

Local Government, Housing and Planning Committee

Kenneth Gibson MSP Convener Finance and Public Administration Committee

18 December 2024

Dear Kenneth,

Thank you for your letter of 13 November in which you invited the Committee to provide views on how SPCB supported bodies within our remit fulfil their functions. The Scottish Public Services Ombudsman (SPSO), the Ethical Standards Commissioner (ESC) and the Standards Commission for Scotland (SCS) all fall within our remit and we have been undertaking scrutiny of their annual reports for 2023/24 in recent weeks. This scrutiny also considered their respective strategic plans. The Committee took evidence from the ESC and SCS on 19 November and from the SPSO on 10 December. The official reports of both meetings can be accessed via the following links:

LGHP Committee Official Report, 19 November 2024

LGHP Committee Official Report, 10 December 2024

The Committee also took evidence from academics and representatives of people who have previously interacted with the Ombudsman or may have cause to complain to her about public services in Scotland on 26 November. The official report of that meeting can be accessed via the following link:

LGHP Committee Official Report, 26 November 2024

Contact: Local Government, Housing and Planning Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email: <u>localgov.committee@parliament.scot</u>. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

You specifically invited views on budget and spend and it is worth noting that both the ESC and SCS have relatively small budgets. The SPCB allocated a budget of £1,606,000 to the ESC in 2023-24 although the Commissioner handed back £50,000 in February 2024. Total expenditure by the ESC in 2023-24 was £1,540,000. This compares to £1,014,000 in 2022-23, a 52% increase over the year, although the Commissioner explained to us that significant issues had existed in the office prior to his taking up the post, initially on an acting basis. The organisation had a very high staff turnover at the time and its budget "was predicated on the number of staff that we had in the office at the time, and clearly it was low, because we were carrying a number of vacancies." The Commissioner further explained that his auditors had recommended a workforce planning exercise and were now happy that his office was delivering best value. The budgetary increase was also subject to what the Commissioner described as "very robust" scrutiny by the SPCB before it was approved. The Committee welcomes the improvements that have been made since he took up the post, particularly in respect of significant reductions to what had previously been long waiting times.

The SCS also has a relatively small budget of less than £340,000 of which the vast majority relates to staff costs although the SPSO is a much larger organisation with a budget of around £7.1m for the reporting year.

The Committee has undertaken scrutiny of all three organisations on an annual basis but this has previously tended to involve a single evidence session with the officeholder on their annual report. However, earlier this year the Committee agreed to undertake more detailed scrutiny of their performance and invited stakeholders to submit written views to help inform our scrutiny. Very few responses were received in respect of the ESC and SCS but <u>seventeen responses</u> were received on the SPSO which resulted in several respondents giving oral evidence to the Committee before we heard from the Ombudsman herself. Some responses came from organisations and individuals who were dissatisfied with the SPSO's performance, for example due to long waiting times for complaints to be considered and we heard from Professor Chris Gill that this had "the potential to reduce trust and satisfaction among members of the public".

Having taken evidence from them both, the Committee wrote to the ESC and SCS to set out its conclusions. The letters can be accessed via the following links:

Letter to Ethical Standards Commissioner, 18 December 2024

Letter to Standards Commission for Scotland, 18 December 2024

The Committee intends to report on the SPSO early in the new year but unfortunately, the timing of the SPSO's evidence meant that we have not been able to agree our conclusions at the time of writing. However, you may be particularly interested to note that we discussed the appropriateness of existing arrangements for parliamentary oversight of her office with the Ombudsman following her

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suggestion in her written submission that "it may be time to consider whether scrutiny of the breadth of our work may go beyond the capacity of a subject specific Committee" given the fact that complaints about local government no longer form the majority of her work.

The Ombudsman further suggested that-

"...there is currently a disconnect, generally, between how the budgets for Scottish Parliamentary Supported Bodies (SPSBs) are set and how we are scrutinised and held accountable for how we manage and spend them. Consideration could be given as to whether SPSBs' effectiveness in managing their organisations could be considered in a different way (i.e. through the Finance and Public Administration Committee). Put simply, scrutiny of whether, as Accountable Officers and Office holders, do we deliver what we say we will deliver, for the budgets we are given, and did we do so efficiently and effectively?"

Given that this is the first time the Committee has given more thorough scrutiny to the performance of the ESC, SCS and SPSO, we will reflect further on the experience in due course. It is unlikely that we will undertake this level of scrutiny of all three organisations on an annual basis, but we expect to make recommendations for our Session 7 successor committee on appropriate levels of scrutiny in our legacy report.

I hope that the content of this letter along with the official reports of our evidence sessions is helpful in informing your evidence session with the SPCB in January. We will write to you again after we have reported on the SPSO.

Yours sincerely,

Ariane Burgess Convener, Local Government, Housing and Planning Committee

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