

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

Introduction

This report covers activity during February and March and includes the Period 10 Finance Report.

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

- Clerks continue to facilitate discussions between the Presiding Officer and business managers in relation to responding to the Standards, Procedures and Public Appointments Committee's report on parliamentary reform.
- In addition to the two draft proposals referred to last month, a third draft proposal (from Margo MacDonald on Assisted Suicide) was lodged in late-January. NEBU had approaches during February from two members with new ideas for Members' Bills, and is progressing work on a number of others, one of which involves multiple strands. A second organisation has approached the Unit about a possible Private Bill. The ongoing internal review of NEBU's working practices is due to be concluded in March.
- One Scottish Government Bill was introduced in February – the Social Care (Self-Directed Support) Bill. Two further bills are scheduled for introduction in March.
- With stage 1 scrutiny of a number of bills introduced earlier in the session soon to be completed, legislation clerks are preparing a series of briefings for committee members on stage 2 procedures.
- Arrangements are in hand for a meeting in March between the Convener of the Subordinate Legislation Committee and the Minister for Parliamentary Business to discuss a range of issues in relation to the preparation and scrutiny of statutory instruments.
- Clerks and parliamentary lawyers are involved in preliminary discussion about any additional action to be taken to support the 'robust legislation' limb of the strategic plan.

Committees and Outreach

- The Education Committee is holding an event on Friday 20 April in the Parliament. The event is part of the Committee's inquiry into the educational attainment of looked after children. The purpose of the event is to bring together groups and individuals with a role in the educational attainment of looked after children to develop achievable solutions. It is expected that outcomes from the event will form the basis of recommendations in the Committee's report.
- The Health and Sport Committee launched its own Twitter account in February in order to better inform stakeholders about its busy work programme. Building on the success of the main @scotparl account, which is administered by Public Information, the clerks to the Committee have used the new @SP_HealthSport account to publicise recent evidence sessions on PiP breast implants and integration of health and social care.

- The Rural Affairs and Climate Change Committee had a debate in the chamber on the reform of the Common Agricultural Policy (CAP). In line with the parliament reforms, the debate was held at the mid-point of an inquiry into the CAP reforms - before the committee took evidence from the UK and Scottish Ministers, but after it had heard from MEPs and stakeholders and gathered written evidence. The debate was extended in length at the request of the Scottish Government thus demonstrating the relevancy and topicality of the debate.

UK and International Relations Office (UKIRO)

- The new Danish Ambassador to the UK, Her Excellency Anne Hedensted Steffensen, visited the Parliament on Wednesday 11 January for a courtesy call on the Presiding Officer. Whilst here, she also briefed the Convener and Members of the European and External Relations Committee on Denmark's plans for the Presidency of the Council of the European Union.
- The Economy, Budget and Finance Committee of the Parliament of Montenegro took part in a one day visit programme to the Scottish Parliament on Thursday 23 February. The main purpose of this visit was to improve the knowledge and skills of the Montenegrin Committee Members in the areas of financial oversight and budget scrutiny. Meetings were held with the Convener and Members of the Public Audit Committee and Finance Committee.
- David Stewart MSP visited Johannesburg from 29 February to 2 March at the invitation of the Speaker of the Gauteng Provincial Parliament (GPL) to deliver a presentation at a Public Participation Conference entitled "The People Shall Govern: Public Participation Beyond Slogans" organised by the Commonwealth Parliamentary Association (CPA) and the GPL. The audience consisted of around 300 predominately African parliamentarians and top level directors from international organisations. David Stewart's presentation focussed on the Scottish Parliament's model for dealing with Public Petitions. Outcomes from the Conference include the publication of a Book Chapter which will be widely disseminated throughout South Africa and beyond. The publication will include written briefs and PowerPoint presentations from all key speakers, including from David Stewart.
- Sarah Boyack MSP visited Dhaka, Bangladesh from 14-16 March at the invitation of the Speaker, to attend a Meeting of Parliamentarians of Countries Most Vulnerable to Climate Change: Beyond Durban. Sarah Boyack delivered a presentation to an audience of around 300, from a parliamentarian's perspective. Over 30 countries from across 5 continents were represented at the Conference. The Conference was sponsored by the United Nations Development Programme and the Parliament of Bangladesh.
- As reported last month, the theme for Commonwealth Day 2012 was "Connecting Cultures". The CPA Scotland Branch also marked Commonwealth Week on Wednesday 14 March by holding a Members' Debate on the Commonwealth Day theme. Following the Members' Debate Annie Lennox OBE, Special Envoy for

CPA Scotland Branch, addressed around 250 invited guests in the Garden Lobby and the Presiding Officer delivered her Commonwealth Day address to this audience and hosted a reception in the Garden Lobby. There was also a musical performance by Colin MacIntyre from the Mull Historical Society.

- Sir Alan Haselhurst MP, Chair of the CPA will visit the Scottish Parliament on 28 and 29 March. He will meet with Members to discuss the CPA draft strategy and other areas of mutual interest. MSPs with an interest in the Commonwealth have been invited to attend a lunch time briefing session with Sir Alan. Sir Alan will also observe First Minister's Question Time and pay a courtesy call on the Presiding Officer.
- Members and officials from the Joint Administration Committee of the Houses of the Oireachtas visited the Scottish Parliament on Tuesday 21 February. The delegation met with Group Heads to discuss topics within the Committee's remit before meeting the Presiding Officer and members of the SPCB. Engagement with the Parliament of Ireland features in the Scottish Parliament's International Strategy. There is much we can learn from their policies and practices and the positive feedback received following this visit suggests it was a helpful step in developing relations.

The Presiding Officer

- The Presiding Officer visited the National Assembly for Wales in Cardiff, on Friday 2 March, to attend a quad lateral meeting of the Speakers and Presiding Officers from Wales, Scotland, Northern Ireland and the UK House of Commons. The Clerk/Chief Executives of the 4 jurisdictions also attended. A number of useful issues of joint interest were covered.
- The Presiding Officer agreed to host the next quad lateral meeting in Scotland in mid to late June.

Communications and Research

Public Information

- Scottish Public Libraries and Citizens Advice Bureaux have shown an interest in the 'Your MSP' regional booklets and have requested posters and copies to advertise these. More than 2,000 booklets and 300 posters will be distributed to local outlets over the next month.
- The first Scottish Parliament Annual Report for this parliamentary session will include a listing of all MSPs together with election results charts. This year's online document will be more compact and include hyperlinks to committee annual reports so that more detail can be accessed by the reader if required. This will allow an earlier publication date and will be more cost effective.

Human Resources and Security

SPCB Staff Pension Schemes

- Final agreement has still not been reached between the Cabinet Office and the three trade unions recognised by the SPCB for bargaining purposes – Public and Commercial Services Union (PCS); First Division Association (FDA); and Prospect. Following a day of industrial action on 30 November 2011, the Cabinet Office issued an interim update last month on the UK Government's plans to reform the Civil Service pension schemes (the contractual pension schemes offered to SPCB Staff), including details of the increased employee pension contribution rates from 1 April 2012.
- All three trade unions continue to discuss the detail of the proposed changes with the UK Government. However, PCS has balloted its members to ask whether they will accept or reject the UK Government's current offer; and whether they support the proposed programme of action starting with a one day strike on 28 March. The ballot closed on 16 March and the results were considered at a special meeting of the union's elected national executive on 19 March. Prospect and FDA have no immediate plans to ballot members until the full terms of the UK Government's final offer is known. Officials will provide a further update at the meeting.

Facilities Management, Events, Exhibitions and Visitor Services

As previously advised to the SPCB and as contained in a 'building user' notice issued last week:

Cladding Inspections

- Cladding inspections are still on-going following the storms in December. It is anticipated that approximately 90% of the panels will be inspected by the end of March, with the remaining panels planned for inspection throughout April. A structural engineer has inspected the panels and is satisfied that they are secure. However a small number of issues were identified and some remedial work is planned to take place during the summer recess. Depending on the location of the remedial work scaffolding may be required.

Roof Access Systems

- Partial use of the roof access systems on some of the roofs has enabled basic maintenance tasks to be undertaken. Scaffolding has been erected on the west elevation of the debating chamber to enable gutter maintenance and inspection, along with the possible installation of additional anchor points for future access. Laboratory testing of the anchor posts on the MSP and Canongate roofs commenced on 5 March. Further updates will be available following feedback and advice from the safety engineering and design consultant.

Electrical Maintenance

- A shutdown of the Parliament's electrical systems took place on 11 and 12 February. This was a coordinated effort involving a number of offices and was required to undertake essential electrical maintenance. The majority of work was completed successfully and will improve the resilience of the parliament's power supplies. The exercise highlighted the need for some further work to the building's electrical systems which is being planned for the end of March however there will be minimal impact on building users.

MSP Lighting Controls

- A commitment has been made in the Carbon Management Plan to reduce the Parliament's energy use and carbon emissions. A carbon management project is currently underway to reduce electricity usage in the MSP Building by improving the lighting controls. The work will be undertaken in two phases. During the first phase sensors will be linked to the lights in the stairwells to ensure they go off when no one is present. The second phase will link corridor lights to sensors which will turn the lights off during daylight hours and at night when no one is present. Phase one will be completed by the end of March with phase two taking place during the summer recess.

Events, Exhibitions and Visitor Services

- Trade Union Week took place during week commencing Monday 20 February. This themed week involved a Member-sponsored exhibition and a number of Member-sponsored events and culminated in a Garden Lobby Reception hosted by the STUC.
- Nearly 400 women gathered at the Parliament on Saturday 10 March to mark International Women's Day, an event that allows a diverse range of women, living and working in Scotland, to network and also meet with policymakers.
- On Wednesday 27 March the Presiding Officer will host the third and final Community Partnerships event to mark the end of the third phase of the partnership and the achievements of the partners - Multi Ethnic Aberdeen Ltd; Dumfries and Galloway Third Sector Forum; Volunteer Centre East Dunbartonshire; Action in Mind Stirling; and Grampian Family support Forum.

SPCB Question Time

The SPCB held its most recent Question Time session on 22 February. Members undertook to pursue a number of matters; an update is provided below:

- Zero waste policy - A number of initiatives are currently underway to promote the zero waste initiative to Members including:
 - Facilities Management Customer Relationship Managers speaking directly to MSP and their staff about recycling facilities;
 - Producing a short video on how to use the recycling facilities in the Parliament.

The Responsible Purchasing strategy aims to minimise the environmental impact of goods and services purchased by the Parliament and this includes reducing waste. For contracts identified as having a high environmental impact, contractors are required to produce annual environmental actions plans. This includes contracts such as building maintenance, cleaning services and catering services. Next year's catering services environmental plan, for example, will include an action to carry out an audit of the catering packaging, the results of which will be used to identify opportunities to reduce waste further.

- Parliament garden - the identification of the fruit trees will be confirmed in the autumn and if found to be all of the same variety then steps will be taken to introduce one each of two compatible varieties to allow pollination. We are also exploring the suggestion of a beehive.
- Accessibility – the Equalities Manager is taking this matter forward in liaison with FM.
- IT – the Head of BIT & Broadcasting has already met with John Lamont MSP to discuss his specific concerns relating to his email account. He is due to discuss the suggestion of benchmarking with David, as SPCB portfolio member, at their next meeting and will also discuss this with John Lamont MSP.
- Living wage - the issue of the living wage will be raised at the next review of the catering contract.

SECTION 2 – SPCB FINANCE REPORT

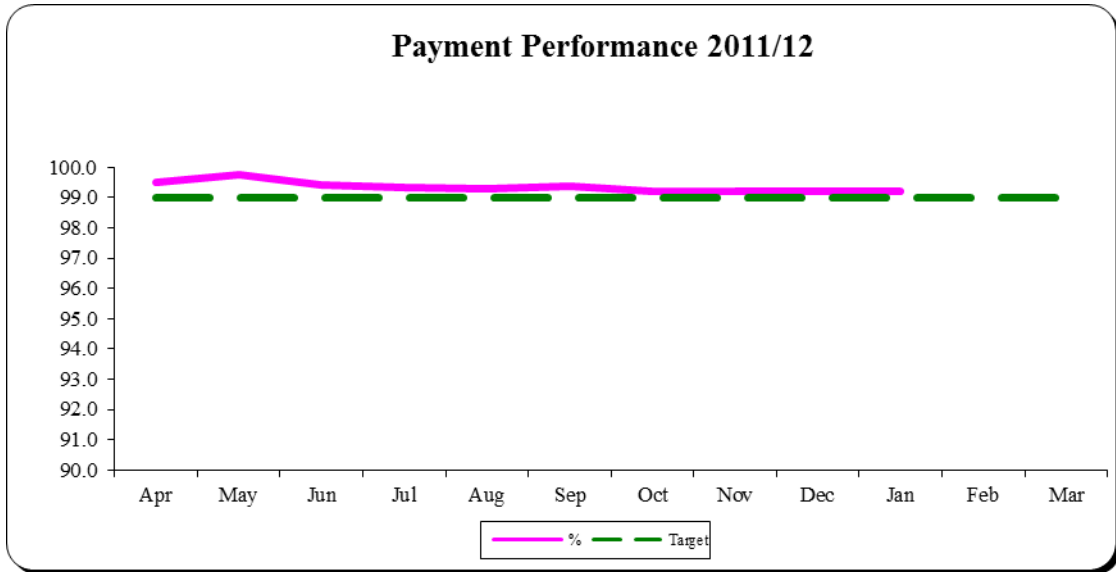
1. This report is to inform SPCB of general financial activity and expenditure trends in 2011-12.

Head of Financial Resources Commentary / Executive Summary

2. The Scottish Parliament's total revenue and capital expenditure for the first ten months in 2011-12 of £59.3m represents an underspend against budget of £1.9m (3.0%). This has increased from last month (£1.5m, 2.7%) but remains lower than the comparable position in 2010-11 at period 10 of £2.4m (4.0%).

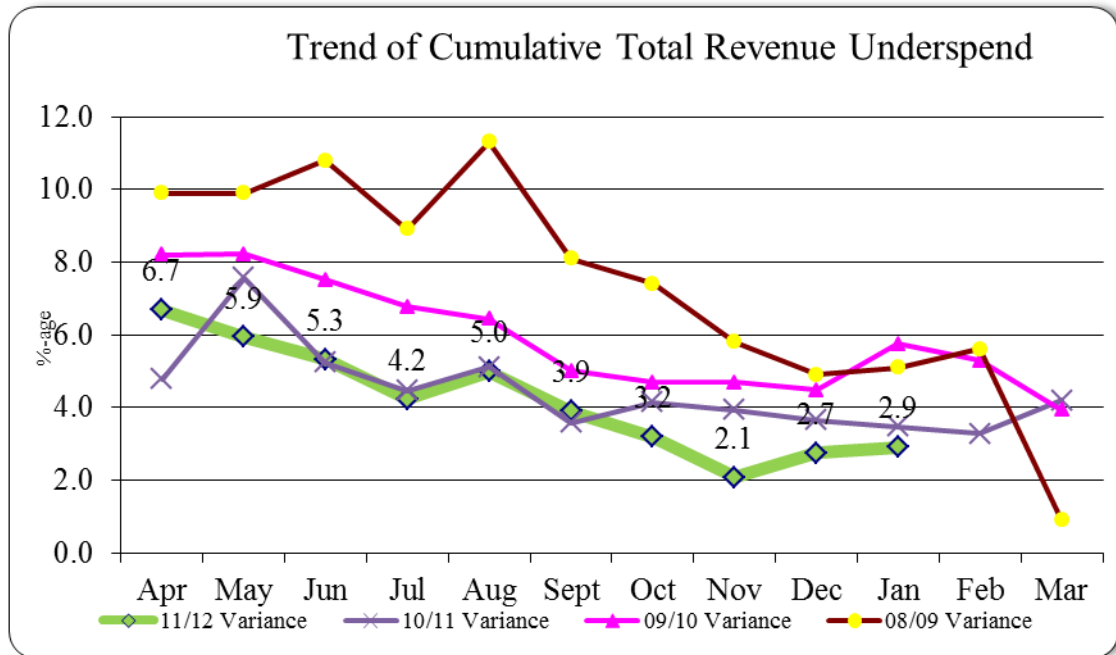
General Financial Activity

3. Bank reconciliations, main control account reconciliations, payroll and CASE SEAS expenditure reconciliations for the current financial year have been completed and reviewed up to period 10. The fixed asset system has only been updated to period 6 due to current system access issues. Work is underway on the CASE control account reconciliation to bring this up to date for the year and reconciliations have now been completed for periods 1 and 2.
4. The Scottish Government (SG) has commenced a project to upgrade the current version of SEAS, the financial accounting system which we use. The Finance Office is liaising closely with the SG on the project and co-ordinating the Parliament's testing and implementation of the testing. The first phase of user testing, based at Victoria Quay, has been successfully completed and a further phase based at our desks is due to commence shortly.
5. There will be a switchover from the current system for the start of the next financial year. Plans are currently in development to cover our financial year end procedures and data cut-over between the two systems. This will involve an earlier close down of access to the EASEbuy purchase order system this year for system users. Full year end guidance will be issued shortly by the Finance Office.
6. Following a competitive procurement exercise, we implemented a new system for the processing of travel and expense claims with effect from 1 March.
7. 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 January was on target at 99.8%. Performance for payment within 10 days was 93.6% for the month and is 95.0% for the year to date.



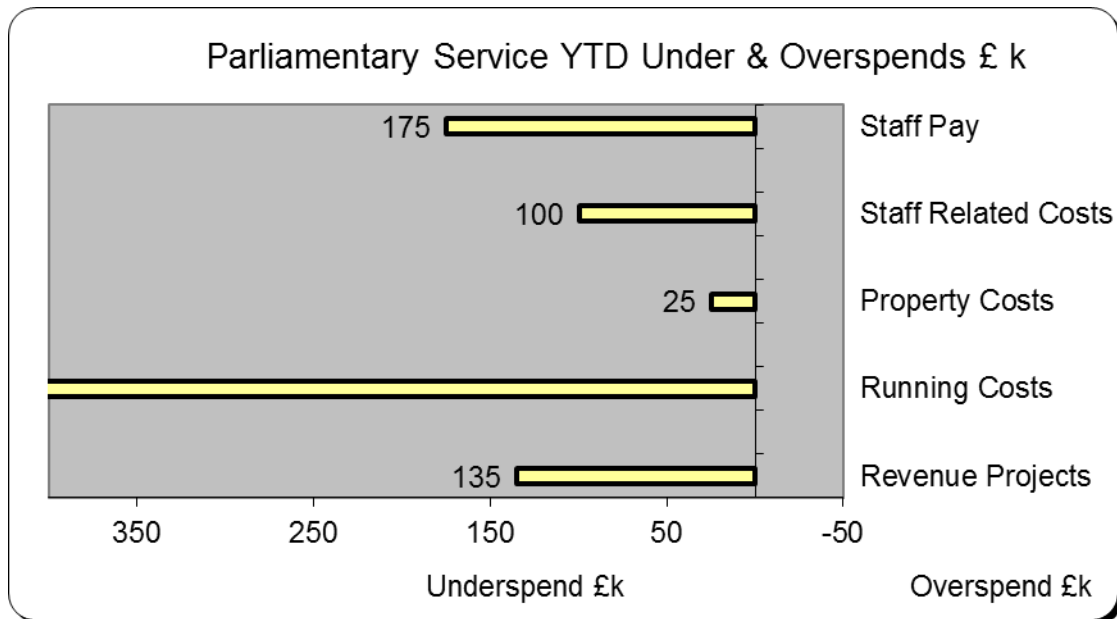
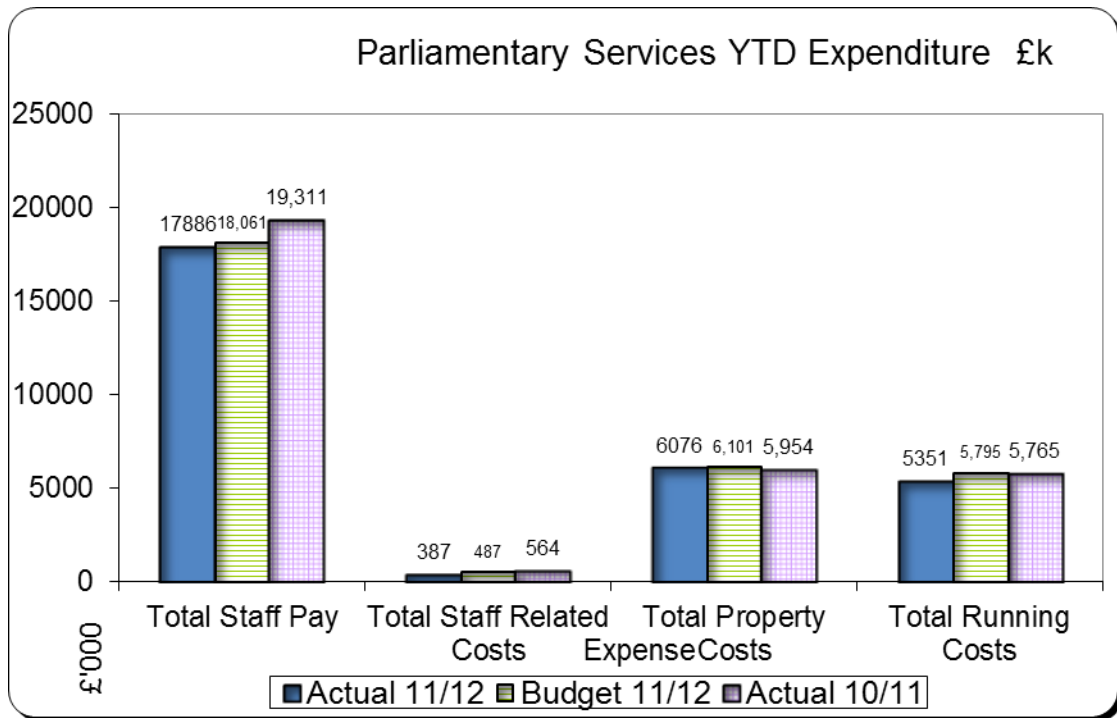
Financial Results

8. The SPCB's net revenue expenditure per Schedule 1 for the ten months ended January 2012 is £58.6m, which is £1.8m (2.9%) under the approved revenue budget of £60.4m. The comparable net revenue underspend at January 2011 was £2.0m (3.5%).



Parliamentary Service Costs (Schedule 2)

9. The cumulative gross revenue expenditure for the Parliamentary Service, at £30.6m, is £0.9m (2.8%) under budget. The previous year's expenditure of £32.7m at the equivalent stage was £1.0m (3.1%) below budget. Revenue projects are £135k (13.1%) 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 £275k under budget and, within this figure, staff pay at £17.9m is being reported at £175k (1.0%) 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 £1.4m below the comparative position in January 2011.

- Staff related costs of £387k are £100k (20.5%) below budget. Job related training accounts for £53k of this variance.
- Property costs of £6.1m are £25k (0.4%) under budget.
- Running costs of £5.4m are £444k (7.7%) under budget. The main underspends are against mail services and postage (£94k) and advertising (£27k). 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 £899k against the phased budget of £1,034k. The reported underspend of £135k (13.1%) 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)

10. Members' costs are analysed in Schedule 2, which shows £21.6m reported costs for the year to date, £0.7m (3.1%) below budget. (The corresponding underspend figures for 2010/11 were £0.8m, 4.1%). Of this underspend, £562k is on Members' Expenses. Party Assistance at £276k is £93k (25.1%) below budget.

Commissioners and Ombudsman Costs (Schedule 2)

11. The SPCB's funding cost for Commissioners and Ombudsman (Officeholders) for the year to date amounts to £6.6m, which is £178k (2.6%) below the phased budget, principally in respect of the Public Services Ombudsman.

Central Contingency

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

Capital Expenditure (Schedule 3)

13. 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 £670k against the budget of £774k, a variance of £105k (13.5%).

Commitment

14. The Parliamentary Service (including Revenue Projects) has committed 95.1% of its approved annual budget as at the end of January 2012.

