

Annual report and accounts 2022-23

Aithisg bhliadhnail is cunntasan 2022-23



The Scottish Parliament
Pàrlamaid na h-Alba

Scottish Parliamentary Corporate Body

Buidheann Chorporra Pàrlamaid na h-Alba

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Clerk/Chief Executive's introduction

This has been an exceptionally busy year, but - following on from Covid restrictions - one of the highlights of the year for me has been to see the Parliament fully open again. Having the public in provides a wholly different atmosphere, whether that is in people coming to view proceedings, joining tours or visiting the events and exhibitions we hold in various parts of the building. There is now far more of a buzz around the place which is only appropriate given that this is a Parliament for the people.



This reporting year saw the death of Her Majesty Queen Elizabeth II. Three days after her death, we supported a full Royal visit to the Parliament with the new King and his Queen Consort attending for a motion of Condolence in the Chamber. I would like to take this opportunity to pay tribute to those who were involved in all aspects of the planning for the Motion in such a short timescale. This was an exceptionally high-profile event for the Parliament with the eyes on the world on us.

More recently, of course, we saw Nicola Sturgeon MSP resign as First Minister after a period of over 8 years in office. For us in the Parliament it meant the election of Humza Yousaf MSP as the new First Minister and changes being made to the Ministerial team. This had a consequential effect on the membership of some of our committees, which took several weeks to work through.

The most high-profile issue for us this year in terms of parliamentary business was the passing of what proved to be a very contentious Bill; the Gender Recognition Reform (Scotland) Bill. At stage 1, the Parliament's Equalities, Human Rights and Civil Justice Committee received nearly 11,000 responses to its survey on the Bill, over 800 detailed written submissions, held 8 evidence sessions with 40 witnesses, and 4 informal, private sessions before publishing a Stage 1 report on 6 October 2022. This was a huge effort by all concerned to ensure detailed scrutiny of the Bill's provisions. The Bill came before the whole Chamber in December 2022 and after 3 consecutive days of sittings, going on as late as 1.34am on one of those days, the Bill was passed on 22 December 2022, with 86 votes in favour and 39 against.

Once a Bill is passed it would normally be the case that it becomes law after Royal Assent. On this occasion however, for the first time in the Parliament's history, the UK Government used its powers under section 35 of the Scotland Act 1998 to prohibit the Presiding Officer from submitting the Bill for Royal Assent. Section 35 gives the Secretary of State for Scotland (a member of the UK Government) the power, in certain circumstances, to effectively veto legislation passed by the Scottish Parliament, even if it deals with a devolved matter. Legal proceedings challenging the Secretary of State's use of this power have now been instigated by the Scottish Government and we await the court's considerations.

I mentioned in my opening remarks this being a Parliament for the people. The importance of public participation was recognised this year with the work of the Citizen Participation and Public Petitions Committee. Last spring, the committee launched an [inquiry](#) into how people's voices are heard in the work of the Parliament, especially when we are developing new laws or

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policies that affect them. The inquiry started with a consultation with people across Scotland. A citizens' panel of members of the public then considered the evidence and agreed several recommendations for action. The committee is now engaging with the wider Parliament to see which recommendations should be prioritised first and what action we need to take to make improvements in how we engage with people.

Under the leadership of the Presiding Officer, we also carried out a [Gender Sensitive Audit](#) looking at the barriers to equal representation and participation at the Parliament. A cross-party board was established last year to assess the findings of the audit and it published over 30 recommendations. A key recommendation was for an advisory group made up of Members and external experts to be established to oversee the implementation of the recommendations and to ensure progress continues. The report also called for a review of the unpredictability of sitting times, in order that changes be made to maximise a family-friendly working environment.

Since the beginning of the pandemic, the Parliament has met in virtual or hybrid formats with either all or some MSPs participating by means of a virtual platform. The Standards, Procedures and Public Appointments Committee produced a [report](#) in this period looking at how the procedures regulating virtual and hybrid meetings of the Parliament and committees can be improved to retain the key features of debate and allow greater participation by MSPs.

Most of the recommendations made by the committee confirm that hybrid arrangements for the Chamber and committees that provide for Members and witnesses to participate remotely should continue. This also has benefits for witnesses who live some distance from the Parliament who can now dial in remotely if they wish to provide evidence to committees, mitigating logistical and financial burdens associated with travelling to Holyrood.

The report also looked at a proxy voting system that would allow a Member, in certain circumstances, for example, in relation to parental leave or illness, to nominate another Member to vote on their behalf. We are now in a trial period of 12 months with a full evaluation of the process before consideration of whether the move becomes permanent.

As an organisation we are moving to more flexible working by our staff, always with the caveat that the needs of the business to support the Parliament and Members comes first. We have introduced more flexible workspaces within the Parliament to increase efficiency in our use of space and utilities. There will, of course, be environmental advantages to this to help us meet our climate change targets. Also this year, we have started work on one of our most significant capital projects to replace our Building Energy Management System.

One thing that is not widely known about us is that our management board, the Scottish Parliamentary Corporate Body (SPCB), supports and funds a number of [officeholders](#) who deliver services to the public such as the Scottish Public Services Ombudsman and Scottish Information Commissioner. These bodies make up around 14% of the SPCB's budget. This year there has been greater interaction with a number of committees about the governance arrangements in place to support these offices. The SPCB has worked and continues to work closely with both the officeholders and with parliamentary committees to ensure that there is a proper structure in place to meet the needs of oversight of these bodies while respecting their statutory independence.

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While this year has been busy and varied, I do not see any let up this coming year, but I know I have the support of a hugely professional, dedicated and committed group of staff to help us deliver our goals and meet the challenges of running and improving the Parliament. I cannot thank them enough for all that they do on a daily basis.

David McGill

David McGill
Clerk/Chief Executive

21 September 2023

Ro-ràdh a' Chlàirc/a' Cheannaird

Tha bliadhna air leth trang air a bhith ann – a' leantainn air adhart bho chuingealachaidhean Covid – b' e aon de na rudan a b' fheàrr leam fhìn sa bhliadhna a bhith a' faicinn na Pàrlamaid fosgailte gu lèir a-rithist. Tha faireachdainn gu tur diofraichte ann nuair a bhios am poball a-staigh, co-dhiù as e sin daoine a' tighinn a choimhead air gnòthaichean pàrlamaideach, a' dol air tursan no a' tadhal air na tachartasan is taisbeanaidhean a bhios sinn a' cumail ann an diofar àrainnean den togalach. Tha barrachd togail-inntinn buileach mun àite a-nis, rud nach eil ach iomchaidh seach gur e Pàrlamaid airson nan daoine a th' innte.



Sa bhliadhna aithris seo chaochail A Mòrachd A' Bhanrigh Ealasaid a Dhà. Trì latha an dèidh a bàis, chuir sinn taic ri làn turas Rìoghail don Phàrlamaid leis an Rìgh ùr agus a Bhanrigh-chèile an làthair airson Gluasad-bròin anns an t-Seòmar. Bu mhath leam an cothrom seo a ghabhail moladh a thoirt don fheadhainn a bha an sàs anns a h-uile taobh den phlanadh airson a' Ghluasaid ann an ùine cho goirid. B' e tachartas aig àrd-ìre dha-rìribh a bha seo don Phàrlamaid le sùilean an t-saoghail oirnn.

Na bu ghiorra air ais, chunnaic sinn Nicola Sturgeon BPA a' leigeil dhìth a dreuchd mar am Prìomh Mhinistear an dèidh còrr is 8 bliadhna anns an dreuchd. Dhuinne sa Phàrlamaid bha e a' ciallachadh taghadh Humza Yousaf BPA mar am Prìomh Mhinistear ùr agus atharrachaidhean gan dèanamh air sgioba nam Ministearan. Thug seo buaidh an dèidh làimhe air ballrachd cuid de na comataidhean againn, rud a ghabh grunn sheachdainean ri rèiteachadh.

B' e an cuspair leis a' phròifil a b' àirde dhuinn am-bliadhna a thaobh gnothach na Pàrlamaid gabhail ri Bile a dh'fhàs gu math connspaideach: Bile Ath-leasachadh Aithneachaidh Gnè (Alba). Aig ìre 1, fhuair Comataidh Co-ionannachd, Chòraichean Daonna agus Ceartais Sòisealta na Pàrlamaid cha mhòr 11,000 freagairtean air an t-suirbhidh aice mun Bhile, còrr is 800 de bheachdan sgrìobhte mionaideach, chùm i 8 seiseanan-fianaise le 40 luchd-fianaise, agus 4 seiseanan prìobhaideach neo-fhoirmeil mus do dh'fhoillsich i aithisg aig ìre 1 air 6 Dàmhair 2022. Bha seo na oidhirp mhòr leis na h-uile duine a bha an sàs gus sgrùdadh mionaideach a dhèanamh air ullachaidhean a' Bhile. Thàinig am Bile air beulaibh an t-Seòmair gu lèir san Dùbhlachd 2022 agus an dèidh trì latha an dèidh a chèile de shuidhe, a' dol air adhart cho anmoch ri 1.34m air aon de na làithean sin, chaidh am Bile aontachadh air 22 Dùbhlachd 2022, le 86 bhòtaichean air a shon agus 39 na aghaidh.

Aon uair is gu bheilear air Bile aontachadh rachadh e na lagh an dèidh Aonta Rìoghail mar a b' àbhaist. An turas seo, ge-tà, airson a' chiad uair ann an eachdraidh na Pàrlamaid, rinn Riaghaltas na RA feum de na cumhachdan aige fo earrann 35 de dh'Àchd na h-Alba 1998 gus bacadh a chur air an Oifigear Riaghlaidh bho bhith a' cur a' Bhile a-steach airson Aonta Rìoghail. Tha Earrann 35 a' toirt a' chumhachd, ann an cuid a shuidheachaidhean, do Rùnaire na Stàite airson na h-Alba (a tha na bhall de Riaghaltas na RA), gus veto a dhèanamh air reachdas ris an do ghabh Pàrlamaid na h-Alba, fiù 's ged a bhiodh e a' gabhail gnothach ri cùis thiomnaichte. Tha Riaghaltas na h-Alba a-nis air cùis lagha a thòiseachadh a tha a' toirt

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dùbhlán air mar a chleachd Rùnaire na Stàite an cumhachd seo agus tha sinn a' feitheamh ri beachdan na cùirte.

Dh'ainmich mi aig an toiseach gu bheil seo na Pàrlamaid airson nan daoine. Chaidh cho-cudromach 's a tha com-pàirtachadh poblach aithneachadh am-bliadhna le obair Comataidh Com-pàirteachadh Saoranaich agus Athchuingean Poblach. As t-earrach a chaidh, chuir a' chomataidh [rannsachadh](#) air bhog air mar a chluinnear guthan dhaoine ann an obair na Pàrlamaid, gu sònraichte nuair a bhios sinn a' cruthachadh laghan no phoileasaidhean ùra a bhios a' bualadh orra. Thòisich an rannsachadh le co-chomhairleachadh le daoine air feadh na h-Alba. Ghabh pannal dhaoine beachd air an fhianais an uair sin agus dh'aontaich iad grunn mholaidhean rin cur an gnìomh. Tha am pannal a' dèanamh ceangal a-nis ris a' Phàrlamaid anns an fharsaingeachd feuch dè na molaidhean dham bu chòir prìomhachas a thoirt an toiseach agus dè na gnìomhan a dh'fheumas sinn gabhail gus leasachaidhean a thoirt air mar a nì sinn ceangal ri daoine.

Fo cheannas an Oifigeir Riaghlaidh, rinn sinn [Sgrùdadh Gnè-mhothaicheil](#) cuideachd, a' sealltainn air na bacaidhean air riochdachadh is com-pàirteachadh co-ionann aig a' Phàrlamaid. Chaidh bòrd tar-phàrtaidh a stèidheachadh gus toraidhean an sgrùdaidh a mheas agus dh'fhoillsich e còrr is 30 molaidhean. B' e moladh bunaiteach gun rachadh buidheann-comhairleachaidh air a dhèanamh suas de Bhuill agus de dh'èolaichean bhon taobh a-muigh a stèidheachadh gus sùil a chumail air cur an gnìomh nam molaidhean agus gus a dhèanamh cinnteach gun lean an t-adhartas. Dh'iarr an aithisg ath-bhreithneachadh cuideachd air caochlaideachd nan amannan-suidhe, gus an gabh atharrachaidhean dèanamh gus am bi an àrainneachd-obrach cho taiceil ri teaghlaichean 's a ghabhas.

Bho thùs a' ghalair-sgaoilte tha a' Phàrlamaid air coinneachadh ann an riochdan mas-fhìor no measgaichte leis an dara cuid na Buill uile no cuid de na Buill an sàs tro àrd-ùrlar mas-fhìor. Rinn Comataidh Inbhean, Dòighean-obrach agus Dhreuchdan Poblach [aithisg](#) aig an àm seo a' sealltainn air mar a ghabhas na modhan a' riaghladh choinneamhan mas-fhìor is measgaichte a leasachadh gus mìrean bunaiteach de dheasbad a ghleidheadh agus leigeil le barrachd com-pàirteachaidh leis na Buill.

Tha a' chuid as motha de na molaidhean a rinn a' chomataidh a' daingneachadh gum bu chòir gun leanadh ullachaidhean measgaichte airson an t-Seòmair agus nan comataidhean a chuireas air chomas do na Buill agus do luchd-fianaise pàirt a ghabhail air astar. Tha seo a' toirt bhuannachdan do luchd-fianaise cuideachd a tha a' fuireach astar nach beag bhon Phàrlamaid a dh'fhaodas tighinn a-steach air astar ma thogras iad gus fianais a thoirt do chomataidhean, a' lùghdachadh bhacaidhean a thaobh logastachd is ionmhais an lùib siubhal gu Taigh an Ròid.

Sheall an aithisg cuideachd air siostam-bhòtaidh luchd-ionaid a leigeadh le Ball, ann an cuid a shuidheachaidhean, mar eisimpleir, a thaobh fòrladh pàrantach no tinneis, Ball eile ainmeachadh ri bhòtadh às an leth. Tha sinn ann an ùine-deuchainn an-dràsta de 12 mhìos le measadh làn air a' phròiseas mus tèid beachd a ghabhail am bi e ann mar ghnòthach buan.

Mar bhuidheann tha sinn a' gluasad gu obrachadh nas sùbailte leis an luchd-obrach againn, mothachail an-còmhnaidh gum feum riatanasan a' ghnòthaich gus taic a chumail ris a' Phàrlamaid agus ris na Buill tighinn an toiseach. Tha sinn air àiteachan-obrach nas sùbailte a thoirt a-steach sa Phàrlamaid gus cur ri èifeachdalachd ann an cleachdadh nan àiteachan is nan goireasan againn. Bidh buannachdan a thaobh na h-àrainneachd an lùib seo, gun

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teagamh, gus cuideachadh rinn gus na targaidean againn mu atharrachadh na gnàth-shìde a thoirt gu buil. Cuideachd am-bliadhna, tha sinn air tòiseachadh air obair air aon de na pròiseactan calpa as cudromaiche againn gus siostam ùr a chur an àite Siostam Rianachd Lùth an Togalaich.

Aon rud air nach eil fios farsaing mar deidhinn is e gu bheil am bòrd-rianachd againn, Buidheann Chorporra Pàrlamaid na h-Alba (SPCB) a' cur taic is a' maoineachadh grunn [dhreuchdan](#) a bhios a' libhrigeadh sheirbheisean dhan phoball leithid Ombudsman Sheirbheisean Poblach na h-Alba agus Coimiseanair Fiosrachaidh na h-Alba. Tha na buidhnean seo a' dèanamh suas mu 14% de bhuidseat SPCB. Am-bliadhna tha barrachd cheanglaichean air a bhith ri caochladh chomataidhean mu na h-ullachaidhean mu riaghladh a th' ann gus taic a chur ris na h-oifisean seo. Tha an SPCB air a bhith ag obair agus tha e ag obair fhathast gu dlùth ris an dà oifis seo agus le comataidhean pàrlamaideach gus a dhèanamh cinnteach gu bheil structar ceart ann gus na feumalachdan a thaobh stiùireadh nam buidhnean seo a chòileanadh fhad 's a thathar a' gabhail spèis dhan neo-eisimeileachd reachdail aca.

Ged a tha a' bhliadhna seo air a bhith trang is eugsamhail, chan fhaic mi lasachadh sam bith sa bhliadhna romhainn, ach tha fios agam gu bheil taic luchd-obrach agam a tha gu math proifeasanta, dìcheallach is dealasach ri cuideachadh rinn gus na h-amasan againn a libhrigeadh agus an gnothach a dhèanamh air na dùbhlain a thaobh ruith is leasachadh na Pàrlamaid agus cha phàigh mo thaing iad airson a h-uile rud a bhios iad a' dèanamh bho latha gu latha.

David McGill

Dàibhidh McGill
Clàrc/Ceannard

21 September 2023

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Performance overview

The performance report is designed to provide an overview of the Scottish Parliamentary Corporate Body and its performance during 2022-23.

About us

Scottish Parliamentary Corporate Body

The Scottish Parliamentary Corporate Body (SPCB) was established in May 1999 under Section 21 of The Scotland Act 1998 (the Act). The SPCB comprises the Presiding Officer and four other members of the Scottish Parliament elected by the Parliament. The SPCB has appointed a Clerk (who is also the Chief Executive) in accordance with Section 20 of the Act, and other staff of the Parliament. As set out in The Scotland Act 1998, funding for the SPCB is payable out of the Scottish Consolidated Fund. The SPCB is independent of the Scottish Government.

The SPCB considers and makes decisions on a wide range of issues to do with the running of the Parliament, allocation of budget, staffing, accommodation and the use and security of facilities at Holyrood.

Information on the membership of SPCB and Leadership Team (LT) is contained within the Report of the Corporate Body on pages 27-28.

What we do

The Parliament exists to represent the people of Scotland by debating issues of national importance, passing legislation and holding the Scottish Government to account.

The SPCB has a duty to provide the Parliament, or ensure the Parliament is provided, with the property, staff and services required for this purpose. The Parliament may also give general or specific directions for the purpose of, or in connection with, the SPCB's functions.

The SPCB provides the infrastructure (including the Holyrood Building), pays the salaries of Members and reimburses the expenses which enable them to undertake their duties both at the Parliament and in their local offices. It provides the facilities and staff (Scottish Parliamentary Service (SPS)) to allow the Parliament and its Committees to meet and to encourage public awareness of and engagement with the parliamentary process.

Our strategy

Our [Strategic Plan](#) for Session 6, which is available on our website, sets out the strategic priorities for the organisation until 2026, and how our staff will support the Parliament in the successful delivery of its purpose, vision and mission.

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Delivering excellence in our parliamentary services



Providing Members with high quality support and resources to allow them to excel in their roles as parliamentarians and representatives



Delivering democratic accountability through effective scrutiny and debate



Encouraging public involvement in our work through welcoming and inclusive facilities and services



Providing the Parliament with efficient, high quality and effective corporate services and governance



Promoting a respectful and inclusive working environment that inspires excellence, where people and performance thrive

Strategic change objectives

We must continue to adapt and change to improve how we deliver the services that our Members and the people of Scotland need. This will enable us to overcome the challenges ahead. We have identified 4 strategic change objectives for Session 6:



A dynamic, modern parliamentary democracy

We will develop a modern, dynamic parliamentary democracy through enhancing the scrutiny function of Parliament, including promoting citizen participation, to enable our legislature and its Members to perform their constitutional role. In doing so, we will help strengthen the authority of Parliament and improve its reputation as a relevant and trusted institution.



Adapting for a sustainable future

We will learn from our pandemic response to imaginatively shape the future of how we will adapt and support Members in how they work, create a more diverse, hybrid workforce supported by smarter use of our workspaces and technologies. In so doing, we will embed sustainability and deliver on our ambitious climate change goals.



A values-driven culture

We will develop a culture that brings us together around our vision and values, creating a clear sense of connection, and allowing us to excel in all that we do.



Operational excellence

To excel in our unique role as a parliamentary service, we will ensure our longer-term financial stability by strengthening our financial planning and decision making. We will drive end-to-end efficiency and effectiveness in our structures, systems and processes, and enable flexible deployment of our staff.

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Delivery Plan

The Delivery Plan contains the activities that allow us to make the Strategic Plan a reality. It describes in more detail how we aim to meet our priorities and allows us to monitor progress towards them. During 2022-23, these were delivered through a combination of core service provision and projects.

A key component of strong governance arrangements for strategic planning is regular updating and refreshing of implementation plans. The Delivery Plan for 2022-23 was substantially updated to be in line with our Session 6 strategy. The plan now contains both our Key Performance Indicators for delivering excellent parliamentary services as well as the various activities that will begin to deliver on the vision and objectives of the Session 6 strategy. The Delivery Plan was approved by our Leadership Team in June 2022 then updated at each quarterly review in line with our performance reporting methodology. This seeks to ensure that plans consider changing circumstances around capacity and prioritisation to ensure best use of our resources.

The Performance Analysis section includes more detailed information on our key achievements during 2022-23 (pages 16-26).

Principal risks and uncertainties

The SPCB continues to identify and manage the principal risks to our strategic aims, goals and priorities, and the controls and actions that have been designed to mitigate against these risks occurring.

As at 31 March 2023, the Strategic Risk Register included eight principal high-level risks that may act as barriers to the successful delivery of the aims of the Scottish Parliament should they occur. This is down from ten the previous year due to our Covid-19 adaptations now being embedded into the routine operation of the Parliament.

We are currently re-assessing our principal risks to ensure that appropriate attention is paid to risks that might arise from our Strategic, Delivery and Office Plans; major programmes and projects; and other known and emerging business priorities such as our approach to sustainable development and business continuity high impact risks.

This re-assessment will also focus more on how and when we will deliver the actions needed to achieve our target risk assessment i.e. the assessment of both likelihood and impact that the Leadership Team deems tolerable; we will also aim to present risk information together, rather than looking at each risk individually, to ensure that we better prioritise organisational effort and can take an overall view on the relative impact each risk would have if it were to occur.

At 31 March 2023, three of the nine principal risks sit above the acceptable risk score set by LT.

These risks are:

- Significant security breach
- The SPS failing to demonstrate its culture and values
- Non-compliance with statutory, regulatory, and/or other organisational requirements.

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If these risks persist, as described, after we complete our review and re-assessment, plans will be developed to further mitigate the impacts if any of the risks were to occur. This approach will also be used for any new principal risks identified during the review. More information on the SPCB's approach to risk can be found in the Governance Statement later in the document.

Indication of likely future developments

We know we must meet the challenge of the climate emergency and potential public sector budgetary pressures in the years to come. We also know that there are opportunities to strengthen the role of Parliament through enhancing scrutiny, including promoting citizen participation in the work of the Parliament.

Key developments into 2023-24 include embedding our approach to New Ways of Working and establishing our 'route map' to net zero. This includes the replacement of the building energy management system at Holyrood, which is a key foundation for future work. We are also taking forward projects to ensure our systems and processes effectively and efficiently support our work. This includes starting work to replace some of our core corporate systems, such as finance, human resources and payroll.

A refresh of our Delivery Plan was completed in June 2023. This took into account new emerging demands and findings from our initial development work on delivery milestones, and, provided assurance we are on track to deliver the core objectives of the Session 6 strategy.

Sustainable Development

The SPCB is committed to embedding Sustainable Development throughout the organisation and seeks to improve its environmental performance year on year.

The Scottish Parliament's Sustainable Development mission is to meet the Scottish Parliament vision (making a positive difference to the lives of the people in Scotland), through ambition and commitment in our response to the climate emergency, and innovation in Sustainable Development to support our goals as a Parliament.

We will achieve this mission through three interconnected pillars;

1. Climate Change mitigation and adaptation
2. Scrutiny using sustainable development impact assessment
3. Engagement and Embedding Sustainable Development thinking in all of our work

We engage our staff through an employee network on Sustainable Development called the Sustain Network. This group collaborates on climate change issues and other sustainable development initiatives.

The Parliament's Environmental Management System was successfully audited and re-certified to ISO 14001:2015 in January 2023. Further information on environmental management at the Parliament can be found on the Scottish Parliament's website.

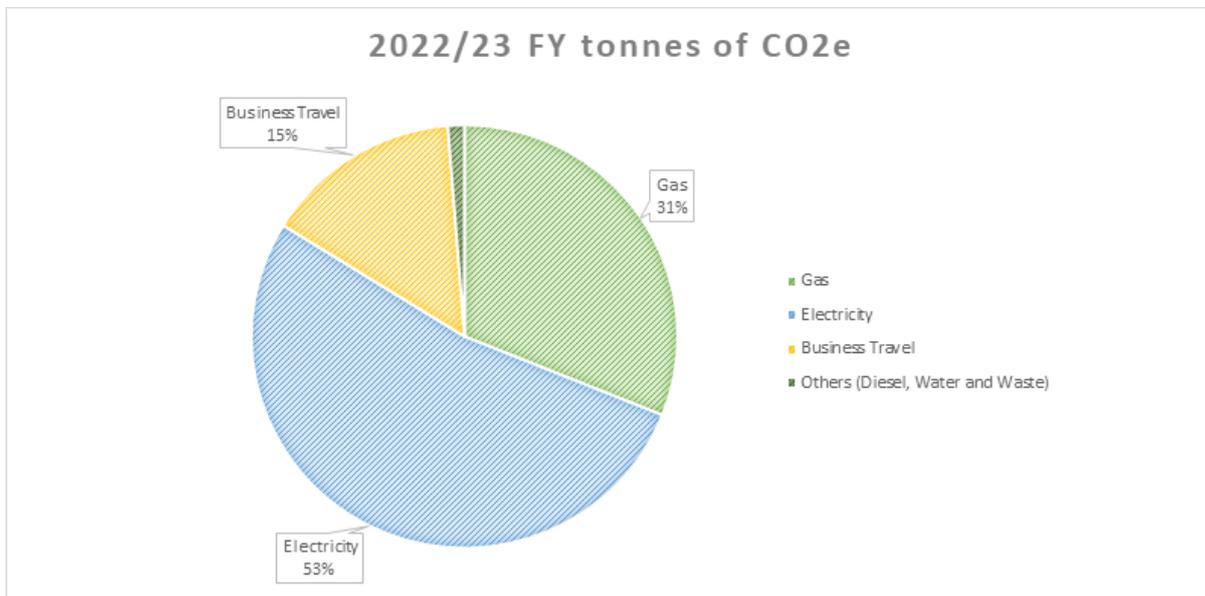
The changes in our operations implemented to help combat the Covid pandemic have gone a long way to reducing our carbon footprint over the last 2 years. We are now considering which

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of these measures may be beneficial to sustain in the long term as we move to a hybrid working model and what impact this will have for our carbon footprint emissions.

For 2022-23 our target was to reduce emissions by 60% from a 2005-06 baseline year. This is detailed further in our Carbon Management Plan available on our website. We have achieved a 66.5% reduction which is better than our target, and close to our 2026 end of Session 6 target of a 66% reduction. However we can now see the first increase of carbon emissions after the covid drop and need to ensure that these remain stable and do not increase.

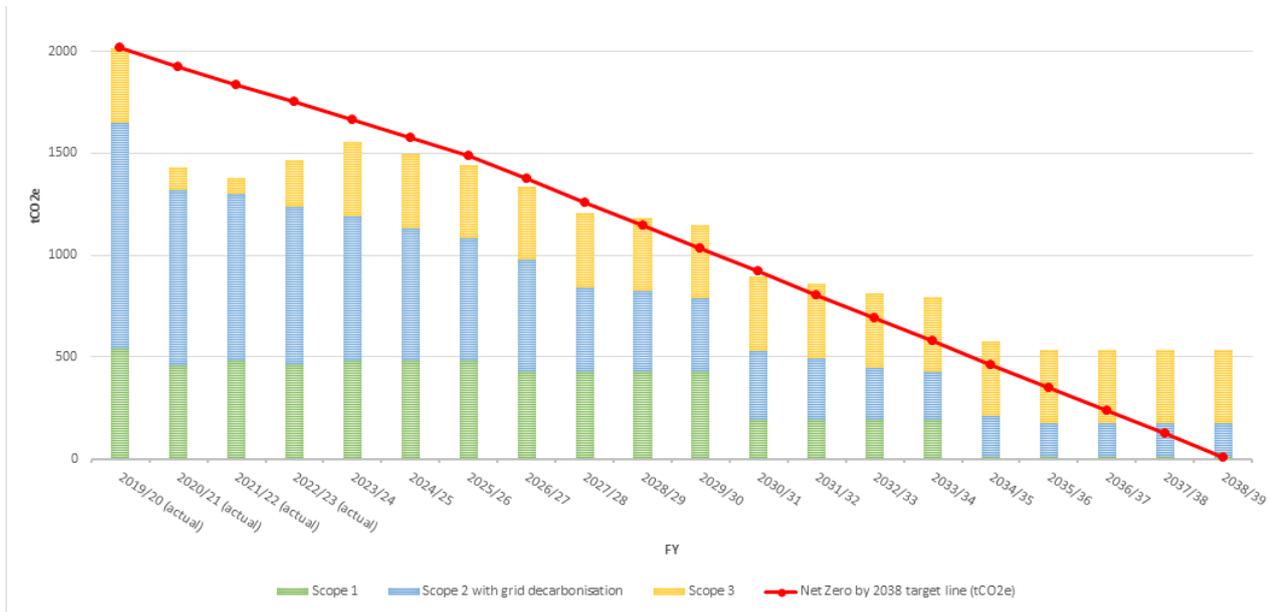
Our carbon footprint is made up from our gas, fleet vehicle, fugitive emissions and diesel for the generator (scope 1 emissions), our electricity consumption (scope 2 emissions) and our water use, waste production and business travel (scope 3 emissions). The breakdown of our emissions is shown in the pie chart and table below.



Scope	Emission Source	tonnes of CO2e	% of footprint
Scope 1	Gas	455.4142	31.07
	Diesel (FM Van)	1.3924	0.09
	Diesel (Generator)	7.0980	0.48
Scope 2	Electricity	773.1299	52.74
Scope 3	Waste to Incineration	0.3915	0.03
	Waste Recycled	1.1424	0.08
	Water Supply	3.0881	0.21
	Water Treatment (95%)	5.3554	0.37
	Business Travel	218.8400	14.93
Total		1,465.8519	100.00

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The chart below shows Net Zero by 2038 and 66% reduction target for 2026, factoring in removal of gas and decarbonisation of the electricity grid.



Note: 2022/23 figures are still subject to an internal and external verification process

Responding to the public

The SPCB encourages public awareness and engagement with the parliamentary process. One of our public engagement strategy aims is to increase the reach of the Parliament’s engagement. This is outlined in more detail in the ‘Performance Report’ section.

With Covid restrictions easing and the building returning to full opening hours in August 2022, the visitor numbers for the financial year 2022-23 (142,741) have grown since the Covid impact seen in 2021-2022 (6,878).

From September 2022 to end of March 2023, we delivered 118 sessions in the classrooms of Scotland, via our digital and outreach services, and 133 in the Parliament building.

In 2022-23 we received 5,965 public enquiries (5,698 in 2021-22) in all formats (phone, email, letters, texts and in person).

37 complaints were received in 2022-23 (17 in 2021-22) and more information on these can be found on our website including outcomes and actions taken.

Across 2022-23 followers on social media increased by 26% from the previous year. The website had a 51.2% increase in total page views and 76.1% increase in total users.

For the year 2021/22 we recorded 238 Freedom of Information (FOI) requests and responded to 250 requests over this period. For 2022/23 we recorded 319 requests of which 306 were recorded as FOI requests and 13 environmental information requests (EIRs). Over this period we responded to 305 FOI requests and 13 EIRs. The disclosure log on the SPCB’s website has FOI responses that the public are likely to find of interest.

Performance Report (Aithisg Coileanaidh)

Financial position and review of financial performance

Financial overview

In 2022-23 our outturn was £128.4m against a budget of £130.2m. The significant areas of underspend were in our members expenses budget and an underspend against the depreciation forecast.

The financial statements are published on pages 53-84 including a summary of performance against budget in note 2.

The following provides a summary from the accounts.

Revenue expenditure	Note	2022-23 (£M)	2021-22 (£M)
SPCB staff salaries	3	37.0	32.6
Travel and expenses, hospitality	5	0.6	0.1
Other accommodation costs	5	9.4	9.3
Other expenditure	5	8.7	8.0
Funding of Electoral Commission	5	2.0	2.6
Members' and Parliament	3	13.3	15.4
Officeholders' Salaries			
Members' reimbursement of expenses including financial assistance for registered political parties	5	24.4	22.9
Commissioners and Ombudsman funding	19	13.0	12.2
Operating income	6	(0.6)	(0.1)
Non-cash items			
• Depreciation	7,8	12.7	11.7
• Other e.g. pension finance cost (net), auditors remuneration	5	6.8	5.7
Net Operating Cost		127.3	120.4
Capital expenditure		1.1	3.4
Total resource	2	128.4	123.8

SPCB salaries in 2022-23 reflect the first full year of the increased FTE linked to the Strategic Resource Review although not all of these posts were filled in year. They also reflect the pay award uplift from April 2022 and the pay award uplift for 2023-24 which was backdated to February 2023.

Members salaries in 2021-22 included an element of resettlement grant (£2.3m) for members who stood down or were not returned at the May 2021 Election and severance (£0.2m) for Ministers and Parliamentary Officeholders.

2022-23 represented the first full year of operation of the updated Members Expenses Scheme introduced after the election in May 2021.

Performance Report (Aithisg Coileanaidh)

Capital expenditure in 2022-23 amounted to £1.1m (2021-22 £3.4m) and is disclosed in Note 7 to the Accounts. The main items of capital expenditure in 2022-23 were the chiller replacement, lift modernisation, IT kit refresh for staff, server replacement programme, and work on modernising broadcasting infrastructure for parliamentary business.

SPCB Statement of Financial Position recognises a pension surplus compared to a pension liability in previous years. Note 14 contains further information.

Supplier Payment Policy

The SPCB's policy is to comply with the UK Government's Prompt Payment Code. The target is for payment to be made within agreed payment terms or 30 days of receipt of invoices not in dispute for goods and services received. Average payment performance achieved for 2022-23 was 99.5% (2021-22 99.2%). In 2008-09 a voluntary initiative was introduced to improve payment performance further. Under this initiative we aim to make payment within 10 days of receipt of invoice to the supplier. In 2022-23 SPCB paid 97.3% of its invoices within 10 days (2021-22 97.5%).

Bribery and Corruption

The SPCB has clear code of conduct principles and rules set out and available to all staff on our website. In addition, there is regular review of our internal control processes by Managers and Internal Audit to ensure they are fit for purpose. There were no incidents relating to bribery or corruption during the year.

The SPCB subscribes to the principles outlined in the National Fraud Initiative (NFI). We include data on our staff, Members and Members' staff as part of the NFI exercise.

Performance analysis

In this section of the report, we explain our performance in more detail and highlight our key achievements against our strategic objectives. We demonstrate how we deliver excellence in our parliamentary services through our service objectives and key performance indicators (KPIs); and how we are transforming our services through our strategic change objectives and our progress in responding to and delivering change.

For reference, for our Key Performance Indicators where there is no comparison result for 2021-22 this is due to new reporting measures for 2022-23.

Delivering excellence in our parliamentary services...



Members support and resources

Service objectives

During 2022-23 we continued to:

- ✓ support Members with high quality research, procedural and other professional advice
- ✓ provide Members with the resources and services to fulfil their role, including support for them as employers in Parliament and in their local offices

Key Performance Indicators

Measure	Target	2022-23	2021-22
Members satisfaction with services and resources ¹ (Members interviewed either satisfied or very satisfied)	85-100%	91%	-
Core Members' services operating within targets ²	On track	Not on track	-

¹ The regular Members' feedback interviews restarted in September 2022. Our leaders and senior managers interviewed 22 Members to gather feedback and ascertain satisfaction with advice, support, services and facilities provided both at Holyrood and in local offices.

² 3 of 4 KPIs were marginally below target. The average resolution time of reported business information technology incidents within 4 hours was 62%, target 65%. SPICe enquiries answered within agreed timescales was 93%, target 96%. Members expenses paid in accordance with agreed timescales was 93%, target 96%. More details can be found in the quarterly performance reports available within the [Chief Executives reports to the SPCB](#).

Performance Report (Aithisg Coileanaidh)



Scrutiny and debate

Service objectives

During 2022-23 we continued to:

- ✓ deliver clear, authoritative and consistent advice and high-quality services and facilities to ensure parliamentary business was well supported
- ✓ promote constructive inter-parliamentary and Governmental activity through connections and relationships

Key Performance Indicators

Measure	Target	2022-23	2021-22
Members satisfaction with advice, services and facilities ¹ (Members interviewed either satisfied or very satisfied)	85-100%	91%	-
Parliamentary business takes place as scheduled	100%	100%	100%
Parliamentary business services operating within targets	On track	On track	-

¹ Members' feedback interviews September 2022.



Public involvement

Service objectives

During 2022-23 we continued to:

- ✓ promote awareness of the relevance and accessibility of the Parliament, particularly in under-represented groups
- ✓ drive effective engagement and participation in the Parliament's work
- ✓ provide safe, secure and welcoming physical and online facilities and services

Performance Report (Aithisg Coileanaidh)

Key Performance Indicators

Measure	Target	2022-23	2021-22
Members satisfaction with SPS in driving effective public engagement & participation in Parliament's work ¹ (Members interviewed either satisfied or very satisfied)	85-100%	86%	-
Public feedback surveys	On track	On track	-
Digital engagement ²	On track	Not on track	-

¹ Members' feedback interviews September 2022

² 2 of 3 KPIs were below target. The quarterly increase in follower growth across social channels achieved an average of 1.4%, target 2.5%. The monthly engagement rates of committee Twitter accounts achieved an average of 74%, target 75%. More details can be found in the quarterly performance reports available within the [Chief Executives reports to the SPCB](#). Note, following a review new digital engagement KPIs more in line with the Public Engagement Strategy have been established for 2023-24 reporting.



Corporate services and governance

Service objectives

During 2022-23 we continued to:

- ✓ have the processes, systems and resources in place to ensure effective use of services and facilities
- ✓ be a well-managed, well informed and collaborative organisation with good governance arrangements that met all statutory requirements

Key Performance Indicators

Measure	Target	2022-23	2021-22
Underspend outturn against SPCB budget ¹	0-2.5%	1.1%	3.0%
Compliance monitoring ²	On track	On track	On track

¹ Excludes non-cash budget and costs

Performance Report (Aithisg Coileanaidh)

² Management systems are in place and operating effectively to ensure compliance with statutory and regulatory duties. Areas reported via quarterly performance reports includes Health and Safety; Fire Safety; Environmental Management; Equalities; Gaelic Language Plan; Complaints; Lobbying; Equalities and Freedom of Information



Working environment

Service objectives

During 2022-23 we continued to:

- ✔ demonstrate a culture that embraces our values in all our work, through effective leadership and policies
- ✔ support and develop our staff through effective planning, guidance, training and recruitment

Key Performance Indicators

Measure	Target	2022-23	2021-22 (restated ¹)
SPCB staff turnover ²	10%	10.1%	9.5%
SPCB staff attendance rate ²	96-100%	95.9%	96.2% ¹
SPCB staff unplanned absence rate ²	0-4%	4.1%	3.8% ¹
Culture of respect complaints (recorded by an independent support service)	0	0	0

¹ Reflects reporting figures for 2021-22 to 1 decimal point

² SPCB staff turnover, attendance and unplanned absence rates are marginally out with targets. More details can be found in the quarterly performance reports available within the [Chief Executives reports to the SPCB](#).

Performance Report (Aithisg Coileanaidh)

Transforming our services through our strategic change objectives ...



A modern, dynamic parliamentary democracy

Progress against objectives

During 2022-23, some key highlights include:

- ✔ Support committees to be more responsive, innovative and impactful and to deliver better public services and outcomes for our citizens:
 - Supported the Criminal Justice; Health, Social Care and Sport; and Social Justice & Social Security Committees to innovate and work together to examine the cross-cutting policy issues to improve Drugs Policy in Scotland. This was achieved through joint evidence sessions and plenary debate to address the complexities in an integrated way, rather than through a narrow ‘departmental’ approach.
- ✔ Develop and deliver a strategic Scrutiny Improvement Programme to bring about better legislation; policy and post-legislative scrutiny; public accountability and quality of debate, within Parliament’s new ways of working including embedding deliberative democracy in the work of Parliament:
 - Agreed programme workstreams to develop and deliver sustained ways of improving Parliament’s capability in its core scrutiny function through our use of digital tools, performance measurements, learning and development for officials, and embedding a continuous improvement culture.
- ✔ Develop and deliver a continuing programme of opportunities for Members to develop their role as parliamentarians:
 - Supported the Conveners Group to agree a strategy and action plan to give practicable support to enable committees undertake greater post-legislative scrutiny, responding to Members’ request to address a perceived gap in parliamentary accountability.
- ✔ Build sustainable development considerations into our scrutiny processes:
 - Supported the Conveners Group to agree a strategy and action plan to deliver improved support for committees in their scrutiny of net zero for the remainder of the current parliamentary session.
- ✔ Focus our engagement strategy on removing barriers to increase the diversity of the people engaging with us:
 - Developed engagement initiatives including digital education sessions to increase geographical spread of schools engaging with Parliament; a pilot ‘Peek in the

Performance Report (Aithisg Coileanaidh)

Parliament' where local community groups were invited into Parliament, and, established 'experts by experience' panels to support committee inquiries to hear from a more diverse range of people.



Ensure robust plans and resources are in place to enable the Parliament to scrutinise and respond to the impact of the UK's withdrawal from the EU and any other constitutional change

- Sourced quality information and developed analytical tools to inform and support committee scrutiny, in the context of UK regulatory frameworks impacting on devolved areas. For example, through the application of the UK Market Access Principles.

A closer look: Gender Recognition Reform (Scotland) Bill scrutiny

The Gender Recognition Reform (Scotland) Bill, known as the "GRR Bill" was introduced by Scottish Government on 2 March 2022 to change the gender recognition certificate process. Amongst its provisions, it: removed the need for proof of gender dysphoria and medical evidence when applying (self-ID); and reduced the minimum age for application from 18 to 16 years old, and, the time required for living in an acquired gender from two years to three months. This was contentious legislation with strongly held views on different aspects of the debate. As a result this presented some challenges including:

- unprecedented volumes of responses, written submissions, evidence sessions at Stage 1; line by line amendments at Stage 2, and 3 consecutive days of exceptionally long Chamber sittings at Stage 3
- emerging new ways of protesting gave cause to consider security issues and how to manage visitors in the Chamber and Committees. This resulted in the review of the visitor code of conduct, protest policy and unacceptable actions policy. Proportionate measures were implemented to ensure Parliament remains open and accessible whilst protecting parliamentary business from disruption.
- For the first time, the Secretary of State for Scotland (a member of the UK Government) made an order under section 35 of the Scotland Act 1998, preventing the Bill from proceeding to Royal Assent. The Scottish Government subsequently lodged a judicial review to challenge the decision by the UK Government.

Overall, successful delivery was achieved through colleagues from across the parliamentary service collaborating to address these challenges and ensure that Members had the support they needed as law makers in this most contested of policy areas.

Performance Report (Aithisg Coileanaidh)



Adapting for a sustainable future

Progress against objectives

1. New Ways of Working

During 2022-23, some key highlights include:

- ✔ provide opportunities to enhance flexibility in how and where people work:
 - improved use of workspaces to facilitate effective flexible and hybrid working by trialling various options for flexible communal and varied workplace facilities including touchdown desks, bookable desks, informal meeting areas and collaboration spaces to promote a creative and collaborative culture whilst also offering quiet spaces for more focused work.
 - Created the Hub – a communal space for informal meetings, quiet calls and team meetings, which launched in April 2023 - several teams agreed to be co-located and share de-personalised office space to enable the Hub to be created. This is proving to be well used by all passholders, meeting an identified need.

- ✔ develop sustainable working arrangements that are right for us and the business:
 - supported Members and their staff with a New Ways of Working (NWOW) toolkit including hybrid working guidance and training for managers for managing remote teams.
 - supported SPS staff to embrace new approaches to work and contribute to shape NWOW within their business areas. Providing guidance, tools and various engagement activities including one-to-one discussions, team discussions, news stories and an all-staff survey.
 - produced individual SPS Team Agreements setting out how teams will work together and how they collaborate with others across the Parliament to continue delivering excellent parliamentary services.

- ✔ take a digital-first approach to support the hybrid workforce of the future with a more flexible working style and less reliance on geographical location:
 - improved digital meeting room facilities to better support hybrid meetings increasing capacity from 6 to 40 across Holyrood. Supported people in use of new technology through training, drop-in sessions, guidance, video and top tips.
 - completed IT device and technical refresh ensuring people have access to supported, secure, efficient and easy to use digital technology, and whilst getting the maximum life from devices, helping contribute to our sustainability goals.
 - modernised the Holyrood telephony service, replacing desk phones with a voice over internet service. This enables people to make and receive calls to Holyrood telephone numbers anywhere on existing work devices and providing more flexibility for our helpdesks.

Performance Report (Aithisg Coileanaidh)



implemented changes to parliamentary systems and processes to enable flexibility for Members in how and where they work:

- continued the sound and voting programme of work to further support hybrid parliamentary business. Installed a new hybrid and remote parliamentary business system to monitor and allow two-way hybrid interventions; and a Chamber audio reinforcement system, with over 140 speakers and 3 kilometres of cable, to improve audibility in the chamber for those present and remote.

2. Sustainability and Climate Change

During 2022-23 we focused on:



investment in the parliamentary estate to achieve reductions in carbon emissions and embed Sustainable Development thinking across the organisation:

- achieved 66% reduction in carbon emissions against our 2004-05 baseline
- work continues to develop a route map to Net Zero this included finalising the systems and infrastructure changes required to remove gas from the building.
- the Sustainable Development Impact Assessment Tool was offered to SPS and committees to provide support when reviewing a decision and/or scrutinise legislation through a sustainable development lens.

A closer look: New Chamber hybrid & remote parliamentary business system

As an emergency response to the Covid-19 pandemic, virtual and hybrid technology and infrastructure was introduced at pace in the chamber and committee rooms. These technological improvements, supported by procedural changes allowed Members to participate remotely or physically in parliamentary business allowing for its continuation during Covid-19 restrictions. While crucial to allow the parliament to continue to function, both the SPS and the Standards, Procedures and Public Appointments Committee inquiry into Future Parliamentary procedures and practices found a key issue experienced by Members was that the hybrid format and platform was unable to fully replicate the in-person only participation experience. Debate and scrutiny was somewhat constrained because it was not possible for remote participants to make or take interventions, and debates were less dynamic. Members expressed concern that those participating remotely were disadvantaged due to the fundamental differences in the hybrid experience. The Committee welcomed the SPS' plans to introduce a new platform designed to improve Members' experience and support more optimal remote participation in hybrid meetings by allowing interventions regardless of from where Members are participating. The new platform went live in the Chamber in November 2022. It is a system purpose built for hybrid parliamentary working, it is more streamlined and when embedded it will reduce the resource required to support hybrid meetings. Positive feedback has been received from Members and the same platform is due to start to be implemented in Committees in November 2023.

Performance Report (Aithisg Coileanaidh)



A values-driven culture

Progress against objectives

During 2022-23, some key highlights include:

- ✓ work together to shape our future direction, decisions, and embrace change:
 - developed an internal communications and engagement strategy, shaped by the views of colleagues, to ensure people who work in the SPS feel connected to the organisation, its purpose and its values.
- ✓ use positive action to increase the diversity of the parliamentary service alongside the growing diversity of our Members' and their staff:
 - continued to support minority ethnic (ME) staffs' career development and leadership skills through the ME Emerging Leaders Programme, developed in partnership with Edinburgh College and the Scottish Association of Minority Ethnic Educators. The programme won the Championing Diversity and Inclusion category at the 2022 Scottish Public Service Awards.
 - developed and launched a 1-year Minority Ethnic Internship Programme for three interns at Grade 3 level to help build skills and develop careers.
- ✓ nurture talent to make sure all colleagues have the chance to reach their potential:
 - supported colleagues on new approach to performance management, Managing for Excellence through training, guidance, toolkits and other resources for staff and managers.

Further achievements are highlighted in the Diversity and Inclusion section in the Accountability Report, page 45-46.

A closer look: Managing for Excellence

Effective performance management supports delivering excellence in our parliamentary services and strategic change objectives. Managing for Excellence, our new approach, enables a clear line of sight from the Strategic Plan and Delivery Plan to individual job objectives, so colleagues can better understand how their roles contribute to what we are trying to achieve as a Parliamentary Service. The approach is designed around regular conversations about wellbeing, workload and development needs.

In response to the shift to hybrid working, it was recognised a digital tool suited for this new environment was required. To this end performance management software, Weekly10 was made available to all SPS staff from 1 April 2023. This tool helps capture information in real time, keep track of objectives, and encourages reflection of the working week to make the

Performance Report (Aithisg Coileanaidh)

most of conversations between staff and managers. Additional training needs and requirements will be identified via the Personal Development Plan process supported by Weekly10 and the Managing for Excellence Framework.

Leadership Team are committed to ensuring Managing for Excellence is embedded across the SPS. To support both the approach and colleagues, training including in-person workshops and webinars were launched in January 2023. In addition, as part of the roll out of performance management, separate job description training was launched to help colleagues embed our values in our roles.



Operational excellence

Progress against objectives

During 2022-23, some key highlights include:

- ✔ establish financial stability and greater flexibility in our resourcing by creating a robust baseline Session 6 resource model and medium-term financial plan for the session:
 - all Groups who benefitted from additional staffing resources following the Strategic Resourcing Reviews established milestones to track progress against deliverables in 2023-24.
 - further developed the 5-year project pipeline to take into account the new Session 6 strategy and informed the 2023-24 SPCB budget bid.

- ✔ promote a shared understanding of what financial stewardship means in practice by building financial literacy and investment decision-making capabilities:
 - initial targeted investment decision making training progressed with several senior responsible owners, project managers, procurement managers achieving certification in Better Business Case Foundation and Practitioner training structured around the UK Five Case Model.

- ✔ enhance our 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:
 - put in place a digital capability team within the Business IT Office. As well as providing support to Members, witnesses and staff participating in hybrid parliamentary business, the team started to improve the digital capability of Parliament IT users. With initial focus on supporting new IT initiatives and projects by providing training, training materials and drop-in sessions to help get the most from new technologies.

Performance Report (Aithisg Coileanaidh)



maintain infrastructure, systems and processes to support excellent parliamentary services:

- the Digital Workplace Programme completed the move to a new document and records management solution on SharePoint online which helps SPS staff maintain their records management responsibilities as well as providing a collaborative platform that supports hybrid working. The programme also completed the migration to the new intranet and removed the need to replace aging IT infrastructure.
- work began on a project to develop the options and business case to replace the aging application and infrastructure that supports the production processes which result in the creation of the Official Report of the proceedings of the Parliament.
- initial plan and approach to respond to the replacement of our financial system provided by the Scottish Government was developed. This will result in a business case being presented to replace our human resources/payroll and financial systems in line with retirement / contract expiry of our current systems.

A closer look: Supporting excellent parliamentary services

Maintaining infrastructure, systems and processes is a key enabler for delivering excellence in our parliamentary services. A focus during 2023-24, has been on planning and establishing governance on upcoming major projects including replacement systems for corporate systems and the official report. Preparation work started to ensure appropriate approvals were in place to underpin financial stewardship, establish effective governance arrangements, project and programme processes including procurement frameworks/routes and significant time and effort was invested in discovery phases and preparation and development of business cases.

David McGill

David McGill
Clerk/Chief Executive

21 September 2023

Accountability Report (Aithisg Cunntachalachd)

Report of the Corporate Body

The accounts have been prepared in accordance with the Direction by The Scottish Ministers given on 17 January 2006 in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000.

SPCB and senior managers

As at 31 March 2023 the membership of the SPCB was:

Alison Johnstone MSP, Presiding Officer

Appointed: 13 May 2021

Claire Baker MSP

Portfolio: Digital services, resilience and sustainability

Appointed: 20 May 2021

Jackson Carlaw MSP

Portfolio: Finance and organisational governance

Appointed: 20 May 2021

Maggie Chapman MSP

Portfolio: Business support and officeholders

Appointed: 20 May 2021

Christine Grahame MSP

Portfolio: Engagement and communications

Appointed: 20 May 2021

Claire Baker and Jackson Carlaw were the two SPCB representatives on the Advisory Audit Board.

A Register of Members' Interests and a Register of Interests for members of the Leadership team are published on the Parliament's website. No related party conflicts have been identified.

Accountability Report (Aithisg Cunntachalachd)

Senior managers forming the Leadership Team as at 31 March 2023 were:

David McGill Clerk to the Parliament and Chief Executive
Michelle Hegarty Deputy Chief Executive
Alan Balharrie Group Head of Digital Services
Susan Duffy Group Head of Engagement and Communications
Lorna Foreman Group Head of People and Culture
Sara Glass Group Head of Financial Governance
Lynsey Hamill Group Head of Resilience and Sustainability
Judith Morrison Group Head of Business Assurance
Callum Thomson Group Head of Scrutiny
Tracey White Group Head of Legislation and Parliamentary Business

The Remuneration Report contains information about the salary and pension entitlements of the above-named individuals.

A structure chart is available on the SPCB's website.

Data security

As set out in the Assessment of Risk Management Arrangements, failure to adequately secure and control the Parliament's IT and communications systems against unauthorised access, including cyber-attack, is included within the SPCB's Risk Register. The Group Head of Digital Services is responsible for ensuring all key controls and any mitigating actions are operational. The SPCB continues to provide robust data protection compliance measures including mandatory UK GDPR online training for all staff which must be completed annually as well as regular updates for staff on data protection. No data breaches have been reported to the UK Information Commissioner for 2022/23.

Accountability Report (Aithisg Cunntachalachd)

Statement of the SPCB's and Principal Accountable Officer's responsibilities

The Clerk to the Parliament and Chief Executive is, by virtue of his appointment, Principal Accountable Officer for the SPCB. The responsibilities of the Principal Accountable Officer, including the responsibility for the propriety and regularity of the public finances for which the SPCB is answerable, for keeping of proper records and for safeguarding the SPCB's assets, are set out in section 16 of the Public Finance and Accountability (Scotland) Act 2000.

The Principal Accountable Officer has prepared a statement of accounts in the form and on the basis set out in the Accounts Direction issued by Scottish Ministers. The accounts are prepared on an accruals basis and give a true and fair view of the SPCB's state of affairs and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Principal Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts, and
- Prepare the accounts on a going concern basis.

As Principal Accountable Officer for the SPCB, I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information. I confirm that the annual report and accounts as a whole is fair, balanced and understandable and I take personal responsibility for the annual report and accounts and judgements required for determining that the document is fair, balanced and understandable.

Accountability Report (Aithisg Cunntachalachd)

Governance statement

Scope of responsibility

In accordance with the responsibilities assigned to me as Principal Accountable Officer, I am responsible for maintaining a sound system of corporate governance that supports the achievement of the Scottish Parliamentary Corporate Body's Strategic Plan for the Scottish Parliament and the Scottish Parliamentary Service's Delivery Plan, whilst safeguarding the SPCB's public funds and assets.

This includes ensuring that arrangements for delegation are:

- robust and promote good management
- supported by staff with an appropriate balance of skills and experience
- management systems and procedures in place to support service delivery.

I am answerable to the Parliament for the exercise of these responsibilities.

Governance Framework

Scottish Parliamentary Corporate Body (SPCB)

The SPCB is elected by the Parliament in accordance with standing orders and comprises the Presiding Officer and four other Members. The SPCB typically meets fortnightly while the Parliament is in session. Meetings are attended by the Clerk/Chief Executive and senior officials. Membership details are set out in the Report of the Corporate Body on pages 27-28.

The SPCB has formally authorised the Clerk/ Chief Executive to carry out most of the day-to-day functions of the SPCB.

The Leadership Team (LT)

During 2022 the Clerk/Chief Executive reviewed the governance and operational arrangements of his Leadership Group. The Group had embarked on a programme of leadership development in response to feedback from the most recent annual staff engagement survey. It was agreed that the group would now be known as the Leadership Team to reflect the collective responsibility to work together strategically and cohesively to deliver the organisation's objectives.

LT typically meets monthly while the Parliament is in session, with a new focus on discussion of strategic issues facing the Parliament and its staff. Membership details can be found in the Report of the Corporate Body on page 28.

The role of LT is to lead the workforce in delivering excellent services through embedding and demonstrating our values, empowering our teams and creating a culture of trust. LT members encourage innovation and create the conditions where the organisation can continuously improve and challenge itself to do more for the people of Scotland.

The LT provides advice to the SPCB on budget and staffing levels for consideration and approval. LT further ensures appropriate management systems are in place and are operating effectively to ensure compliance with statutory and regulatory duties, including promoting good

Accountability Report (Aithisg Cunntachalachd)

practice in equalities, environmental management and other corporate policies to ensure effective governance across the organisation.

Advisory Audit Board (AAB)

The AAB considers, advises and reports on the SPCB's arrangements for governance, finance, audit and risk. In particular, the AAB advises the Principal Accountable Officer on whether the necessary assurances required for signing the Governance Statement have been received. The AAB specifically considers the adequacy of internal controls (financial management and otherwise); the arrangements for assessing and managing risk; the planned activity of internal audit and results of its work; the planned activity of Audit Scotland and results of its work; and the adequacy of management responses to audit issues.

The AAB comprises two members of the SPCB and three independent persons, one of whom is chair. Independent persons are appointed following open competition based on their expertise and experience in governance, audit and public services. AAB membership has been quorate at all meetings. The AAB reports the findings of its work to the SPCB annually for the purposes of signing the annual report and accounts and at such other times as it considers necessary.

Membership of the AAB during 2022-23 comprised:

Andy Shaw: Chair
David Watt
Claire Robertson
Claire Baker MSP
Jackson Carlaw MSP

The Advisory Audit Board (AAB) met three times in the year ended 31 March 2023.

Officeholders

The SPCB support seven officeholders: Scottish Public Services Ombudsman; Scottish Information Commissioner; Children and Young People's Commissioner Scotland; Scottish Human Rights Commission; Commissioner for Ethical Standards in Public Life in Scotland; Standards Commission for Scotland and the Scottish Biometrics Commissioner. It also provides funding to the Electoral Commission for its devolved activity in Scotland.

The SPCB's responsibilities are set out in statute and, in the main require the SPCB to provide funding to each office and determine the terms of appointment of the officeholders. It is also required to agree the office location, staff numbers and staff terms and conditions.

This reporting year the SPCB has been engaged in two significant areas.

Firstly, in the last reporting year, the Auditor General for Scotland published a section 22 report into the accounts and governance of the office of the Commissioner for Ethical Standards in Public Life in Scotland. This report also made recommendations about the governance arrangements between the SPCB and the Commissioner.

In this reporting period, the Parliament's Public Audit Committee scrutinised this report and invited written comments from the SPCB about the arrangements in place and subsequently invited the SPCB to appear before the Committee to give evidence. While we are confident in our governance arrangements, we did take the opportunity to see what enhancements we could make working alongside the officeholders to agree some modifications.

Accountability Report (Aithisg Cunntachalachd)

Secondly, the SPCB became increasingly concerned about the potential expansion of the number of officeholders which could impact on the SPCB's financial and staff resources. We are aware of a number of proposals for legislation to establish new bodies. We corresponded with the Scottish Government to make it aware of our concerns and this engagement is continuing. We also took the opportunity when giving evidence to the Finance and Public Administration Committee on the SPCB budget for 2023-24 to raise this issue. We have been in further correspondence with the committee who have expressed an interest in this matter.

External audit

The Auditor General for Scotland is responsible for auditing the SPCB's accounts. This is the first year of a new cycle of audit appointment from 2022-23 to 2026-27 inclusive with the Auditor General continuing to appoint Audit Scotland to undertake the statutory audit of the SPCB. Further assurance on the effectiveness of the system of internal control is received by the work of Audit Scotland through their management letters, reports and independent auditor's report (pages 49-52).

The audit costs for 2022-23 were £0.08m (2021-22 £0.08m).

Assessment of corporate governance

As Principal Accountable Officer, my assessment is that the corporate governance arrangements comply with generally accepted best practice principles and relevant guidance. In particular, the following processes and institutional arrangements have been established:

[Strategic Plan \(refer to performance overview on pages 8-10\)](#)

[Delivery Plan \(refer to performance overview on page 10\)](#)

Performance measurement

Fundamental to the successful achievement of the Strategic and Delivery Plans is the measurement and monitoring of performance. A quarterly reporting mechanism through the Scottish Parliamentary Performance Report is in place. The report measures performance against delivering excellence in our parliamentary services through key performance indicators and progress against our strategic change objectives key activities to improve accountability and performance. It also reports ratings for compliance in respect of Health and Safety; Fire Safety; Environmental Management; Equalities; Gaelic Language Plan; Complaints; Lobbying; Equalities and Freedom of Information.

Internal control environment

Systems of internal control are designed to identify the principal risks to the achievement of vision, strategic goals, aims and objectives and to manage and mitigate these risks efficiently, effectively and economically. The SPCB's assurance arrangements are designed to manage risk to an acceptable level recognising that risk cannot be eliminated entirely. Risk management can only provide reasonable and not absolute assurance of effectiveness. These arrangements have been in place for the SPCB for the year ended 31 March 2023 and up to the date of

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approval of the annual accounts. These accord with the guidance set out in the Scottish Public Finance Manual (SPFM). Risks and internal controls are routinely reviewed by LT and are tested as part of the rolling internal audit programme. There were no significant internal control or risk management breaches identified during 2022-23.

Internal audit

The overall objective of internal audit is to provide independent assurance on the adequacy and effectiveness of the systems of governance and internal controls designed by LT to manage risk and enable the achievement of strategic goals, aims and priorities whilst ensuring accountability for public funds.

Internal audit for the SPCB follows the principles of Public Sector Internal Audit Standards (PSIAS) and is provided by a full time Head of Internal Audit (approximately 200 days per annum), with additional specialist support from a professional services firm on a call off basis (approximately 50 days per annum). Grant Thornton UK LLP was appointed to support the Head of Internal Audit in July 2021 following an open competitive tender process.

The internal audit plan for 2022-23 was reviewed and approved by the AAB who received regular progress reports, detailed findings, conclusions including an independent opinion on the level of assurance that might be offered over the internal control environment in place and any recommendations proposed for control enhancement. The internal audit recommendations agreed with management were endorsed by the AAB who also sought evidence that agreed audit recommendations have been implemented appropriately by way of the follow up reports twice a year.

During 2022/23 the Head of Internal Audit joined the Scottish Human Rights Commission on a part-time secondment basis with additional internal audit support being provided by Grant Thornton LLP. The additional fees payable were fully funded by way of salary recharges arising from the secondment.

During 2022-23, internal audit work included reviews in the areas of: Reimbursement of Members Expenses – claims for reimbursement in year; Review of Broadcasting System Integration & Equipment Project – Procurement Strategy and Contract Award; Reconfiguration of the Office of the Solicitor to the Scottish Parliament; Environment and Sustainability Reporting; Diversity and Inclusion Strategy. The review of Environment and Sustainability concluded with limited assurance due to errors identified in the process for collecting data. These have now been rectified and suitable arrangements have been developed to prevent reoccurrence. All other internal audit reviews concluded with a 'substantial' or 'satisfactory' level of assurance in place.

There has been sufficient coverage of internal audit activity work during 2022-23 to allow the Head of Internal Audit to provide an Internal Audit Assurance Statement. The overall conclusion from the work of internal audit for the year to 31 March 2023 is that a satisfactory level of assurance may be taken from the areas reviewed within the annual internal audit plan, subject to the timely implementation of agreed recommendations.

Audit Scotland

In the course of the statutory audit in 2022-23, including further assurance work on the effectiveness of internal controls, Audit Scotland has not identified any major control weaknesses during the year.

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General

- Regular reports from managers on the steps they are taking to manage risks in their areas of responsibility including progress reports on key projects
- A policy on fraud prevention and whistle blowing, and guidance
- The SPCB complies with the principles of the Scottish Public Finance Manual
- The SPCB has a dedicated set of Standing Financial Instructions “based on the Scottish Public Finance Manual” which contain financial policies and procedures that are specific to the SPCB
- The AAB reviews and recommends the annual report and accounts for approval including the Governance Statement. It considered, in detail, Audit Scotland’s Annual Audit Report on 20 September 2023 and recommended presentation to the SPCB for formal consideration, approval and signing by the Principal Accountable Officer
- The SPCB approves the accounts including the Governance Statement
- The AAB reported formally to the SPCB in September 2023 confirming the evidence and assurances it had received in year

Assessment of risk management arrangements

As Principal Accountable Officer, my assessment is that the SPCB’s risk management arrangements comply with generally accepted good practice principles and guidance from relevant professional bodies. The following processes and institutional arrangements are in place:

- Management of risk forms a key part of the SPCB’s strategic and delivery planning and is monitored and reported by way of a performance management framework. This brings together strategic and delivery planning and monitoring, strategic risk management and high-level performance indicators which are designed as a tool for decision making and resource allocation. Within the overarching context of the Performance Report, risks for the SPCB are derived from, and link directly to, the strategic plan, the delivery plan, individual office plans, priorities for change and other major projects.
- The AAB continues to monitor and challenge the risk management framework and the controls and actions designed to mitigate and manage risk effectively. The AAB will continue to engage with the Deputy Chief Executive and Group Heads on a range of organisational priorities and initiatives.
- The principles of risk management and operational risk registers are used at office level as a key component of planning arrangements across the parliamentary service.
- The risk register is used routinely by internal audit to ensure that audit and assurance activity focuses on key areas of risk.

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- The Resilience team have specific responsibility for curating and collating the strategic risk register. Working with Leadership Team and Office Heads to follow through on actions and mitigations

We take a continuous improvement approach to all of our governance processes, and I'm pleased to note that there are improvements being sought in how the Parliament puts risk management into practice. These improvements will focus on:

Policy & Process

We will put in a policy and supporting process to help those with risk management responsibilities be clearer on the standards expected of them and provide access to updated templates and techniques to help them meet those standards. This will include:

- Help in improving consistency when describing risks that need managed by wider use of the "causes, impact, consequences" model already used in the current principal risk register
- Take a more holistic, rather than single-risk, view of the risks that matter to us in order to help prioritise effort (this can be at a project, office or at the principal risk level).

Capability Development

We will supplement "vocational" training available to those who seek qualifications in fields such as project management and procurement with training and other supporting materials for everyone with risk management responsibilities for the Parliament.

Management Information

We will "prototype" different ways of presenting the management information derived from our risk register to help highlight the risk improvement tasks that will be undertaken (and by when) to reduce the risk profile for our identified risks.

Assurances and written authorities

Group Heads each sign a Certificate of Assurance for their areas of responsibility and accountability. These offer assurance on internal controls in respect of risk management, business planning, project management, financial management, fraud, procurement, human resources, equality and diversity, and health and safety for their respective group or office. Confirmation for 2022-23, that controls have been, and are, working well within groups and offices, has been received and there were no significant matters arising.

The SPCB is responsible for funding a number of Commissioner and Ombudsman bodies. These bodies were created by Acts of the Parliament and operate independently from the SPCB. As Principal Accountable Officer, I rely on the Accountable Officer for each of these bodies to be responsible for ensuring that an effective system of internal control is maintained and operated to safeguard the public funds and assets for which they are responsible. Each Officeholder has provided a written assurance of this for 2022-23.

Remuneration and Staff Report

The sections marked (Audited) in this Remuneration and Staff Report are subject to a separate opinion by Audit Scotland. The other sections of the Remuneration and Staff report were reviewed by Audit Scotland to ensure they were consistent with the financial statements.

Remuneration policy

Accountability Report (Aithisg Cunntachalachd)

Staff

The remuneration for the Clerk to the Parliament and Chief Executive is set by the SPCB taking into account his role and responsibilities. Salaries for other senior staff form part of the pay settlement for all staff.

MSPs

MSP salaries are directly linked to public sector increases for public sector employees in Scotland (ASHE index). The rate for 2022-23 is £66,662 (2021-22 £64,470). Pension benefits for MSPs and Office Holders are payable from the Scottish Parliamentary Pension Scheme (SPPS), and separate annual accounts are published for this on the Scottish Parliament website.

The SPCB members receive no additional remuneration for their role. Similarly, MSPs serving as Conveners to Parliamentary Committees do not receive any additional remuneration. The Presiding Officer and two Deputy Presiding Officers receive additional salary for delivery of their roles.

Ministerial

In respect of ministers in the Scottish Government, the salary for their services as an MSP along with the supplementary element for ministerial appointment, are both paid by the SPCB. Disclosure on the ministerial element of salary and pension entitlements is contained within the Scottish Government Consolidated Accounts which can be accessed at the Scottish Government website. These also include disclosure details on the two law officer appointments within Scotland (the Lord Advocate and the Solicitor General for Scotland).

Independent Officeholders

Under the legislation establishing the independent Officeholders (i.e. the Auditor General for Scotland, Scottish Information Commissioner and the Scottish Public Services Ombudsman etc.) the SPCB is responsible for determining the salaries of each Officeholder. Remuneration information is available in the officeholders' annual accounts. Officeholder salaries are uprated in line with the percentage uplift awarded to the SPCB pay scales.

Service contracts – SPCB staff

Appointments of SPCB staff, on terms and conditions set by the SPCB, are made in accordance with SPCB recruitment policy which requires appointment to be on merit on the basis of fair and open competition, but also includes the circumstances when appointments may otherwise be made. These principles are set out in our recruitment process and more information is available on the SPCB website recruitment pages.

SPCB staff are not civil servants but pension benefits are provided through the Civil Service Pension Scheme arrangements.

Service contracts – Commissioners and Ombudsman

Standing Orders provide for the nomination of individuals for appointment to an office by Her Majesty and by the Scottish Parliamentary Corporate Body.

Appointments made by Her Majesty

Ian Duddy was appointed by Her Majesty as the Chair of the Scottish Human Rights Commission on a fixed term appointment from 20 June 2022 to 19 June 2028. Mr Duddy demitted office on 30 June 2023.

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SPCB Appointments with the agreement of the Scottish Parliament

Following open recruitment exercises, the SPCB, with the agreement of the Scottish Parliament appointed –

Ian Bruce as the Ethical Standards Commissioner for Scotland from 1 March 2023 to 28 February 2029, and

Anne-Marie O'Hara (13 March 2023 to 12 March 2029) and Helen Donaldson (1 April 2023 to 31 March 2029) as members of the Standards Commission for Scotland.

SPCB Appointments

Following an open recruitment exercise, the SPCB appointed Jim Farish, Shelley Gray and Dr Claire Methven O'Brien as members of the Scottish Human Rights Commission from 26 September 2022 to 25 September 2028.

Officeholder Resignations

The Ethical Standards Commissioner, Caroline Anderson demitted office early on 30 April 2022. No compensation was payable but a settlement for outstanding annual leave was made by the SPCB and is reflected in our expenditure.

Remuneration (salary and pensions)

The following sections provide details of the remuneration and pension interests of senior staff and Officeholders. Those for senior staff are presented in banding ranges for salary and pension. Information for Parliament officeholders is presented on actual salary figures and total remuneration to the nearest £1,000. Pension benefits represent the present value of future pension benefits accrued during the year. Details of pensions and cash equivalent transfer values are disclosed based on information supplied by MyCSP for SPCB senior staff and by the Scottish Public Pensions Agency for Parliament Officeholders. Where there are large movements in the pension benefits this is usually associated with the impact of individual salary increases, the scheme that the individual belongs to and any individual contributions made by the employee. Further information on all the schemes is available on the civil service website in the scheme booklets.

Accountability Report (Aithisg Cunntachalachd)

Single total remuneration (Audited)

SPCB Senior Staff

	2022/23 Salary £'000	2021/22 Salary £'000	2022/23 Pension benefits ¹ £'000	2021/22 Pension benefits ¹ £'000	2022/23 Total £'000	2021/22 Total £'000
David McGill	170-175	150-155	34	74	200-205	225-230
Michelle Hegarty	125-130	120-125	26	43	150-155	160-165
Alan Balharrie	95-100	85-90	20	31	115-120	115-120
Susan Duffy	95-100	85-90	13	30	105-110	115-120
Lorna Foreman²	85-90	35-40	27	34	110-115	70-75
Sara Glass	90-95	85-90	37	33	130-135	115-120
Lynsey Hamill³	85-90	70-75	35	29	120-125	100-105
Judith Morrison	110-115	95-100	26	43	135-140	140-145
Callum Thomson	110-115	85-90	15	30	125-130	115-120
Tracey White	95-100	85-90	11	29	105-110	115-120

Parliament officeholders

	2022/23 Salary £	2021/22 Salary £	2022/23 Pension benefits (to nearest £'000) ¹ £	2021/22 Pension benefits (to nearest £'000) ¹ £	2022/23 Total £	2021/22 Total £
Alison Johnstone⁴	50,097	42,849	20,000	16,000	70,000	59,000
Annabelle Ewing⁵	31,383	26,761	12,000	10,000	44,000	37,000
Liam McArthur⁵	31,383	26,761	12,000	10,000	44,000	37,000

¹ The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension

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rights. Changes to the balance for 2021-22 or negative results arise from retrospective updates to salary data by MyCSP.

² Lorna Foreman joined Leadership Team on 7 October 2021. Full year equivalent salary £70,000-£75,000 in that year.

³ Lynsey Hamill works reduced hours in 2021-22. Full year full-time equivalent salary in 2021-22 £85,000-£90,000 (2020-21 £80,000-£85,000).

⁴ Alison Johnstone was appointed Presiding Officer on 13 May 2021. Full year equivalent salary in 2021-22 was £48,449.

⁵ Annabelle Ewing and Liam McArthur were appointed Deputy Presiding Officers on 14 May 2021. Full year equivalent salary for 2021-22 was £30,351.

Salary

Salaries in the above table are the amount earned in the financial year and include, where applicable, overtime (including a one-off buyout of accrued flexi leave in 22/23), reserved rights, recruitment and retention allowances and any other allowance to the extent that is subject to UK taxation. They do not include National Insurance or Superannuation contributions. There are no performance bonuses as the scheme for payment of these ended in 2005-06. Salary disclosed in the table above for Parliament officeholders excludes the MSP element and relates solely to the office.

Parliament Officeholders

In respect of office holders, the salary shown is that for the appointment itself together with related pension. Scottish Ministers' disclosure is contained within the Scottish Government's accounts. The Presiding Officer's and the Deputy Presiding Officers' pension benefits are paid from the SPPS. Their pensions accrue at the rate of either 1/40th or 1/50th of their final officeholder pensionable earnings for each year that the office is held. There is no automatic lump sum but these office holders may commute some of their pension to provide a lump sum.

Benefits in kind

No benefits in kind were paid to SPCB senior staff or Scottish Parliament office holders in 2022-23 or 2021-22.

Salary Multiples (Audited)

In 2022-23 staff pay increased by 4.5% on all SPS pay grades. The 2023-24 staff pay award was backdated and applied from 1 February 2023. For staff at the top of grade (which applies to nearly 70% of staff) the uplifts from then were as follows:

8% grades 2 and 3

6% grade 4 and assistant solicitors

5.7% grades 5 and 6, Solicitor, Senior Solicitor and Solicitor Team Leader

5.4% grades 7 and 8

1% the Clerk/Chief Executive grade

In addition, there was improvements to the pay structure, applicable from 1 February 2023, which resulted in staff who were at the start or midway point of their grade receiving more than the uplift set out above.

The highest paid member of staff in 2022-23 and 2021-22 was the Clerk/Chief Executive. His remuneration before pension benefits was in the range of £170,000-£175,000 including a flexi balance buyout payment which represented a 9.3% increase on 2021-22 (£150,000-£155,000) including pay award and progression.

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The median salary of the SPCB workforce in 2022-23 was £42,000 which represented a 15.7% increase on the median of £36,298. The average percentage change from 2021-22 for employees as a whole was 12.1% which represent the pay awards and progression. There were no staff salaries in excess of the Clerk to the Parliament and Chief Executive with the lowest staff salary in 2022-23 being in the band £25,000-£30,000. Pay ratio information when compared to the Clerk/Chief Executive is set out below:

Year	25th percentile pay	25th percentile pay ratio	Median pay	Median pay ratio	75th percentile pay	75th percentile pay ratio
2022-23	£31,318	5.51	£42,000	4.11	£56,104	3.07
2021-22	£27,749	5.50	£36,298	4.26	£49,354	3.08

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Pension benefits (Audited)

SPCB senior staff

	Accrued pension at pension age as at 31/03/23 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/03/23 £'000	CETV at 31/03/22 £'000	Real increase in CETV as funded by employer £'000
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SPCB senior staff

David McGill	70-75 Plus lump sum of 150-155	2.5-5.0 Plus lump sum of 0	1,445	1,279	11
Michelle Hegarty	40-45	0-2.5	720	631	12
Alan Balharrie	30-35 Plus lump sum of 45-50	0-2.5 Plus lump sum of 0	582	516	7
Susan Duffy	40-45 Plus lump sum of 70-75	0-2.5 Plus lump sum of 0	778	694	(1)
Lorna Foreman	25-30 Plus lump sum of 35-40	0-2.5 Plus lump sum of 0	409	355	13
Sara Glass	5-10	0-2.5	63	35	19
Lynsey Hamill	20-25	0-2.5	195	167	13
Judith Morrison	40-45	0-2.5	708	622	12
Callum Thomson	40-45	0-2.5	607	543	1
Tracey White	40-45	0-2.5	778	695	(2)

Parliament officeholders

Alison Johnstone	2	1	40	18	16
Annabelle Ewing	1	1	28	12	12
Liam McArthur	1	1	24	11	9

Cash Equivalent Transfer Values (CETV)

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A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the scheme member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

CETV movement may comprise of a number of components such as the age of the individual, inflation, contributions by the employer and the employee, and performance of the fund where relevant. The real increase in CETV reflects the increase effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Civil Service Pensions

Pension benefits for SPCB employees are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme (CSOPS) or **Alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed SPCB and the majority of those already in service joined **Alpha**. Prior to that date, SPCB employees participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**Classic, Premium or Classic Plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**Nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **Classic, Premium, Classic Plus, Nuvos** and **Alpha** are increased annually in line with Pensions Increase legislation. Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings for members of **Classic, Premium, Classic Plus, Nuvos** and **Alpha**. Employer contributions for these schemes were payable at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

A small number of SPCB employees are part of the **partnership** pension account an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of

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pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The Commissioners and Ombudsman are members of the Civil Service pension arrangements.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **Classic**, **Premium** and **Classic Plus**, 65 for members of **Nuvos**, and the higher of 65 or State Pension Age for members of **Alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **Alpha** – as appropriate. Where the official has benefits in both the PCSPS and **Alpha** the figure quoted is the combined value of their **benefits** in the two schemes but note that part of that pension may be payable from different ages.)

Information on PCSPS scheme transition arrangements and pension benefits are available on the Civil Service pension scheme website. Notes 1k and Note 4 to the Accounts also contain more information.

The current pension scheme rules for MSPs and office holders (including the Lord Advocate and the Solicitor General for Scotland) are set out in the Scottish Parliamentary Pensions Act 2009 with pension scheme rules in Schedule 1 of the 2009 Act.

The main benefits of the scheme are a pension of $1/50^{\text{th}}$ or $1/40^{\text{th}}$ of final salary for each year of service on retirement at age 65. Pensions are increased annually in line with changes in the Consumer Prices Index. Members accruing benefits at the rate of $1/40^{\text{th}}$ pay a contribution equivalent to 11% of their MSP/office holder salary. Members accruing benefits at the rate of $1/50^{\text{th}}$ pay a contribution equivalent to 6% of their MSP/office holder salary. The SPCB pays the employer contribution representing the balance of cost as advised by the Government Actuary. For 2022-23 the contribution rate was 20.2% of pensionable salary (20.2% 2020-21).

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Staff Report

Staff costs and numbers (Audited)

Staff pay costs consist of:

	2022-23 £M	2021-22 £M
	Total	Total
Salaries		
SPCB	27.5	24.1
Seconded staff	0.1	0.1
Social security costs		
SPCB	2.8	2.3
Seconded staff	0	0
Other pension costs		
SPCB	6.6	6.1
Seconded staff	0	0
SPCB Salary Cost per Note 3 to the Accounts	37.0	32.6

SPCB Staff salary costs include £1.7m of Contractors costs and £0.6m of Agency costs (2021-22 £0.9m and £0.2m respectively).

Information on staff pay in 2022-23 can be found in the Performance Overview, Financial position section on page 14.

Exit packages

In 2022-23 14 individuals left under a voluntary exit scheme run for Security Office staff in line with the Civil Service Compensation Scheme terms which was notified to the Cabinet Office. The business case was approved by the SPCB's Strategic Resources Board.

Exit package cost band	No of redundancies	Cost (£k)
<£10,000	0	0
£10,000-£25,000	7	116
£25,000-£50,000	4	160
£50,000-£100,000	3	202
Total	14	478

There were staff departures under a voluntary exit scheme in 2021-22, the detail is not disclosed to ensure individuals cannot be identified.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Information on MSP and Ministers salaries can be found in Note 3 to the Accounts.

Accountability Report (Aithisg Cunntachalachd)

	2022-23	2021-22
Staffing (FTE):	566	536
Comprising:		
SPCB staff	541	522
Seconded	2	2
Contractor	11	7
Agency	12	5

Staff composition and sickness absence

	2022-23	2021-22
Gender (SPCB staff):		
Female	57%	56%
Male	43%	44%
SPCB:		
Female	80%	80%
Male	20%	20%
Leadership Team:		
Female	70%	70%
Male	30%	30%
Absence	8.54 days	6.46 days

Information on staff turnover can be found in the Performance Analysis section page 19.

Diversity and inclusion

It is one of the Session 6 strategic aims of the Scottish Parliamentary Corporate Body to develop a culture that brings staff together around the vision and values, creating a clear sense of connection and allowing everyone to excel in their role. This aim builds on the commitment to making our working environment as positive as it can be, so everyone can flourish and feel respected for their contributions. We want a Parliament that is accessible to all of the people of Scotland to work, to visit and to participate.

The key highlights this year included the following:

In the past year in addition to the gender, ethnicity and disability pay gap information we have published information on the LGB+ (sexual orientation) pay gap. The SPCB's Diversity Monitoring and Diversity Pay Gaps Reports is made available on the Parliament website along with a summary version in British Sign Language (BSL).

During 2022-23 the Scottish Parliament advertised three year long internships for Minority Ethnic people in alignment with our efforts to reduce the ethnicity pay gap. The interns have been supported to develop in their role with a view to moving into available permanent roles at the conclusion of their internship.

We have continued to make changes to our recruitment process to attract candidates from groups who are under-represented in our staff group.

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The development of an internal communications and engagement strategy to enhance the collective awareness and understanding of equity, diversity, inclusion and belonging.

Employment of disabled persons

The Parliament's commitment to the employment and career development of disabled people is supported through the Recruiting for Excellence Policy. Values-based recruitment is used to attract and select people who share the Parliament's values of Stewardship, Inclusiveness, Excellence and Respect.

The Parliament is recognised as a Disability Confident Leader Employer, this means we welcome job applications from disabled people. We ensure that our recruitment process is accessible, disabled people are provided with adjustments and support in the recruitment process and throughout their employment. In addition, the Parliament works with an external organisation providing paid internship opportunities for disabled people.

Once in employment, the Parliament provides support through a range of policies and adjustments. Support to disabled employees at the Parliament include flexible working patterns or hours; provision of equipment and assistive technology and through adjustments to the working environment. Disability Adjustment Plans assist people with making adjustments they have in place for their disability from role to role.

Policies that support disabled people to work and in their career development at the Parliament include; Dignity at Work Policy, Guidance for Line Managers - Supporting Disabled Staff in the Workplace, Individual Wellbeing Plans, which are embedded in our performance management approach, and our Positive About Mental Health and Wellbeing Policy.

In the most recently available reporting year (2021-22) when asked to report on a disability for the annual Diversity Monitoring Report, 8.3% of staff reported they had a disability. This was an increase from 7.7% in the previous reporting year.

Staff communications

The death of Her Majesty The Queen

Following the death of Her Majesty The Queen on 8 September, the Presiding Officer and the Clerk/Chief Executive issued messages expressing the Parliament's condolences. Regular communications were issued to update Members and staff on arrangements at the Scottish Parliament. The front page of the intranet was changed to display a portrait of Her Late Majesty. A notice was posted on the intranet with details about security and access arrangements at Holyrood which had changed with immediate effect. This page was kept updated on a daily basis. It included information related to the Parliament's role during the period of national mourning; the Parliament's book of condolence; the service at St. Giles' Cathedral; the Motion of Condolence; and other related updates for colleagues and Members.

A new Parliament intranet

The Parliament's new intranet was developed by the Digital Workplace Programme in partnership with the Internal Communications and Engagement team. In 2022, ownership passed to the Internal Communications and Engagement team and management of it became part of their business as usual activities. The intranet is intended to make it easier for people to

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find what they need to do their jobs and to keep them engaged with what is going on in the organisation.

New ways of working

New Ways of Working (NWOW) is a key part of the change objective Adapting for a sustainable future in the strategic plan. Communications were issued throughout the year to set out what it would mean for colleagues. NWOW is about how teams will continue to deliver excellent services in the new, post-pandemic world while building in flexibility in how colleagues work. Intranet pages set out the details of how NWOW would be implemented and emphasis was put on teams trialling arrangements by setting team agreements and keeping them under review. Staff stories were shared on the intranet pages to bring to life different aspects of NWOW. Colleagues were also invited to fill in a survey. The final communications of the year were about The Hub, the new shared workspace which would provide a blend of collaborative and quiet working areas and which would open in April 2023.

Performance management

Communications were issued in anticipation of the introduction of a new online tool to support performance management for Scottish Parliamentary service staff. Intranet pages included information and training resources to support the transition to this system which would take place from April 2023.

All-staff meeting

An all-staff meeting was held in November. This brought staff together in the Debating Chamber for the first time since November 2019. A hybrid option was also available so that colleagues could choose to observe the meeting remotely. A digital question and answer and polling tool allowed colleagues to participate in the meeting whether they were there in person or viewing remotely. The topics for discussion centered around the change objectives in the strategic plan.

Trade union relationships

The SPCB officially recognises three trade unions for collective bargaining. A partnership agreement is in place between the SPCB and the Scottish Parliament Trade Union side setting out agreed common goals and principles.

Health and Safety

The SPCB is committed to promoting health and safety and fire safety as a priority issue. Its policy objectives include maintaining a safe and secure place of work, building the resilience of staff members and the organisation, and pursuing continuous improvement in health and safety performance.

To deliver the policy, the SPCB has developed H&S arrangements covering all aspects within the scope of its operations, including fire safety, risk assessment, safety monitoring, first aid, display screen equipment, COVID safe working and hybrid working.

Our health and safety committee consults staff and stakeholders on the measures taken to ensure health and safety at work, and has broad representation from staff, management, trade union side, MSPs and MSP staff.

We maintain effective working relationships with internal and external stakeholders, including enforcing authorities, and we share knowledge, information and services with other legislatures and public sector organisations.

Accountability Report (Aithisg Cunntachalachd)

We deliver a comprehensive programme of training for staff and occupiers covering fire safety, general health and safety awareness plus role specific fire and health and safety training.

SPCB maintains regular oversight of its approach to H&S management, to adapt and respond to changing risks, priorities, legal requirements and operating guidelines.

Expenditure on consultancy

During 2022-23 £0.7m was spent on external consultancy including general and property advisors (£0.6m 2021-22). Expenditure in 2022-23 included property advice on BEMS replacement and other facilities management change programmes and Government Actuary advice.

Parliamentary accountability disclosures

Losses and special payments

There were no individual losses or special payments in excess of £250,000 which would require separate disclosure in either 2022-23 or 2021-22.

Gifts

There were no individual gifts in excess of £250,000 which would require separate disclosure in either 2022-23 or 2021-22.

Remote contingent liabilities

Contingent liabilities that meet the disclosure requirements in IAS 37 Provisions & Contingent Liabilities are included in Note 18 of the Notes to the Accounts. There are no remote contingent liabilities to disclose.

David McGill

David McGill
Clerk/Chief Executive

21 September 2023

Accountability Report (Aithisg Cunntachalachd)

Independent Auditor's Report

Report of the Auditor General for Scotland to the Scottish Parliamentary Corporate Body and Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Parliamentary Corporate Body for the year ended 31 March 2023 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Government Financial Reporting Manual (the 2022/23 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2023 and of its net operating expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Accountability Report (Aithisg Cunntachalachd)

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Principal Accountable Officer for the financial statements

As explained more fully in the Statement of the SPCB's and Principal Accountable Officer's Responsibilities, the Principal Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Principal Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Principal Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud.

Procedures include:

- using my understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities

Accountability Report (Aithisg Cunntachalachd)

depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Principal Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Principal Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and

Accountability Report (Aithisg Cunntachalachd)

Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I report by exception

I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose.

In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Stephen Boyle

Stephen Boyle
Auditor General for Scotland
102 West Port
Edinburgh
EH3 9DN

21 September 2023

Financial Statements (Aithrisean Ionmhais)

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2023

	Note	2022-23 £M	2021-22 £M
Administration costs			
Staff and members' salaries	3	50.3	48.0
Other administration costs	5	51.9	48.6
Depreciation	7, 8	12.7	11.7
Commissioners and Ombudsman	19	13.0	12.2
Gross administration costs		127.9	120.5
Operating income	6	(0.6)	(0.1)
Net operating expenditure		127.3	120.4
Other comprehensive net expenditure			
Net loss/(gain) on revaluation of buildings and fixed plant	7	(29.0)	(25.0)
Net loss in respect of realised element of revaluation reserve	7(c)	3.7	3.3
Net (gain)/loss on pension reserves	4	(44.8)	9.4
Comprehensive net expenditure		57.2	108.1

The notes on pages 58 to 84 form part of these accounts.

Financial Statements (Aithrisean Ionmhais)

Statement of Financial Position

As at 31 March 2023

	Note	2023 £M	Restated 2022 £M
Non-current assets:			
Property, plant and equipment	7	379.9	362.3
Intangible assets	8	0.2	0.4
Trade and other receivables (after 1 year)	10	0.4	0.4
Total non-current assets		380.5	363.2
Current assets			
Inventories	9	0.2	0.2
Trade and other receivables	10	1.5	1.5
Cash and cash equivalents	11	1.1	1.9
Total current assets		2.8	3.5
Total assets		383.3	366.7
Current liabilities			
Trade and other payables (within 1 year)	12	(8.9)	(11.2)
Provisions	13	-	(0.4)
Total current liabilities		(8.9)	(11.6)
Total assets less current liabilities		374.4	355.1
Non-current liabilities			
Members' pension assets/(liabilities)	14	5.7	(32.4)
Total non-current liabilities		5.7	(32.4)
Assets less liabilities		380.1	322.7
Represented by:			
Taxpayers' equity			
General fund		192.2	198.2
Revaluation reserve		182.2	156.9
Pension reserve		5.7	(32.4)
Total taxpayers' equity		380.1	322.7

The financial statements on pages 53 to 57 were approved by the Scottish Parliamentary Corporate Body on 21 September 2023. The Principal Accountable Officer authorised these statements for issue on 21 September 2023.

David McGill

David McGill
Clerk/Chief Executive

The notes on pages 58 to 84 form part of these accounts.

Financial Statements (Aithrisean Ionmhais)

Statement of Cash Flows

For the year ended 31 March 2023

	Note	2022-23 £M	2021-22 £M
Cash flow from operating activities			
Net operating cost		(127.3)	(120.4)
Adjustments for non-cash items			
- Non-cash charges	20	6.8	5.7
- Depreciation	7, 8	12.7	11.7
Decrease/(increase) in inventories	9	-	0.1
Decrease/(increase) in trade and other receivables	10	0.1	(0.4)
(Decrease)/increase in trade and other payables		(0.6)	1.0
(Decrease)/increase in provisions	13	(0.4)	(0.1)
Net cash outflow from operating activities		(108.7)	(102.4)
Cash flows from investing activities			
Purchase of property, plant and equipment		(2.1)	(2.7)
Purchase of intangible assets		-	-
Net cash outflow from investing activities		(2.1)	(2.7)
Cash flows from financing activities			
Financing from the Consolidated Fund		110.0	104.7
Net (decrease)/increase in cash and cash equivalents		(0.8)	(0.4)
Cash and cash equivalents as at beginning of period	11	1.9	2.3
Cash and cash equivalents as at end of period	11	1.1	1.9
Net (decrease)/increase in cash and cash equivalents		(0.8)	(0.4)
Net cash requirement			
Cash flows from financing activities	SOCTE	110.0	104.7
(Increase)/decrease in cash	11	(0.8)	0.4
		109.2	105.1

The notes on pages 58 to 84 form part of these accounts.

Financial Statements (Aithrisean Ionmhais)

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2023

	Note	General fund £M	Revaluation reserve £M	Pension reserve £M	Total reserves £M
Balance at 1 April 2022		198.2	156.9	(32.4)	322.7
Revaluation of Buildings and Fixed Plant	7		29.0		29.0
Transfer in respect of realised element of revaluation reserve	7(c)	3.6	(3.6)		-
Net movement in pension reserve	14			44.8	44.8
Non-cash charges – auditor remuneration	20	0.1			0.1
Movement in cash balances		0.8			0.8
Net operating cost		(120.6)		(6.7)	(127.3)
Net funding	Cash Flow	110.0			110.0
Balance at 31 March 2023		192.1	182.3	5.7	380.1

The notes on pages 58 to 84 form part of these accounts

Financial Statements (Aithrisean Ionmhais)

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2022

	Note	General fund £M	Revaluation reserve £M	Pension reserve £M	Total reserves £M
Balance at 1 April 2021		204.5	135.2	(17.4)	322.3
Revaluation of Buildings and Fixed Plant	7		25.0		25.0
Transfer in respect of realised element of revaluation reserve	7(c)	3.3	(3.3)		-
Net movement in pension reserve	14			(9.4)	(9.4)
Non-cash charges – auditor remuneration	20	0.1			0.1
Movement in cash balances		0.4			0.4
Net operating cost		(114.8)		(5.6)	(120.4)
Net funding	Cash Flow	104.7			104.7
Balance at 31 March 2022		198.2	156.9	(32.4)	322.7

The notes on pages 58 to 84 form part of these accounts

Notes to the accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2021-22 UK Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SPCB for the purposes of giving a true and fair view has been selected. The particular policies adopted by the SPCB are described below. They have been applied consistently in dealing with items considered material to the accounts.

a. Accounting Convention

The accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, financial instruments and inventories where material, at their value by reference to their current costs. In accordance with the principles of resource accounting, the gross funding received from the Scottish Consolidated Fund is reported directly within the General Fund and is not included in the operating income received in the year in the Statement of Comprehensive Net Expenditure.

In common with similar public bodies, the future financing of the SPCB's liabilities will be met by future grants of Supply approved annually by the Scottish Parliament. The approval of amounts for 2023-24 has already been given and there is no reason to believe that future approvals will not be forthcoming. Accordingly, it is considered appropriate to adopt a going concern basis for the preparation of these financial accounts.

b. Property, Plant and Equipment (PPE)

The SPCB hold the legal title to all land, buildings and fixed plant shown in the accounts.

For land, buildings and fixed plant, the minimum level for capitalisation of spend is the greater of £10,000 or 0.5% of asset value, provided it is probable that the spend will bring future economic benefits. For other asset categories, the minimum level for capitalisation of spend is £5,000, including grouped value of related asset purchases. Furniture, fixtures and fittings are not capitalised.

Land, buildings and fixed plant have been valued on a depreciated replacement cost basis for specialised buildings using independent professional valuations every 5 years. The last full valuation took place in 2019-20 with a desktop valuation exercise carried out in 2020-21. In the intervening years between valuations, indices provided by a professional valuer based on the General Buildings Cost (GBC) and the All Tender Price (ATPI) Index are applied. These indices are updated regularly and their value may rise or fall.

Financial Statements (Aithrisean Ionmhais)

Artwork and donated assets are independently professionally valued on the basis of Insurance every 5 years. The last valuation took place in 2019-20. Donated assets are capitalised at current value on receipt and income is recognised in the year of receipt. The revaluation of purchased and donated artwork is reflected in the Revaluation Reserve (see Statement of Changes in Taxpayers' Equity).

All other assets are reported at depreciated historic cost.

c. Intangible assets

In accordance with the FReM, Intangible assets are accounted for in line with the requirements of IAS 38 Intangible Assets.

Non-income generating assets are carried at depreciated replacement cost which is considered to be a proxy for fair value.

Intangible assets other than assets under development are amortised on a straight-line basis over their estimated useful lives. Intangible assets under development are not amortised.

d. Depreciation and amortisation

Land, historic documents and records and works of art are not depreciated. Assets under construction are depreciated when they are brought into use.

Depreciation has been provided at rates calculated to write off the valuation of Property, Plant and Equipment assets by equal instalments over their estimated useful lives which are normally in the following ranges:

Holyrood building	40 years
Holyrood fixed plant	3-15 years
Equipment and vehicles	5 years
IT systems	3 years

Amortisation is provided at rates calculated to write off the valuation of Intangible assets by equal instalments over their estimated useful lives which are normally in the following range:

IT software	3 years
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e. Realised element on depreciation of revaluation reserve

Depreciation is charged to the Statement of Comprehensive Net Expenditure on the revalued amount of the relevant assets. An element of depreciation arises from the increase in valuation and is in excess of the depreciation that would be charged on the historic cost of the relevant assets and is transferred from the revaluation reserve to the general fund.

f. Inventories

All inventories held are stated at the lower of cost and net realisable value.

Financial Statements (Aithrisean Ionmhais)

g. Trade Receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. A provision for impairment of trade receivables is established where there is observable evidence that the SPCB will not be able to collect all amounts due according to original terms. Trade receivable balances are written off when the SPCB determines that it is unlikely that future remittances will be received.

h. Trade and other payables

Trade and other payables are stated at cost.

i. Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Net Expenditure.

j. Operating Income

Operating income is income that relates directly to the operating activities of the SPCB and is therefore recognised as revenue in the Statement of Comprehensive Net Expenditure. Income is stated excluding VAT.

k. Pensions

The Civil Service Pension Arrangements

Staff employed directly by the SPCB and the Parliamentary Commissioners and Ombudsman and their staff are members of either the Civil Service and Others Pension Scheme or **Alpha** which was introduced from 1 April 2015. Prior to that date employees participated in the Principal Civil Service Pension Scheme (PCSPS). These statutory arrangements are unfunded multi-employer defined benefit schemes and the SPCB is unable to identify its share of the underlying assets and liabilities and therefore there is no liability in the Statement of Financial Position. The cost of benefits is met by monies voted by the UK Parliament each year. Details can be found in the separate scheme statement of the Cabinet Office: Civil Superannuation (Civil Service Pensions). More information on the costs can be found in Note 4.

The Scottish Parliamentary Pension Scheme (SPPS)

The SPCB uses full IAS 19 pension scheme accounting for the Members' Pension Fund (Scottish Parliamentary Pension Scheme). This means the net position for the Scheme is reflected in the SPCB Statement of Financial Position (Notes 4 and 14).

The scheme is a defined benefit scheme, and applies to the salary of members, to any ministerial salary and the salary of the Lord Advocate and Solicitor General for Scotland. The cost of pension cover provided for the MSPs is by payment of charges

Financial Statements (Aithrisean Ionmhais)

calculated on an accruing basis, with liability for payment of future benefits charged to the Scottish Parliamentary Pension Scheme (SPPS). Any liabilities of the fund arising from a deficit on assets will be met through increased funding. The liability for this will be met by the SPCB through the Scottish Consolidated Fund.

I. Value Added Tax (VAT)

The SPCB is treated as a Crown Body for the purposes of the Value Added Tax Act 1994 and accordingly for the purposes of Section 41 of that Act (application to the Crown) it is treated as a government department and is exempt for VAT on the provision of parliamentary goods and services. The SPCB is standard rated for VAT on its trading activities, such as the Parliament shop. Where output tax is charged or input VAT is recoverable, the amounts are stated excluding VAT.

m. New accounting standards not yet effective

The SPCB consider accounting standards not yet applied and assess the potential impact the initial application would have on the financial statements. The SPCB do not consider that any new or revised standard or interpretation would have a material impact on the financial statements.

n. Reimbursement of Members' Expenses Scheme

By virtue of sections 81(2) (5) (6) and 83 (5) of the Scotland Act 1998, the SPCB reimburses members in respect of expenses or costs incurred in each financial year in accordance with the Reimbursement of Members' Expenses Scheme, subject to the various limits on expenses or costs under the Scheme.

o. Accounting estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The SPCB makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The SPCB makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements within the next financial year are addressed below:

Accruals relating to the SPCB's operating activities are estimated on the basis of contractual obligations and goods and services received during the financial year.

The accounting for pensions, and indexation movements for buildings and fixed plant, are areas in which accounting estimates may change. The carrying amount of the pension liability may change as a result of the Government Actuary's reassessment of the expected future benefits and obligations associated with the pension liability. The relevant assumptions used by the Government Actuary are based on a number of complex judgements including discount rate, salary increase rate, retirement ages, mortality rates and expected returns on pension fund assets and these are set out in Note 4. In 2022-23 the Government Actuary has provided evidence supporting the accounting treatment of recognising this surplus as set out in Note 14.

Financial Statements (Aithrisean Ionmhais)

A professional surveyor provides indexation advice for buildings and fixed plant based on appropriate indices from the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors. These indices are updated regularly and their value may rise or fall. The indexation of Buildings and Fixed Plant is disclosed in Note 7.

p. Leases and IFRS 16

Accounting standard IFRS 16 has been considered and judged not to apply to the SPCB accounts as no leases in operation.

q. Provisions

Under IAS 37, Provisions, Contingent Liabilities and Contingency Assets, the SPCB provides for legal or constructive obligations that are of uncertain timing or amount at the year-end date on the basis of the best estimate of the expenditure required to settle the obligation.

Financial Statements (Aithrisean Ionmhais)

2. Summary of Outturn against Budget

A. Summary of Outturn against Resource Budget

	2022-23			2021-22		
	Budget £M	Outturn £M	Variance £M	Budget £M	Outturn £M	Variance £M
Net Operating Cost (Statement of Comprehensive Net Expenditure) (i)	129.2	127.3	1.9	126.2	120.4	5.8
Capital – Purchase of non-current assets (Note 7)	1.0	1.1	(0.1)	1.5	3.4	(1.9)
Total outturn	130.2	128.4	1.8	127.7	123.8	3.9

(i) Explanation of the variation between Budget and Outturn Net Operating Cost for 2022-23:

Small overspends in capital expenditure and Parliamentary Service of £0.1m each offset underspends in Members cost of £1.3m, non-cash costs of £0.6m, with the main element of this being depreciation, and £0.1m in Commissioners funding.

(ii) Explanation of the variance between Budget and Outturn Capital for 2022-23:

An overspend variance of £0.1m occurred on Capital due to brought forward expenditure into 2022-23 from 2023-24.

Financial Statements (Aithrisean Ionmhais)

B. Summary of Outturn against Cash Budget

	Budget	2022-23	Variance	Budget	2021-22	Variance
	£M	Outturn £M	£M	£M	Outturn £M	£M
Net Cash Outflow		109.2			105.1	
Net (increase) / decrease in cash and cash equivalents		0.8			(0.4)	
Overall Cash Outturn (Statement of Cash Flows) (iii)	110.1	110.0	0.1	110.3	104.7	5.6

(iii) Explanation of the variation between Cash Budget and Cash Outturn for 2022-23:

The actual cash drawdown (£110.0m) was within the cash budget for the year (£110.1m). The net decrease/(increase) in cash and cash equivalents is disclosed in the Statement of Cash Flows.

Financial Statements (Aithrisean Ionmhais)

3. Staff and members' salaries

Pay costs consist of:

	£M	2022-23			2021-22		
		£M	£M	£M	£M	£M	£M
	Total	Staff	Members and Office Bearers	Total	Staff	Members and Office Bearers	
Salaries							
SPCB	36.2	27.5	8.7	34.8	24.1	10.7	
Seconded staff	0.1	0.1	-	0.1	0.1	-	
Ministers	1.3	-	1.3	1.5	-	1.5	
Social security costs							
SPCB	3.9	2.8	1.1	3.3	2.3	1.0	
Seconded staff	-	-	-	-	-	-	
Ministers	0.2	-	0.2	0.2	-	0.2	
Other pension costs							
SPCB	8.3	6.6	1.7	7.8	6.1	1.7	
Seconded staff	-	-	-	-	-	-	
Ministers	0.3	-	0.3	0.3	-	0.3	
Total Salary Cost per Statement of Comprehensive Net Expenditure	50.3	37.0	13.3	48.0	32.6	15.4	

Social security costs for SPCB in 2022-23 include Apprenticeship levy costs of £0.1m (2021-22 £0.1m).

Information on the staff costs in 2022-23 can be found in the Performance Overview, Financial position section on pages 14 to 15.

Members' salaries in 2021 -22 include £2.3m of resettlement grant and Ministers salaries include £0.2m of severance costs associated with the election in May 2021.

Financial Statements (Aithrisean Ionmhais)

The number of MSPs and Ministers during 2022-23 was as follows:

	2022-23	2021-22
	Total	Total
Ministers (including 2 Law Officers)	30	30
MSPs	101	101
Total Ministers and MSPs	<u>131</u>	<u>131</u>

The number of Members of the Parliament at 31 March 2023 and 2022 is 129.

Information on SPCB staff numbers can be found in the Remuneration and Staff Report on page 45

4. Pensions

a. Members of the Civil Service Pension Arrangements

The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the [resource accounts of the Cabinet Office: Civil Superannuation](#). For 2022-23, employers' contributions of £6.6m were payable to the PCSPS (2021-22 £6.1m). The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires and not the benefits paid during this period to existing pensioners. There were no individuals retiring early on ill-health grounds in 2022-23 (2021-22, none).

The SPCB expects to contribute £7.8m to the PCSPS in 2023-24.

Employers' contributions of £23,200 (2021-22 £17,100) were paid to the appointed stakeholder pension providers for those staff members who are part of the partnership pension account. In addition, employer contributions of £800 (2021-22 £600), 0.5% of pensionable pay were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the **partnership** pension providers at the balance sheet date were £2,800 (2021-22 £1,300). Contributions prepaid at that date were £nil (2021-22 £nil).

Staff seconded to SPCB from other organisations are members of the pension schemes operated by their respective employers.

b. Members of the Scottish Parliamentary Pension Scheme (SPPS)

The pension scheme for the Parliament Members provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the SPCB and are managed by an Investment Manager. The Government Actuary was required to produce an initial actuarial valuation of the assets and liabilities of the SPPS as at 6 May 1999 and thereafter to conduct a full valuation at three yearly intervals. The last valuation was finalised by the Trustees on 30 May 2023 and covers the period 1 April 2019 to 31 March 2022.

The pension scheme was established in 1999 and is immature, with contribution income still exceeding regular benefit outgoings. The weighted average duration of the scheme's liabilities is around 16 years.

Financial Statements (Aithrisean Ionmhais)

i. The amounts recognised in the Statement of Financial Position are as follows:

	Note	31 March 2023 £M	31 March 2022 £M
Present value of scheme liabilities		91.4	136.8
Fair value of scheme assets		97.1	104.4
Net (surplus)/liability	14	(5.7)	32.4

ii. The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

	2022-23 £M	2021-22 £M
Current service cost	7.8	7.2
Reduction in past service cost *	-	-
Total operating charge	7.8	7.2

* Past service costs arise when an employer undertakes to provide a different level of benefits than previously promised. The Government Actuary's Department is not aware of any material past service costs which have arisen over 2021-22 or 2020-21.

Analysis of the amount recognised in Statement of Financial Position		
Interest cost	3.7	2.6
Interest on scheme assets	(2.8)	(2.2)
Total cost	0.9	0.4

Total cost in the Statement of Comprehensive Net Expenditure	8.7	7.6
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Allocated in the accounts as follows:

	Note	2022-23 £M	2021-22 £M
Other pension costs (contributions by employer)		2.0	1.9
Pension Finance Cost (Net)	5	6.7	5.6
Total		8.7	7.5

Financial Statements (Aithrisean Ionmhais)

iii. Analysis of amount recognised in Statement of Change in Taxpayers' Equity (SCITE):

	2022-23	2021-22
	£M	£M
Actual less expected return on scheme assets	(10.9)	(9.2)
Experience adjustments on scheme liabilities	(4.8)	0.1
Changes in assumptions underlying the present scheme liabilities	60.5	(0.3)
Total actuarial gain/(loss) recognised in SCITE	44.8	(9.4)

The actuarial gain of £44.8m for 2022-23 is a combination of the changes in assumptions amounting to a gain of £60.5m (arises from the changes to the financial assumptions – see section vii), experience loss on the liabilities of £4.8m which arises mainly from CPI increases being higher than expected but this is partially offset by actual salary increases being lower than assumed and the updated full membership data and actual return on assets exceeding expected interest in by assets (loss of £10.9m).

The actuarial loss of £9.4m for 2021-22 is a combination of the change in assumptions (a loss of £0.3m arises from the changes to the financial assumptions-see section vii), experience gains on the liabilities (a gain of £0.1m) which arises mainly from actual salary increases being lower than assumed and offset by CPI increases being higher than assumed and actual return on assets exceeding expected interest in by assets (a loss of £9.2m).

The demographic assumptions determine the incidence of the benefit outflow and include factors such as mortality (in service and in retirement), withdrawal from service, proportions married and ages of dependants. The demographic assumptions are chosen by reference to the specific experience of the scheme membership and were reviewed as part of the actuarial valuation of the scheme at 31 March 2022. The report for this valuation was issued on 30 May 2023.

The demographic assumptions (including mortality) adopted to determine the Current Service Cost for the year ending 31 March 2023 are those applicable at the start of the year; that is, those adopted to calculate the liability at 31 March 2022 for the 2021-22 Resource Accounts.

The demographic assumptions adopted for the assessment of liabilities as at 31 March 2023 have been set by the SPCB based on assumptions used for the 2022 valuation.

The baseline mortality assumption is as used in the actuarial valuation of the scheme as at 31 March 2022. The baseline mortality assumption is broadly in line with that adopted for the 2019 valuation but has been re-expressed in terms of more recent S3 series of standard tables due the 2022 valuation. Changing from the S2 series of mortality tables to the more recent S3 tables does not have a material impact on the scheme liabilities.

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For the 2022-23 Resource Accounts, it has been agreed that the mortality improvements assumptions are those underlying the most recent (2020) population projections prepared by the Office of National Statistics (ONS) which were published on 12 January 2022. This is consistent with the future improvements in mortality that were agreed for the latest 2022 actuarial valuation of the scheme and the approach adopted for accounting disclosures last year. These are set out in section vii.

iv. Changes in the present value of the scheme liabilities are as follows:

	31 March 2023	31 March 2022
	£M	£M
Opening liability	136.8	129.2
Current service cost	7.8	7.2
Interest cost	3.7	2.6
Contributions by members	1.1	1.0
Actuarial losses/(gains)	(55.7)	0.1
Net transfers-in, less benefits paid out	(2.3)	(3.3)
Closing liability	91.4	136.8

v. Changes in the fair value of scheme assets are as follows:

	31 March 2023	31 March 2022
	£M	£M
Opening fair value of scheme assets	104.4	111.8
Interest on scheme assets	2.8	2.2
Actual return less expected return on scheme assets	(10.9)	(9.2)
Contributions by employer	2.0	1.9
Contributions by members*	1.1	1.0
Benefits paid and expenses	(2.3)	(3.3)
Closing fair value of scheme assets	97.1	104.4

* including transfers in and transfers out by members

The SPCB expects to contribute £2.1m to the Members' Pension Fund in 2023-24. Employer contributions from 1 April 2022 were 20.2 % of pensionable pay, the rate recommended in the 2019 formal valuation.

vi. Movement in deficit during the year:

	31 March 2023	31 March 2022
	£M	£M
Deficit at 1 April	(32.4)	(17.4)
Current service cost (net of members contributions)	(7.8)	(7.2)
Contributions by SPCB	2.0	1.9
Other finance income	(0.9)	(0.3)
Actuarial gain/(loss)	44.8	(9.4)
Surplus/(Deficit) at 31 March	5.7	(32.4)

Financial Statements (Aithrisean Ionmhais)

- vii. The major categories of scheme assets as a percentage to total scheme assets are as follows:

	2022-23	2021-22
Equities	61%	62%
Bonds	33%	30%
Cash	5%	5%
Property	1%	3%

Principal actuarial assumptions at the Statement of Financial Position date:

	31 March 2023	31 March 2022
Discount rate	4.65%	2.65%
Future salary increases *	4.10%	4.65%
Rate of return in excess of:		
Pension increases (CPI)	2.00%	(0.5%)
Earnings increases	0.5%	(2.00%)
Expectation of life at age 65 (years)		
Current pensioners – men	23.6	23.5
Current pensioners – women	25.2	25.1
Current pensioners – widows	24.0	23.9
Future pensioners – men	25.2	25.1
Future pensioners – women	26.8	26.7
Future pensioners – widows	25.6	25.4

* This is a long term salary increase assumption and has been derived as 1.5% (2021-22 1.5%) per annum in excess of cost price inflation (CPI). GAD's long-term view of earnings increases is based on long-term historical earnings increases relative to inflation and considering possible future trends.

The long-term salary assumption is intended to be an average over the future careers of scheme members, with a recognition that increases in any particular year may be higher or lower than the assumption.

- viii. Sensitivity to main assumptions:

The results of any actuarial calculation are inherently uncertain because of the assumptions which must be made. In recognition of this uncertainty GAD has set out the approximate effects on the actuarial liability as at 31 March 2023 of changes to the main actuarial assumptions.

The principal financial assumptions are the real rates of return in excess of pension increases and earnings growth. A key demographic assumption is pensioner mortality.

If the real rate of return in excess of earnings changes by 1.0% a year, the total actuarial liability would change by around 3% and the change in total liabilities by circa £2.7m.

Financial Statements (Aithrisean Ionmhais)

If the real rate of return in excess of pension changes by 1.0% the total actuarial liability would change by about 16% and the change in total liabilities by circa £14.6m.

If each pensioner is subject to longevity of an individual 2 years younger than assumed then this would increase the actuarial liability by 6.5% and increase total liability by circa £5.9m.

ix. Covid implications:

As with last year's accounts, the mortality improvement assumptions are those underlying the most recent 2020 based population projections prepared by the Office for National Statistics (ONS 2020) which were published on 12 January 2022. These mortality improvement assumptions were also adopted for the 2022 actuarial valuation of the scheme.

The cumulative change in the mortality rates over the first few years of the 2020 based ONS population projections take account of the Covid-19 pandemic. The reductions made are in line with observed improvement rates, where known, and an average of the views of an independent panel of mortality experts in respect of the aggregate period from 2019 to 2022. Mortality improvements after this date have not been changed as a result of the Covid-19 pandemic.

The progress of the pandemic remains uncertain so actual death rates from Covid-19 may differ from the allowance made in the mortality projections. Any difference between actual and assumed mortality rates over the next year would emerge as an experience gain or loss in next year's accounts.

x. Amounts for the current and previous four periods are as follows:

	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
		£M	£M	£M	£M
Defined benefit obligation	91.4	136.8	129.2	108.4	110.7
Scheme assets	97.1	104.4	111.8	79.6	81.0
Net Liability	5.7	(32.4)	(17.4)	(28.8)	(29.7)
Experience gains and losses arising on pension liabilities	(4.8)	0.1	3.2	1.9	0.8
Actual return less interest on scheme assets	(10.9)	(9.2)	28.9	(5.0)	2.3

Further information on the Scottish Parliamentary Pension Scheme can be found in the accounts for the scheme ending 31 March 2023 which are published on the Parliament website.

Financial Statements (Aithrisean Ionmhais)

5. Other administration costs

	Note	2022-23 £M	2021-22 £M
Reimbursement of Members' expenses:			
Members' staff costs including staff winding up costs, ERNIC, pension and temporary staff costs		19.6	18.8
Office costs including winding up		1.6	1.3
Travel, accommodation and other costs		2.6	2.2
Total Members' expenses	(a)	23.8	22.3
Financial assistance for registered political parties	(b)	0.6	0.6
Funding of Electoral Commission	(c)	2.0	2.6
Accommodation costs:			
Rates		3.6	3.6
Planned and reactive maintenance		3.6	3.5
Utilities		1.2	1.0
Cleaning		0.8	0.7
Other		0.2	0.5
		9.4	9.3
Travel and expenses, hospitality		0.6	0.1
Other expenditure:			
Equipment, IT maintenance and telephony		4.4	4.2
Other facilities contracts		2.0	1.8
Postage, stationery and publications		0.5	0.5
Other staff costs		0.7	0.6
External consultants		0.7	0.6
Other		0.4	0.3
		8.7	8.0
Non-cash items:			
Pension finance cost (net)	20	6.7	5.6
Auditor's remuneration and expenses	20	0.1	0.1
		6.8	5.7
Total other admin cost per Statement of Comprehensive Net Expenditure		51.9	48.6

(a) Details of reimbursement of members' expenses is published on the SPCB website. More information on members expenditure in 2022-23 can be found within the Financial Position section of the Performance Overview on 14

Financial Statements (Aithrisean Ionmhais)

- (b) Under the Financial Assistance for Registered Political Parties Order 1999, the registered political parties in the Parliament are entitled to monies to assist their Members to carry out their parliamentary duties.
- (c) In 2021-22, under Section 15 of the Scottish Elections (Reform) Act 2020, the SPCB assumed responsibility for the funding of devolved electoral activities of the Electoral Commission. The Commission also receives funding from the Speakers Committee of the House of Commons and the Senedd.

6. Operating income

Operating income analysed by classification and activity, is as follows:

	2022-23	2021-22
	£M	£M
Hospitality income	0.3	0.1
Shop trading income	0.2	-
Miscellaneous income	0.1	-
Total income	0.6	0.1

Income figures, disclosed above, are shown before the deduction of expenses incurred. Income is low in 2021-22 due to the impact of Covid restrictions on our activities.

Financial Statements (Aithrisean Ionmhais)

7. Property, plant and equipment

2022-23	Land	Buildings and Fixed Plant	Equipment and Vehicles	IT systems	Assets Under Construction	Artwork and Donated Assets	Total £M
Cost or valuation	£M	£M	£M	£M	£M	£M	£M
At 1 April 2022	17.6	446.5	5.1	4.6	0.2	1.7	475.7
Additions (purchased)	-	0.1	0.4	0.4	0.2	-	1.1
Transfers	-	0.1	-	-	(0.1)	-	-
Disposals	-	-	(0.1)	(0.2)	-	-	(0.3)
Revaluation	(1.8)	38.5	-	-	-	-	36.7
At 31 March 2023	15.8	485.2	5.4	4.8	0.3	1.7	513.2
Depreciation							
At 1 April 2022	-	107.2	3.3	2.9	-	-	113.4
Charged in year	-	11.2	0.5	0.8	-	-	12.5
Disposals	-	-	(0.1)	(0.2)	-	-	(0.3)
Revaluation	-	7.7	-	-	-	-	7.7
At 31 March 2023	-	126.1	3.7	3.5	-	-	133.3
Net book value							
At 31 March 2023	15.8	359.1	1.7	1.3	0.3	1.7	379.9
At 1 April 2022	17.6	339.3	1.8	1.7	0.2	1.7	362.3

Financial Statements (Aithrisean Ionmhais)

7 (b) Valuation

The principal non-current asset of the SPCB is the parliamentary building at Holyrood, Edinburgh. This was occupied in the 2004-05 financial year when the Parliament land and building were first professionally valued on a depreciated replacement cost basis as at 7 January 2005 by GVA James Barr (Chartered Surveyors). In line with the SPCB's non-current asset accounting policy of a full revaluation commissioned at a minimum of every five years, Avison Young undertook the fourth full revaluation of the Parliament land and buildings as at 31 March 2020 (at £349.0m). In 2020-21 Avison Young undertook a desktop valuation which included structural buildings valued at £298.1m, a land value of £15.7m and £27.0m in respect of fixed plant. The valuation is an assessment of Fair Value, referenced to Depreciated Replacement Cost, with an inherent assumption of on-going use by the Parliament. Revaluation may result in an increase or decrease of the previous recorded value.

In intervening years between the valuations, indexation advice is applied as set out in the accounting policy for Property, Plant and equipment on page 58. Avison Young have provided the indexation advice applied in the 2022-23 values.

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2021-22		Buildings and Fixed Plant	Equipment and Vehicles	IT systems	Assets Under Construction	Artwork and Donated Assets	Total
Cost or valuation	Land £M	£M	£M	£M	£M	£M	£M
At 1 April 2021	15.7	416.8	4.0	3.5	0.7	1.7	442.4
Additions (purchased)	-	0.1	1.0	1.1	1.2	-	3.4
Transfers	-	1.7	0.1	-	(1.7)	-	0.1
Disposals	-	-	-	-	-	-	-
Revaluation	1.9	27.9	-	-	-	-	29.8
At 31 March 2022	17.6	446.5	5.1	4.6	0.2	1.7	475.7
Depreciation							
At 1 April 2021	-	91.7	2.9	2.4	-	-	97.0
Charged in year	-	10.7	0.4	0.5	-	-	11.6
Disposals	-	-	-	-	-	-	-
Revaluation	-	4.8	-	-	-	-	4.8
At 31 March 2022	-	107.2	3.3	2.9	-	-	113.4
Net book value							
At 31 March 2022	17.6	339.3	1.8	1.7	0.2	1.7	362.3
At 1 April 2021	15.7	325.1	1.1	1.1	0.7	1.7	345.4

Financial Statements (Aithrisean Ionmhais)

7 (c) Net loss/(gain) in respect of realised element of revaluation reserve

	2022-23	2021-22
	£M	£M
Depreciation on Buildings and Fixed Plant		
Charged in year (calculated on Current Cost basis)	11.2	10.7
Calculated on Historical Cost basis	(7.6)	(7.4)
Net loss/(gain) in respect of realised element of revaluation reserve	3.6	3.3

Financial Statements (Aithrisean Ionmhais)

8. Intangible assets

	2022-23			2021-22		
	IT Software	Assets Under Construction	Total	IT Software	Assets Under Construction	Total
	£M	£M	£M	£M	£M	£M
Cost or valuation						
At 1 April	1.2	-	1.2	0.8	0.4	1.2
Additions (purchased)	-	-	-	-	-	-
Transfers	-	-	-	0.4	(0.4)	-
Disposals	(0.5)		(0.5)			
At 31 March	0.7	-	0.7	1.2	-	1.2
Amortisation						
At 1 April	0.8	-	0.8	0.7	-	0.7
Charged in year	0.2	-	0.2	0.1	-	0.1
Disposals	(0.5)		(0.5)			
At 31 March	0.5	-	0.5	0.8	-	0.8
Net book value						
At 31 March	0.2	-	0.2	0.4	-	0.4
At 1 April	0.4	-	0.4	0.1	0.4	0.5

Financial Statements (Aithrisean Ionmhais)

9. Inventories

	31 March 2023	31 March 2022
	£M	£M
Retail	0.1	0.1
Other stock	0.1	0.1
	0.2	0.2

10. Trade and other receivables

	31 March 2023	Restated 31 March 2022
	£M	£M
Amounts due within one year:		
VAT	0.5	0.6
Trade receivables	0.2	-
Prepayments and accrued income	0.6	0.7
Other receivables	0.2	0.2
	1.5	1.5
Amounts due after more than one year:		
Prepayments and accrued income	0.4	0.4
	1.9	1.9

11. Cash and cash equivalents

	31 March 2023	31 March 2022
	£M	£M
Balance at 1 April	1.9	2.3
Net (decrease)/increase in cash and cash equivalents	(0.8)	(0.4)
Balance at 31 March	1.1	1.9
Balances at Government Banking Service	1.1	1.9
Balances at Commercial banks and cash in hand	-	-
Balance at 31 March	1.1	1.9

Financial Statements (Aithrisean Ionmhais)

12. Trade and other payables: amounts falling due within one year

	31 March 2023 £M	31 March 2022 £M
Accruals and deferred income	4.8	5.0
Trade payables	-	1.8
Other payables	3.0	2.5
Scottish Consolidated Fund (SCF)	1.1	1.9
	8.9	11.2

13. Provisions for liabilities and charges

	31 March 2023 £M	31 March 2022 £M
Balance at 1 April	0.4	0.5
(Utilised) in year	(0.5)	(0.2)
Increase in provision	0.1	0.1
Balance at 31 March	0.0	0.4
Amount due within one year	-	0.4
Amount due after one year	-	-
Balance at 31 March	0.0	0.4

A targeted voluntary redundancy specific exit scheme was agreed with Cabinet Office in 2020-21 with terms under the Civil Service Compensation Scheme Arrangements for exits in 2021-2 and 2022-23.

Financial Statements (Aithrisean Ionmhais)

14. Net funded Members Pension Scheme Asset/ Liability

Under IAS 19, an asset or liability is recognised for the Scottish Parliamentary Pension Scheme. Further information is provided on this in note 4.

	Note	2022-23 £M	2021-22 £M
Deficit/(Surplus) at 1 April		32.4	17.4
Net movement in Pension Reserves	4(iii)	(44.8)	9.4
Pension Finance Cost (Net)	5	6.7	5.6
(Surplus)/Deficit at 31 March	4(i)	(5.7)	32.4

Market conditions are used to set discount rates for accounting work under IAS19 and the significant changes in market conditions in 2022-23 means that the Scheme is showing an accounting surplus at 31 March 2023.

15. Capital commitments

At 31 March 2023 there were capital commitments of £0.4m for Chamber console replacements (31 March 2022 £0.2m for the server replacement programme).

16. Commitments under leases

There are no leases in operation (2021-22 none).

17. Financial instruments

As the cash requirements of the SPCB are met through the Scottish Consolidated Fund budgeting process, financial instruments play a more limited role in creating risk than would apply in a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the SPCB's expected purchase and usage requirements. The SPCB is therefore exposed to little credit, liquidity or market risk.

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18. Contingent liabilities

The SPCB has provided letters of indemnity for loaned artwork which is on display within the Parliament. At 31 March 2023 the maximum contingent liability in respect of these indemnities was £0.3m (31 March 2022 £0.2m).

19. Commissioners and Ombudsman and other related parties

In 2022-23 the Scottish Public Services Ombudsman, the Scottish Information Commissioner, the Scottish Commission for Human Rights, the Commissioner for Children and Young People in Scotland, the Commissioner for Ethical Standards in Public Life in Scotland, the Scottish Biometrics Commissioner and the Standards Commission for Scotland were responsible for the management of their funds and preparation of their accounts. Further detail on their accounts can be found on the appropriate websites. In relation to each of these offices, the SPCB is responsible for approving the annual budget, setting the officeholder's terms and conditions of appointment, approving any staffing determination in terms of numbers and grades, approving advisers' and assessors' fees, and approving any accommodation arrangements. In addition, when the Ethical Standards Commissioner demitted office early in April 2022, no compensation was paid but the SPCB paid the outstanding annual leave of £0.04m which is reflected in our expenditure.

Funding provided to independent officeholders was:

	2022-23	2021-22
	£M	£M
Scottish Public Services Ombudsman	6.8	6.1
Scottish Information Commissioner	1.8	1.9
Children and Young People's Commissioner Scotland	1.4	1.2
Scottish Human Rights Commission	1.2	1.2
Commissioner for Ethical Standards in Public Life in Scotland	1.0	1.1
Scottish Biometrics Commissioner	0.4	0.3
Standards Commission for Scotland	0.3	0.3
Officeholders Total	12.9	12.1
Scotland's Futures Forum Limited	0.1	0.1
Net Cost (Statement of Comprehensive Net Expenditure)	13.0	12.2

Scotland's Futures Forum Limited (SFF) was established on 16 August 2005 as a Company Limited by Guarantee. It was created by the Parliament to help its Members, along with policy makers, businesses, academics, and the wider community of Scotland, look beyond immediate horizons, to some of the challenges and opportunities in the future. All shares are owned by the Scottish Parliamentary Corporate Body who also hold the controlling interest in the SFF. The net contribution is included in these accounts but the SPCB does not consolidate on grounds of immateriality. A set of the accounts is available on request.

Financial Statements (Aithrisean Ionmhais)

The SPCB has transactions with the Scottish Government and with other government departments and public bodies, including HM Revenue & Customs. Additionally, regular transactions take place with the Scottish Parliamentary Pension Scheme, see note 4.

During the year, the SPCB had material transactions with the Scottish Parliamentary Pension Scheme. In 2022-23 short term funding or payments made on behalf of the Pensions Scheme of £0.2m was provided to the SPPS (2021-22 £1.3m) by the SPCB with £0.3m repaid in year. Short term funding is provided to temporarily cover the costs of lump sum payments to Members who retire and there were more retirements in 2021-22 due to the election. Lump sums and short-term funding are repaid from monthly contributions to the SPPS. This reduces the requirement for the SPPS to sell units to cover these costs. The SPPS is due to repay the SPCB £0m as at 31 March 2023 (£0.1m at 31 March 2022).

20. Non-cash charges

The following non-cash charges have been included in the accounts:

	Note	2022-23 £M	2021-22 £M
Pension finance cost (net)	5	6.7	5.6
Auditor's Fee	5	0.1	0.1
		6.8	5.7

21. Post Statement of Financial Position events

There are no material post Statement of Financial Position events that require to be adjusted in the accounts or to be disclosed (2021-22 none).



SCOTTISH PARLIAMENTARY CORPORATE BODY

DIRECTION BY THE SCOTTISH MINISTERS

in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

The statement of accounts for the financial year ended 31 March 2007 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

The accounts shall be prepared so as to give a true and fair view of the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 15 July 2002 is hereby revoked.

Signed by the authority of the Scottish Ministers

Dated 17 January 2006