



INTEGRITY IN PUBLIC LIFE

Annual Report and Accounts

Year Ending 31 March 2026

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>
THE PERFORMANCE REPORT	
Overview	2
Performance Analysis	7
 THE ACCOUNTABILITY REPORT	
Directors' Report	14
Statement of Accountable Officer's Responsibilities	15
Governance Statement	16
Remuneration and Staff Report	20
Parliamentary Accountability Report	24
 INDEPENDENT AUDITOR'S REPORT	25
 THE FINANCIAL STATEMENTS	
Statement of Comprehensive Net Expenditure	29
Statement of Financial Position	30
Statement of Cash Flows	31
Statement of Changes in Taxpayers' Equity	32
Notes to the Accounts	33
Appendix 1: Accounts Direction	36

THE PERFORMANCE REPORT

INTRODUCTION

The accounts for the Standards Commission for Scotland (Standards Commission) for the financial year ended 31 March 2026 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 2025/26. The [Business Plan 2025/26](#) can be found on the Standards Commission's website.

Throughout the year, the Standards Commission continued to support councillors and members of devolved public bodies in Scotland to meet the standards expected of them by holding training events on the Codes of Conduct and by presenting at workshops and induction events. We continued to work with the Ethical Standards Commissioner (ESC), the Improvement Service, local authority Monitoring Officers, public body Standards Officers and other key stakeholders to promote the Codes and resolve any queries arising in respect of how their provisions should be interpreted.

In addition, the Standards Commission participated in a roundtable group established by the Convention of Scottish Local Authorities ("COSLA"), aimed at addressing the pressing issue of targeted abuse and intimidation towards elected members. The Standards Commission used the opportunity to promote the message that elected members should lead by example. This is because poor conduct by elected members can lower the standard of public debate and can be a barrier to public office (with prospective candidates being deterred by perceived disrespectful, intimidating or aggressive behaviours).

The Standards Commission publishes Guidance, Advice Notes, standard training presentations, videos and e-learning modules, intended to assist councillors and members in interpreting the provisions in the Codes. In 2025/26, the Standards Commission issued and published a revised version of its Guidance on the Councillors' Code of Conduct in light of feedback and enquiries it had received, and issues that had arisen during the ESC's investigations and at Hearings. We also produced a new e-learning module for Councillors on Quasi-Judicial and Regulatory Decision-Making, an Advice Note for Independent Councillors and one for Local Authority Chairs. We continued to issue and publish a quarterly newsletter and regular news articles, blogs and social media posts.

In terms of its adjudicatory work, the Standards Commission made 68 final decisions, in 2025/26, on cases referred to it between 1 April 2025 and 31 March 2026.

The Standards Commission held a total of 14 Hearings in 2025/26. Of these, four Hearings were held in respect of cases referred by the ESC before 1 April 2025. Of the 14 Hearings held in 2025/26, five were held online and were livestreamed on the Standards Commission's website. Nine Hearings were held in-person. Three Hearings on case referrals made on or before 31 March 2026 are scheduled to be held in 2026/27.

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 through the promotion and enforcement of the Codes of Conduct;
- 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 permanent members of staff (FTE of 3.38), 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:



Fairness

We are objective,
transparent, consistent
and proportionate



Approachable

We are inclusive,
collaborative,
respectful and helpful



Leadership

We display leadership by
initiating, advocating,
being agile, delivering;
and seeking to learn and
improve

Strategic Priorities and Objectives

In seeking to achieve this vision, the Standards Commission's operates against four-year strategic plans. The Strategic Plan for 2024-28 identified the following four key aims:

1. We will take all opportunities to be a strong and consistent voice for the importance of the key principles of public life and to educate on the standards of conduct expected of councillors and members of devolved public bodies.
2. We will continue to develop strong relationships with our stakeholders and work with them to resolve issues and prevent breaches of the Codes of Conduct.
3. We will make clear, evidence-based and well-reasoned decisions on cases referred to us for adjudication to help improve standards and ensure that any failure to meet those expected by the Codes of Conduct is dealt with in a fair, consistent and proportionate manner.
4. We will continue to invest in, engage with and empower Members and staff to deliver our work effectively and efficiently.

Full details of the Standards Commission's strategic objectives and the actions it intends to achieve are provided in the [Strategic Plan for 2024-28](#), which is available on the Standards Commission's website.

Key Issues and Risks

The following principal risks and uncertainties identified in 2025/26 are outlined in the table below along with the actions taken to mitigate against these.

Key Risk	Risk Mitigation
1. Insufficient resources in terms of staff time and knowledge, and Members' knowledge, time and availability means Standards Commission is unable to • meet its business objectives as identified in the Business Plan; • comply timeously with its statutory, contractual and reporting duties; and • meet its key performance indicators and comply with its Hearing Rules and Service Standards.	The availability of Members and staff was checked before Hearings were scheduled and the composition of Hearing Panels finalised. Checks were undertaken for any potential conflicts of interest at the earliest opportunity following receipt of a referral from the ESC. The Standards Commission also sought information from the ESC about when cases were likely to be referred so that it could plan ahead as far as possible. The Standards Commission Member appointed in March 2025 was provided with training on the provisions in the Rules and Service Standards, and on all case and governance related policies within one month of starting in post. Members attended four development days in the year, at which they undertook refresher training on the Councillors' Code, conflict management and media engagement.
2. The Standards Commission fails to obtain best value and/or expenditure substantively exceeds or is significantly less than the agreed budget which means that it is unable to: • Undertake its statutory duty to adjudicate on potential breaches of the Code; and • Meet its objectives in the annual Business Plan.	Measures were implemented to ensure Hearings were conducted as efficiently and cost effectively as possible. These included issuing parties with guidance on the relevancy of evidence, holding pre-Hearing meetings as a matter of course and holding Hearings online or in local authority venues at no cost. The Executive Team monitored actual expenditure against budget each month with a quarterly review carried out by Members. The Standards Commission worked with the SPCB to secure funding to increase staff capacity and ensure there was adequate cover for parental leave. It also sought to share services where possible, in order to minimise costs.

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 take, 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 has identified the key risks it faces in 2026/27 are unchanged from those identified in 2025/26.

The Standards Commission identified that these key risks could result from:

- Member or staff departures, with the resulting loss of knowledge and experience or quorum issues.
- Any delay in recruiting replacement Members or staff.
- Unplanned staff absences.
- Not being quorate if Members are unavailable or have declared interests.

- An inability to effectively plan resources and activities due to fluctuations in the volume and timings of case referrals from ESC.
- The number of Hearings held in 2026/27 being substantially different to the estimated number used to support the budget submission.
- Complexity and location of Hearings, and, as such, the costs associated with staff and Members' time, travel and expenses.
- Appeals being lodged against Hearing decisions, with associated costs in terms of external legal advice and representation.
- Continued constraints on public sector budgets and the need to demonstrate best value in terms of expenditure.

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 SPCB budget.

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 needed. 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, should there be 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 £373,000 and contingency funding of up to £44,000 (in 2024/25, the approved cash budget was £356,000). Contingency funding was sought in respect of staffing changes and cover, with £32,000 of this being used in the year. The overall budget for the year was therefore £405,000 (being the cash budget of £373,000 and contingency funding of £32,000).

Expenditure at the end of the financial year was £417,000, which was £12,000 (or 2.9%) over the agreed overall budget. The overspend was due to a higher than expected expenditure on fees for legal advice and higher than budgeted Member salaries which were partly offset by an underspend in IT and public relations costs.

The Statement of Financial Position as at 31 March 2026 shows a deficit on the General Fund of £27,000 (2024/25: £5,000). 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 2026. 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. As a result, as at 31 March 2026 the amount of expenditure falling into this category was £27,000. 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 2025/26 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 published, 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 2025/26.

Performance in 2025/26

In 2025/26, the Standards Commission had a positive impact on ethical standards in public life in accordance with the aims outlined in its Strategic Plan for 2024-28 (as outlined on page 3 above), through its engagement with stakeholders, and its work to promote the Codes of Conduct. The Standards Commission also had a positive impact through its work to train and educate others on how the Codes' provisions should be interpreted.

Training and Promotional Events

The Standards Commission supported councillors and members to meet the standards expected of them by holding training events on the Codes of Conduct. In 2025/26, the Standards Commission presented training events on the Councillors' Code of Conduct for elected members of Dumfries and Galloway Council, Glasgow City Council and Stirling Council. Training events on the Model Code of Conduct for the boards of Clackmannanshire & Stirling Health and Social Care Partnership, Glasgow City Health & Social Care Partnership and Crown Estates Scotland were also held.

In partnership with the Improvement Service, the Standards Commission presented joint webinars for councillors on distinguishing between strategic and operational matters, and gifts and hospitality. These webinars were open to all elected members and were aimed at assisting attendees understand how best to engage with members of the public, while still complying with the requirements of the Councillors' Code.

The Standards Commission presented on its role and the Model Code at the Scottish Government's 'Welcome on Board' induction workshops for Ministerial appointees in June and September 2025. Its Executive Director also presented a session on the ethical standards framework and ongoing issues and work at the Scottish Local Authority Lawyers and Administrators ("SOLAR") Autumn Conference in November 2025.

The Standards Commission held its annual workshop for Council Monitoring Officers in October 2025. Matters discussed included whether any trends in behaviours had been identified and their experiences of compliance by elected members with the Councillors' Code and whether there had been an increase in disrespectful behaviours towards officers or inappropriate involvement by elected members in operational matters.

The Standards Commission also held its annual workshop with Standards Officers of devolved public bodies in March 2026. Matters discussed included conflicts of interest, how the chairs of public body have a role in ensuring there is a positive culture, which enables constructive and effective scrutiny of performance by members and trends and issues that have arisen in respect of members understanding of, and compliance with, their Codes of Conduct.

The Convener and Executive Director gave evidence on the Standards Commission's Annual Report for 2024/25 at a Local Government, Housing & Planning Committee meeting in November 2025. Various matters were discussed, including barriers to making complaints, how elected members can scrutinise performance effectively without falling foul of the Code, and the benefits of holding Standards Commission Hearings in-person rather than online.

Educational Material

The Standards Commission issued and published a revised version of its Guidance on the Councillors' Code in 2025/26 in light of feedback and enquiries it had received, and issues that had arisen during the ESC's investigations and at Hearings.

Following a consultation with stakeholders, the Standards Commission produced and published a new Advice Note for Independent Councillors which aims to provide them with guidance on certain provisions in the Code and on how to seek assistance with aspects of the ethical standards framework.

It also produced and published a new Advice Note for Local Authority Chairs, which aims to provide guidance to local authority Chairs and Conveners on their role and responsibilities within the ethical standards framework. In addition, the Standards Commission produced and published on its website a new e-Learning module for councillors on making decisions on quasi-judicial and regulatory matters, such as planning and licensing applications.

In 2025/26, the Standards Commission continued work to educate the public on the ethical standards framework. It produced a Card for councillors who have been appointed or nominated by their Council to a Health and Social Care Integration Joint Board (IJB). The Card is intended to assist them in managing their constituents' expectations in terms of what they can and cannot do, when acting as a member of the IJB.

Stakeholder Engagement

The Standards Commission continued, in 2025/26, to strengthen the positive working relationships it enjoys with stakeholders. It did so by engaging with them on a regular basis and by consulting on future plans and proposed changes to its educational material and adjudicatory processes.

The Standards Commission continued to work closely with the ESC in 2025/26 to identify and try to resolve issues arising in respect of the interpretation of the Codes. The Standards Commission's Executive Director held regular meetings with the ESC to discuss suggestions for improving the processes for the investigation and adjudication of complaints about councillors and members of devolved public bodies, in order to achieve efficiency, transparency and consistency in decision-making. The Standards Commission also engaged with the ESC on any proposed changes to its case-related policy and process documents, and on its educational material. In addition, Standards Commission Members held two formal meetings with the ESC during the year, to exchange information about work being undertaken by their respective offices, future plans and any issues and challenges that had arisen.

In 2025/26, the Standards Commission also strengthened the positive working relationships it enjoys with other stakeholders, including the Improvement Service, COSLA, SOLAR, Audit Scotland and the Scottish Government's Public Bodies Unit and Local Government Team. This included engaging with them on a regular basis to share information about trends, ongoing cases and work being undertaken. The Standards Commission also continued to consult with its stakeholders on its plans and any proposed changes to its educational material and adjudicatory processes. It also exchanged information about trends, ongoing cases and good practice with the Local Government Commissioner for Standards in Northern Ireland and the Public Services Ombudsman for Wales.

Throughout the year, the Standards Commission also contributed to a working group established by the UK Government to work on a range of measures to strengthen the standards and conduct regime for local authorities in England. The Standards Commission did so by sharing information about its own remit and procedures, as well as its experiences of the ethical standards framework in Scotland.

In addition, the Standards Commission participated in a working group established by the Scottish Government, which aimed to identify and resolve any issues and developments concerning the intention to extend IJB voting rights to lived experience members.

The Standards Commission continued, in 2025/26, to promote its adjudicatory work by publishing information about all Hearings held, and 'no action' decisions taken, on its website and in its quarterly Standards Updates. The Standards Commission contacted local journalists to advise them of scheduled Hearings. It also issued and published press releases summarising decisions made and the reasons for these, following the conclusion of each Hearing. The result of this was that the outcome of almost all Hearings was reported in the local and sometimes national press, thereby

supporting a wider awareness of the work of the Standards Commission in promoting and supporting high ethical standards in public life.

Adjudication

The ESC referred 68 cases to the Standards Commission in 2025/26. The Standards Commission made final decisions on all 68 referrals. Summaries of all the decisions made by the Standards Commission on cases referred to it can be found in its Annual Report for 2025/26.

The Standards Commission held a total of 14 Hearings in 2025/26. Four of these Hearings were held in respect of cases referred by the ESC in the previous reporting period (between 1 April 2024 and 31 March 2025). Three Hearings on case referrals made on or before 31 March 2026 were scheduled to be held in 2026/27.

Written decisions on all cases referred and Hearings held in 2025/26 can be found on the Standards Commission's website at: <https://www.standardscommissionscotland.org.uk/cases>.

Following the making, issuing and publishing of a 'no action' or Hearing decision, the Standards Commission reviewed the case at the next Standards Commission meeting, to check that its decision was well-reasoned, consistent and clear, and to identify any potential learning points in respect of how the referral and adjudication process was managed. The Standards Commission sought feedback from the parties and any witnesses after all Hearings and any provided was also considered at the following meeting. In April 2025, a full annual review was carried out of all decisions made, and feedback received, in respect of case referrals and Hearings in the previous year (2024/25), to identify any learning points and potential improvements to its case related policies and procedures and standard documents.

In 2025/26 all Standards Commission Members attended a development session on best practice in applying sanctions at Hearings (following a finding of a breach of a Code). This included refresher training on the factors that could and should be considered, and how to assess and weigh these. As part of the session, Members reviewed the sanctions applied by the Standards Commission in the previous year to assess consistency and identify the types of specific considerations that arise at Hearings. Members also considered decisions from analogous jurisdictions for benchmarking purposes.

Following these reviews, the Standards Commission amended its Hearing Rules to ensure that Hearings were conducted as efficiently and proportionately as possible. In particular, the provisions were amended to provide more clarity on the scope and purpose of pre-Hearing meetings and to make it clear that a Panel may decide not to accept any proposed productions it considers to be not directly relevant or material to the matters that are the subject of the Hearing and the question of whether the Respondent has breached the applicable Code as alleged.

Having undertaken some comparative research on analogous organisations' adjournment policies and reviewed relevant recent case law on adjournment requests, the Standards Commission also revised its Adjournment Policy in 2025/26. This included outlining that while a Hearing Panel may, at its own discretion or on the application of any of the parties, postpone or adjourn a Hearing, the starting presumption is that all Hearings will proceed as scheduled by the Standards Commission. The list of factors a Panel will consider when determining whether to adjourn a Hearing was also updated to include the potential impact of the adjournment on the quality or availability of evidence.

In addition, the Standards Commission reviewed and updated its Interim Suspension Policy to clarify and simplify the process to be followed when an interim report was received from the ESC.

Following receipt of feedback and having consulted with stakeholders, the Standards Commission added more information to its Suspension Rules, which outline the activities in which a councillor can and cannot engage, in that capacity, during any period of suspension.

In 2025-26, the Standards Commission produced and published, on its website, a video on the Complaints Process, which is aimed at helping all those involved (Respondents, Complainer and potential witnesses) understand the different stages of the process and what might be expected of them.

Key Performance Indicators

The Standards Commission uses key performance indicators, grouped under the strategic aims as set out in its Strategic Plan for 2024-28 to monitor performance. The Standards Commission achieved an average of 99% (2024/25: 100%) in respect of its key performance indicators relating to its adjudicatory work (these cover adherence to its Rules and timescales for decision-making and the dissemination of information), 100% (2024/25: 100%) in respect of how the timescales for responding to enquiries and 97% in respect of the timescales for responding to freedom of information and subject access requests (2024/25: 88%). The Standards Commission also monitors its internal information sharing and achieved an average of 71% (2024/25: 100%) against its performance indicators in this regard.

Going forward, the Standards Commission intends to develop key performance indicators to track its work in respect of promoting and educating others on the Codes of Conduct.

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 2026 amounted to £417,000 (2024/25: £345,000), against an agreed budget of £405,000.

The net expenditure was divided between staff costs of £369,000 (2024/25: £306,000) and other administrative costs of £48,000 (2024/25: £39,000). Staff costs include all remuneration paid to both staff and Members. Higher than budgeted Member salaries were driven by nine of the 15 Hearings being held in-person, with the location of some of these resulting in increased travel time.

Two appeals were lodged against decisions the Standards Commission made at Hearings in 2025/26, with both due to be heard in 2026/27. A judicial review in respect of a decision to not accept certain productions for a Hearing was lodged in 2025/26 is also due to be heard in 2026/27.

Fees for legal advice are included in 'other administrative costs'. The overspend in this category resulted from the Standards Commission incurring legal fees for initial advice provided in respect of the two appeals and judicial review noted above. This was partly offset by an underspend in other administrative costs, with savings being made on IT and public relations costs.

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 2025/26, 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 ten days of receipt, in order to support business suppliers. In 2025/26, 100% of the Standards Commission's invoices were paid within this timescale (2024/25: 100%).

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 use public transport or car share. 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. The Standards Commission communicates almost exclusively 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.

Staff at the Standards Commission follow a hybrid working policy which allows them to work either from home or the office. In addition, six of the ten scheduled Standards Commission meetings and development days were held online, minimising the amount of travel to the office by Members. The Standards Commission continued to operate on an almost entirely paperless basis, with all records retained online.

The Standards Commission is signed up to a Social Impact Pledge, which is aimed at increasing the social impact of public sector organisations in Scotland. The pledge is a Scottish Government initiative that asks public sector organisations to commit to increasing their social impact by making a public commitment to change their current operations or policies. The pledge should include actions that the organisation was not already undertaking. The Standards Commission undertook two activities in 2025/26 in order to improve its social impact. A short work experience placement was offered to a secondary school pupil in June 2025, which allowed them to gain office experience and an understanding of the ethical standards framework. In addition, staff gave up a day of their time in August 2025 to volunteer at Our Community Kitchen in Haddington. Our Community Kitchen provides relief to those in need by reason of age, ill-health, disability, financial hardship or other disadvantage by creating a safe, supportive and welcoming environment, providing hearty food, offering opportunities to connect by bringing people together thereby reducing isolation, and offering a range of social activities.

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 are held in cases where there is

little dispute between the parties and no witnesses (other than the Respondent) are to appear. The majority of online Hearings are livestreamed through the Standards Commission's website, meaning 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 the ethical standards framework in general.

In terms of human rights and, in particular, the right to a fair trial under Article 6 of the European Convention on Human Rights (ECHR), 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 that 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 are unrepresented. Hearing Panels consider carefully 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 2025 to 2031 to improve access to information and services for BSL users.

The Standards Commission complies with the requirements of the Data (Use and Access) Act 2025 and the General Data Protection Regulation 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 entries.
- 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.
- Ensuring Members and staff declare interests 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 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.

Future Development

The Standards Commission's [Business Plan for 2026/27](#) outlines its objectives for the forthcoming year that will contribute to the achievement of these aims.

In particular, the Standards Commission intends to increase public awareness of the standards expected from councillors and elected members of devolved public bodies by publishing new videos on its website for the public, on what the Codes of Conduct do and do not cover. The Standards Commission also intends to provide content on this for inclusion on the Scottish Government's website.

The Standards Commission will continue to provide training to the boards of public bodies and elected members of councils on request. It intends to conduct further joint webinars with the Improvement Service on specific aspects of the Councillors' Code and will work with both it, and the Open University, to create an online module on the ethical standards framework for elected members. The Standards Commission intends to run an online session providing information on the requirements of the Councillors' Code for all local authority legal, governance and committee service officers, and one on the Model Code for public body employees.

The Standards Commission also intends to update its Guidance on the Model Code in light of enquiries, issues that have arisen at Hearings and feedback. It further intends to produce an Advice Note on relevant aspects of the ethical standards framework for lived experience members of health and social care integration joint boards.

The Standards Commission will hold annual workshops with Council Monitoring Officers and public body Standards Officers to discuss emerging trends and issues and how best to deal with these. The Standards Commission will invite key stakeholders, including the ESC, Audit Scotland, Scottish Government, the Colleges Development Network and the Improvement Service to these events.

The Standards Commission further intends to work with the ESC to discuss trends and issues that emerge in order to develop (as far as possible) a common understanding of how provisions in the Codes should be interpreted.

	
Lorna Johnston Accountable Officer	Date: 27 July 2026

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.

	<u>Date of appointment</u>	<u>Tenure ends</u>
Convener: Suzanne Vestri	7 May 2024	6 Feb 2028
Members: Helen Donaldson	1 Apr 2023	31 Mar 2029
Lezley Stewart	29 Apr 2024	28 Apr 2030
Morag Ferguson	3 Jun 2024	2 Jun 2030
Malcolm Bell	10 Mar 2025	9 Mar 2031

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, Members and Executive Director of the Standards Commission, which is published on the Standards Commission's website at:

www.standardscommissionscotland.org.uk/about-us/who-we-are.

During 2025/26, 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 was one data breach in the year. The Executive Director determined that the incident was a relatively minor, low risk data security incident where an email was sent to the incorrect email address. There was no suggestion of any prejudice to the rights and freedoms of the data subjects whose personal information was incorrectly disclosed, and the personal data involved was normal category data. As such, the Executive Director concluded that there was no requirement to report the matter to the Information Commissioner's Office.

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 Parliamentary 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.

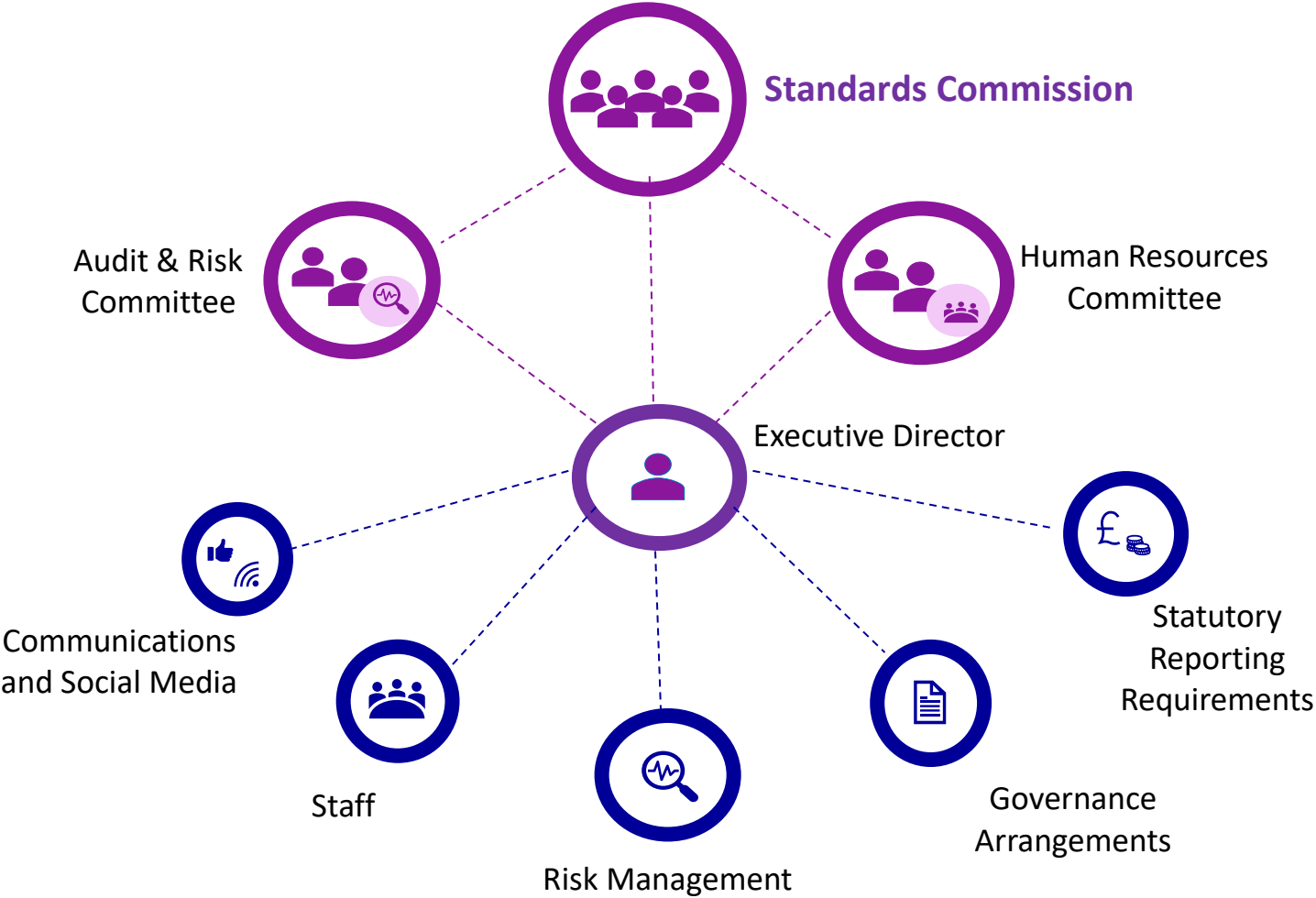
CORPORATE GOVERNANCE REPORT: GOVERNANCE STATEMENT

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 2025/26.

Governance Framework



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 previously, 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 formally 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 how the Standards Commission conducted Hearings, with a focus on providing assurance that the controls and actions documented in the Hearing Rules and Guidance can be evidenced.

The internal auditor reported that, based on the audit work performed, he was able to offer a substantial level of assurance is offered over the systems, controls and process in place with regards to the Hearing Rules and Hearings process. Two recommendations arising from the review were identified and assessed as being low priority. Both will be actioned in 2026/27.

During 2025/26 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 2025/26 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 2025/26, in order for Members to undertake their strategic direction setting, scrutiny roles and training.

During 2025/26, the Standards Commission identified the principal risks and uncertainties for the organisation as, firstly, that the Standards Commission would have insufficient resources in terms of staff time and knowledge, and Members' knowledge, time and availability, to meet its business objectives and comply timeously with its statutory duties and any reporting requirements.

The second key risk identified was that the Standards Commission would fail to obtain best value and/or its expenditure would substantively exceed or be significantly less than the agreed budget. If realised, this could result in the Standards Commission being unable to undertake its statutory duty to adjudicate on potential breaches of the Code and meet its objectives in the annual Business Plan.

Work the Standards Commission undertook to mitigate these risks included ensuring that the availability of Members and staff was checked before Hearings were scheduled and the composition of Hearing Panels finalised. Checks were undertaken for any potential conflicts of interest at the earliest opportunity following receipt of a referral from the ESC. The Standards Commission also sought information from the ESC about when cases were likely to be referred so that it could plan ahead as much as possible. The new Standards Commission Member was provided with training on the provisions in the Hearing Rules and Service Standards, and on all case and governance related policies within one month of commencing in post. All Members undertook refresher training on a variety of governance and adjudication matters at four development sessions in the year.

The Standards Commission also ensured that Hearings ran as efficiently and cost effectively as possible by issuing parties with guidance on the relevancy of evidence, holding pre-hearing meetings as a matter of course and holding Hearings online or at local authority venues at no cost. In addition, the Standards Commission regularly reviewed actual expenditure against budget and provided updates to the SPCB via the Parliament's Officeholder Services Team.

Further detail of actions taken to mitigate these risks are provided in the Key Issues and Risks section of the Performance Report.

As previously noted in the Performance Report, the Standards Commission has identified two key risks for 2026/27.:

These key risks are unchanged from those identified in 2025/26 and controls and actions to mitigate these risks have been identified and outlined in the Standards Commission's Risk Register for 2026/27. These include:

- Checking for potential conflicts of interest at earliest possible stage on referral of a case by the ESC.
- Continuing to monitor declarations of interest and Members availability so the SPCB can be advised promptly if it appears there could be any quorum difficulties.
- Undertaking ongoing research in respect of relevant case law, appeal decisions, cases and work in analogous organisations and jurisdictions in order to keep abreast of level developments and best practice. Providing updates and training to staff and Members accordingly.
- Actively considering all opportunities, and any requests, to vary normal Hearings procedures if the possibility of reducing costs arises (provided there is no adverse impact in terms of access, openness and fairness).
- Ongoing contact with the SPCB via the Parliament's Officeholder Services Team about any significant procurement.
- Seeking information from ESC about the number of cases likely to be referred (and where Respondents are located) so contingency plans can be made if it appears there will be significantly more than projected.

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 2026 and to the date of this statement, no significant control weaknesses or issues or significant lapses in data security 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 2026 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 financial statements.

Remuneration – Members*

Members' remuneration is determined by the SPCB. The Convener is paid £12,940.86 per annum (2024/25: £12,467.11) and other Members receive £7,204.80 per annum (2024/25: £6,941.04). In addition, an hourly rate of £40.02 (2024/25: £38.55) 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>2025/26</u> <u>£'000</u>	<u>2024/25</u> <u>£'000</u>
Paul Walker (tenure ended 6 May 2024)	-	0-5
Ashleigh Dunn (tenure ended 3 March 2025)	-	10-15
Suzanne Vestri	15-20	15-20
Helen Donaldson	10-15	10-15
Lezley Stewart	10-15	10-15
Morag Ferguson	10-15	5-10
Malcolm Bell	10-15	0-5
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)	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Lorna Johnston (Executive Director)	85-90	85-90	-	-	-	-	34 ¹	34 ¹	120-125	120-125

¹ The value of contributions made by the employer to the Executive Director's pension scheme.

Pensions Benefits*

	Accrued pension at pension age as at 31/03/26	Real increase in pension and related lump sum at pension age	CETV at 31/3/2026	CETV at 31/3/2025	Real increase in CETV
Standard Commission Senior Staff	£'000	£'000	£'000	£'000	£'000
Lorna Johnston	25-30	0-2.5	362	324	22

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

Accrued pension benefits included in the tables above for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

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.

	2025/26 £'000	2024/25 £'000
Remuneration banding for highest paid member of staff	85-90	85-90
Percentage change from previous financial year for highest paid member of staff	3.8%	5.5%
Average percentage change from previous financial year for employees	(5.9%)	4.4%
Lower quartile remuneration	£40,965	£37,249
Lower quartile ratio	2.1	2.3
Median remuneration	£50,070	£41,680
Median ratio	1.7	2.1
Upper quartile remuneration	£56,875	£46,932
Upper quartile ratio	1.5	1.9
Remuneration range	£34,000 to £85,000 - £90,000	£32,000 to £85,000 - £90,000

The above data for 2025/26 includes the impact of the SPCB pay award for all staff for the year, which was effective from 1 April 2025. The SPCB pay award for 2025/26 was lower than the award in 2024/25. The data for 2024/25 includes the impact of the SPCB pay award which was effective from 1 April 2024. The movement in the percentage change for employees in 2025/26 also includes a change in hours and grading for one member of staff (the Case Manager) and recruitment of a temporary full-time member of staff to provide parental leave cover.

The pay ratios are consistent with the pay, reward and progression policies for Standards Commission employees.

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*

	2025/26				2024/25		
	£'000	£'000	£'000		£'000	£'000	£'000
	Total	Convener & Members	Staff		Total	Convener & Members	Staff
Salaries and wages	280	70	210		234	61	173
Social security costs	29	7	22		22	3	19
Pension costs	60	0	60		50	0	50
	369	77	292		306	64	242

The Standards Commission adopts the SPCB's pay scales and its Members' remuneration is determined by the SPCB. Member salaries include payments for Hearings, which were higher in 2025/26 than in 2024/25. While fourteen Hearings were held in 2025/26 as opposed to fifteen in 2024/25, a larger number were held in person in 2025/26, with the location of some of these resulting in increased travel time. Staff salaries increased in line with the annual SPCB pay award (the percentage of which was lower in 2025/26 than in 2024/25). Staff salaries also increased from a change in hours and grading for one member of staff (the Case Manager) and recruitment of a temporary full time member of staff to provide parental leave cover. Salaries include a small provision covering the value of outstanding leave (the accrual of leave that had not been taken in the year).

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:

	2025/26	2024/25
	FTE	FTE
Members	0.5	0.5
Employees	4.4	3.1

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 2026, the gender breakdown was as follows:

	2026		2025	
	Female	Male	Female	Male
Directors	4	1	4	1
Senior Manager	1	0	1	0
Employees	2	2*	2	1

*As noted above, one employee was recruited to provide cover for parental leave.

Average Sickness Absence Report

For the 12-month period from 1 April 2025 to 31 March 2026, three working days were lost as a result of sickness absence (2024/25, three).

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 'Recruiting for Excellence'.

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 one 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.

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 Standards Commission has developed its own Staff Handbook which has been made 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 (2024/25: nil).

Staff Exit Report*

No member of staff left under voluntary or compulsory exit schemes during the financial year (2024/25: nil).

PARLIAMENTARY ACCOUNTABILITY REPORT

Auditors Remuneration

The annual accounts of the Standards Commission are audited by Neil Maclean, 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 £4,200 in respect of the statutory audit services for the financial year 2025/26. There was no provision of non-audit services.

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.

	
Lorna Johnston Accountable Officer	Date: 27 July 2026

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 2026 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 financial statements, including material accounting policy information. 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 2025/26 Government Financial Reporting Manual (the 2025/26 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2026 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 2025/26 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 15 April 2026. My period of appointment is two years, covering 2025/26 and 2026/27. 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:

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

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

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

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the 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 parts of the Remuneration and Staff Report.

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and 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 parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit

Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Neil Maclean

Neil Maclean CA
Senior Audit Manager
Audit Scotland
Athenaeum Building
8 Nelson Mandela Place
Glasgow
G1 2BT

27 July 2026

Statement of Comprehensive Net Expenditure For Year Ended 31 March 2026

	Notes	2025/26 £'000	2024/25 £'000
Administration costs			
Staff costs	2	369	306
Other administration costs	4	48	39
Gross administration costs		<u>417</u>	<u>345</u>
Net operating costs		<u><u>417</u></u>	<u><u>345</u></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 33 to 35 form an integral part of these accounts.

Statement of Financial Position

As at 31 March 2026

Notes

		31 March 2026	31 March 2025
<u>Current assets</u>			
Trade and other receivables		-	-
Total assets		-	-
<u>Current liabilities</u>			
Trade and other payables	5	(27)	(5)
Total current liabilities		(27)	(5)
Assets less liabilities		(27)	(5)
<u>Taxpayers' equity</u>			
General fund		(27)	(5)
Total taxpayers' equity		(27)	(5)

The financial statements were approved by the Standards Commission for Scotland on 27 July 2026 and authorised for issue by:

	
Lorna Johnston Accountable Officer	Date: 27 July 2026

The accompanying notes on pages 33 to 35 form an integral part of these accounts.

Statement of Cash Flows

For Year Ended 31 March 2026

	Notes	2025/26 £'000	2024/25 £'000
<u>Cash flows from operating activities</u>			
Net operating cost		(417)	(345)
Movements in working capital			
(Increase)/decrease in trade and other receivables		-	-
Increase/(decrease) in trade and other payables	5	22	(4)
Total Net cash outflows		(395)	(349)
<u>Cash flows from financing activities</u>			
Financing from the Scottish Parliamentary Corporate Body		395	349
Net cash inflow from financing activities		395	349
<u>Net increase/(decrease) in cash and cash equivalents</u>		-	-
Cash and cash equivalents as at 1 April		-	-
Cash and cash equivalents as at 31 March		-	-
Net increase/(decrease) in cash and cash equivalents		-	-

Statement of Changes in Taxpayers' Equity For Year Ended 31 March 2026

	Notes	2025/26 £'000	2024/25 £'000
General Fund			
Balance at 31 March 2025		(5)	(9)
Net operating costs for the year	SoCNE	(417)	(345)
Funding from the SPCB	SoCF	395	349
Balance at 31 March 2026		(27)	(5)

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 5.

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 2020. Details of the resource accounts of the Cabinet Office: Civil Superannuation can be found at 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:

	2025/26	2024/25
	FTE	FTE
Convener and Members	0.5	0.5
Staff	4.4	3.1
	4.9	3.6

2.2 Breakdown of Staff Costs – Administration Costs

	2025/26	2025/26	2025/26	2024/25
	£'000	£'000	£'000	£'000
	Total	Convener & Members	Staff	Total
Salaries and wages	280	70	210	234
Social security costs	29	7	22	22
Pension costs	60	0	60	50
	369	77	292	306

3 STAFF PENSION COSTS

For 2025/26, employers' contributions of £59,764 (2024/25: £50,220) were payable to the Civil Service Pension arrangements at a rate of 28.97 per cent of pensionable pay, (2024/25: 28.97 per cent).

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 2026 amounted to £6,132 (2025: £4,185).

4 ADMINISTRATION COSTS

	2025/26	2024/25
	£'000	£'000
Fees for legal advice and representation	16	19
Audit fee	4	4
Property hire costs	1	1
Information technology costs	2	3
Printing and promotion costs	4	4
General administration costs	6	4
Members' travel and expenses	10	2
Staff travel and expenses, and staff and members' training costs	5	2
	48	39

5 TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025/26	2024/25
	£'000	£'000
Payroll accrual	8	2
General accruals	19	3
	27	5

6 CAPITAL COMMITMENTS

There were no contracted capital commitments as at 31 March 2026 (2025: Nil).

7 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.

8 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.

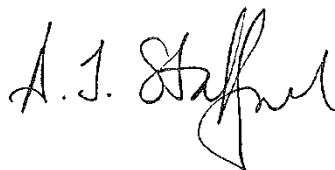
Appendix 1



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 (FRcM) 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

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