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| Title | Review of Members' Staff Cost Provision | | |
| PM | N/a | | |
| SRO | Michelle Hegarty | | |
| Governance Category | Delivery Plan | | |
| Author | Michelle Hegarty | Version | 1.0 |

Project Delivery Summary

The SPCB undertook a review of the Reimbursement of Members' Expenses Scheme in 2019-20 to ensure it was fit for purpose in Session 6. A key recommendation from that work was to review the level of Staff Cost Provision (SCP) provided by the Scheme to support Members in carrying out their role. In April 2020, the SPCB commissioned an internal review by officials, with any agreed revisions to be approved by the Parliament and be effective from the start of Session 6.

A small working group was established, comprising representatives from Allowances, Chief Executive's Office, Finance, HR and SPICe. The Group was led by the Deputy Chief Executive who was accountable for shaping and determining final recommendations to SPCB.

To fully inform the Review, a discovery phase was completed. A variety of data collection tools, methods and techniques were utilised to gather data and other forms of evidence. This included: Members' Staff Online Survey (developed in consultation with Members' Staff Forum); individual interviews with Members and Members' staff; and statistical analysis including data on changes in parliamentary business, benchmarking and comparative research with other legislatures relating to pay structure, Group pools, training and development and recruitment advertising. Note, other public and charity sector organisations were included in the pay structure review. The breadth of research provided strong data to allow proper consideration of the viability of emerging themes and recommended changes to the Scheme. Financial modelling was carried out including an impact analysis based on different scenarios and the proposed recommendations.

Regular reports, both oral and written, were provided during the Review to the SPCB. With an interim report detailing findings and emerging recommendations discussed at the SPCB planning day in September 2020 to help arrive at some in principle decisions before finalising recommendations. The SPCB approved the [Final SCP Review Report](#) and its recommendations on 3 December 2020, with communications issued to Members on 10 December 2020.

The 2021-22 SPCB budget bid incorporated the financial resourcing requirements of the recommendations and presented to the Finance & Constitution Committee in January 2021. A resolution of Parliament to change the Scheme so that changes can be implemented from the start of Session 6 was passed on 2 March 2021.

Review of the Objectives

| Objective | Outcome | Achieved |
|---|--|------------|
| <p>The scope of the Review will include identification of the new pressures on Members in terms of legislative powers and on constituency work and how this translates in the appropriate number and categories of support staff.</p> | <p>From the discovery phase, there was clear evidence to support an increasing pressure on existing Member staffing support which bears out feedback in the wider Expenses' Review. The review reflected the actual impact of additional powers and wider representative needs. It is reasonable to assume that casework levels will remain under pressure especially throughout the pandemic and in its aftermath. Additional parliamentary business is also anticipated in Session 6 as the UK exits the EU.</p> <p>Based on the analysis, it was recommended and agreed that Members would benefit from additional support to the equivalent to one FTE member of staff, with the Caseworker role being deemed to be the best basis for calculating the increase in SCP.</p> <p>The SPCB resource implications were:</p> <ul style="list-style-type: none"> • A revised SCP of £133,200* per Member *for 2021-22 after indexation. • £5,400,000 for full year additional SCP • Up to £500,000 on costs in year 1 to the Parliamentary Service to support any additional staff and provide kit and licences | <p>Yes</p> |
| <p>Review of salary bands, high level job descriptions and job titles to ensure fit for purpose.</p> | <p>Based on the market analysis, a more flexible structure was proposed and agreed to consolidate existing pay ranges into fewer levels with wider salary ranges. This will ensure the ranges are competitive in the market and in line with other legislature comparators.</p> <p>It was recommended and agreed that the HR Office will assist Members to put in place job descriptions commensurable with the rate of pay for the role. This will ensure Members are paying their staff consistently and fairly for the work they do in a given role while reducing the risk of an equal pay issue. The Scheme will be amended to make it clear that staff paid through the Scheme must be employed within the pay ranges and job families.</p> | <p>Yes</p> |

| Objective | Outcome | Achieved |
|---|--|----------|
| | This should enable Members, working with HR support, to have greater flexibility in developing roles and setting pay. It remains a matter for individual Members how they use the SCP to meet their staffing requirements. | |
| Consideration of the merits/demerits of introducing pay progression within pay scales. | This was considered. Generally, Members' staff are paid at a spot rate with no pay progression based on time served or experience gained. This remains the same. | Yes |
| Consideration of the merits/demerits of a funding mechanism for support staff costs and incidental expenses funding options for parliamentary group party pools. | Based on desk based analysis, it was considered that the existing arrangements for Group Pools provide a flexibility in terms of funding for each of the parties, which best supports their needs and at this time is the most cost-effective approach. As such it was recommended and agreed that there is to be no change to the Group Pool arrangements. | Yes |
| Consideration of how effectively HR support for Members on staffing matters (e.g. recruitment, training) is operating and bring forward any recommendations, if required, ahead of Session 6. | <p>Based on the feedback and analysis, it was identified that more could be done to improve support to Members with recruitment and staff development. In addition, a more cost effective and efficient approach could be adopted through more centralised support for Members.</p> <p>It was recommended and agreed that the HR Office will provide further support with recruitment and publish online adverts on behalf of Members backed up by the Work4MSPs twitter feed. This is a more effective and efficient approach as greater reach for vacancies can be achieved using the Parliament's social media channels. Accordingly, the HR Office's delegated authority to approve recruitment advertising was agreed to be set at £500 per Member <i>per annum (including VAT)</i> - more reflective of actual spend.</p> <p>It was recommended and agreed that a centrally managed budget, out with the Members' Expenses Scheme, is established at each budgeting round to design and deliver training for Members' staff. It was also agreed that HR will retain delegated authority at a set limit of £500 per Member per annum to support Members' staff in meeting any job specific training needs, for example, attending seminars and conferences.</p> | Yes |

Outputs (Products/Deliverables)

| Products / Deliverable Description | Original Target Completion Date | Actual Completion Date | Comments |
|---|---------------------------------|------------------------|--|
| SPCB agreed remit of SCP Review | May 2020 | 30 Apr 2020 | |
| SPCB Interim Report | Sep 2020 | 17 Sep 2020 | |
| SPCB Draft SCP Review Report | Oct 2020 | 29 Oct 2020 | |
| SPCB approved Final SCP Review Report | Nov 2020 | 3 Dec 2020 | SPCB considered the Report at their meetings on 29 October, 12 & 26 November and approved the Review Report on 3 December 2020 in conjunction with the SPCB's overall budget for 2021-22 |
| Publication & Communication to Members | | 10 Dec 2020 | |
| Resolution of Parliament to change the Scheme | Mar 2021 | 2 Mar 2021 | |

Resources & Financial Summary

There are no financial resource implications from the delivery of the Project itself. Though a challenging timescale, especially given other business pressures, and the imminent SPCB budget process, the review was successfully completed within existing staff resourcing to meet the various sign off, SPCB budgetary and parliamentary timescales.

The 2021-22 budget bid process reflected the agreed recommendations and wider costs for other SPCB support budgets. This included:

| Recommendation | Cost Basis | Estimated cost |
|-------------------|---|--|
| Increase in 1 FTE | Based on one FTE member of staff (additional one headcount) per Member - resulted in a revised SCP of £133,200* per Member *for 2021-22 after indexation | £5,400,000 for full year additional SCP Up to £500,000 on costs in year 1 to the Parliamentary Service to support any additional staff and provide kit and licences |

| Recommendation | Cost Basis | Estimated cost |
|--|---|-----------------------|
| Increase in pay scale minimum | Cost impact for increasing the scale minimum. Estimated to impact 88 staff currently employed by Members | £48,000 for full year |
| Establishing a centrally managed training budget | Costs will be met from a transfer within the wider Members Expenses' Scheme budget so cost neutral on budget. | £40,000 for full year |

Forward Actions

Implementation of the changes to the Scheme will be managed by the relevant business areas:

| Area | Description | Owner | Status | Delivery Date |
|--|--|---------------|-----------|----------------------------------|
| Financial Governance Group – Allowances Office | Scheme wording has been updated and published as part of the Resolution of Parliament. The new Scheme & Guidance will be published for the start of the new session. | Mairi Pearson | In action | By 6 May 2021 |
| Financial Governance Group – Allowances Office | SPCB to review the Office Cost Provision as part of the budget process for 2022-23 to see if the increase in SCP impacts on this provision. Note, the full impact of the changes cannot be quantified until Members employ staff after the election and organise a suitable office. Also, it is difficult to ascertain the medium to longer term impact of the pandemic on home/office working. | Mairi Pearson | Paused | Initial assessment November 2021 |
| People & Culture – HR Office | Make adjustments/put in place both resources & operational arrangements (processes, procedures, guidance) to deliver the agreed additional support to Members relating to: <ul style="list-style-type: none"> Assisting Members put in place job descriptions commensurable with the rate of pay for the role. Including providing advice on matters of equal pay. Providing further support with recruitment and publishing online adverts on behalf of Members backed up by the Work4MSPs twitter feed. Changing the delegated authority to approve recruitment advertising to £500 per Member per annum (including VAT); and £500 per Member per | Lorna Foreman | In action | 6 May 2021 |

| | | | | |
|--|--|--|--|--|
| | <p>annum to support Members’ staff in meeting any job specific training needs, for example, attending seminars and conferences.</p> <ul style="list-style-type: none"> • Implementing the centrally managed Members’ staff training budget (out with the Scheme); design and deliver training etc. <p><i>Note, where appropriate separate EQIAs will be carried out at operational level when implementing recommendations.</i></p> | | | |
|--|--|--|--|--|

Post Implementation Review

As mentioned in the Forward Actions the SPCB are to review the Office Cost Provision as part of the budget process for 2022-23 to see if the increase in SCP impacts on this provision.

A sessional review of the Members’ Expenses Scheme (including the Staff Cost Provision) will be carried out by the SPCB in collaboration with Allowances, Payroll, Finance and HR towards the end of Session 6.

Points to note:

- If the SPCB determines that a review of Short Monies is required and any wider review of party funding, due to linkages with the Group Pools a further reassessment would be required at that stage.
- An issue highlighted by Members who have represented both a constituency and region was the difference in workloads and this was reflected in recent research published in 2020 [[Dr Gill, The Scottish Parliament's casework service: understanding the hidden work of MSPs](#)]. Such issues were not within the scope of this Review which focused in the Parliament’s current democratic set up. Should there be any future change to the constituency and regional determination, this would inform any required change to the Scheme.

Lessons Learned

Please refer to Annex A

Annex A – Lessons Learned

| Strength/Weakness | Lesson Learned | Next Time |
|---|---|---|
| Planning | | |
| <p>Strength: Although a challenging timeframe this did not detract from the professionalism of approach or the quality of the outcome.</p> <p><i>Note, additional operational pressures resulting from Covid-19 placed a further pressure on the Group.</i></p> | <ul style="list-style-type: none"> • Good approach to conduct SCP & MES Reviews separately and that the SCP followed the MES Review. This ensured sufficient focus and attention was given to each of the Reviews based on their different natures e.g. running vs resourcing Members offices. | <ul style="list-style-type: none"> • Early communication of changes if timescales are brought forward. |
| Approach | | |
| <p>Strength: HR undertaking a pay benchmarking review against other legislatures, public and charity sector organisations.</p> | <ul style="list-style-type: none"> • The importance of undertaking a proportionate and robust pay benchmarking exercise. • As methodology for MSP staff pay ranges is based on market rate. It is considered a 5 year review of pay ranges is too infrequent. | <ul style="list-style-type: none"> • Maintain a legislature benchmarking data bank throughout the course of Session 6, which is reviewed regularly so the data is already available for the next Review. • It is recommended to take a proactive approach to reviewing pay ranges and comparing against benchmarking data on a more frequent basis than every 5 years. Note, frequency to be determined and to be included within Strategic Resourcing discussions. |
| <p>Strength: Online Members' Staff Questionnaire</p> | <ul style="list-style-type: none"> • An effective method to engage with a high number of Members' staff. • Clear strength to have in-house support in SPICE. | <ul style="list-style-type: none"> • Recommend conducting a similar approach with aim to achieve equivalent (or higher) number of respondents. • Include optional diversity monitoring questionnaire in future surveys. |

| Strength/Weakness | Lesson Learned | Next Time |
|---|--|---|
| | <ul style="list-style-type: none"> • Provided core/baseline data and helped produce a framework to create job roles. The baseline data will be used to inform future HR work. • Proved essential in validating emerging themes, and, development and agreement of recommendations. | <ul style="list-style-type: none"> • HR will work to maintain a good level of engagement and activity with the MSP staffing group. |
| <p>Strength: : One-to-One Interviews with Members and Members' Staff</p> | <ul style="list-style-type: none"> • An effective method to supplement findings from online survey. • Clear strength to have in-house support in SPICe to conduct interviews and analyse feedback. • Benefited from ensuring a representative sample of Members and Members Staff were interviewed. • Proved essential in validating themes, and, development and agreement of recommendations | <ul style="list-style-type: none"> • Recommend conducting a similar approach with aim to achieve equivalent number of respondents. • Include optional diversity monitoring questionnaire in future interviews. |
| <p>Strength: SPICe research and analysis</p> <p>Weakness: There was a lack of quantitative data available</p> | <ul style="list-style-type: none"> • Provided strong data to support the recommendations. • Wealth of quantitative data was available. • Levels of casework in terms of numbers and type could not be quantified as this data is not available. This resulted in a reliance on anecdotal evidence from the online questionnaire and interviews (e.g. respondents saying they are busier). | <ul style="list-style-type: none"> • There is a need to explore how the SPCB can improve the availability of quantitative data e.g. to identify workload pressures and trends during the parliamentary session such as number and type of enquiries and casework. This may also be beneficial data for HR in identifying areas for Members staff training. |

| Strength/Weakness | Lesson Learned | Next Time |
|---|--|---|
| | | <p>Note, to work effectively a standardised approach to obtaining data from Members would need to be explored and implemented.</p> |
| Engagement | | |
| <p>Strength: Consultation with MSP Staff Forum during design stage of research & provided a feedback mechanism to inform Online Questionnaire</p> | <ul style="list-style-type: none"> • Proved beneficial in selecting the appropriate engagement method for the wider staffing group & being involved in the design process of the online questionnaire. | <ul style="list-style-type: none"> • Ensure early engagement and buy-in with MSP Staff Forum. Note, HR will continue this existing approach to engagement and work more closely with the forum, and, will regularly seek feedback from staff – this will help ensure data is maintained and up-to-date. • A balanced approach is required with an appropriate level of involvement and collaboration based on clearly defined objectives. |
| <p>Strength: Early opportunity to engage SPCB on emerging themes</p> | <ul style="list-style-type: none"> • Proved beneficial in clarifying emerging themes and recommendations, and quickened the process to meet sign off, budgetary and parliamentary timetable for the Resolution of Parliament. | <ul style="list-style-type: none"> • Recommend continuation of this approach. • Set clear expectations to SPCB on cost neutrality. |
| <p>Strength: Adopting existing approach to PO's early engagement and receiving buy-in with Party Leaders.</p> | <ul style="list-style-type: none"> • Demonstrated continued success of the approach and that the PO's role in engagement should not be underestimated. | <ul style="list-style-type: none"> • Recommend continuation of this approach to seek political buy-in with both Party Leaders and Business Managers. |
| <p>Strength: Good and early engagement on handling via key stakeholders (including MRO)</p> | <ul style="list-style-type: none"> • Proved beneficial to help shape how and when the report and recommendations were presented to Members and wider. | <ul style="list-style-type: none"> • Recommend continuation of this approach. |

| Strength/Weakness | Lesson Learned | Next Time |
|---|--|--|
| Resourcing | | |
| Strength: Small, agile, committed and collaborative group of experts with clear remit discussed and agreed at SPCB. | <ul style="list-style-type: none"> Contributed to achieving all objectives, particularly within the challenging timeframe. Dynamic as a result of challenging timeframe and subject matter. Would have benefited from earlier project support and clearly defined project roles and responsibilities. | <ul style="list-style-type: none"> From an early stage put in place project support, clearly defined project roles and responsibilities and a Project SPShare site to share and collaborate on documents. |
| Strength: Effective leadership of the Working Group | <ul style="list-style-type: none"> Resulted in achieving all objectives, particularly within the challenging timeframe. | |
| Strength: High profile SRO | <ul style="list-style-type: none"> DCE championing & leading the Review contributed to obtaining early buy-in with SPCB particularly within challenging timeframe. | <ul style="list-style-type: none"> Appoint SRO based on nature and profile of work to be undertaken. |