Education and Culture Committee

- The Committee recently sponsored a chamber debate on its looked after children inquiry. The debate took place before the Committee reported; the idea was to summarise the evidence/key questions heard by the Committee and invite other Members' views on these. Relevant comments will be fed into the final report. The debate was in line with the Presiding Officer's new reform agenda.

Health and Sport Committee

- In February, the Health and Sport Committee will become the first committee to launch its own Twitter account. Building on the success of the main @ScotParl account, which is managed by Public Information, the Committee's clerks will use Twitter in order to promote the work of the Committee and enhance its engagement with stakeholders. This pilot will be evaluated in order to learn lessons and share good practice with other Parliament committees.

Standards, Procedures and Public Appointments Committee

- The Committee has agreed to review section 7 of the Code of Conduct (General conduct and conduct in the chamber and in committee). This section includes rules on SPCB policy and procedure. The Committee is consulting the SPCB on these matters.

Education and Community Partnerships

- Education and Community Partnerships have been working with the Scottish Youth Parliament to develop a programme for 16 – 24 year olds to support the Moving Stories exhibition. “Connect!” is a peer education programme which encourages groups of young people to develop a training session about engaging with the Parliament, using the display as a teaching tool. The session also aims to explore the issues that affect the young people. After a couple of pilots, the first session was delivered successfully in Dundee in December. Young people from LGBT Youth at The Corner were trained as peer educators and delivered their session to a group from Finmill Community Centre. Officials will roll the programme out at the exhibition when it visits Glasgow, East Kilbride and Inverness later this year.

UK and International Relations Office (UKIRO)

- The Presiding Officer hosted a visit by the Danish Ambassador to the UK, Her Excellency Anne Steffensen, on Wednesday 11 January. The purpose of her visit was to brief the Presiding Officer and Convener and Members of the European and External Relations Committee on Denmark’s plans for the Presidency of the Council of the European Union.
- Two officials from the Malawi National Assembly are due to start a four week internship programme in the Scottish Parliament on Wednesday 22 February as part of the Technical Assistance Programme 2. As part of their programme they will spend time with officials in SPICe, Education and Community Partnerships, the Events and Exhibitions Team and the UK and International Relations Office, among others. Given the success of last year’s pilot initiative we have decided to continue with the internship programme in order to assist colleagues in the National Assembly with the development of that institution.
- The theme for Commonwealth Day 2012 is “Connecting Cultures”. CPA Scotland Branch will be represented at the Commonwealth Observance Ceremony in London on 12 March by two members of the Scottish Youth Parliament. In addition, Her Majesty the Queen’s Commonwealth Day message will be circulated to all MSPs on Monday 12 March. The Scotland Branch will also mark Commonwealth Week on Wednesday 14 March by holding a Members’ Debate on the Commonwealth Day theme (subject to approval at the appropriate levels). Following the Members’ Debate Annie Lennox OBE, Special Envoy for CPA Scotland Branch will address around 250 invited guests in the Garden Lobby. The Presiding Officer will also deliver her Commonwealth Day address to this audience and host a reception in the Main Hall.

Communications and Research

Public Information

- As part of the Parliament's business continuity arrangements a new alert messaging system now enables us to communicate directly with SPCB staff, Members and contractors by emails and/or SMS texts in the event of an emergency. A test message will be sent to Members in March to increase awareness and help familiarise them with the system. Members will be made aware of the date and timing of this test when arrangements are confirmed.
- The BSL pages on the website have been updated and improved. Public Information and Publications are currently developing new resources for BSL users that focus on parliamentary processes such as Bills. A new BSL contract has been awarded that will reduce the cost of producing new material.

Human Resources and Security

SPCB Equality Monitoring Report

- The SPCB Equality Monitoring Report 2012, which was recently approved by the SPCB, was launched on 31 January. It complies with the Equality Act 2010 (specific duties) Regulations and was subsequently published on the Scottish Parliament's website. Further to meeting this deadline, the Equality and Human Rights Commission has advised that it intends to review the SPCB separately on how it has demonstrated compliance with the new duties. We are confident as part of this exercise that the SPCB will be recognised as having exemplary policies and practices on equality.

External Security Facility and Accessibility

- As part of the design proposals for the External Security Facility, accessibility has been carefully considered to ensure that the building is made accessible to everyone, especially visitors with mobility and other support needs. In light of this, a group of disabled people with experience of building design were invited to give their views on the design proposals. Representatives from RNIB, Scottish Disability Equality Forum, Inverness Access Panel and the SPCB's Equality Advisory Group took part in this event. It was made clear that whilst no decision has been taken on whether to proceed with the External Security Facility, the design team will consider their feedback and build it into the overall design wherever possible.

E-HR

- The Human Resources Office has successfully tested the first set of Members' and SPCB Work Flows that will be available through E-HR later this year. These electronic Work Flows will replace many of the disparate Intranet based forms and manual processes currently in use.

Time and Attendance

- The Time and Attendance system is now being used by Human Resources, Finance, Chief Executive's Office and Procurement along with the two Assistant Clerk/Chief Executives. It will be rolled out to one of the small Clerking Teams next. The planned implementation in Security and Visitor Services was put on hold due to Office Reviews and will be revisited later this year. A detailed implementation plan is being drawn up and will be discussed with each Group Head in turn.

Pension Reform

- The Cabinet Office has advised us that following the UK Government's consultation on employee contribution rates for the Civil Service Pension Scheme the rates will be increased in stages over the next three years with the first increase taking effect from 1 April 2012.
- In order for the new rates to be deducted our payroll system will have to be updated. The Human Resources Office is currently liaising with our payroll provider to ensure that the development work on the payroll system is completed in time to implement the increased employee contribution rates from 1 April 2012. A staffing notice will be issued in due course announcing the new rates and when the deductions will commence.

Facilities Management, Events, Exhibitions and Visitor Services

Building issues

- A significant amount of maintenance work was undertaken during the February recess, beginning with a closure of the building to pass holders on Saturday 11 and Sunday 12 February for routine electrical maintenance. Other works taking place in high profile areas during the February recess included:
 - Floor sanding in the MSP restaurant
 - Erection of scaffolding above the public stair to facilitate on-going cladding inspections
 - High level cleaning in the debating chamber
 - Decoration of the columns in the garden lobby and garden restaurant

Environmental Management

- Following an external audit of the Parliament's environmental management system on 13 January, the Scottish Parliament retained its ISO 14001 certification. As part of the Parliament's commitment to becoming a low carbon organisation a number of works are planned for the coming months including:
 - Installation of additional lighting controls in the MSP stairwells and corridors
 - Installation of hand driers throughout the building

- On-going installation of energy efficient lighting
- Increasing the recycling facilities within the MSP building

Events and Exhibitions

- The Scottish Parliament's Annual Carol Service took place on Wednesday 21 December in the Garden Lobby. The event was well attended by the Holyrood Community. Music was provided by CoroEdina, Newton Grange Silver Band and pupils from Royal Mile Primary.
- The Parliament's touring exhibition Moving Stories opened at Glasgow Mitchell Library on Tuesday 10 January and will remain on display there until Saturday 25 February before moving to East Kilbride Central Library from 5 to 30 May.
- On Wednesday 25 January the Presiding Officer hosted the Annual Consular Corps' Burns Supper attended by 100 guests from across Scotland. Entertainment included pipers from George Watson's College and performers from *Burnsong* Kirsty Grace, Annie Grace and Alasdair Macrae. The Address to the Haggis was given by Patrick Cremona, winner of the S5/6 recitation section at the National Finals 2012.
- Since the opening of the Design and Democracy exhibition on Friday 25 November, there have been over 3,700 visitors to the Parliament.
- Looking forward, the following dates are of note: Monday 20 to Friday 25 February, Trade Union Week; Saturday 10 March, International Women's Day; Wednesday 12 March, 2012 Commonwealth Day Reception; Thursday 27 March, Community Partnerships Phase 3 Outcomes Event.

Visitor Services

- December saw a 15% increase in the shop Christmas trading compared to December 2010. Two Christmas shopping days were held that month and were very successful, with sales increasing 36% on the two initial shopping days in 2010 and 9% over the 3rd annual one held last year due to the bad weather.

SECTION 2 – SPCB FINANCE REPORT

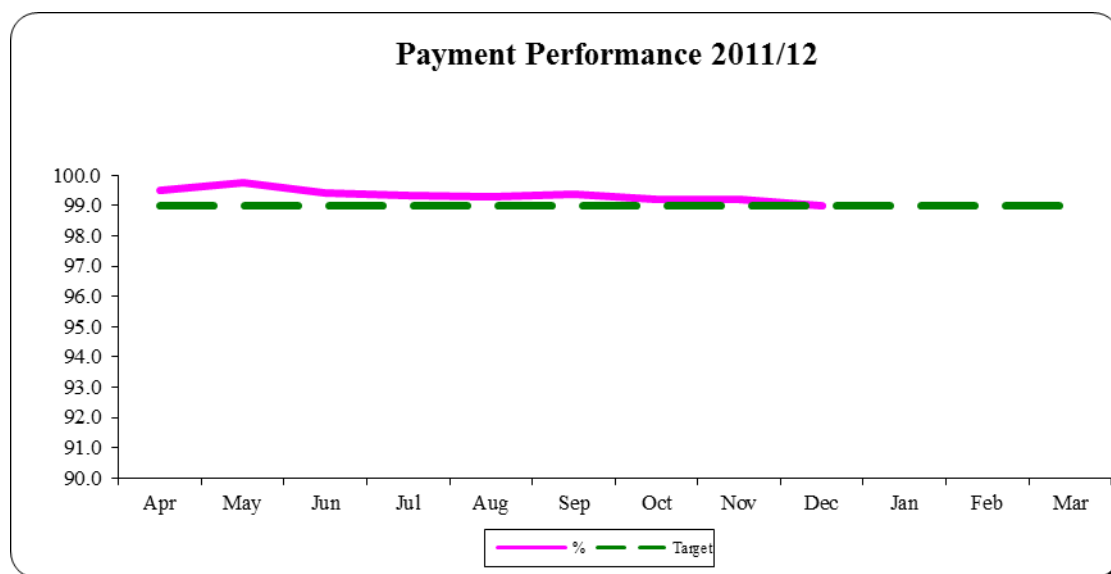
This report is to inform the SPCB of general financial activity and expenditure trends in 2011-12. It covers periods 8 (November 2011) and 9 (December 2011).

Head of Financial Resources Commentary / Executive Summary

1. The Scottish Parliament's total revenue and capital expenditure for the first nine months in 2011-12 of £53.3m represents an under spend against budget of £1.5m (2.7%). This has increased from last month (£1.1m, 2.3%) but remains lower than the comparable position in 2010-11 at period 9 of £2.3m (4.2%).

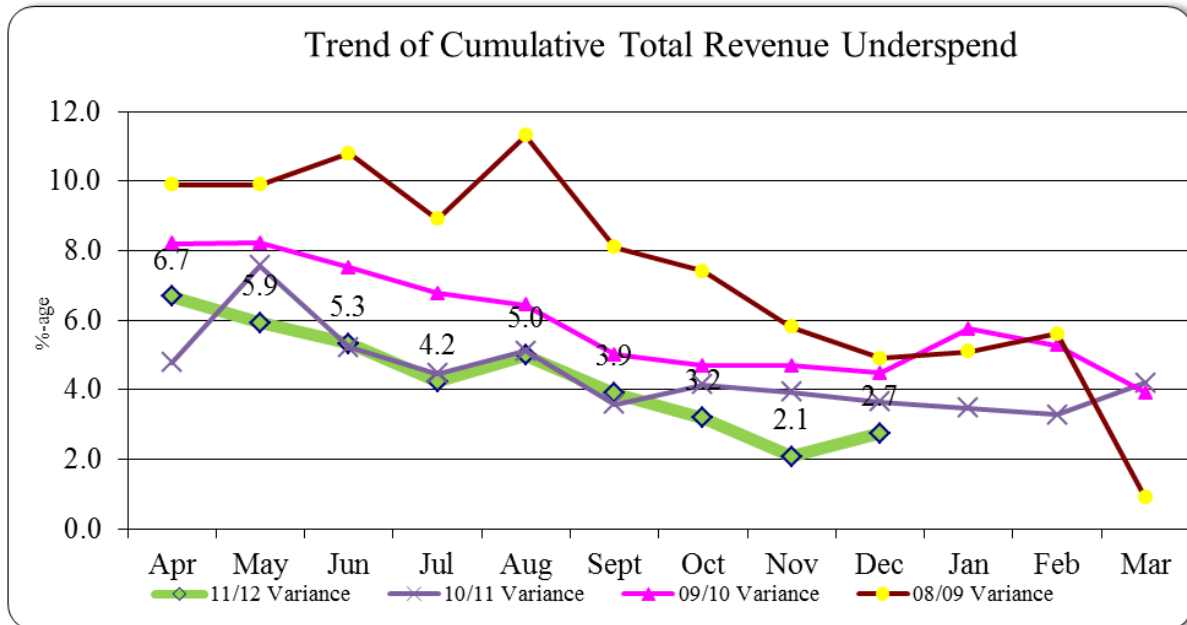
General Financial Activity

2. Bank reconciliations and main control account reconciliations for the current financial year have been completed and reviewed up to period 9 and CASE SEAS expenditure up to period 7. Work is underway on the CASE control reconciliations to bring up to date for the year.
3. The Scottish Government (SG) has commenced a project to upgrade the current version of SEAS, the financial accounting system which we use. This will entail a switchover from the current system for the start of the next financial year. We continue to liaise closely with the SG on the project and the Finance Office is co-ordinating the Parliament's testing and implementation of the system.
4. Our performance for payment of invoices within contract terms was 99.2% for the year to date, which exceeds our target of 99.0%. Performance for the month of December was on target at 99.0%. Performance for payment within 10 days was 95.3% for the month and is 95.1% for the year to date.



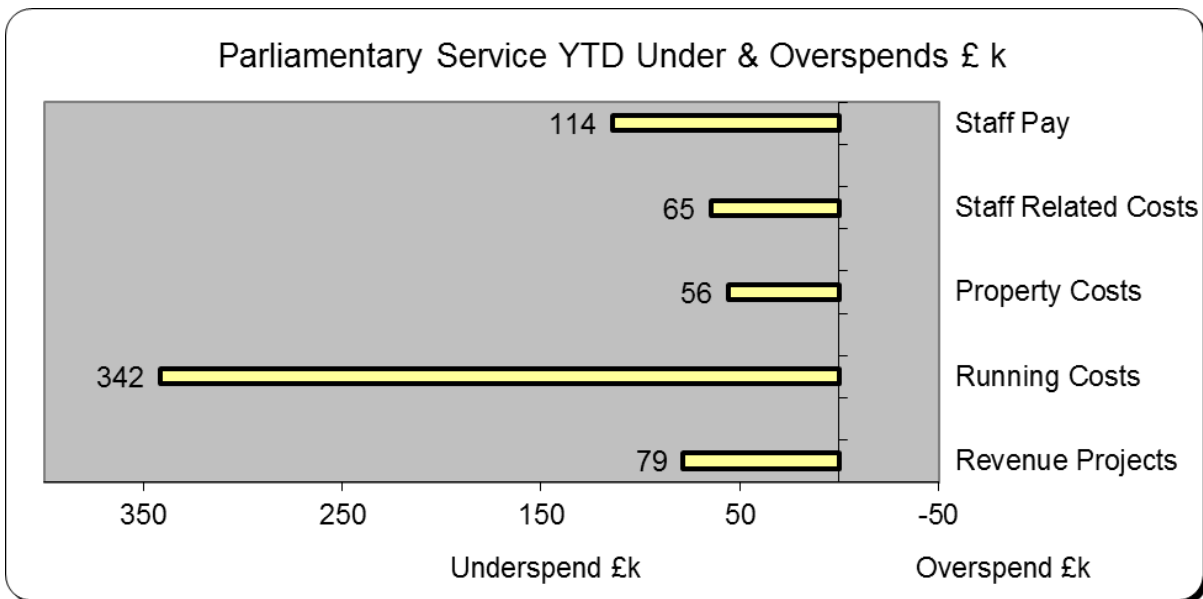
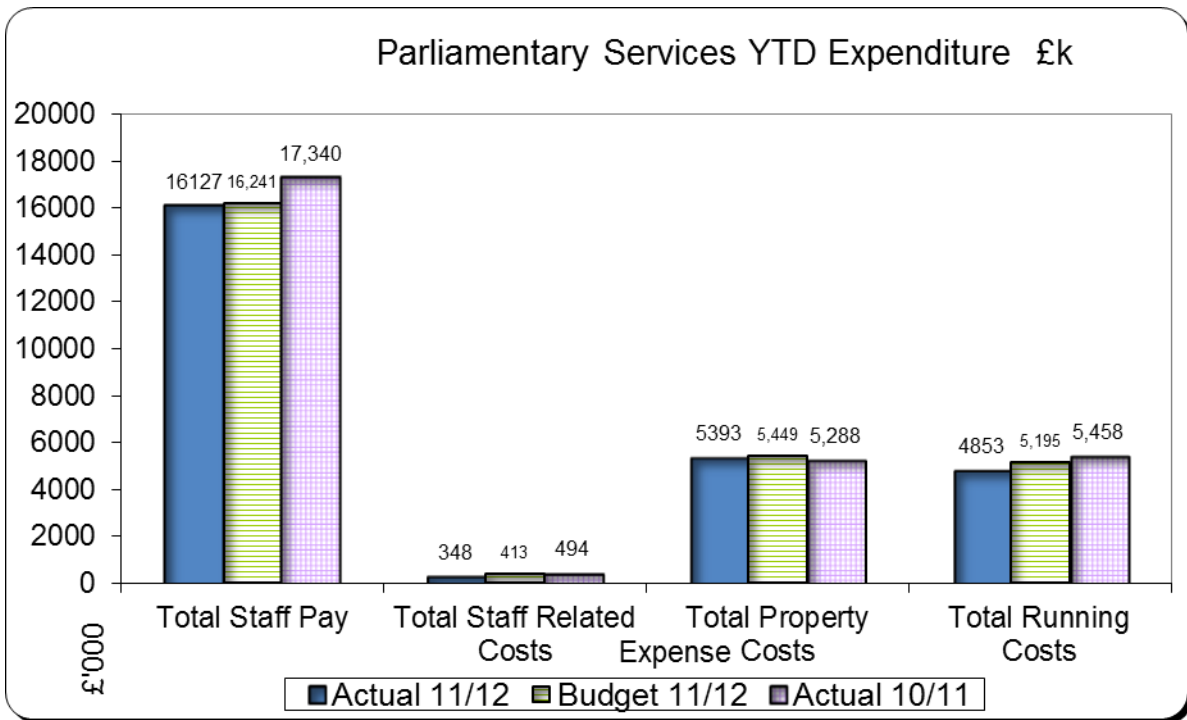
Financial Results

5. The SPCB's net revenue expenditure per Schedule 1 for the nine months ended December 2011 is £52.7m, which is £1.5m (2.7%) under the approved revenue budget of £54.2m. The comparable net revenue underspend at December 2010 was £1.9m (3.7%).



Parliamentary Service Costs (Schedule 2)

6. The cumulative gross revenue expenditure for the Parliamentary Service, at £27.4m, is £0.7m (2.3%) under budget. The previous year's expenditure of £29.4m at the equivalent stage was £0.9m (3.4%) below budget. Revenue projects are £79k (10.8%) under 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 £179k under budget and, within this figure, staff pay at £16.1m is being reported at £114k (0.7%) under budget. This variance is principally attributable to the Chamber Office staff pay, which has consistently been running at less than budget and, following implementation of the office review, the variance is expected to rise to c £250k by the year end. Actual year to date staff pay costs for the whole Parliamentary Service are £1.2m below the comparative position in December 2010, which means that we have already exceeded the target to reduce annual staff pay by £740k between 2010/11 and 2011/12.

- Staff related costs of £348k are £65k (15.7%) below budget. Job Related Training accounts for £39k of this variance.
- Property costs of £5.4m are £56k (1.0%) under budget.
- Running costs of £4.9m are £342k (6.6%) under budget. The main underspends are against Mail Services and Postage (£90k) and advertising (£45k). The level of budget for postage is being investigated by Facilities Management to see if it is still fully required and the Communication and Research Group is formulating a plan of action to commit the advertising budget before the year end.
- Revenue Projects are analysed in Schedule 3 and currently show an actual spend of £649k against the phased budget of £728k. The reported under spend of £79k (10.8%) is largely as a result of the actual costs for bringing the Web project to a close in 2011-12 being £75k lower than had been accrued at the end of the 2010-11 financial year.

Members' Costs (Schedule 2)

7. Members' costs are analysed in Schedule 2, which shows £19.7m reported costs for the year to date, £0.7m (3.2%) below budget. (The corresponding underspend figures for 2010/11 were £0.8m, 4.4%). Of this underspend, £510k is on Members' Expenses. Party Assistance at £232k is £100k (30.0%) below budget.

Commissioners & Ombudsman Costs (Schedule 2)

8. The SPCB's funding cost for Commissioners and Ombudsman (Officeholders) for the year to date amounts to £5.9m, which is £162k (2.7%) below the phased budget, principally in respect of the Public Services Ombudsman.

Central Contingency

9. The balance remaining in the SPCB's central revenue contingency is £138k.

Capital Expenditure (Schedule 3)

10. The capital expenditure programme for 2011-12 of £1.3m currently includes £1,150k identified against specific projects and £150k of capital contingency. Total expenditure for the year to date is £584k against the budget of £592k, a variance of £8k (1.4%).

Commitment

11. The Parliamentary Service (including Revenue Projects) has committed 93.9% of its approved annual budget as at the end of December 2011.

PS Committed Funds as at December 2011 : £m,%

