

Finance and Public Administration Committee
2nd Meeting 2025 (Session 6)
Tuesday 14 January 2025

SPCB budget bid 2025-26

Purpose

1. The Committee is invited to take evidence on the Scottish Parliamentary Corporate Body's (SPCB) budget submission for 2025-26 from—
 - Jackson Carlaw, Member, Scottish Parliamentary Corporate Body,
 - David McGill, Clerk/Chief Executive, Scottish Parliament, and
 - Sara Glass, Director of Finance and Resilience, Scottish Parliament.
2. The SPCB's budget submission, which is attached at Annexe A, consists of a letter from the Presiding Officer and six supporting schedules detailing aspects of the SPCB budget as follows—
 - Schedule 1: Total Budget Requirement and Indicative Forecast 2026- 27,
 - Schedule 2: Net Revenue and Capital Budget,
 - Schedule 3: Finance Committee Briefing January 2025 - SPCB Net Revenue and Capital Budget,
 - Schedule 4a: Commissioners and Ombudsman Budget Bid 2025-26,
 - Schedule 4b: Analysis of Officeholders 2025-26 budget bids,
 - Schedule 5: SPCB Statement of Financial Position, and
 - Schedule 6: Parliament Shop Trading Accounts.

Background

3. The [Scotland Act 1998](#) provided for the creation of the Scottish Parliament and the establishment of the SPCB to oversee its administration. Section 21 of the Act places a duty on the SPCB to make arrangements for the Parliament to be provided with the property, staff and services which are required for its purposes. It also provides for any such expenses incurred by the SPCB to be payable from the Scottish Consolidated Fund (SCF).
4. The SCF is the funding pot from which all Scottish Government expenditure stems and comprises an annual block grant from the UK Parliament's Consolidated Fund along with the Scottish Government's operational receipts, for example, revenues from the fully devolved taxes.
5. This means that the expenditure plans of any body which has a prior call on the Scottish Consolidated Fund (namely the SPCB and Audit Scotland) will reduce the total amount available to Scottish Ministers to spend on Scottish Government priorities. The SPCB budget bids also provide for the costs of "supported bodies", namely commissioners and the Scottish Public Services Ombudsman (referred to as "officeholders").

6. To support parliamentary scrutiny of the SPCB's budget proposals, the SPCB will give evidence to the Committee on its budget bid on 14 January 2025. The Committee will then consider and report on the bid as part of its wider budget scrutiny, as set out in the [Session 6 Written Agreement](#) between the Committee and the SPCB.
7. The SPCB's final expenditure proposals appear in the annual Budget Bill which will be voted on by the Parliament.

SPCB Budget Bid 2025-26

8. The Presiding Officer's letter of 12 December 2024 highlights key elements of the SPCB's budget bid for 2025-26 and notes that this constitutes "the fourth and final of our medium-term financial plan for session 6", focusing on "strong financial governance and driving value for money whilst continuing to drive our strategic priorities and protect services" in the final year of the current parliamentary session. The budget bid does not provide any further details of the existing medium-term financial plan (MTFP) or how the SPCB is approaching the development of the next MTFP for session 7.

Headline figures

9. The Presiding Officer's letter states the SPCB's ambition was to submit a 2025-26 Budget bid which was below the 2025-26 indicative plans, and that this has been achieved for the "controllable" elements of the Budget, which are £0.6m lower than the indicative figure. However, "changes to Employers' National Insurance costing £1.9m; and unforeseen additional costs from the Electoral Commission of £2.1m, partially offset by the delayed Patient Safety Commissioner¹, mean our headline Budget bid is above indicative by £2.8m". According to the Presiding Officer's letter, the current bid reflects cost savings resulting from "the review of services/contracts and operational practices to ensure we are operating efficiently".
10. The SPCB's bid proposes a total budget requirement for 2025-26, including capital charges and non-cash items, of £153.1m, an increase of £10m (7.0%) on the current year's budget of £143.1m.
11. The total proposed budget excluding capital charges and non-cash items amounts to £136.2m, a net £9.7m (7.6%) increase on the current financial year's budget and £2.8m (2.1%) on the 2025-26 indicative budget advised by the SPCB in their bid to the Committee last year.

Staff pay

12. The bid includes a £2.7m (6.8%) increase in the staff pay budget compared to the current financial year and a £0.9m (2.2%) increase compared to the indicative

¹ The post of Patient Safety Commissioner remains unfilled after two recruitment processes.

forecast for 2025-26, amounting to a total of £42.9m. The Presiding Officer’s letter explains the increase is due to changes to Employers’ National Insurance contributions introduced in the UK Government Budget and the inclusion of a cost-of-living award of 3.8% agreed with the Trade Union Side (TUS) as part of the two-year pay deal.

13. Schedule 3 provides a breakdown of the £2.7m increase in staff pay as follows:

Component	£'000
Staff pay uplift	1,378
Increase in Employer National Insurance	887
Progression	292

14. It further states that the SPCB remains committed to maintaining the staff baseline agreed in 2022-23 throughout Session 6. It notes that, since the staffing baseline review, two G3 posts have been added in Security to deliver a new service to monitor social media activity referencing MSPs, with this increase being largely offset by other reductions across the permanent staff complement. No further information is given on what the reduction of permanent staff looks like and the overall change in staff numbers.

15. Schedule 3 states that the contractor budget for Broadcasting and Parliament Communications Office of £76k remains unchanged, while the Modern Apprentice programme, which was paused in 2024-25, has been reinstated in 2025-26.

16. The vacancy gap assumption, which was increased to 5% in 2023-24, has been maintained, resulting in a reduction of £2.2m in the staff budget for 2025-26.

17. Staff related costs, which includes provision for Committee travel and associated costs to support deliberative democracy, are budgeted at £838,000, a decrease of £22,000 (2.5%) from the current year’s budget. The decrease is due to—

- reductions in travel and expenses budgets,
- job related staff training and corporate training budgets (efficiencies are expected from centralising the sourcing and provision of training), and
- the phasing out of the Childcare vouchers scheme.

Property and running costs

18. Property costs are expected to rise by £467,000 to £10.3m, a net increase of 4.8% on the 2024-25 budget. This includes a projected increase of £268,000 (6.6%) in rates, which accounts for 42% of total property costs. Schedule 3 explains that “The 2024-25 budget assumed a rate increase in the £ of 2p for non-domestic rates. It was actually 6.68p, creating a 2024-25 budget shortfall of £112k. We have assumed an increase of 2.1p for 2025-26. This represents £156k (3.76%) increase on the actual 24-25 cost.”

19. Maintenance costs are projected to increase by £165,000 (5.7%), including annual contract price increases and the double running of the maintenance of the outgoing and incoming Building environment management system; the cleaning budget is expected to increase by £56,000 (7%), while utility costs will remain flat based on the pricing guidance for advance purchasing of gas and electricity.
20. Overall running costs, consisting mainly of outsourced contracts for the provision of goods and services, are also expected to rise to £8.16m, £177,000 (2.2%) higher than the 2024-25 budget, but £166,000 lower than the 2025-26 indicative budget.
21. Schedule 3 notes that the net increase of £177,000 is mainly due to—
- an increase in costs of IT software and licenses (£225,000), including a new software service to detect cyber threats,
 - a decrease of £160,000 in Public Engagement (2024-25 Budget included provision for the one-off 25th anniversary event), and
 - savings of up to £70k on specific renewals such as the online calling system and IT network related systems.

MSP pay and staff cost provision

22. MSP salaries are recommended to increase in line with the Average Weekly Earnings (AWE) index of 3.2%, to £74,506.
23. The SPCB recommended, in its Budget bid 2024-25, the adoption of AWE as the index for uprating of MSP salaries, in a move away from the Annual Survey of Hours and Earnings (ASHE Mean) which had become misaligned with other wage inflation indices in recent years. This approach is maintained in the current proposal, in light of recent reporting of ASHE Mean at 6.7%, “further evidencing the misalignment”.
24. The current bid also uses AWE as the uprating index for the Staff Cost Provision, in line with the approach taken in 2023-24 and 2024-25 (the previous approach used a combination of AWE and the ASHE index), resulting in a rate of £162,000 per Member. Schedule 3 states the SPCB’s intention to continue with AWE for the remainder of the session.
25. The assumed uptake of the Staff Cost Provision applied to the overall budgeted cost has remained 93%, as was the case in the 2023-24 and 2024-25 Budgets.
26. The current bid includes additional costs to MSP pay and staff cost provision as a result of changes to Employers’ National Insurance contributions.

Revenue and capital projects

27. The total amount incorporated in the 2025-26 budget for revenue and capital projects is £6.3m, a £1m increase on the 2024-25 budget. This is in line with the indicative budget provided to the Committee in December 2023. The Presiding

Officer's letter explains the increase is driven by inflation and the forecast Election project spend in 2025-26 of £0.7m.

28. Schedule 3 includes an analysis of planned project expenditure, including both planned replacement of existing infrastructure and investment to services and facilities.

29. Projects to be funded in 2025-26 include—

- IT operational projects - £1.062m,
- digital business projects - £971,000,
- facilities management projects worth £1.620m (building fabric maintenance - £450,000, mechanical and electrical systems maintenance - £660,000, office moves and changes - £100,000, workplace effectiveness and modernisation - £240,000 and service procurement and workplace consultancy - £170,000),
- Net Zero Ready projects worth £926,000 (including BEMS - £736,000 and net zero consultancy - £190,000),
- broadcasting projects - £350,000 (replacement of obsolete broadcast equipment - £200,000 and BSL captioning service - £150,000),
- Election 2026 - £685,000, and
- other projects, including security systems, embedding sustainability, Conveners group session 6 priorities, officeholders inquiry, FM office project support, allowances temporary staffing and lobbying temporary staffing (£671,000).

30. As previously requested by the Committee, Schedule 3 includes an additional table detailing major multiyear projects and updated forecasted overall costs, as follows—

- The Building and Environment Management System programme, which began in 2022-23 and will run for 4 years. The total forecast cost for the project has been adjusted to £3.5m (£736 in 2025-26), reflecting the results of tender exercise and savings made during installation;
- Corporate systems programme, which began in 2023-24 and will run for 3 years at a forecast total cost of £1.67m (£70,000 in 2025-26);
- Official Report Digital Transformation, which began in 2023-24 and will run for 3 years. The updated total cost is forecast at £450,000 (£274,000 in 2025-26);
- Changes to Business Bulletin, which began in 2023-24 and will run for 3 years. Updated total costs are forecasted at £378,000 (£141,000 in 2025-26); and
- Windows 10 replacement, which began in 2023-24 and will run for 3 years at a forecast total cost of £256,000, revised from £396,000 in the previous budget bid (£27,000 in 2025-26).

31. New projects include—

- A replacement for the Lobbying Register - The contract with the current contractor for the Lobbying Register website and functional database is due to end in October 2026. The replacement project will run for 3 years, starting in 2024-25, at an estimated total cost of £500,000 (£250,000 in 2025-26);
- 2026 Scottish Parliament Election, estimated to cost £685,000 in 2025-26. Total costs are forecasted to range between £2.65m - £3.35m, based on previous election expenditure. Actual costs will vary dependant on confirmed plans and election results.

Contingency and income

32. The SPCB's contingency figure for 2025-26 remains unchanged at £1m, in line with indicative figures, and covers a contingency for emergencies and potential operational cost pressures.

33. The bid includes a projected income of £244,000 relating principally to the Parliament shop. This is a decrease of £30,000 (11.1%) against the 2024-25 Budget and is based on a normal year of opening to the public alongside the online shop offering.

Commissioners and Ombudsman

34. The Officeholders' 2025-26 budget submissions total £21.4m, this is £3.1m (17%) higher than the current year and £1.7m (8.6%) higher than the indicative plans. The Presiding Officer's letter states that the increase reflects additional costs in the Electoral Commission, inflation and the impact of the changes in Employers National Insurance contributions. It further explains that "the additional £2m Electoral Commission costs relate to election activities in advance of the May 2026 election and should have been included in last year's indicative budget." The letter does not explain why these costs were not included in the indicative forecast.

35. Schedules 4(a) and 4(b) provide an analysis of the officeholders' budget bids, which have been summarised below—

Office	Budget Bid 2025-26	2025-26 Increase vs 2024-25 approved budget
Scottish Public Services Ombudsman (SPSO)	£7.893m	£498,000 (6.7%)
Scottish Information Commissioner	£2.564m	£151,000 (6.3%)
Commissioner for Children and Young People in Scotland (CYPCS)	£1.763m	£76,000 (4.5%)
Scottish Commission for Human Rights (SHRC)	£1.557m	£101,000 (6.9%)

Commissioner for Ethical Standards in Public Life in Scotland	£1.913m	£95,000 (5.2%)
Standards Commission for Scotland	£373,000	£10,000 (2.8%)
Electoral Commission	£4.306m	£2.141m (98.9%)
Biometrics Commissioner (SBC)	£529,000	£30,000 (6.0%)
Central contingency for legal action, staffing etc	£500,000	0

36. Schedule 4(b) also notes that co-location accommodation costs for SPSO, CYPCS, SHRC and SBC are accounted for through the SPSO's budget and annual accounts. While CYPCS and SBC have zero property costs, SHRC is identified as having £3,000.
37. The Presiding Officer's letter also highlights the Officeholders' growing share of the total SPCB Budget, which amounts to 15.7% in 2025-26. As stated in the letter, further Officeholder costs may arise in future years if legislation is passed for a Victims and Witnesses Commissioner, a Wellbeing and Sustainable Development Commissioner, a Disability Commissioner and an Older Person's Commissioner, a Future Generations Commissioner, a Learning Disability, Autism and Neurodiversity Commissioner, and the Electoral Management Board for Scotland². These have not been included in the current bid or indicative costs.
38. The Committee previously expressed concerns regarding the growth in officeholders and associated costs since devolution, and as such, conducted an [inquiry into Scotland's Commissioner Landscape: A Strategic Approach](#), which [reported](#) in September 2024. A parliamentary debate on the Committee's findings and recommendations followed on [31 October](#). The report found that the current landscape is no longer fit for purpose and called for a moratorium on creating any new SPCB supported bodies, or expanding the remit of existing bodies, until a 'root and branch' review of the structure is carried out. A dedicated committee - the SPCB Supported Bodies Landscape Review Committee - has now been established to carry out the review.
39. During evidence-taking, the Committee heard that some Commissioners would like more opportunities to give evidence to committees on their performance and it was also suggested that performance and budget scrutiny should be more closely linked. In response to the evidence received, the Committee undertook to seek views from relevant committees on how supported bodies within committee remits fulfil their functions. The responses received from relevant Committees are attached at Annexe B.
40. As evidenced in the responses received, most Committees take evidence from the Commissioners within their remits on an annual basis. These sessions tend

² The Scottish Government has agreed not to bring forward any new proposal to create officeholders while the landscape review recommended by this Committee is carried out. It has also indicated it will work with Sarah Boyack MSP in relation to her proposal to create a Wellbeing and Sustainable Development Commissioner rather than bring forward a Futures Generations Commissioner.

to focus on officeholders' annual reports and strategic plans, aims and objectives, though they are not necessarily designed as a formal assessment of their performance. The Convener of the Standards, Procedures and Public Appointments Committee states, in his letter, that "The Committee is content that its current approach to scrutiny strikes the right balance of ensuring scrutiny of the relevant officeholders while also enabling the Committee to fulfil its other functions and responsibilities". A similar approach is also planned by the Health, Social Care and Sport Committee in relation to scrutiny of the future Patient Safety Commissioner.

41. More in-depth scrutiny of officeholders has been undertaken by the Local Government, Housing and Planning (LGHP) Committee, which invited stakeholders to submit written views on the Commissioners within their remit and took oral evidence from academics and representatives of people who have previously interacted with the Scottish Public Services Ombudsman. In her letter, the Convener of the LGHP Committee notes that "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."

Indicative forecast for 2026-27

42. Schedule 1 provides the SPCB's indicative forecast for 2026-27, "heavily caveated with continued uncertainties in the economy and around potential additional new Commissioners with associated costs".
43. The total indicative budget for 2026-27, including capital charges and non-cash items, is £164.6m.
44. This indicative forecast is based on a "blended inflationary rate", which reflects forecasts for wage inflation, price inflation and any known significant additional requirements. For 2026-27, known additional requirements include—
- anticipated costs of £5m for Election Contingency,
 - £0.7m for Election Project,
 - an additional £1.3m for the Electoral Commission and
 - £0.7m in connection with the Patient Safety Commissioner.

Committee scrutiny of the SPCB budget for 2024-25

45. The Committee considered the SPCB's budget bid for the current financial year as part of its scrutiny of the Scottish Budget 2024-25. In its [report](#), published in January 2024, the Committee recommended that the SPCB—

"focus on optimising value for money in its budgetary decisions and delivery. As part of next year's budget bid, we would therefore like to see additional information on how the SPCB makes the most effective use of its funds, including setting out where savings have been identified and how projects have been prioritised".

46. The current bid follows a similar format to last year, therefore providing the same level of information. The additional information requested does not appear to have been included. Further detail is available in the [SPCB's annual report and accounts](#), published in October 2024. While the annual report also does not specifically identify savings or sets out how projects have been prioritised, it does provide a closer look at major projects, such as the replacement of the Building Energy Management System, the Corporate Systems Programme and the Official Report Digital Transformation Programme.

47. The annual report also covers the Parliament's Scrutiny Improvement Programme and progress on implementing the recommendations of the Gender Sensitive Audit. Page 24 of the report provides the following highlights in relation to progress against operational excellence objectives—

- arrangements to support effective vacancy and staff resource management which ensures consistent, evidence-led decisions and alignment with financial targets;
- improving the effectiveness and efficiency of our processes and systems, including increased automation of work and use of enabling technologies and consideration of digital first approaches that support efficiency and environmental targets; and
- enhancing digital literacy to enable early identification of automation opportunities and better use of work-enabling technologies thereby freeing up resources to concentrate on more complex high value activities.

48. On staffing, the annual report highlights updates to the staff Code of Conduct and changes to the senior staff structure, which came into effect from 1 April 2024. The new Senior Executive Team (SET) which comprises the Clerk/Chief Executive, the Deputy Chief Executive and 4 new Director roles, is “broadly aligned with the pillars of the current Strategic Plan, and will subsume the work of the Strategic Resources Board, creating a flatter structure at the top of the organisation”.

Next steps

49. The Committee's consideration of the SPCB's budget bid will be reflected in its report on the Scottish Budget 2025-26, which is expected to be published in late January.

Committee Clerking Team
January 2025



The Scottish Parliament
Pàrlamaid na h-Alba

The Presiding Officer

Kenneth Gibson MSP
Convener
Finance & Public Administration Committee
By email

12 December 2024

Dear Convener

SPCB BUDGET SUBMISSION FOR 2025-26

This budget bid is the fourth and final of our medium-term financial plan for session 6 and is aligned with the commitments made in the 2022-23 submission which focussed on setting up SPS for the challenges of session 6. In the context of tightening public sector finance our focus in this submission has been on ensuring strong financial governance and driving value for money whilst continuing to drive our strategic priorities and protect services in this busy final year of session 6.

A total proposed budget for 2025-26, excluding capital charges and non-cash items, of £136.2m represents a net £9.7m (7.6%) increase on the current financial year's budget and £2.8m (2.1%) on the 2025-26 indicative budget advised to the Finance and Public Administration Committee last year. Our ambition was to submit a 2025-26 Budget bid which was below the 2025-26 Indicative. This has been achieved for the "controllable" elements of the Budget which are £0.6m lower than Indicative, however changes to Employers' National Insurance costing £1.9m; and unforeseen additional costs from the Electoral Commission of £2.1m, partially offset by the delayed Patient Safety Commissioner, mean our headline Budget bid is above Indicative by £2.8m. The review of services/contracts and operational practices to ensure we are operating efficiently has driven cost savings which are reflected in the Budget 25-26 bid.

Headline figures

The SPCB has identified a total budget requirement, including capital charges and non-cash items, of £153.1m for 2025-26 as shown on the attached schedule 1, compared to the current year budget of £143.1m, an uplift of £10.0m (+7.0%). Schedule 1 also sets out indicative estimates for the 2026-27 financial year.

I attach an analysis of our budget (schedule 2) together with a briefing paper (schedule 3) and further schedules to assist the Finance and Public Administration Committee in its scrutiny of our 2025-26 budget submission.

Approach to setting the budget

Our staff pay budget of £42.9m shows a £2.7m (6.8%) increase compared to the current year's approved budget and a £0.9m (2.2%) increase compared to the indicative forecast for 2025-26. There are two main drivers of the increase to staff pay: changes to Employers' National Insurance (ERNIC) introduced in the UK Government Budget costing £0.9m; and we have included the cost of living award of 3.8% as agreed with the TUS as part of the two -year pay deal. We remain committed to stewarding our resources to live within the staffing baseline, leveraging the contingency fund to cover any demands for temporary flexibility over the remainder of this session.

Members' pay is increasing in line with the Average Weekly Earnings (AWE) index of 3.2%. In the 2023-24 Budget the SPCB chose AWE to uplift MSP Pay in a move away from the Annual Survey of Hours and Earnings (ASHE Mean) which had become misaligned with other wage inflation indices in recent years. Latest publications report ASHE Mean is 6.7% further evidencing the misalignment. The application of AWE at 3.2% equates to a salary of £74,506. Changes to ERNIC are also reflected in Members' pay increasing costs by £0.2m.

In both Budget 2023-24 and 2024-25, the SPCB chose AWE to uplift the Staff Cost Provision. This was a move away from the basket approach of indexing Staff Cost Provision annually using a mix of AWE and the ASHE index which had been adopted since Budget 2021-22.

In selecting the 2025-26 uprating index, the SPCB expressed a preference to continue with AWE for the remainder of this session. AWE is 3.2%. This would mean a rate of £162,000 per Member. The budget submission includes this assumption.

For budgeting purposes an assumed uptake of the Staff Cost Provision is applied to determine the overall budgeted cost of SCP. Historically this has been assumed at 95% however a review of recent trends shows that the average uptake rate between 2016-17 and 2021-22 (excluding election years) is 93%. This rate was applied for the 2023-24 and 2024-25 Budgets and has been retained for the 2025-26 Budget bid.

The changes to ERNIC are reflected in the Budget bid and are an additional cost of £0.7m in Staff Cost Provision costs.

The total amount incorporated in the 2025-26 budget for revenue and capital projects is £6.3m, which is a £1m increase on the 2024-25 budget and is exactly in line with the indicative 2025-26 budget. The increase is driven by inflation and the forecast Election project spend in 2025-26 of £0.7m.

The project expenditure budget funds both the planned replacement of existing infrastructure (e.g. IT, Broadcasting and security systems and equipment) and investment to make improvements to the Parliament's services and facilities (e.g. the development of better digital services and changes to make better use of the building). Schedule 3 provides further details of the planned expenditure for 2025-26 and includes the major projects in the plan.

Commissioners and Ombudsman

The Officeholders' 2025-26 budget submissions total £21.4m which is £3.1m (17%) higher than the current year and £1.7m (8.6%) higher than the indicative. The main changes in these budgets from 2024-25 reflect additional costs in the Electoral Commission (EC) of £2.1m, inflation and the impact of the changes in Employers National Insurance of £0.2m. The additional £2m Electoral Commission costs relate to election activities in advance of the May 2026 election and should have been included in last year's indicative budget.

The Officeholders' share of the total SPCB Budget continues to grow, increasing from 14.5% in 2024-25 to 15.7% in 2025-26.

An analysis of the officeholders' budget bids is provided in schedules 4a and 4b.

Indicative Forecast for 2026-27

Schedule 1 provides an indicative forecast for 2026-27.

This forecast for 2026-27 is heavily caveated with continued uncertainties in the economy and around potential additional new Commissioners with associated costs.

We have retained the more sophisticated approach introduced for the 2025-26 indicative in the 2026-27 indicative budget. Applying a blended inflationary rate which reflects forecasts for wage inflation as well as price inflation plus any known significant additional requirements instead of the historic approach of applying a standard rate of inflation for the entire cost base plus any known anticipated cyclical additional requirements.

The known additional requirements for 2026-27 are anticipated costs of £5m for Election Contingency; £0.7m for Election Project; and in Officeholders, an additional £1.3m for the Electoral Commission and a £0.7m in connection with the Patient Safety Commissioner.

In future years, further Officeholder costs may arise if legislation is passed for a Victims and Witnesses Commissioner, a Wellbeing and Sustainable Development Commissioner, a Disability Commissioner and an Older Person's Commissioner, a Future Generations Commissioner, a Learning Disability, Autism and Neurodiversity Commissioner, and the Electoral Management Board for Scotland. Costs for these Officeholders or the extension of an existing Officeholder's remit, have not been included in our indicative costs.

We will be happy to expand on any aspects of our budget submission when we appear before the Committee on 14 January.

Yours sincerely

Rt Hon Alison Johnstone MSP
Presiding Officer

Total Budget Requirement

	Original Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Indicative Forecast 2026-27 £'000
A) REVENUE			
Net Revenue Expenditure (Schedule 2)	124,971	135,181	146,581
B) CAPITAL			
Capital Expenditure (Schedule 2)	1,550	1,000	1,000
C) TOTAL EXPENDITURE EXCLUDING CAPITAL CHARGES AND NON CASH ITEMS (A+B)			
Net Revenue and Capital Expenditure	126,521	136,181	147,581
D) CAPITAL CHARGES AND NON CASH ITEMS			
Total Capital Charges and non cash items (Schedule 3)	16,584	16,900	17,000
E) TOTAL EXPENDITURE INCLUDING CAPITAL CHARGES AND NON CASH ITEMS (C+D)			
Total Net Expenditure	143,105	153,081	164,581

<u>Net Revenue and Capital Budget</u>	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Indicative Forecast 2026-27 £'000
Revenue Expenditure			
Recurring Annual Costs			
Staff Pay	40,192	42,906	44,322
Staff Related and General Costs	860	838	858
Property Costs	9,802	10,269	10,505
Running Costs	7,984	8,161	8,349
	<u>58,838</u>	<u>62,175</u>	<u>64,034</u>
Projects and One-Off Costs			
Revenue Projects	3,742	5,285	6,000
	<u>3,742</u>	<u>5,285</u>	<u>6,000</u>
Total Parliamentary Service Costs	<u>62,580</u>	<u>67,460</u>	<u>70,034</u>
MSPs' and Officeholders' Costs			
MSP Pay	14,632	15,277	15,780
MSP Office, Staff and Accom. Costs etc.	28,737	30,290	31,099
Commissioners & Ombudsman Costs	18,296	21,398	23,918
	<u>18,296</u>	<u>21,398</u>	<u>23,918</u>
Total MSPs' & Officeholders' Costs	<u>61,665</u>	<u>66,965</u>	<u>70,797</u>
General Contingency	1,000	1,000	1,000
Election Contingency	0	0	5,000
Total Revenue Expenditure	<u>125,245</u>	<u>135,425</u>	<u>146,831</u>
Less:- Income	(274)	(244)	(249)
Total Net Revenue Expenditure	<u>124,971</u>	<u>135,181</u>	<u>146,581</u>
Capital Expenditure			
Capital Expenditure	1,550	1,000	1,000
Total Capital Expenditure	<u>1,550</u>	<u>1,000</u>	<u>1,000</u>
Total Net Revenue and Capital Expenditure	<u>126,521</u>	<u>136,181</u>	<u>147,581</u>

<u>Net Revenue and Capital Budget</u>	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Indicative Forecast 2026-27 £'000
Revenue Expenditure			
Recurring Annual Costs			
Staff Pay	40,192	42,906	44,322
Staff Related and General Costs	860	838	858
Property Costs	9,802	10,269	10,505
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MSP Office, Staff and Accom. Costs etc.	28,737	30,290	31,099
Commissioners & Ombudsman Costs	18,296	21,398	23,918
	<u>18,296</u>	<u>21,398</u>	<u>23,918</u>
Total MSPs' & Officeholders' Costs	<u>61,665</u>	<u>66,965</u>	<u>70,797</u>
General Contingency	1,000	1,000	1,000
Election Contingency	0	0	5,000
Total Revenue Expenditure	<u>125,245</u>	<u>135,425</u>	<u>146,831</u>
Less:- Income	(274)	(244)	(249)
Total Net Revenue Expenditure	<u>124,971</u>	<u>135,181</u>	<u>146,581</u>
Capital Expenditure			
Capital Expenditure	1,550	1,000	1,000
Total Capital Expenditure	<u>1,550</u>	<u>1,000</u>	<u>1,000</u>
Total Net Revenue and Capital Expenditure	<u>126,521</u>	<u>136,181</u>	<u>147,581</u>

Finance Committee Briefing January 2025 - SPCB Net Revenue and Capital Budget

The net revenue and capital expenditure of the SPCB is forecast to increase from £126.56m in 2024-25 to £136.2m in 2025-26, an increase of £9.7m (7.6%) and £2.8m (2.1%) on the 2025-26 indicative budget included within the 2024-25 documentation.

The main elements of the 2025-26 budget compared to 2024-25 are:

Staff Pay	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
Staff Pay	40,192	42,906	2,714	6.8%

Staff pay including use of contractors is budgeted at £42.9m, a net increase of £2.7m (6.8%) in cash terms from the 2024-25 budget and a £0.9m (2.2%) increase compared to the indicative for 2025-26.

The main components of the £2.7m increase in staff pay are:

Component	£'000
Staff pay uplift	1,378
Increase in Employer National Insurance	887
Progression	292

The main driver of the increase to staff pay is inflation. A two year pay deal was agreed with the TUS for 2024-25 and 2025-26. SPS staff budgets reflect this agreed award of 3.8%. The increase in staff costs includes staff progression through pay scales.

In 2022-23, the staff baseline was increased by a net 33 FTE as part of the staffing baseline review. We remain committed to this baseline through Session 6. Since 2022-23 we have added 2 G3 posts in Security to deliver a new service to monitor social media activity referencing MSP’s. This increases have largely been offset by other reductions across the permanent staff complement.

Staff Pay includes the recent changes in Employers’ National Insurance announced at the recent UK budget. This takes effect from 1st April 2025.

We know from experience that staff turnover reduces the actual cost of staff employed. The vacancy gap assumption was changed to 5% in 2023-24 and has been applied to the staff 2025-26 budget. The 2025-26 staff budget has been reduced by £2.2 million as a result of this 5% assumption.

The Modern Apprentice programme was paused in 2024-25 and has been reinstated in 2025-26.

The contractor budget for Broadcasting and Parliament Communications Office of £76k remains unchanged.

Staff Related Costs	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	(Decrease)	
			£'000	%
	860	838	(22)	(2.5)%
<p>Staff related costs are budgeted at £838k, a decrease of £22k (2.5%) from the current year's budget.</p> <p>Travel and Expenses budgets have decreased by 2.5% or £10k.</p> <p>Job Related Staff Training and Corporate Training has decreased by £30k, 7.8%. A new managed learning service was introduced in 2024-25 and efficiencies are expected from centralising the sourcing and provision of training.</p> <p>The Corporate Training element within this budget includes a provision for the delivery of a centralised training programme to Members' staff, as agreed as part of the review of Staff Cost Provision at the start of the Session.</p> <p>The provision for Childcare vouchers has reduced by £11k in line with the phasing out of the scheme.</p> <p>The staff related costs budget also includes provision for Committee travel and associated costs to support deliberative democracy.</p>				

Property Costs	Budget 2024-25	Budget Bid 2025-26	Increase	
	£'000	£'000	£'000	%
	9,802	10,269	467	4.8%

Property Costs of £10.3m shows a net increase of £467k (4.8%) on the 2024-25 budget.

Property Costs comprise: -	£'000
Rates	4,304
Maintenance	3,059
Utilities	1,880
Cleaning	860
Other	166
	10,269

Rates, at £4.3m, accounts for 42% of total property costs and is projected to be £268k (6.6%) higher than the 2024-25 original budget bid. The 2024-25 budget assumed a rate increase in the £ of 2p for non-domestic rates. It was actually 6.68p, creating a 2024-25 budget shortfall of £112k. We have assumed an increase of 2.1p for 2025-26. This represents £156k (3.76%) increase on the actual 24-25 cost.

Maintenance costs are projected to increase by £165k (5.7%) from £2,894k in 2024-25 to £3,059k in 2025-26. This includes annual contract price increases and the double running of the maintenance of the outgoing and incoming BEMS (Building environment management system). There is a 3 year project to replace the original BEMS installation which will conclude in 2025-26.

The cleaning budget will increase by £56k (7%) from £804k in 2024-25 to £860k in 2025-26. The contract has been relet and the core staff costs re-baselined.

Utility costs remain flat for 2025-26 based on the pricing guidance for advance purchasing of gas and electricity. The Scottish Government provide a Scottish public sector centralised purchasing service for gas and electricity to which the Scottish Parliament subscribes.

Running Costs	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase																							
			£'000	%																						
	7,984	8,161	177	2.2%																						
<p>Running Costs comprise: -</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; width: 20%;"><u>£k</u></th> </tr> </thead> <tbody> <tr> <td>• IT & Telephony</td> <td style="text-align: right;">1,308</td> </tr> <tr> <td>• Software Support & Licences</td> <td style="text-align: right;">2,827</td> </tr> <tr> <td>• Restaurant Services</td> <td style="text-align: right;">685</td> </tr> <tr> <td>• Printing & Digital Publications</td> <td style="text-align: right;">428</td> </tr> <tr> <td>• Postage & Stationery</td> <td style="text-align: right;">209</td> </tr> <tr> <td>• Research Services & Materials</td> <td style="text-align: right;">627</td> </tr> <tr> <td>• Service Contracts</td> <td style="text-align: right;">805</td> </tr> <tr> <td>• Public Engagement</td> <td style="text-align: right;">435</td> </tr> <tr> <td>• Other</td> <td style="text-align: right;">837</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">8,161</td> </tr> </tbody> </table>						<u>£k</u>	• IT & Telephony	1,308	• Software Support & Licences	2,827	• Restaurant Services	685	• Printing & Digital Publications	428	• Postage & Stationery	209	• Research Services & Materials	627	• Service Contracts	805	• Public Engagement	435	• Other	837		8,161
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<p>Running costs of £8.16m mainly consist of the SPCB's outsourced contracts for the provision of goods and services and are an increase of £177k (2.2%) on the 2024-25 budget. Overall running costs are £166k lower than the 2025-26 indicative budget.</p>																										
<p>The net £177k increase is due mainly to:</p> <ul style="list-style-type: none"> • An increase in costs of IT software and licenses (£225k). This includes a new software service to detect cyber threats. • A decrease of £160k in Public Engagement. This is because of the one-off 25th anniversary event included in the 2024-25 budget. • There have been savings of up to £70k on specific renewals such as the online calling system and IT network related systems. 																										

Projects	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase / (Decrease)	
			£'000	%
Revenue	3,742	5,285	1,543	41.2%
Capital	1,550	1,000	(550)	(35.5%)
Total	5,292	6,285	993	18.8%

The total amount incorporated in the 2025-26 budget for revenue and capital projects is £6.3m, which is a £1m increase on the 2024-25 budget and exactly in line with the Indicative 2025-26 budget. The increase is driven by inflation and the forecast Election project spend in 2025-26 of £0.7m.

The project expenditure budget funds both the planned replacement of existing infrastructure (e.g. IT, Broadcasting and security systems and equipment) and investment to make improvements to the Parliament’s services and facilities (e.g. the development of better digital services and changes to make better use of the building).

Projects to be funded in 2025-26 budget:

	Capital £000	Revenue £000	Description
Grouped Programmes			
Business IT/Digital	335	1,698	<p>IT Operational Projects - £1,062k Includes projects to update or replace technology infrastructure and equipment to support Members and staff and run the business of the Parliament, as well as the tools required to manage these assets effectively. This includes investment to improve our cyber security. Also includes Windows 10 replacement – See details in major projects table</p> <p>Digital Business projects £971k Includes replacement of Business Bulletin and Official Report production systems as well as delivering replacement finance, payroll and HR systems. See details in major projects table</p>
Facilities Management	0	1,620	<p>Facilities Total £1,620k</p> <p>Building fabric maintenance - £450k Mechanical and Electrical systems maintenance - £660k Office moves and changes - £100k Workplace effectiveness and modernisation – £240k Service procurement and workplace consultancy £170k</p>

Net Zero Ready	245	681	Net Zero Total £926k BEMS - £736k See details in major projects table Net zero consultancy - £190k
Broadcasting	150	200	Broadcasting total £350k Replacement of obsolete Broadcast equipment - £200k BSL captioning Service - £150k
Election 26	270	415	Election Total £685k See details in major projects table.
Other	0	671	Others – total – £671k Security systems - £134k Embedding sustainability - £12k Conveners group session 6 priorities – £95k Officeholders enquiry - £235k FM Office Project Support - £30k Allowances temp staffing - £55k Lobbying temp staffing - £110k
Total	1,000	5,285	

Major Multi Year Projects	Programme	Start year	Project length	Costs to date £'000	25/26 Budget £'000	Forecast Total Cost £'000	Commentary
<p>Building Energy Management System.</p> <p>The Building and Energy Management System (BEMS) is a business-critical tool which provides visibility and control of building services; principally the heating, ventilation, air conditioning and domestic hot water (HVAC) systems in all areas of the Holyrood site.</p>	Net Zero Ready	2022-23	4 years	2,724	736	3,500	<p>Full Business Case agreed Initial BC was £3.7m-£4.5m. Forecast has been adjusted to take into account results of tender exercise and savings made during installation</p>
<p>Corporate Systems Programme</p> <p>The programme will manage the migration of current financial systems supplied by the Scottish Government to the new offerings from the Scottish Government. In addition, the programme will manage the replacement of our HR and Payroll systems which are nearing contract end.</p>	Digital	2023-24	3 years	1,600	70	1,670	<p>Full Business Case Agreed - Procurement of HR/Payroll system ongoing. Total project estimate £1.6-£1.8m</p>
<p>Official Report Digital Transformation</p> <p>Replacement of the system used to produce the Official Report to address technical obsolescence, improve edit, production and publishing processes and deliver efficiencies in the operation and maintenance of the IT system.</p>	Digital	2023-24	3 years	176	274	450	<p>Outline Business Case Agreed - Range £300k-£500k.</p>

<p>Business Bulletin Replacement</p> <p>Changes to Business Bulletin authoring, authorisation and publishing processes and replacement of the compilation tool, to improve service performance, enhance user experience and address technical obsolescence</p>	Digital	2023-24	3 years	237	141	378	Full Business Case agreed - current range £350 - 400k
<p>Windows 10 Replacement</p> <p>Upgrade of the operating system used by the 1600 devices currently running Windows 10. Timing dictated by Windows 10 end of support timetable.</p>	IT Operational	2023-24	3 years	229	27	256	Full Business Case agreed - current range £225-275k
<p>NEW</p>							
<p>Lobbying Register Replacement</p> <p>The Lobbying Register website and functional database was developed in 2017 and went live on 12 March 2018. The five-year contract with the current contractor has been extended to its limit of four additional years, and finally ends on 2 October 2026.</p>	Digital	24-25	3 Years	0	250	500	NEW - Outline Business Case agreed. Range £400-£500k.
<p>2026 Scottish Parliament election</p> <p>Work involved in supporting returned, non-returning and new members in relation to the 2026 Scottish parliamentary election. Includes costs for IT hardware and close down/set up of members local offices</p>	Election	25-26	2 Years	0	685	3,000	NEW - Total is derived from costs associated with previous election expenditure. Actual costs will vary dependant on confirmed plans and election results (Range £2.65m - £3.35m)

and supporting members around their office staffing. Also includes Session 7 Opening ceremony and Kirking-							
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MSP Pay	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
	14,632	15,277	645	4.4%

From 2015-16 to 2023-24 inclusive, the MSP pay budget has been calculated on the basis that pay will be uprated on 1 April by the Annual Survey of Hours and Earnings (ASHE) index published annually in the previous autumn. The only one exception being 2021-22 when the SPCB unanimously agreed that at a time of unprecedented economic crisis, and hardship for so many households, that it would be inappropriate for the ASHE index (5.1%) to be applied, agreeing instead to forgo a pay rise.

The objective of a consistent index was to enable a high level of certainty around these salary costs. That certainty has been tested during recent years of high inflationary volatility, with ASHE being lower than the other wage inflation indicators in 2022-23, 2023-24 and 2024-25. In 2024-25 despite expectations of a “catch-up” ASHE remained below the other wage inflation indicators and as such the SPCB chose to adopt the Average Weekly Earnings index instead of ASHE. Prior to 2015-16 MSP salaries were linked to MP salaries.

SPCB decided to continue with AWE for 2025-26. The budget has been prepared on that basis applying a 3.2% uplift to Members pay from 1 April 2025. This would equate to a salary of £74,506.

Changes in the rate of Employers’ National Insurance (ERNIC) introduced in the UK Government Budget and applicable from April 2025 are reflected in the Budget bid for Members’ pay increasing costs by £0.2m.

MSP Staff and Office Costs	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
	28,737	30,290	1,553	5.4%

For both 2023-24 and 2024-25 Budgets the SPCB chose Average Weekly Earnings (AWE) to uplift the Staff Cost Provision (SCP) in a move away from the basket approach of indexing Staff Cost Provision annually using a mix of Average Weekly Earnings (AWE) and the ASHE index which had been adopted since Budget 2021-22.

In selecting the 2025-26 uprating index, the SPCB has expressed a preference to continue with AWE for the remainder of Session 6. The AWE rate applied is 3.2%. This would mean a rate of £162,000 per Member. The budget submission includes this assumption.

For budgeting purposes an assumed uptake of the SCP is applied to determine the overall budgeted cost of SCP. Historically this has been assumed at 95% however a review of recent trends shows that the average uptake rate between 2016-17 and 2021-22 (excluding election years) is 93%. This rate was applied for the 2023-24 and 2024-25 Budget and has been retained for the 2025-26 Budget bid.

It should be noted that Members as employers, within the overall pay ranges, can determine the cost of living award to their staff so long as it is affordable.

The budget is calculated on the following assumptions:

- The Members Expenses budget follows the Scheme introduced at the start of Session 6 including the revised Office Cost Provision and the new Engagement Provision.
 - SCP which forms the significant element of the Scheme costs is in line with the recommendations of the SCP Review and is indexed at 3.2%.
 - Changes in the rate of Employers’ National Insurance (ERNIC) introduced in the UK Government Budget and applicable from April 2025 are reflected in the Budget bid for Members Expenses at a cost of £0.7m.
 - The budget for Members’ Expenses and the associated limits for provisions within the scheme (excluding SCP) will be updated on 1 April 2025. We have used an estimated rate for budget purposes (RPI at Sep 2024 of 2.7%).

Commissioners & Ombudsman	Budget 2024-25	Budget Bid 2025-26	Increase	
	£'000	£'000	£'000	%
	18,296	21,398	3,102	17.0%

The Officeholders’ 2025-26 budget submissions total £21.4m which is £3.1m (17.0%) higher than the current year and £1.7m (8.6%) higher than the indicative. The main changes relate to the Electoral Commission’s bid increasing by £2.1m mainly as a result of the 2026 Scottish Parliament elections; increased ERNIC contributions for Officeholder bodies as a result of the change in rate; increased accommodation costs at Bridgeside House following a rent review; and increased utility and rates costs as well as pay award and progression costs.

An analysis of the officeholders’ budget bids is provided in schedules 4a and 4b.

Contingency	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
General	1,000	1,000	0	0.0%
<p>In line with indicative for 2025-26 the budget paper contains a general contingency bid to cover:</p> <ul style="list-style-type: none"> o a prudent contingency for emergencies. o Potential operational cost pressures, which are not yet confirmed or certain. 				

Income	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Decrease	
			£'000	%
	(274)	(244)	30	11.1%
<p>The projected income of £244k relates principally to the Parliament shop and is a decrease against the 2024-25 budget of £30k (11.1%). This is based on a normal year of opening to the public alongside the online shop offering. The shop has decreased cost of sales in line with decrease in expected sales.</p>				

Total Net Revenue & Capital Expenditure	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
	126,521	136,181	9,660	7.6%

Capital Charges (Schedule 1)

Capital charges and non-cash items	Budget 2024-25 £'000	Budget Bid 2025-26 £'000	Increase	
			£'000	%
DEL				
Depreciation	14,500	14,813	313	2.2%
Audit fee	84	87	3	3.6%
Total DEL capital charges and non cash items	14,584	14,900	316	2.2%
AME				
Pension finance cost (net)	2,000	2,000	0	0%
Total AME capital charges and non cash items	2,000	2,000	0	0%
Total capital and non cash charges DEL + AME	16,584	16,900	316	1.9%

Depreciation on the Holyrood Building and Fixed Plant is calculated based on the valuation figures and estimated useful lives as at 31 March 2024, uplifted for forecast indexation as at 31 March 2025.

The pension finance Annually Managed Expenditure (AME) charge represents provision for the notional funding costs for the Members' Pension Fund arising from the movement of actuarial factors.

Commissioners and Ombudsman Budget Bid 2025-26

Office	Approved Budget 2024-25 £'000	Budget Bid 2025-26 £'000	2025-26 Increase vs 2024-25 approved budget £,000	2024-25 Increase vs 2025-26 approved budget %
Scottish Public Services Ombudsman	6,834	7,187	353	5.2%
Co-location accommodation (Note 1)	561	706	145	25.8%
Sub total	<u>7,395</u>	<u>7,893</u>	<u>498</u>	<u>6.7%</u>
Scottish Information Commissioner	2,413	2,564	151	6.3%
Commissioner for Children and Young People in Scotland	1,687	1,763	76	4.5%
Scottish Commission for Human Rights	1,456	1,557	101	6.9%
Commissioner for Ethical Standards in Public Life in Scotland	1,818	1,913	95	5.2%
Standards Commission for Scotland	363	373	10	2.8%
Electoral Commission	2,165	4,306	2,141	98.9%
Biometrics Commissioner	499	529	30	6.0%
Sub total	<u>17,796</u>	<u>20,898</u>	<u>3,102</u>	<u>17.4%</u>
Central contingency for legal action, staffing etc	500	500	0	0.0%
Total	<u><u>18,296</u></u>	<u><u>21,398</u></u>	<u><u>3,102</u></u>	<u><u>17.0%</u></u>

Notes:

Note 1 - Co-location accommodation costs for SPSO, CYPSC, SHRC and SBC are accounted for through the SPSO's budget and annual accounts.

Analysis of Officeholders 2025-26 budget bids

	SPSO		SIC		CYPICS	
	Approved Budget £'000	Bid £'000	Budget £'000	Bid £'000	Approved Budget £'000	Bid £'000
	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Revenue						
Staff Costs	6,118	6,437	2,005	2,125	1,333	1,407
Staff Related/General Costs	45	33	17	23	64	51
Property Costs (Note 1)	561	706	136	136	0	0
Professional Fees	308	332	60	61	44	47
Running Costs	426	448	178	199	241	253
Income	(80)	(80)	0	0	0	0
Capital	17	17	17	20	5	5
Total	7,395	7,893	2,413	2,564	1,687	1,763

	SHR		ESC		SC	
	Approved Budget £'000	Bid £'000	Budget £'000	Bid £'000	Approved Budget £'000	Bid £'000
	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Revenue						
Staff Costs	1,175	1,249	1,443	1,479	316	326
Staff Related/General Costs	62	62	23	26	16	17
Property Costs	3	3	106	110	3	2
Professional Fees	27	43	165	215	9	10
Running Costs	189	200	75	77	19	18
Income	0	0	0	0	0	0
Capital	0	0	6	6	0	0
Total	1,456	1,557	1,818	1,913	363	373

	EC		SBC	
	Approved Budget £'000	Bid £'000	Budget £'000	Bid £'000
	2024-25	2025-26	2024-25	2025-26
Revenue				
Staff Costs	1,229	1,529	392	422
Staff Related/General Costs	27	86	15	15
Property Costs	695	134	0	0
Professional Fees	0	38	20	20
Running Costs	67	2369	72	72
Depreciation	147	150	0	0
Capital	0	0	0	0
Total	2,165	4,306	499	529

Notes:

Note 1 - Co-location accommodation costs for SPSO, CYPICS, SHRC and SBC are accounted for through the SPSO's budget and annual accounts.

SPSO - Scottish Public Services Ombudsman

SIC - Scottish Information Commissioner

CYPICS - Commissioner for Children and Young People in Scotland

SHRC - Scottish Human Rights Commission

ESC - Commissioner for Ethical Standards in Public Life in Scotland

SC - Standards Commission for Scotland

EC - Electoral Commission

SBC - Biometrics Commissioner

SPCB Statement of Financial Position

	31 Mar 2024 Actual (£'000)	31 Mar 2025 Projected (£'000)	31 Mar 2026 Projected (£'000)
Non-current assets			
Holyrood land and buildings	388,217	401,718	407,504
Other fixed assets	3,783	4,085	3,335
Total non-current assets	392,000	405,803	410,839
Current assets			
Inventories	102	102	102
Trade and other receivables	2,249	2,249	2,249
Cash and cash equivalents	2,753	2,753	2,753
Total current assets	5,104	5,104	5,104
Total assets	397,104	410,907	415,943
Liabilities (including current and non-current)	(5,916)	(5,916)	(5,916)
Assets less liabilities	391,188	404,991	410,027
Taxpayers' equity			
General fund	183,991	183,991	183,991
Revaluation reserve	200,962	214,765	219,801
Pension reserve	6,235	6,235	6,235
Total taxpayers' equity	391,188	404,991	410,027

Shop Trading Accounts

	Actual 2020-21 £'000	Actual 2021-22 £'000	Actual 2022-23 £'000	Actual 2023-24 £'000	Budget 2024-25 (4) £'000	Budget 2025-26 (4) £'000
Sales	4	16	171	222	254	223
Cost of Sales (1)	15	13	82	127	127	102
Net Contribution	-11	3	88	95	127	121
Direct Salaries (2)	100	97	107	111	121	126
Other Direct Costs (3)	1	1	3	4	1	1
Total Direct Costs	101	98	110	115	122	127
Net Surplus/(Deficit) after direct costs	-112	-94	-22	-20	5	-6

Notes

- (1) Cost of sales is the cost of items for sale in the shop less budgeted shop discount
- (2) Direct Salaries have been updated to reflect retail function staffing (1 Manager, 1.33 G2 plus allowances and overtime)
- (3) Other direct costs are expenditure incurred directly in the operation of the shop such as stationery and credit card and cash uplift charges
- (4) Based on a normal trading year in line with previous pre-Covid budgets.

Actual trading in 2020-21 and 2021-22 was heavily impacted by Covid restrictions

This statement does not include general overhead costs, e.g. for a proportion of business rates, utility costs and other operational and support costs



The Scottish Parliament
Pàrlamaid na h-Alba

Health, Social Care and Sport Committee

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee

26 November 2024

Dear Kenneth,

Scrutiny of SPCB supported bodies

I am writing further to your letter of 13 November in which you invite my Committee to share its views on how it intends to take forward scrutiny of the newly created Patient Safety Commissioner, particularly in relation to its budget, annual accounts and strategic plan.

I should firstly note that, at time of writing, Scotland's first Patient Safety Commissioner has yet to be formally appointed. Before undertaking any initial scrutiny, the Committee would be keen to allow sufficient time for the Patient Safety Commissioner, once appointed, to establish their office and to prepare a strategic plan.

Furthermore, in the short term, the Committee's work programme is fully committed with scrutiny of a number of major pieces of legislation.

With these considerations in mind, the Committee would not anticipate undertaking initial scrutiny of Scotland's Patient Safety Commissioner until the latter half of next year.

Thereafter, ongoing scrutiny of the Patient Safety Commissioner is likely to coincide with the publication of annual accounts and the publication of any new strategic plan, the period of which must not exceed 4 years. At the end of the current parliamentary session, the Committee would also intend to highlight the Patient Safety Commissioner as a subject for potential ongoing scrutiny by successor committees in its Legacy Report.

I hope this letter provides useful background for your planned evidence session with the SPCB in January 2025.

Contact: Health, Social Care and Sport Committee, The Scottish Parliament, Edinburgh, EH99 1SP.
Email HSCS.Committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

Yours sincerely,

Clare Haughey MSP
Convener, Health, Social Care and Sport Committee



The Scottish Parliament
Pàrlamaid na h-Alba

Education, Children and Young People Committee

28 November 2024

Dear Kenneth

Scrutiny of SPCB supported bodies

Thank you for your letter of 13 November regarding scrutiny of SPCB supported bodies.

The Education, Children and Young People Committee last took evidence from the Children and Young People's Commissioner Scotland at its meeting on 17 April, following the publication of the Commissioner's strategic plan for 2024-28. Whilst that session touched on issues around the Commissioner's budget, the main focus of the session was the strategic aims and objectives set out by the Commissioner (in consultation with children and young people).

Given the Commissioner's independence, the Committee does not have a role in reviewing specific decisions or actions, but rather to look at how overarching priorities are set. The Committee's scrutiny work during this session has therefore focused on how the Commissioner has carried out her functions at a high level.

The Committee is not in a position to set out its views on budget, spending and performance of the Commissioner, as this has not been the primary focus of its scrutiny. The Committee notes, however, that the SPCB has a governance role for officeholders, covering areas such as the approval of an annual budget, providing for personal accountability through annual evaluations and scrutinising officeholders in relation to their financial accountability.

The Committee plans to invite the Commissioner to give further evidence prior to the summer recess. The focus of that session will be to look at what progress has been made in meeting the Commissioner's strategic objectives. The Committee will also look at the Commissioner's annual report, and consider any outcomes achieved.

Yours sincerely,

Douglas Ross MSP
Convener

Contact: Education, Children and Young People Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email ecyp.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.



The Scottish Parliament
Pàrlamaid na h-Alba

Criminal Justice Committee

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee

6 December 2024

Dear Kenneth

Scrutiny of SPCB supported bodies

Thank you for your letter of 13 November 2024 about the report of your inquiry into Scotland's Commissioner's landscape.

I have followed the work of your Committee with interest and welcome the recommendations in the report of the inquiry as representing a constructive way forward on this subject. I was pleased to have been able to give evidence to your Committee during its inquiry.

I note your Committee's ongoing interest in the question of whether there should be an enhanced parliamentary scrutiny process for SPCB supported bodies.

In this regard, you indicated that you would welcome the Criminal Justice Committee's views on the budget, spending, and performance of the Scottish Biometrics Commissioner, as well as information on the Committee's scrutiny of the post more generally.

In principle, the Criminal Justice Committee seeks to take evidence from the Scottish Biometrics Commissioner on a roughly annual basis, although in practice it has been challenging to keep to this schedule due to our other work commitments, notably legislation.

The Committee did manage to take evidence from the Commissioner in November 2024, when we questioned him on the contents of his annual report. This was a wide-ranging evidence session at which the Committee questioned the Commissioner on the key activities he had undertaken during the year, his plans for the future and the significant developments within his area of responsibilities.

At the meeting, the Committee also took the opportunity to take evidence on the role of the Commissioner more generally. This included hearing evidence on the Commissioner's strategic plan, the remit of the Commissioner, and the budget of his office.

Contact: Criminal Justice Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email justice.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

While I am clear that the Committee found the evidence session to be valuable and generally welcomed the work being undertaken by the Commissioner, the session was not specifically designed as a formal assessment of his performance as an office holder and a budget holder. For that reason, the Committee is not in a position to express a collective view on this aspect of the Commissioner's performance.

If it is helpful, I would add that although we have not discussed performance matters as such as a Committee, I did not sense from the questions explored by Members any major concerns in this respect.

You may also be interested to note that, although not funded by the SPCB or appointed by Parliament as such, we also plan to hear from the Police, Investigations and Review Commissioner in the New Year on her annual report.

I hope this is helpful background information. I wish your Committee well in your ongoing work in this area.

Yours sincerely,

Audrey Nicoll MSP
Convener



The Scottish Parliament
Pàrlamaid na h-Alba

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: localgov.committee@parliament.scot. 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 [seventeen responses](#) 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

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



The Scottish Parliament
Pàrlamaid na h-Alba

Standards, Procedures and Public Appointments Committee

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee

7 January 2025

Dear Kenneth,

Scrutiny of SPCB Supported Bodies

Thank you for your letter in relation to scrutiny of SPCB-supported bodies.

The Committee is responsible for matters relating to the conduct of MSPs and matters relating to public appointments. As such, the Ethical Standards Commissioner for Scotland falls within the SPPA Committee's remit. The Ethical Standards Commissioner is also responsible for consideration of complaints against councillors and members of the boards of devolved public bodies and reports on these matters to the Standards Commission for Scotland (which is also supported by the SPCB). Scrutiny of the Ethical Standards Commissioner in respect of matters within the responsibility of the Standards Commission for Scotland fall within the remit of the Local Government, Housing and Planning Committee.

The Scottish Information Commissioner also falls within the Committee's remit due to Freedom of Information falling within the responsibilities of the Minister for Parliamentary Business.

The Committee's approach to scrutiny of the Scottish Information Commissioner and the Ethical Standards Commissioner has focused on annual evidence sessions, based on the annual report and accounts of each office, plus other performance reports, such as from Audit Scotland, and scrutiny of any strategic plans laid before the Parliament. These evidence sessions have usually taken place in the first quarter of the calendar year, after the process for budgets being submitted to and discussed with the SPCB. The Committee most recently took evidence from the Scottish Information Commissioner in February 2024 and from the Ethical Standards Commissioner in March 2024. Evidence sessions in which the Committee will scrutinise the most recent annual reports and accounts of both the Ethical Standards Commissioner and the Scottish Information Commissioner are currently being arranged.

There have been particular challenges for the Ethical Standards Commissioner's office during this session but the Committee is content, through its annual evidence sessions, that the current Commissioner has sought to address these challenges and that the performance of the Commissioner's functions has improved.

The Committee is content that its current approach to scrutiny strikes the right balance of ensuring scrutiny of the relevant officeholders while also enabling the Committee to fulfil its other functions and responsibilities.

Contact: Standards, Procedures and Public Appointments Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email SPPA.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

I hope this is helpful.

Your sincerely,

Martin Whitfield MSP
Convener



The Scottish Parliament
Pàrlamaid na h-Alba

Equalities, Human Rights and Civil Justice Committee

Kenneth Gibson MSP
Convener
Finance and Public Administration Committee

8 January 2025

Dear Kenneth

Scrutiny of SPCB supported bodies

Thank you for your letter of 13 November 2024 seeking the Committee's views on how SPCB-supported bodies fulfil their functions. Specifically, the SPCB-supported body that falls under the Equalities, Human Rights and Civil Justice Committee's remit is the Scottish Human Rights Commission (SHRC).

You sought clarification, generally, of any work this Committee has undertaken in relation to scrutiny of the officeholder's budget, annual accounts and strategic plan, as well as future plans for any such scrutiny.

In general, the Committee holds an annual evidence session with the SHRC. The two most recent in this parliamentary session were held on [6 December 2022](#) and [16 January 2024](#). The Committee will be holding its session this year on 14 January.

Historically, these sessions are held after the SHRC has published its annual report and are an opportunity for the Committee to scrutinise the Commission informed by that report. Areas covered during the sessions have included: the SHRC's strategic priorities; annual accounts; budget for staffing and resources; powers and functions of the SHRC; monitoring of the SHRC's performance; the SHRC's work programme and priorities for the year.

It should be noted that the Committee also hears from the SHRC in the course of its inquiries and scrutiny of legislation, but this is about obtaining its views rather than holding it to account.

We note that during the course of your Committee's inquiry into Scotland's Commissioner Landscape, some Commissioners told you they would welcome more opportunities to give evidence to committees on their performance and that a significant number of witnesses felt that parliamentary scrutiny should be enhanced with a focus on delivery of outcomes. This is something that the Committee will be interested in reflecting on.

Contact: Equalities, Human Rights and Civil Justice Committee, The Scottish Parliament, Edinburgh, EH99 1SP.
Email EHRCJ.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

I look forward to following your ongoing work in this area closely as well as that of the newly established SPCB Supported Bodies Landscape Review Committee and drawing on that as we look ahead to future scrutiny of the SHRC.

Yours sincerely

Karen Adam MSP
Convener