



INTEGRITY IN PUBLIC LIFE

## Annual Report and Accounts

Year Ending 31 March 2022

Laid before the Scottish Parliament by Scottish Ministers under section 22(5) of the Public Finance and Accountability (Scotland) Act 2000

INTEGRITY IN PUBLIC LIFE

## CONTENTS

	<i>Page Number</i>
<b>THE PERFORMANCE REPORT</b>	
Overview	2
Performance Analysis	8
<b>THE ACCOUNTABILITY REPORT</b>	
Directors' Report	15
Statement of Accountable Officer's Responsibilities	16
Governance Statement	17
Remuneration and Staff Report	22
Parliamentary Accountability Report	26
<b>INDEPENDENT AUDITOR'S REPORT</b>	27
<b>THE FINANCIAL STATEMENTS</b>	
Statement of Comprehensive Net Expenditure	30
Statement of Financial Position	31
Statement of Cash Flows	32
Statement of Changes in Taxpayers' Equity	33
Notes to the Accounts	34
Appendix 1: Accounts Direction	37

# THE PERFORMANCE REPORT

## INTRODUCTION

The accounts for the Standards Commission for Scotland (Standards Commission) for the financial year ended 31 March 2022 are presented in accordance with the Ethical Standards in Public Life etc. (Scotland) Act 2000 (the 2000 Act), as amended by the Scottish Parliamentary Commission and Commissioners etc. Act 2010; and the Accounts Direction given by Scottish Ministers on 22 May 2012.

## Overview

This section of the report is intended to give an understanding of the role and purpose of the Standards Commission, the activities it undertakes, the key risks to the achievement of its objectives and a summary of how the organisation has performed during the year.

## Executive Director's Statement

As Executive Director, I am pleased to report that the Standards Commission has performed effectively this year by achieving its statutory duties and by meeting, or exceeding, the objectives identified in the Business Plan for 2021/22, within its approved funding budget (excluding the provision of £28,000 made in respect of expenses to be reimbursed to a pursuer following a successful appeal against a decision made by the Standards Commission in 2021/22). The [Business Plan 2021/22](#) can be found on the Standards Commission's website.

In the past year the Standards Commission continued to promote the ethical standards framework through the provision of guidance and advice notes, by supporting education and training events and by publishing information on its website and social media platforms to assist councillors and board members of devolved public bodies to adhere to the provisions in the Codes of Conduct. This included working with the Scottish Government and other key stakeholders to draft amended versions of the Code of Conduct for councillors and the Model Code of Conduct for members of devolved public bodies. Final versions of both Codes were approved by the Scottish Parliament and issued by Ministers on 7 December 2021. Following a public consultation, the Standards Commission produced and issued revised Guidance and Advice Notes to support the revised Codes at the same time, along with standard training presentations on the main changes to Codes and on their key provisions.

The Standards Commission held two online training workshops on the revised Councillors' Code of Conduct for elected members of Renfrewshire and Angus councils. It also ran an online workshop on the ethical standards framework for chairs of devolved public bodies and an online training session on the revised Model Code, in conjunction with the College Development Network, for all college board members. The Standards Commission dealt with all queries on the ethical standards framework and how to interpret the Codes within the timescales outlined in its published Service Charter.

The Standards Commission has powers of direction under the Ethical Standards in Public Life etc. (Scotland) Act 2000 to oversee how the investigation of complaints about councillors and members of devolved public bodies are conducted by the Ethical Standards Commissioner (ESC). The Standards Commission issued a direction to the ESC on 12 November 2020, requiring the ESC to report to the Standards Commission on the outcome of every investigation into a complaint about a councillor or a member of a devolved public body. The direction requires the ESC to set out the findings of the investigation into the complaint or complaints and the ESC's conclusions as to whether they consider there has been a breach of the applicable Code of Conduct. The direction applied to all complaints received on or after 12 November 2020.

The result of the direction is that the Standards Commission now makes the final decision on the disposal of all complaints about councillors and members of devolved public bodies that have been investigated by the ESC (before the direction was issued, the ESC only reported to the Standards Commission on cases where they considered there had been a breach of the applicable Code).

In terms of its adjudicatory work, the Standards Commission made decisions, in 2021/22, on 26 reports referred to it by the Acting ESC. The Standards Commission held five public Hearings to determine whether six Respondents had contravened the Councillors' Code of Conduct. All Hearings were held online, following the continued Scottish Government guidelines on working from home. The Standards Commission decided to take no action in respect of the remaining cases. It published written decisions on each case, explaining the reason for the decision.

## Purpose and Activities

Information about the Standards Commission's business model, the environment in which it operates and its objectives and strategies is outlined below.

### Business Model and Environment

The Standards Commission is a statutory body established under the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended. The 2000 Act created an ethical standards framework whereby Councillors and Members of Devolved Public Bodies are required to comply with Codes of Conduct, which are approved by Scottish Ministers, together with Guidance issued by the Standards Commission. The role of the Standards Commission is to:

- Encourage high ethical standards in public life; including the promotion and enforcement of the Codes of Conduct and to issue guidance to councils and devolved public bodies; and
- Adjudicate on alleged breaches of the Codes of Conduct, and where a breach is found, to apply a sanction.

The Standards Commission is an independent corporate body and, in the exercise of its functions, is not subject to the direction or control of any member of the Scottish Parliament or the Scottish Government.

### Organisational Structure

The Standards Commission comprises five Members who are appointed by the Scottish Parliamentary Corporate Body (SPCB), with the agreement of the Scottish Parliament. The Standards Commission employs four members of staff, led by the Executive Director, who is also the Accountable Officer.

### Purpose and Activities

The Standards Commission's vision is for Scotland to have confidence that its councillors and members of devolved public bodies uphold the highest standards in their behaviour, conduct and decision-making. In pursuing its vision, the Standards Commission will demonstrate the following values:



#### Fair

being objective,  
transparent, consistent  
and proportionate



#### Approachable

being collaborative,  
considerate, respectful  
and helpful



#### Proactive

it will initiate, promote,  
deliver and learn

### Strategic Priorities and Objectives

In seeking to achieve this vision, the Standards Commission's operates against four-year strategic plans. The Strategic Plan for 2020/24 identified the following four key objectives:

1. To have a positive impact on ethical standards in public life.
2. To pursue continuous improvement in the ethical standards framework and the way we do our work.
3. To pursue and develop strong relationships with our stakeholders.
4. To ensure all stakeholders have easy access to high quality information about the organisation, its work and any initiatives.

Full details of the Standards Commission’s strategic objectives and the actions it intends to achieve these are provided in the [Strategic Plan for 2020/24](#), which is available on the Standards Commission’s website.

## Key Issues and Risks

During 2021/22, the Standards Commission identified the principal risks and uncertainties for the organisation during this year and the actions taken in mitigating these are shown in the table below.

Key Risk	Risk Mitigation
<p>A loss of confidence in the overall ethical standards framework as a result of:</p> <ul style="list-style-type: none"> <li>delays at the investigation stage;</li> <li>a lack of consistency between Standards Commission and ESC in their respective approaches to interpreting the Codes of Conduct and dealing with complaints;</li> <li>Standards Commission’s decisions being inconsistent, unfair, poorly reasoned, disproportionate and / or unclear;</li> <li>a failure by the Standards Commission to adhere to the timescales outlined in its Service Standards and Hearing Rules; and</li> <li>advice and guidance about the content of, and how to interpret, the Codes of Conduct provided by the Standards Commission to stakeholders being incorrect, insufficient or inadequate.</li> </ul>	<p>The Standards Commission assisted the Acting ESC with the recruitment of three new investigators to help prevent any undue delays at the investigation stage.</p> <p>The Acting ESC held quarterly meetings with Standards Commission Members and also met with the Standards Commission’s Executive Team on a fortnightly basis. Discussion topics included how certain provisions in the Codes should be interpreted; the application of the right to freedom of expression under Article 10 of the European Convention on Human Rights; and on how issues of complaint could be framed.</p> <p>The Standards Commission carried out a review of the sanction decisions it had made over the past five years to identify trends and ensure consistency and clarity in reasoning. It also sought feedback on all Hearings and considered any received as part of a standard review at the Standards Commission meeting following the Hearing, so that improvements could be made to policies and processes as appropriate. This review also included analysis and discussion on what went well or otherwise, and what could have been done differently.</p> <p>Following a consultation with the ESC, the Standards Commission introduced a policy on how it deals with requests to adjourn Hearings to help ensure consistency and to provide transparency.</p> <p>A process document to support how the Standards Commission made decisions on cases referred to it by the ESC was developed and published. The aim of the process document is to ensure transparency, by identifying the various scenarios that could arise and by outlining the steps that will be taken by the Standards Commission in its decision-making process.</p> <p>The Standards Commission retained a record of the advice provided and the time take to respond to enquiries and to make decisions on cases referred to it by the ESC.</p>
<p>Ethical Standards Commissioner fails to comply with Directions issued under Sections 10 and 11 of the Ethical Standards in Public Life etc. (Scotland) Act 2000.</p> <p>Standards Commission is not adequately prepared to deal with the impact of compliance with Directions, in terms of its</p>	<p>The Acting ESC confirmed that he would comply with all Directions issued by the Standards Commission and the Standards Commission was satisfied he did so. The Acting ESC also shared information about the numbers of complaints received and ongoing investigations, the expected timing of report referrals and complaint statistics throughout the year.</p> <p>The Standards Commission developed and published on its website a process for how it would deal with referrals in respect of cases where the Acting ESC concluded there had not been a breach of the relevant Code of Conduct or there may have only been a breach in respect of certain aspects of the complaint. The Standards Commission produced a template decision for ‘do neither’ decisions.</p>

---

procedures, workload and communications.

Insufficient resources in terms of staff time and knowledge, and Members' time and availability means Standards Commission is unable to:

- Make any improvements to its guidance and educational material, or to facilitate training and promotional activity, in light of the introduction of the revised Codes of Conduct.
- Hold Hearings in accordance with the timescales outlined in its Rules.
- Comply timeously with its statutory and contractual duties and any reporting requirements (including in respect of the annual accounts and report, the budget submission and payment of invoices, salaries and pension contributions).

The Human Resources Committee continued to monitor staffing performance and attendance to ensure the Standards Commission had sufficient capacity and capability to meet operational requirements. A new hybrid working policy and a revised flexible working hours policy were agreed by the Human Resources Committee and put in place for all staff from September 2021.

An online tool was developed and introduced to record member and staff availability before any Hearings were scheduled and before the composition of Hearing Panels was agreed.

Hearings, workshops and training events continued to be held online while the Scottish Government guidelines to work from home remained in place. One in person training event was held in October 2021.

A Caseworker and Office Manager were recruited, and both commenced in post in April 2021. A key person dependency risk assessment was undertaken with the assessed risk determined to be at an acceptable level.

A new Member of the Standards Commission commenced in post in February 2022. The Member induction pack was reviewed and updated as part of the annual records management review process.

---

Expenditure substantively exceeds or is significantly less than the Standards Commission's agreed budget

The SPCB is aware that the Standards Commission cannot forecast the number of Hearings to be held with any great accuracy, when preparing its budget submission. In addition, it cannot predict whether any statutory appeals will be lodged against decisions made at Hearings during the year. As such, the SPCB has agreed that the Standards Commission can apply for contingency funding if necessary. The Executive Team monitors actual and projected expenditure against budget every month, with formal quarterly reviews then undertaken by Standards Commission.

The Standards Commission has arrangements in place to ensure Hearings run as efficiently and cost effectively as possible. These include issuing parties with guidance on the relevancy of evidence and holding pre-Hearing meetings on each case to identify and hopefully resolve any procedural issues in advance of the Hearing itself.

In 2021/22 all Hearings were held online (and livestreamed) due to the ongoing working from home guidelines, meaning travel costs and related expenses were not incurred.

---

The number of complaints made and the consequent number of cases referred to the Standards Commission by the ESC is outwith the control of the Standards Commission; however the volume of referrals by the ESC impacts on the

resources required to enable the Standards Commission to undertake its statutory functions. While the Standards Commission puts in place controls and identifies actions to mitigate the risks associated with this, it acknowledges that this will always have the potential to impact on its operational effectiveness and its ability to predict the operating budget.

Going forward, the Standards Commission considers that the key risk being faced in 2022/23 is that there is a loss of confidence in the overall ethical standards framework in Scotland. The Standards Commission identified that this could result from:

- A lack of consistency between the Standards Commission and the ESC in their respective approaches to interpreting the Codes and dealing with complaints;
- The Standards Commission's decisions being inconsistent, unfair, poorly reasoned, disproportionate and / or unclear.
- Delays at the investigation stage and / or at the referral or Hearings stages (if a high levels of cases are referred to the Standards Commission in a short period of time).

Additionally, as a result of the recommendations made by Audit Scotland in its Section 22 report on the ESC's 2020/21 audit, there is a risk that the Standards Commission may experience an increase in its workload if any complaints that should have been investigated by the ESC during the time period in question, but were rejected as inadmissible, are re-opened. This would result in additional adjudicatory work for the Standards Commission, with an associated impact on staff and Member time and the Standards Commission's budget.

Information about the actions the Standards Commission has taken, or intends to take, to mitigate the risks to the organisation's effectiveness and ability to achieve its objectives is outlined in the Corporate Governance Report.

## **Funding and Going Concern**

The Standards Commission is funded by the Scottish Parliament and submits an evidence-based budget for scrutiny and approval each year. The budget is based on planned actions arising from the requirements of the strategic and annual business plans, as well as projections of Hearings related activity. The Standards Commission receives funding on a cash basis from the overall budget of the SPCB.

The Standards Commission's funding model does not provide for the holding of contingency funds. The Standards Commission has access, however, to contingency arrangements through the Scottish Parliament where required. The Standards Commission does not make provision for costs of any legal advice or representation required in respect of any appeal against one of its Hearing Panel's decisions, as it is not known whether any such appeal will be lodged and, if so, whether leave to appeal would be granted. It will, therefore, seek contingency funding to defend appeals if required. The infrequency and irregularity associated with the submission of appeals further inhibits the making of cost projections in this area. The Standards Commission may also seek additional funding for specific projects or initiatives or for any one-off purchases, if there is a sound business reason for doing so.

The Standards Commission will exhaust any potential to absorb costs from its agreed budget before seeking contingency funding. It will also ensure that it advises the SPCB of any potential requirement to seek contingency funding at the earliest possible opportunity and will ensure any proposal is supported by a clear and well-reasoned business case.

The SPCB approved a cash budget of £302,000 for 2021/22 (in 2020/21, the approved cash budget was £283,000 and £19,260 of contingency funding in respect of legal costs associated with an appeal). Expenditure at the end of the financial year was £320,000, which was £18,000 (or 6.0%) above the agreed overall budget. It should be noted, however, that this included a provision of £28,000 in respect of expenses to be reimbursed to a pursuer following a successful appeal against a decision made by the Standards Commission in 2021/22. Excluding the provision of £28,000, expenditure for the year was £292,000, which was £10,000 (or 3.3%) under the agreed overall budget.

The overspend arose from the costs of legal advice in respect of an appeal made in 2021/22 against a decision made by the Standards Commission. The overspend was partly offset by lower than expected Hearing related costs

(including member and staff travel and expenses) as all Hearings were held online rather than in person across the country.

The Statement of Financial Position as at 31 March 2022 shows a deficit on the General Fund of £34,000 (2020/21: £8,500). This is because the SPCB provides funding, on an ongoing basis, to meet invoices and expenses as and when they are approved and submitted for payment (as opposed to providing funds upfront at the start of the year). The SPCB does so to ensure that the Standards Commission receives the exact amount it requires, as agreed, in order to avoid a situation where it is required to operate a bank account. The financial statements in these accounts are, however, prepared on an accrual basis, meaning that they reflect all costs incurred to the end of the year, regardless of whether or not the payment has been sought prior to 31 March 2022. Inevitably a number of goods and services require to be purchased late in each financial year with payment and processing unable to be completed prior to the year end. The General Fund also includes the provision recognised in respect of expenses to be reimbursed to a pursuer following an appeal against a decision made by the Standards Commission in 2021/22. As a result, as at 31 March 2022 the amount of expenditure falling into this category was £34,000. This is described as a deficit in the accounts, although this is a result of the accounting procedure under which the Standards Commission operates.

### **Performance Summary**

As noted above, the Standards Commission performed effectively in 2021/22 by achieving its statutory duties and by meeting, or exceeding, the objectives identified in its Business Plan.



## PERFORMANCE ANALYSIS

### How Performance is Measured

The Standards Commission produced and publishes, on its website, an annual Business Plan outlining the work it will undertake each year in order to meet each of its strategic objectives as outlined in the four-year Strategic Plan in place at the time. The Business Plan provides information on how the Standards Commission will measure its performance. A Risk Register is also agreed at the start of each operational year to ensure that any risks to the achievement of the strategic and operational objectives are identified and monitored on a regular basis. Further details about the work undertaken by the Standards Commission to achieve its objectives in the past year can be found in the Annual Report 2021/22.

### Strategic Objectives 2020-24



To have a positive impact on ethical standards in public life



To pursue continuous improvement in the ethical standards framework and the way we do our work



To pursue and develop strong relationships with our stakeholders



To ensure all stakeholders have easy access to high quality information about the organisation, its work and any initiatives.

### Performance in 2021/22

#### Strategic Objective 1: 'To have a positive impact on ethical standards in public life.'

In 2021/22, the Standards Commission had a positive impact on ethical standards in public life by producing and publishing educational and training material designed to increase both awareness of, and compliance with, the Codes of Conduct for councillors and members of devolved public bodies in Scotland; and through the use of its statutory powers of oversight.

The Standards Commission's work to achieve this objective in 2021/22 included:

- Working with the Scottish Government and other key stakeholders to analyse the responses received and to amend the draft provisions of the proposed revised Councillors' and Model Codes of Conduct.
- Publishing and issuing its revised Guidance on the Codes of Conduct in early December 2021. The Guidance is intended to assist councillors and members in interpreting the provisions in the Codes.
- Revising and publishing its Advice Notes for councillors and members of devolved public bodies on a variety of topics. These Advice Notes are aimed at further assisting councillors in understanding the requirements of their Code, in order to ensure compliance and to reduce the risk of inadvertent contraventions.
- Supporting councillors and members in respect of meeting the standards expected of them by holding training events on the Codes of Conduct. Two online training workshops were held for elected members of Renfrewshire Council and Angus Council. The Standards Commission presented online training events on the revised Model Code of Conduct for Glasgow Colleges' Regional Board and, in conjunction with the College Development Network, for all college board members and board secretaries.
- Working with Disability Equality Scotland to produce an EasyRead guide on its role and remit, a copy of which is available on the Standards Commission's website

- Publishing news articles and monthly blogs on its website on topical issues relating to the ethical standards framework and the key principles of public life.
- Continuing to use its website and social media platforms to promote awareness of the ethical standards framework, the provisions in the Codes of Conduct and the Standards Commission's role, remit and work (including any forthcoming events and decisions made at Hearings).
- Issuing at least four social media posts a week and increasing followers on Twitter by a further 20%.
- Monitoring compliance by the ESC with the statutory directions issued under the Standards Commission's oversight powers in terms of the Ethical Standards in Public Life etc. (Scotland) Act 2000.

**Strategic Objective 2:** 'To pursue continuous improvement in the ethical standards framework and the way we do our work.'

The Standards Commission pursued continuous improvement in the ethical standards framework and the way it undertook its work in 2021/22, by participating in the working group responsible for reviewing and revising the Codes of Conduct for councillors and members of devolved public bodies and by identifying and seeking a change to legislative provisions governing the automatic disqualification of councillors. The Standards Commission also sought to improve its own policies and processes for dealing with complaints about potential breaches of the Codes and its methods for promoting high ethical standards. This included seeking and acting on feedback from stakeholders and service users.

The Standards Commission's work to achieve this objective in 2021/22 included:

- Continuing to participate actively in the working group established by the Scottish Government to review and revise the Councillors' Code of Conduct and the Model Code of Conduct for Members of Devolved Public Bodies.
- Seeking a change to the automatic disqualification provisions for councillors in the Local Government (Scotland) Act 1973 so that the automatic disqualification criteria also applies to any councillor who is the subject of notification requirements set out in the Sexual Offences Act 2003 (commonly referred to as 'being on the sex offenders register'); or a Sexual Risk Order.
- Seeking to improve its procedures for adjudicating on complaints alleging breaches of the Codes by councillors and members of devolved public bodies. Work in this regard included introducing a procedure under which a Hearing Panel, having found a breach of the respect or bullying and harassment provisions in a Code of Conduct, can consider any impact statement received from someone affected by the Respondent's conduct, when determining the sanction to be applied.
- Undertaking a review, by way of a lesson learned report, of its response to the coronavirus pandemic. The aim of the review was to identify any improvements that could be made to how the Standards Commission's Hearings, training events, workshops and meetings were conducted going forward.
- Reviewing how its Members and staff communicated with each other and with external stakeholders. The Standards Commission continues to move towards being an entirely paperless office, with all communications in 2021/22 being by email or telephone and with all meetings being held online.
- Introducing a hybrid working policy for staff to complement its existing flexible working arrangements.
- Making amendments to the layout of its website to ensure that all training and educational material, including its Guidance, Advice Notes, Standards Updates, monthly blogs and standard presentations on the Codes of Conduct, is readily accessible.

**Strategic Objective 3:** 'To pursue and develop strong relationships with our stakeholders.'

The Standards Commission pursued and developed strong relationships with its stakeholders in 2021/22 by consulting on its educational and training material, and by engaging with them in working groups and at events.

The Standards Commission's work to achieve this objective in 2021/22 included:

- Seeking suggestions, views and comments on both the content and format of its Guidance to accompany the revised Codes of Conduct from a variety of its stakeholders.
- Finalising and publishing the revised Guidance and Advice Notes in December 2021, at the same time as the new versions of the Codes of Conduct were issued.

- Producing and publishing standard training presentations on the main changes to the Codes and on their key provisions. These presentations can be downloaded from the Standards Commission’s website and used by officers of councils and devolved public bodies to help train or induct their councillors and members on the revised Codes.
- Holding workshops (online and in person) with Monitoring Officers, Standards Officers and Chairs of devolved public bodies covering:
  - ongoing issues and trends in respect of the ethical standards framework
  - how to promote and encourage awareness and compliance with provisions in the Codes
  - the key changes to the Codes of Conduct
- Working closely with the Acting ESC to
  - improve the process for the investigation and adjudication of complaints about councillors and members of devolved public bodies
  - ensure, where possible, consistency in the interpretation of the Codes of Conduct; and
  - discuss and resolve any matters arising from the directions issued by the Standards Commission under the Ethical Standards in Public Life etc. (Scotland) Act 2000 and the recommendations made by Audit Scotland in its 2020/21 audit of the ESC.
- Presenting on the role of the Standards Commission and the revised Model Code at two induction workshops for Ministerial appointees run by the Scottish Government. The Executive Director also presented on the key changes to the Councillors’ Code at the SOLAR Autumn conference.

**Strategic Objective 4:** ‘To ensure that all stakeholders, including members of the public, have easy access to high quality information about the organisation, its work and any initiatives it is undertaking.’

The Standards Commission ensured that all stakeholders, including members of the public, had easy access to high quality information in 2021/22 by using digital technology to ensure all educational material and information about the organisation, good practice and Hearings were published and disseminated as widely as possible.

The Standards Commission’s work to achieve this objective in 2021/22 included:

- Publishing on its website a written record of the decision and reasons for the decision in all 19 cases where it decided to take no action on cases referred by the ESC. Summaries of the decisions were published in the quarterly Standards Updates issued to councillors and members of devolved public bodies.
- Publishing information on its website and social media pages about forthcoming Hearings, including the name of the Respondent, the name of the Respondent’s Council or public body, and the Hearing date, time and venue.
- Publishing on its website a written record of the decision and reasons for the decision made at each of the five Hearings held in respect of breach and, if applicable, the sanction applied. Summaries of the decisions were also published in the quarterly Standards Updates and on the Standards Commission’s social media pages.
- Corresponding with local media about forthcoming Hearing and issuing and publishing press releases about decisions made at Hearings
- Livestreaming all five Hearings that were held online.
- Seeking feedback about the quality of decisions and on how the Standards Commission communicates about its work in surveys issued to all councillors and Monitoring Officers.
- Publishing on its website news articles, blogs, the revised Guidance and Advice Notes.
- Holding all five Hearings within 12 weeks of making the decision on the referral report.
- Issuing written decisions on all cases where it decided to take no action on cases referred by the ESC within 10 days of the report being received.

## Finance and Expenditure

### Key Financial Information

The Standards Commission is funded by the Scottish Parliament and submits an evidence-based budget for scrutiny and approval each year. The budget is based on planned actions arising from the requirements of the strategic and annual business plans, as well as projections of Hearings related activity. The anticipated number of Hearings are forecast using information relating to the previous year and, where available, projections provided by the ESC. The Standards Commission and the Scottish Parliament recognise, however, that it is not possible to accurately determine, before the start of any financial year, how many cases will ultimately be referred to the Standards Commission by the ESC and, of those referred cases, how many Hearings the Standards Commission will decide are required. The costs incurred in holding Hearings continues to depend on a variety of unquantifiable factors, some of which are outwith the control of the Standards Commission, such as the location, potential duration of each Hearing and complexity of the complaint under consideration.

Expenditure against budget is monitored by the Executive Team on a monthly basis, meaning the Accountable Officer can identify key issues or concerns as they occur, which provides an opportunity for the prompt resolution of any financial matters. Members are provided with quarterly reports detailing expenditure against budget and highlighting variances and projections to the year end. This gives them the opportunity to determine whether the Executive Team is making sound decisions in respect of the use of resources and is adequately monitoring expenditure to ensure it remains within the allocated budget. It also gives Members an assurance that the Executive Team is working continuously towards meeting, and achieving, objectives while still applying best value principles.

### Financial Position

The Statement of Comprehensive Net Expenditure and the Notes to the Accounts show the income and expenditure for the year. The Standards Commission's net expenditure on operating activities for the year ending 31 March 2022 amounted to £320,000 (2020/21, £307,000), against an agreed budget of £302,000.

The net expenditure was divided between staff costs of £228,000 (2020/21, £243,000) and other administrative costs of £92,000 (2020/21, £64,000). Staff costs include all remuneration paid to both staff and Members.

Overall staff costs were below budget. Budgeted staff salaries were based on the assumption that the Standards Commission employed two full time and one part time member of staff. In 2021/22 there were four members of staff (one full time and three part-time) leading to lower than budgeted salaries. Other staff costs were significantly lower than budgeted as a result of staff and Member travel and other associated expenses not being incurred and all Hearings being held online.

An overspend in other administrative costs was the result of the costs of legal advice in respect of three appeals against a decision made by the Standards Commission. Offsetting this overspend were savings on public relations, hospitality and catering costs.

In 2021/22 one appeal against a decision to disqualify a councillor for 16 months for a breach of the Councillors' Code of Conduct, made by the Standards Commission at a Hearing, was made and determined. In refusing the appeal in its entirety, the Sheriff Principal confirmed that the original decision by the Standards Commission to disqualify the councillor was neither excessive nor unreasonable. The councillor then appealed to the Court of Session. While the Court of Session agreed with the Standards Commission's assessment that a disqualification was an appropriate sanction and that the disqualification ought not to be brief, it determined that, due to the timing of the election, the disqualification period should be 10 months, reduced to account for the period already served. The Standards Commission was required to pay the Appellant's expenses in bringing the appeal. The expenses to be reimbursed to the Appellant had not been agreed and finalised by the year-end, but have been estimated to be in the region of £28,000 and, therefore, a provision for this amount has been recognised.

### Payment Performance

Payments made to suppliers of goods and services to the Standards Commission are processed by the SPCB through a Shared Service Agreement with the Scottish Parliament's Finance Office. The SPCB aims to comply with the Confederation of British Industry's (CBI) Prompt Payers' Code, which states that organisations should aim to make

payments within the agreed contract terms or within 30 days of receipt of an invoice (which are not in dispute), for goods and services received. In 2021/22, the Finance Office processed all invoices on behalf of the Standards Commission within 30 days of receipt of the invoice. In addition, the SPCB aims, under a voluntary initiative, to process payments within seven days of receipt, in order to support business suppliers. In 2021/22, 100% of the Standards Commission's invoices were paid within this timescale.

## **Social Matters**

### **Sustainability and Environmental Impact**

The Standards Commission recognises the importance of environmental issues and sustainability and endeavours to take such matters into consideration when making business decisions. While the Standards Commission is not directly covered by the Greening Government Commitments, as its offices are located within the Scottish Parliament building, it continues to support the Scottish Parliament's efforts in meeting their sustainability and environmental targets through compliance with the SPCB's policies and procedures. This includes choosing sustainable products, making use of waste and recycling facilities and, where possible, encouraging staff and Members to car share or use public transport. Further information about sustainability and environmental activities within the Scottish Parliament is available on its website.

The Standards Commission also aims to reduce its carbon footprint and continually seeks to develop and improve its processes to achieve this. Wherever possible and appropriate, the Standards Commission communicates through electronic media and disseminates all educational, promotional and training material via its website, social media and email in a cost effective and environmentally friendly manner.

The Standards Commission had only very limited access to its offices in 2021/22, with staff working almost entirely from home, in compliance with the Scottish Government guidelines in place at the time. Consequently, there was a significant decrease in travel to the office and to meetings and Hearings. The Standards Commission continued to operate on an entirely paperless basis, with all records retained online and almost all correspondence being issued by email (in two cases replies to enquiries had to be sent by post as no email address or telephone number had been provided).

### **Community & Human Rights Issues**

The Standards Commission has no specific social, community or human rights issues to report. In general, however, the Standards Commission's role in improving and maintaining ethical standards in public life helps to promote public confidence that decisions made in the public sector, which affect communities, are made objectively, honestly and in the public interest.

The Standards Commission's Hearings are conducted in public, either in person or online. If the Respondent is a councillor, an in-person Hearing will usually be held in the local authority area in which the councillor was elected. If the Respondent is a member of a devolved public body it will be held in the area where the devolved public body holds its meetings. This demonstrates openness and transparency, as well as offering ease of access to members of the local community and press who may wish to view proceedings. Online Hearings were held in 2021/22 whilst working from home guidelines were in place and will continue to be used in cases where there is little dispute between the parties and no witnesses (other than the Respondent) are to appear. All online Hearings are livestreamed through the Standards Commission's website, which again means members of the public and press can view the proceedings. The Standards Commission issues press releases both before and after Hearings to help increase awareness of the Codes of Conduct and ethical standards framework in general.

In terms of human rights and, in particular, the right under Article 6 of the European Convention on Human Rights (ECHR) to a fair trial, the Standards Commission ensures that Hearings are conducted in a fair, transparent and accessible manner. It does so by publishing, issuing, and adhering to Rules, which outline the procedures to be followed at Hearings. All parties to a Hearing have the right to attend, to seek legal advice and to instruct representation. Guidance on procedures is provided to all Respondents particularly those who chose not to have legal representation at or prior to a Hearing. Hearing Panels carefully consider all relevant evidence and submissions before determining, on the balance of probabilities, whether there has been a breach of a Code of Conduct. Hearing Panels also take a three-stage approach when issues that concern the application of Article 10 of the ECHR and the

right to freedom of expression arise. In determining whether there has been a breach of a Code of Conduct in such cases, the Hearing Panel will consider:

- Whether the facts found lead it to conclude on the balance of probabilities that the Respondent has failed to comply with the applicable Code of Conduct;
- If so, whether such a finding in itself is, on the face of it, a breach of the right to freedom of expression under Article 10;
- If so, whether the restriction involved by the finding was justified by Article 10(2), which allows restrictions that are necessary in a democratic society.

Information on this approach is published on the Standards Commission's website and sent to parties in advance of Hearings.

The Standards Commission has published a British Sign Language (BSL) Plan, which outlines the actions which the Standards Commission will take in the period from 2018 to 2024 to improve access to information and services for BSL users. The Standards Commission has published two BSL videos on its website. The first video explains its role and remit and how to make a complaint about a breach of a Code of Conduct by a councillor or member of a devolved public body. The second video outlines and explains the main provisions in the Councillors' Code of Conduct.

The Standards Commission complies with the requirements of the Data Protection Act 2018 and the GDPR and has published a Data Protection Privacy Statement and Data Protection Policy outlining how it processes personal data.

### Anti-bribery and Anti-corruption matters

The Standards Commission takes actions and has policies and procedures in place to mitigate against the potential for bribery and corruption. These include:

- Ensuring transparency in decision-making with the organisation's Strategic and Business plans, minutes, governance related policies and procedures and Hearing decisions being published on the Standards Commission's website;
- Keeping and publishing Registers of Interest. Members complete, and regularly review, the information detailed in their entry;
- Ensuring that procurement activity aligns with the requirements detailed in the Scottish Parliament's procurement policies, which are published on its website;
- Adhering to a Whistleblowing Policy, which outlines how Members and staff can report any concerns they may have about wrongdoing and malpractice which they believe has occurred or is likely to occur;
- Assisting in the completion of a range of audits (both internal and external), which give assurance on the effective governance and efficient running of the organisation; and
- Ensuring Members and staff declare and withdraw from the discussion and decision-making if they have any financial or non-financial interest in an item before the Standards Commission. This includes taking no part in any discussion or decision-making in respect of cases referred to the Standards Commission by the ESC, for example, if a Member has an association with or has worked alongside any potential party or witness to the case.

The Standards Commission reviews its Fraud Prevention and Whistleblowing Policy on a biennial basis to ensure it continues to be relevant and accord with best practice.

### Equal Opportunities

The Standards Commission supports the principle of equal opportunities in its work and employment practices. This means that it is committed to continually reviewing and updating policies and practices to ensure that no individual is discriminated against, either directly or indirectly, unlawfully or unjustifiably because of their personal status in relation to age, disability, gender, marital status, pregnancy and maternity, race, religion, belief or sexual orientation. Equality impact assessments are undertaken in respect of all new policies, procedures and practices and when policies and processes are substantially revised. The Standards Commission is recognised by Carers Scotland as being a Carer Positive Engaged employer.

In 2020/21, the Standards Commission took part in a working group established by the Scottish Government to review the Councillors' Code of Conduct and the Model Code of Conduct for Members of Devolved Public Bodies. The revised Codes, as issued in December 2021, both contain provisions that require councillors and members to

advance equality of opportunity and seek to foster good relations between different people. The Codes reiterate that councillors and members must not discriminate unlawfully on the basis of race, age, sex, sexual orientation, gender reassignment, disability, religion or belief, marital status or pregnancy/maternity.

The Standards Commission also reviewed its publicly available Service Charter to ensure it fully incorporated and reflected the Standards Commission's values. The Standards Commission worked with Disability Equality Scotland to produce an EasyRead guide on its role and remit, a copy of which was then published on the Standards Commission's website. In addition, the Standards Commission also produced and published user-friendly Advice Notes for members of the public on both the Councillors' Code of Conduct and the Model Code for Members of Devolved Public Bodies. The Advice Notes cover:

- the different sections of the Codes and what they mean;
- what isn't covered by the Codes and the complaints process;
- how to make a complaint about a breach of a Code; and
- the Hearings process.

## Future Development

The Standards Commission's Strategic Plan identifies the following four key aims:

1. To have a positive impact on ethical standards in public life.
2. To pursue continuous improvement in the ethical standards framework and the way we do our work.
3. To pursue and develop strong relationships with our stakeholders.
4. To ensure all stakeholders have easy access to high quality information about the organisation, its work and any initiatives.

The Standards Commission's Business Plan for 2022/23 outlines its objectives for the forthcoming year that will contribute to the achievement of these aims. In particular, the Standards Commission intends to support these aims by continuing to develop, consult on, publish and disseminate Advice Notes in light of any emerging trends or feedback. The Standards Commission will also continue to promote adherence to the Codes of Conduct by developing and publishing interactive training material on specific aspects of the Codes or ethical standards framework and by producing Guidance on the Codes in alternative formats.

The Standards Commission will obtain and undertake detailed analysis of qualitative and quantitative evidence on its work to promote the Codes of Conduct so that it can evaluate its impact in a meaningful way by surveying members of devolved public bodies and Standards Officers and developing an action plan in light of any suggestions and feedback received.

The Standards Commission further intends to work with Council Monitoring Officers to identify the best way the it can support Councils in providing an induction / training on the Councillors Code of Conduct for individuals elected in the May 2022 local government elections. It will also assist the Scottish Government with induction of new members of devolved public bodies.

<i>Lorna Johnston</i>	
<b>Lorna Johnston Accountable Officer</b>	<b>Date:</b> 25 July 2022

## ACCOUNTABILITY REPORT: CORPORATE GOVERNANCE: DIRECTOR'S REPORT

### Convener and Members of the Standards Commission

The Standards Commission comprises the Convener and four other Members who are all appointed by the Scottish Parliamentary Corporate Body (SPCB) with the agreement of the Scottish Parliament. The Convener and Members are appointed to work 36 and 24 days per year respectively plus additional days, as and when required, for Hearings.

Kevin Dunion's appointment as Convener ended on 31 August 2021.

Paul Walker was appointed as Convener with effect from 1 September 2021.

Suzanne Vestri was appointed as a Member with effect from 7 February 2022.

	<u>Date of appointment</u>	<u>Date Appointment ends</u>
<b>Convener:</b> Paul Walker	7 May 2018	6 May 2024
<b>Members:</b> Michael McCormick	1 Feb 2017	31 Jan 2023
Patricia Stewart	1 Apr 2017	31 Mar 2023
Ashleigh Dunn	4 Mar 2019	3 Mar 2025
Suzanne Vestri	7 Feb 2022	6 Feb 2028

### Executive Director

Lorna Johnston was appointed by the Standards Commission as the Executive Director on 1 December 2014.

### Register of Interests

The Standards Commission maintains a register of interests for the Convener and Members of the Standards Commission, which is published on the Standards Commission's website at:

[www.standardscommissionscotland.org.uk/about-us/who-we-are](http://www.standardscommissionscotland.org.uk/about-us/who-we-are).

During 2021/22, no interests were assessed as being so significant that they might conflict with the organisation's responsibilities. Any significant interests of staff are also registered. No interests were assessed as significant.

### Personal Data Related Incidents

There were no personal data related incidents during 2021/22.



## CORPORATE GOVERNANCE: STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

Under Schedule 1 paragraph 10E of the Ethical Standards in Public Life etc. (Scotland) Act 2000 (the Act), as amended, Scottish Ministers have directed the Standards Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Standards Commission and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- (i) observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- (ii) make judgements and estimates on a reasonable basis;
- (iii) state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the financial statements;
- (iv) prepare the financial statements on a "going concern" basis; and
- (v) confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Scottish Parliament Corporate Body (SPCB) appointed Lorna Johnston as Accountable Officer of the Standards Commission. The responsibilities of an Accountable Officer include responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Standards Commission's assets, are set out in the Memorandum of the Accountable Officer of the Standards Commission issued by the SPCB on 1 December 2014.

### Disclosure of Information to Auditors

As Accountable Officer, I can confirm that:

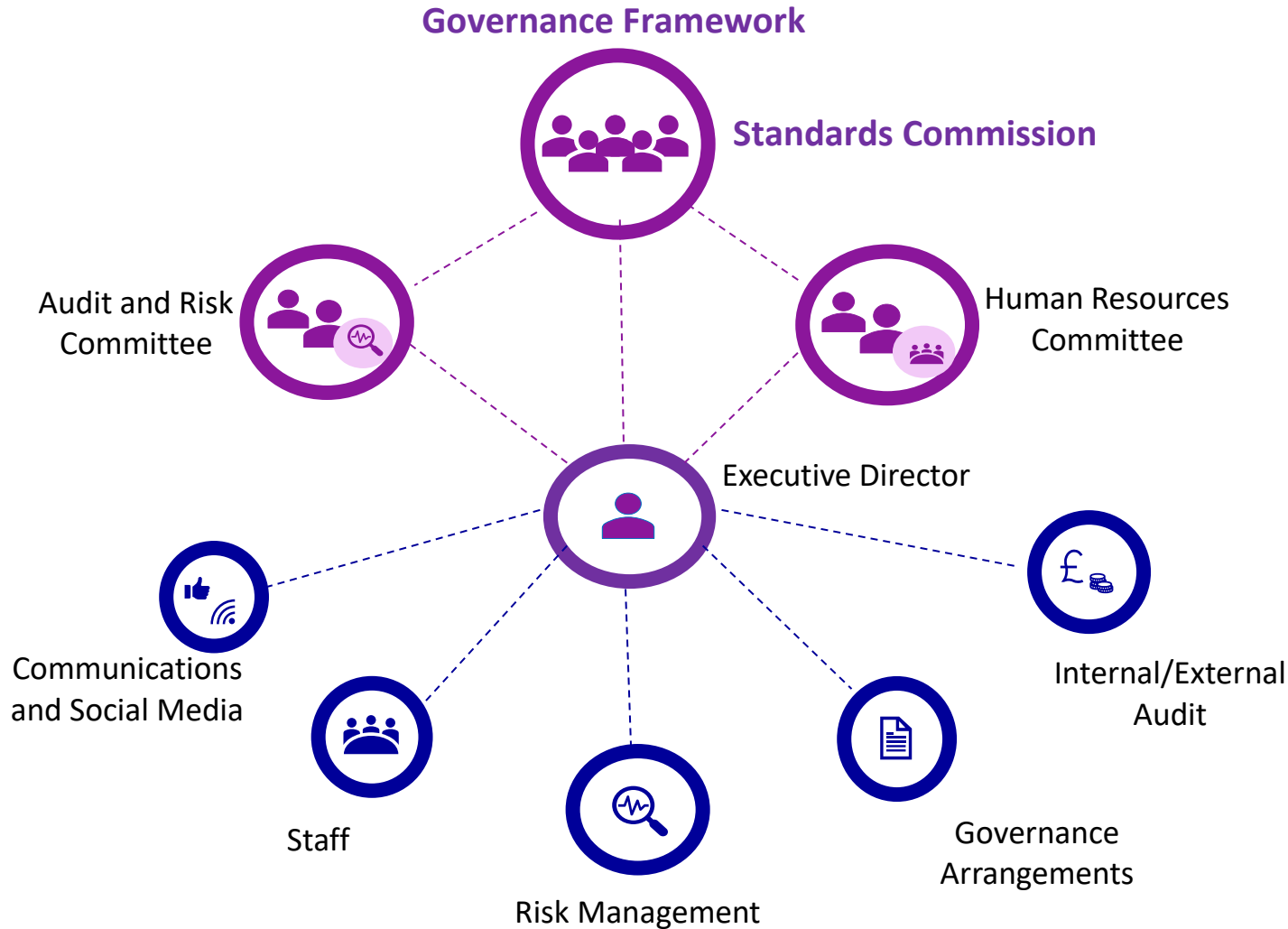
- As far as I am aware, there is no relevant audit information of which the Standards Commission's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.
- I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

**CORPORATE GOVERNANCE REPORT: GOVERNANCE STATEMENT**

**Scope of Responsibility**

As Accountable Officer, I am responsible for maintaining a sound system of internal control that supports the Standards Commission in the achievement of organisational aims, objectives and statutory duties while safeguarding the public funds and assets for which I am responsible, in accordance with the responsibilities assigned to me.

The Standards Commission has the following governance arrangements in place. I am satisfied, for the reasons outlined below, that they operated effectively in 2021/22.



The Standards Commission has five Members who are appointed on a part-time basis by the SPCB, with the agreement of the Scottish Parliament. The SPCB is responsible for determining the terms and conditions of Members’ appointments. Members are supported by four members of staff employed directly by the Standards Commission.

The Standards Commission is funded through the SPCB and, each year, an evidence-based budget bid is submitted for scrutiny and approval. The budget is based on the aims outlined in the Standards Commission’s four-year strategic plan in place at the time, and the proposed actions identified in its annual business plan. The budget is scrutinised and approved by the Standards Commission prior to submission to the SPCB, to ensure it reflects requirements and best value. Expenditure against budget is analysed by the Executive Team on a monthly basis,

with formal quarterly reports on this being reviewed and scrutinised by the Standards Commission. This system allows for any budgetary and financial concerns to be identified and addressed at any early stage.

As noted above, the Standard Commission operates against a four-year Strategic Plan, the objectives of which are delivered through the implementation of annual business plans. All actions in the business plan are linked to one of the strategic objectives, with specific targets and measurement identified for each activity. In addition, reference is made to any applicable risks as identified in the Standards Commission's annual Risk Register. The Standards Commission reviews progress against the Business Plan at the end of every quarter, with any new actions identified being added and any slippage against targets being kept under review.

The Standards Commission meets ten times a year. Two Members of the Standards Commission have been nominated to sit on its Audit & Risk Committee, with a further two on its Human Resources Committee. Agendas for all Standards Commission and Committee meetings are prepared in consultation with the Convener and relevant Chair. Minutes are taken of all meetings and a log of matters arising is kept and reviewed as a standard agenda item at the following meeting.

The Standards Commission's Audit & Risk Committee is responsible for ensuring appropriate corporate governance and risk management procedures, policies and controls are in place and are effectively managed. The Committee meets three times a year and provides the Standards Commission with advice and assurance on these matters.

The Human Resources Committee meets once a year and is responsible for providing assurance and support in respect of matters relating to staff, including staffing and human resource arrangements.

## **Risk Control and Management**

The Standards Commission operates a risk management strategy in accordance with accepted best practice principles and guidance. This includes identification, assessment, addressing, reviewing and reporting on risks that could deflect the Standards Commission from the achievement of its objectives as identified in the strategic and business plans, in the context of the Standards Commission's risk appetite. The strategy is designed to manage, rather than eliminate, risks which could impact on the Standards Commission's ability to achieve its statutory duties and strategic aims and objectives.

The Standards Commission agrees its risk register annually at the start of each operational year to ensure that risks to the implementation of the strategic and operational objectives are identified going forward. The Standards Commission's Executive Team monitors and updates the risk register at least three times a year, in order to:

- discuss and evaluate the key business risks which might affect the ability to deliver the business plan;
- recommend any risks be removed or added to the register, as appropriate;
- assess existing controls (the measures in place to reduce or limit risk);
- determine the appropriate response to each risk;
- allocate responsibility for managing each risk; and
- identify and record activities undertaken since the previous review to reduce or limit risks on the register.

The Executive Team considers and rates the likelihood of each risk occurring and its impact should it occur, in light of the controls in place and actions taken. The Executive Team then makes a recommendation to the Audit & Risk Committee about the rating value attached to each risk. The Audit & Risk Committee reviews the Risk Register to check it contains all relevant and material risks at each of its meetings. The Committee also reviews the rating value for each risk and the risk tolerance level, to ensure these reflect changing priorities and the evolving business and political landscape. A report of the review is thereafter provided to Members for consideration at the next meeting of the Standards Commission.

## Internal and External Audit

The objective of audit is to provide independent assurance on the adequacy and effectiveness of systems of governance and controls, which have been established to manage the risks to enable the achievement of organisational goals and ensure accountability for public funds.

As Accountable Officer, I have responsibility to review the effectiveness of the systems of internal control. These measures are reviewed regularly to:

- take account of changes to legislation, guidance and best practice;
- reflect the views of the Audit & Risk Committee;
- review and respond to queries from internal auditors and implement any recommendations they make;
- review and address the outcomes identified by external auditors in their management report; and
- consider advice from the staff who contribute to the development and maintenance of the internal control framework.

An annual internal audit programme for the Standards Commission is agreed with the Scottish Parliament's Head of Internal Audit as part of a shared service agreement supported by a Memorandum of Understanding. It was agreed the internal auditor would review the Standards Commission's governance arrangements, as part of the 2021/22 audit. The review aimed to provide assurance about the strength and resilience of the existing governance arrangements and identify any improvements that could be made to ensure that best practice was achieved.

The internal auditor reported that the overall internal audit conclusion was that satisfactory assurance could be taken from the areas reviewed and the associated frameworks of governance, risk management and control, subject to the implementation of agreed recommendation.

During 2021/22 the External Audit oversight was provided by Audit Scotland, who audited the annual report and accounts and reported to the Audit & Risk Committee.

## Review of the Effectiveness of Governance Arrangements

I am satisfied that the governance arrangements outlined above comply with generally accepted best value principles and relevant guidance.

The internal auditor has affirmed the strength of the Standards Commission's existing controls and governance arrangements. I can confirm that the Standards Commission adhered to the governance arrangements outlined above in 2021/22 and that, as such, assurance can be given that the Standards Commission continued to have a strong control framework. This, and the relatively limited scope of the Standards Commission's activities and overall budget, provides further assurance that the areas of risk are limited.

The Standards Commission met on ten occasions in 2021/22 in order for Members to undertake their strategic direction setting and scrutiny roles.

During 2021/22, the Standards Commission identified the principal risks and uncertainties for the organisation as being, firstly, a loss of confidence in the overall ethical standards framework as a result of:

- Delays at the investigation stage;
- A lack of consistency between Standards Commission and ESC in their respective approaches to interpreting the Codes and dealing with complaints;
- The Standards Commission's decisions being inconsistent, unfair, poorly reasoned, disproportionate and / or unclear;
- A failure by the Standards Commission to adhere to the timescales outlined in its Service Standards and Hearing Rules; and
- Advice and guidance about the content of, and how to interpret, the Codes of Conduct provided by the Standards Commission to stakeholders being incorrect, insufficient or inadequate.

Work the Standards Commission undertook to mitigate this included holding regular discussions with the ESC on how certain provisions in the Codes should be interpreted. The Standards Commission assisted the Acting ESC with the recruitment of three new investigators to help prevent any undue delays at the investigation stage. The Standards Commission carried out a review of the sanction decisions it had made over the past five years to identify trends and ensure consistency and clarity in reasoning. It also sought feedback on all Hearings and considered any received as part of a standard review at the Standards Commission meeting following the Hearing, so that improvements could be made to policies and processes as appropriate. This review also included analysis and discussion on what went well or otherwise, and what could have been done differently. A process document to support how the Standards Commission made decisions on cases referred to it by the ESC was developed and published. The aim of the process document is to ensure transparency, by identifying the various scenarios that could arise and by outlining the steps that will be taken by the Standards Commission in its decision-making process. Further detail on actions taken to mitigate these risks have been detailed in the Key Issues and Risks section of the Performance Report.

As previously noted in the Performance Report, the Standards Commission has identified the key risk for 2022/23 as being a loss of confidence in the overall ethical standards framework in Scotland. The Standards Commission identified that this could result from:

- A lack of consistency between the Standards Commission and the ESC in their respective approaches to interpreting the Codes and dealing with complaints;
- The Standards Commission's decisions being inconsistent, unfair, poorly reasoned, disproportionate and / or unclear.
- Delays at the investigation stage and / or at the referral or Hearings stages (if a high level of cases are referred to the Standards Commission in a short period of time).

Additionally, as a result of the recommendations made by Audit Scotland in its Section 22 report on the ESC's 2020/21 audit, there is a risk that the Standards Commission may experience an increase in its workload if complaints that should have been investigated by the ESC during the time period in question are reopened. This would result in additional adjudicatory work for the Standards Commission and an associated impact on staff and member time and the Standards Commission's budget.

Controls and actions to mitigate these risks have been identified and outlined in the Standards Commission's Risk Register for 2022/23. These include:

- Publishing policies about how the Standards Commission makes decisions on case referrals and at Hearings decisions and outlining the factors that will be considered to ensure transparency and fairness.
- A formal annual review of decisions made (including ones under Section 16) and sanctions applied will be carried out to check for consistency, objectivity, fairness, reasoning and transparency.
- Ensuring the Standards Commission deals with any enquiries and complaints referred to it within the timescales outlined in its Service Charter, Section 16 Policy and Hearing Rules.
- Reviewing any relevant case law, appeal decisions and work undertaken by analogous organisations in other jurisdictions and updating rules, procedures and decision-making templates accordingly to reflect best practice.
- Conducting a review of all Hearings held at the following Standards Commission meeting to analyse and discuss what went well or otherwise, and what could have been done differently.
- Continuing to discuss ongoing issues and trends with the ESC at informal fortnightly meetings and formal quarterly meetings.
- Engaging in regular discussions with the ESC with regard to progress and changes being made in respect of Audit Scotland's recommendations.

The Standards Commission is committed to a process of continuous development and improvement and seeks to improve practices, policies and procedures in response to any relevant reviews and initiatives in best practice. It will continue to be guided by the Scottish Public Finance Manual in this regard.

### **Significant Issues**

During the financial year to 31 March 2022 and to the date of this statement, no significant control weaknesses or issues have arisen, and no significant failures have arisen in respect of the expected standards for good governance and risk management.

### **Provision of Information to Employees**

The Standards Commission has adopted the principles of openness and participation in its organisation and places a high level of importance on informing, and consulting with, its staff. It does so by providing access to information through oral and written briefings, staff meetings and by involving staff at events. Information is only withheld where this can be shown to be justified and / or where a duty of confidentiality is owed.

### **Events Subsequent to the date of the Statement of Financial Position**

No material events which had a bearing on the accounts occurred after the year-end.

### **Conclusion**

On the basis of the assurances provided from the sources of assurance outlined above, I can confirm that sound systems of governance, risk management and internal control have operated for the year ended 31 March 2022 and up to the date of approval of the Annual Accounts.

## REMUNERATION and STAFF REPORT

The sections marked with an asterisk (\*) in the remuneration and staff report are subject to 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 final statements.

### Remuneration – Members\*

Members' remuneration is determined by the SPCB. The Convener is paid £11,330.28 per annum (2020/21, £11,330.28) and Members receive £6,307.92 per annum (2020/21, £6,307.92). In addition, an hourly rate of £35.04 (2020/21, £35.04) is paid for Hearings related activity. Members' remuneration does not include Employer National Insurance contributions. Appointment as a Member of the Standards Commission is not pensionable.

	<u>2021/22</u> £'000	<u>2020/21</u> £'000
Kevin Dunion	5-10	10-15
Ashleigh Dunn	5-10	5-10
Michael McCormick	5-10	5-10
Patricia Stewart	5-10	5-10
Suzanne Vestri	0-5	n/a
Paul Walker	10-15	5-10
Benefits in kind	Nil	Nil

No gratuity, allowance or compensation payment is payable to Members on termination of the appointment.

### Remuneration - Staff

The Standards Commission adheres to the remuneration policies applied to staff employed by the SPCB. No members of staff were seconded from other organisations.

### Single total figure of remuneration\*

Senior Officer	Salary (£'000)		Bonus Payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £,000)		Total (£'000)	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Lorna Johnston	70-75	70-75	-	-	-	-	28 <sup>§</sup>	28 <sup>§</sup>	98-103	98-103

<sup>§</sup> The value of contributions made by the employer to the Executive Director's pension scheme.

### Pensions Benefits\*

	Accrued pension at pension age as at 31/03/22	Real increase in pension and related lump sum at pension age	CETV at 31/3/2022	CETV at 31/3/2021	Real increase in CETV
<b>Standard Commission Senior Staff</b>	£'000	£'000	£'000	£'000	£'000
Lorna Johnston	10-15	0-2.5	158	136	12

The figures relating to pension and pension benefits are provided by MyCSP Ltd which administers the Civil Service Pension Scheme on behalf of the Cabinet Office.

## The Cash Equivalent Transfer Value (CETV)

A 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 benefits 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 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 member as a result of their buying additional pension benefits at their own cost. CETVs are worked out 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

This reflects the increase in CETV that is 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 common market valuation factors for the start and end of the period.

## Employees' Pension

Details of the pension scheme and contributions can be found in notes 1.4 and 3 of the Accounts.

## Fair Pay Disclosure\*

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid member of the senior staff in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions or the cash equivalent transfer value of pensions. It is based on annualised, full time equivalent remuneration of all staff.

	2021/22 £'000	2020/21 £'000
Remuneration banding for highest paid member of staff	<b>70-75</b>	70-75
Percentage change from previous financial year for highest paid member of staff	<b>2.0%</b>	3.0%
Average percentage change from previous financial year for employees	<b>(13.7%)</b>	6.9%
Lower quartile remuneration	<b>£28,157</b>	£31,484
Lower quartile ratio	<b>2.6</b>	2.3
Median remuneration	<b>£28,564</b>	£35,763
Median ratio	<b>2.5</b>	2.0
Upper quartile remuneration	<b>£32,431</b>	£40,043
Upper quartile ratio	<b>2.2</b>	1.8
Remuneration range	<b>£27,500 to £70,000 - £75,000</b>	£27,000 to £70,000 - £75,000

The reduction in the percentage change for the highest paid member of staff is due to differences in the SPCB pay award in each year. The reduction in the percentage change for employees is due to staffing changes in 2021/22.



## STAFF REPORT

### Executive Director / Accountable Officer

Lorna Johnston, the Executive Director and senior manager, was appointed by the SPCB as the Accountable Officer with effect from 1 December 2014.

### Breakdown of Staff Costs\*

	2021/22			2020/21		
	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Total</b>	Convener & Members	Staff	<b>Total</b>	Convener & Members	Staff
Salaries and wages	<b>176</b>	39	137	189	51	138
Social security costs	<b>15</b>	1	14	17	2	15
Pension costs	<b>37</b>	0	37	37	0	37
	<b>228</b>	<b>40</b>	<b>188</b>	<b>243</b>	<b>53</b>	<b>190</b>

Salaries include a provision covering the value of outstanding leave (the leave accrual). The Standards Commission adopts the SPCB's pay scales and its Members' remuneration is determined by the SPCB. Member salaries decreased in 2021/22 as a result of a lower number of Hearings being held in the year. Staff salaries increased in line with the SPCB pay award, but were still lower than 2020/21, due to staffing changes in 2021/22.

### Employee Numbers and Gender Breakdown\*

The average number of full time equivalent (FTE) persons appointed to and employed by the Standards Commission during the year was as follows:

	2021/22	2020/21
	FTE	FTE
Members	0.5	0.5
Employees	3.1	2.8

For the purposes of reporting in a consistent format across the Public Sector, Commission Members are deemed to be 'Directors' and the Executive Director is identified as the 'Senior Manager'. At 31 March 2022, the gender breakdown was as follows:

	2022		2021	
	Female	Male	Female	Male
<b>Directors</b>	3	2	2	3
<b>Senior Manager</b>	1	0	1	0
<b>Employees</b>	2	1	2	0

### Average Sickness Absence Report

For the 12-month period from 1 April 2021 to 31 March 2022, 10.5 working days were lost as a result of sickness absence (2020/21, nil).

### Recruitment and employment policies applied during the financial year

Staff employed by the Standards Commission are appointed on merit following the completion of a fair and open competition process. The Standards Commission follows the SPCB's principles in respect of recruitment and

appointment, which are outlined on the Scottish Parliament's website under the heading of The Parliamentary Service/Recruitment.

The SPCB's recruitment and employment policies state that all job applicants and staff are treated fairly, with respect and without bias. The SPCB policies that apply specifically to the employment of disabled persons, which have been adopted by the Standards Commission, include:

- An accessibility commitment under which applications for employment made to the Standards Commission by disabled persons are given full and fair consideration having regard to their particular aptitudes and abilities;
- One on reasonable adjustments and continued support for the continuing employment of, and arrangements for appropriate training of, employees who have become disabled persons during the period when they were employed by the Standards Commission; and
- The training, career development and promotion of disabled persons supported through the disabled staff in the workplace policy.

A Caseworker and Office Manager were appointed and commenced on 1 April 2021 and 20 April 2021 respectively.

### **Provision of Information to Employees**

The principles adopted by the Standards Commission are set out in the Governance Report.

### **Other employment matters**

The Standards Commission has adopted the SPCB's employment related policies where these can be supported by the Standards Commission's business activities and objectives. These include policies on health, safety and wellbeing, absence management, and pay and grading. The SPCB's employment policies are outlined in its 'Employee Handbook', a copy of which can be found on the Scottish Parliament's website. In 2021/22 the Standards Commission developed and introduced a hybrid working policy which is available to all staff.

### **Expenditure on consultancy and off payroll arrangements**

The Standards Commission did not incur any expenditure on consultants or any other off payroll arrangements during the financial year (2020/21, nil).

### **Staff Exit Report\***

No member of staff left under voluntary or compulsory exit schemes in 2021/22 (2020/21, nil).

# PARLIAMENTARY ACCOUNTABILITY REPORT

## Auditors Remuneration

The annual accounts of the Standards Commission are audited by Claire Gardiner, Senior Audit Manager, Audit Scotland, who is appointed by the Auditor General for Scotland in accordance with Schedule 1 paragraph 10E of the Ethical Standards in Public Life (Scotland) Act 2000. The auditors will be paid the sum of £2,860 in respect of the statutory audit services for the financial year 2021/22.

No payments were made in respect of non-audit work

## Political Expenditure

The Standards Commission made no political donations or incurred no political expenditure in the financial year.

## Gifts and Charitable Donations

The Standards Commission made no gifts or charitable donations in the financial year.

## Losses and Special Payments

The Standards Commission incurred no losses or made special payments in the financial year.

## Remote Contingent Liabilities

The Standards Commission had no remote contingent liabilities in the financial year.

<i>Lorna Johnston</i>	
<b>Lorna Johnston</b> <b>Accountable Officer</b>	<b>Date:</b> 25 July 2022

## Independent auditor's report to the members of the Standards Commission for Scotland, the Auditor General for Scotland and the 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 Standards Commission for Scotland for the year ended 31 March 2022 under the Ethical Standards in Public Life etc. (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 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the Ethical Standards in Public Life etc (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the Ethical Standards in Public Life etc (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)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. 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 was appointed by the Auditor General on 23 March 2020. The period of total uninterrupted appointment is three years. 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 to the body. 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](#).

#### Risks of material misstatement

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

#### Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the 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 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 Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and 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:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing 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 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 the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://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.

##### **Responsibilities for regularity**

The 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 prescribed by the Auditor General for Scotland on audited part 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 part of the Remuneration and Staff Report has been properly prepared in accordance with the Ethical Standards in Public Life etc (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### Other information

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

### Opinions prescribed by the Auditor General for Scotland 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 Ethical Standards in Public Life etc (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 Ethical Standards in Public Life etc (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

### Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part 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 120 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.

*Claire Gardiner*

25 July 2022

Claire Gardiner, CPFA  
Senior Audit Manager  
Audit Scotland  
4th Floor  
102 West Port  
Edinburgh  
EH3 9DN

## Statement of Comprehensive Net Expenditure For Year Ended 31 March 2022

	Notes	2021/22	2020/21
		£'000	£'000
<b>Administration costs</b>			
Staff costs	2	228	243
Other administration costs	4	92	64
<b>Gross administration costs</b>		<u>320</u>	<u>307</u>
<b>Net operating costs</b>		<u><b>320</b></u>	<u><b>307</b></u>

All amounts relate to continuing activities. There have been no gains or losses other than those recognised in the Statement of Comprehensive Net Expenditure.

The accompanying notes on pages 34 to 36 form an integral part of these accounts.

## Statement of Financial Position As at 31 March 2022

	Notes	31 March 2022	31 March 2021
<b><u>Current assets</u></b>			
Trade and other receivables	5	-	2
<b>Total assets</b>		<b>-</b>	<b>2</b>
<b><u>Current liabilities</u></b>			
Trade and other payables	6	(6)	(5)
Provisions	7	(28)	(6)
<b>Total current liabilities</b>		<b>(34)</b>	<b>(11)</b>
<b>Assets less liabilities</b>		<b>(34)</b>	<b>(9)</b>
<b><u>Taxpayers' equity</u></b>			
General fund		(34)	(9)
<b>Total taxpayers' equity</b>		<b>(34)</b>	<b>(9)</b>

The financial statements were approved by the Standards Commission for Scotland on 25 July 2022 and authorised for issue by:

<i>Lorna Johnston</i>	
<b>Lorna Johnston</b> <b>Accountable Officer</b>	<b>Date:</b> 25 July 2022

The accompanying notes on pages 34 to 36 form an integral part of these accounts.



## Statement of Cash Flows For Year Ended 31 March 2022

	Notes	2021/22 £'000	2020/21 £'000
<b><u>Cash flows from operating activities</u></b>			
Net operating cost		(320)	(307)
<b>Movements in working capital</b>			
(Increase)/decrease in trade and other receivables	5	2	(2)
Increase/(decrease) in trade and other payables	6	1	(1)
Increase/(decrease) in provisions for liabilities and charges	7	22	6
<b>Total Net cash outflows</b>		<b><u>(295)</u></b>	<b><u>(304)</u></b>
<b><u>Cash flows from financing activities</u></b>			
Financing from the Scottish Parliamentary Corporate Body		295	304
<b>Net cash inflow from financing activities</b>		<b><u>295</u></b>	<b><u>304</u></b>
<b><u>Net increase/(decrease) in cash and cash equivalents</u></b>		<b><u>-</u></b>	<b><u>-</u></b>
Cash and cash equivalents as at 1 April		-	-
Cash and cash equivalents as at 31 March		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b><u>-</u></b>	<b><u>-</u></b>

## Statement of Changes in Taxpayers' Equity For Year Ended 31 March 2022

	Notes	2021/22 £'000	2020/21 £'000
<b>General Fund</b>			
<b>Balance at 31 March 2021</b>		(9)	(6)
Net operating costs for the year	SoCNE	(320)	(307)
Funding from the SPCB	SoCF	295	304
<b>Balance at 31 March 2022</b>		<b>(34)</b>	<b>(9)</b>

## NOTES TO THE ACCOUNTS

### 1 STATEMENT OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM), in compliance with the accounts direction issued by Scottish Ministers. 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 Standards Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Standards Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The accounts have been prepared on a going concern basis as explained in the Performance Report on page 6.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

#### 1.2 Funding

The accounts are prepared on an accrual basis, but the body is funded on a cash received basis. Funding received from the SPCB is credited directly to the general fund in the period to which it relates. The SPCB provides a transaction processing and recording function for the Standards Commission. Accordingly, a bank account is not operated by the Standards Commission.

#### 1.3 Provisions

The Standards Commission 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.

#### 1.4 Staff Pension Arrangements

Employees of the Standards Commission, while not Civil Servants, are nevertheless eligible to join the Civil Service pension arrangements. These statutory arrangements are unfunded multi-employer defined benefit schemes but the Standards Commission is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2016. Details of the resource accounts of the Cabinet Office: Civil Superannuation can be found at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

For the purposes of this Statement of Account, it is therefore accounted for on the same basis as a defined contribution scheme and no liability is shown in the Statement of Financial Position.

#### 1.5 Value Added Tax

The Standards Commission is not VAT registered and all VAT is charged to the Accounts.

## 2 STAFF

### 2.1 Average staff employed (full time equivalent)

The average number of full time equivalent (FTE) persons appointed to or employed by the Standards Commission during the year was as follows:

	<b>2021/22</b>	<b>2020/21</b>
	FTE	FTE
Convener and Members	0.5	0.5
Staff	3.1	2.8
	<b>3.6</b>	<b>3.3</b>

### 2.2 Breakdown of Staff Costs – Administration Costs

	<b>2021/22</b>	<b>2021/22</b>	<b>2021/21</b>	<b>2020/21</b>
	£'000	£'000	£'000	£'000
	Total	Convener & Members	Staff	Total
Salaries and wages	176	39	137	189
Social security costs	15	1	14	17
Pension costs	37	0	37	37
	<b>228</b>	<b>40</b>	<b>188</b>	<b>243</b>

## 3 STAFF PENSION COSTS

For 2021/22, employers' contributions of £37,415 were payable to the Civil Service Pension arrangements (2020/21: £37,287) at one of four rates in the range 26.6 to 30.3 per cent (2020/21: 26.6 to 30.3 per cent) of pensionable pay, based on salary bands which remained unchanged from those applied during 2020/21.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. Outstanding scheme contributions at 31 March 2022 amounted to £3,141 (2021: £3,110).

## 4 ADMINISTRATION COSTS

	<b>2021/22</b>	<b>2020/21</b>
	£'000	£'000
Fees for legal advice and representation	73	42
Audit fee	3	3
Information technology costs	1	2
Printing and promotion costs	5	10
General administration costs	4	2
Recruitment	0	2
Members' travel and expenses	0	1
Staff travel and expenses, and staff and members' training costs	6	2
	<b>92</b>	<b>64</b>

**5 TRADE AND OTHER RECEIVABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021/22	2020/2
	£'000	£'000
Event deposit	-	2
	<u>-</u>	<u>2</u>

**6 TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021/22	2020/2
	£'000	£'000
Payroll accrual	1	2
General accruals	5	2
Ministry of Justice	-	1
	<u>6</u>	<u>5</u>

**7 PROVISIONS FOR LIABILITIES AND CHARGES**

	2021/22	2020/21
	£'000	£'000
Balance at 1 April	6	-
Utilised in year	(6)	-
Increase in provision	28	6
Balance at 31 March	<u>28</u>	<u>6</u>
Amount due within one year	<u>28</u>	6
Balance at 31 March	<u>28</u>	<u>6</u>

**8 CAPITAL COMMITMENTS**

There were no contracted capital commitments as at 31 March 2022 (2021, Nil).

**9 RELATED PARTY TRANSACTIONS**

The Standards Commission was constituted by the Scottish Parliament which provides funding via the Scottish Parliamentary Corporate Body (the SPCB). The SPCB is regarded as a related body. From 26 October 2011, the Standards Commission has been accommodated at £nil cost within the Scottish Parliament building.

No Member of the Standards Commission (including the Convener), member of staff or related parties have undertaken material transactions with the SPCB during the year.

**10 EVENTS SUBSEQUENT TO THE DATE OF THE STATEMENT OF FINANCIAL POSITION**

No event has occurred since the date of the statement of financial position which materially affects the financial statements.

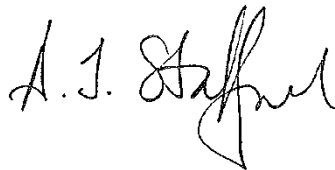
## Appendix 1



### STANDARDS COMMISSION FOR SCOTLAND

#### DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Schedule 1 paragraph 10E of the Ethical Standards in Public Life etc (Scotland) Act 2000, hereby give the following direction.
2. The Commission is required to prepare annual accounts.
3. The Statement of accounts for the financial year ended 31 March 2012, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRoM) which is in force for the year for which the statement of accounts are prepared.
4. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
5. This direction shall be reproduced as an appendix to the statement of accounts.



Signed by the authority of the Scottish Ministers

Dated ~~22~~ May 2012



Standards Commission for Scotland  
Room T2.21,  
The Scottish Parliament  
Edinburgh EH99 1SP

[www.standardscommission.org.uk](http://www.standardscommission.org.uk)

**I N T E G R I T Y   I N   P U B L I C   L I F E**