

## **Draft BCS Corporate Plan 2020-2023**

### **Action required**

1. The Commission is invited to consider the draft Corporate Plan for the period April 2020 to March 2023 which appears at Appendix A. The paper also includes Appendix B, which discusses options for future apportionment of Staff Costs between the BCS and LGBCS.

### **Discussion**

2. At the time of writing, the BCS's most recently completed review of UK Parliament constituencies, the 2018 Review, has not been considered by Parliament and there is some uncertainty over future review work. This Corporate Plan assumes that the Commission will not undertake further review work until the 2023 Review, which is expected to begin in early 2021, and is required to report before 1 October 2023. Primary legislation would be required to change the reporting date of the 2023 Review.
3. The costs in the Corporate Plan are based upon the Commission following approximately the same timetable as the 2018 Review. This means that there would be minimal Commission activity for most of 2020-21 with the Commission commencing the 2023 Review in February 2021. The Commission would then be fully engaged in review activity for all of 2021-22 and 2022-23, submitting its Final Report in September 2023, outside the scope of this Corporate Plan.
4. There is a degree of uncertainty in the workload of Local Government Boundary Commission for Scotland (LGBCS), with which the Commission shares the Secretariat. The LGBCS is yet to confirm its timetable for the next Scottish Parliament and local authority electoral reviews which will be affected by legislation currently in the Scottish Parliament. This is likely to have an impact on the staffing level of the Secretariat. The draft Corporate Plan in Appendix A includes the equivalent of an additional staff member for the Secretariat from 2021-22, and apportions all Staff Costs equally between Commissions; Appendix B discusses other options.
5. Once the Corporate Plan has been agreed between the Commission and the Office of the Secretary of State for Scotland, it will be placed on the Commission's website.

### **Conclusion**

6. The Commission is invited to provide any comments on the draft Corporate Plan.

**Secretariat  
November 2019**

## **Variable Staff Costs**

### **Purpose / Background**

1. At its meeting of July 2019, the Commission and Secretariat were asked to consider the split of staff costs between Commissions and how these may be impacted by Review workload of both the BCS and LGBCS.

### **Current Situation**

2. At present all staff costs are shared equally between BCS and LGBCS. This reflects that BCS Reviews are currently scheduled to report every 5 years, and take around two and a half years to complete; local government and Scottish Parliament reviews are less frequent at every 8-12 years. However, the 2018 Review began on 24 February 2016, and was submitted on 5 September 2018. This means that for approximately half its time, the Secretariat is not engaged in BCS Review work.
3. Historically, LGBCS and BCS Reviews rarely overlapped, which allowed the Secretariat to be fully engaged in review work for one Commission or the other. This allowed a 90:10 allocation of staff costs with the bulk of costs falling to the Commission in active review mode. Changes to review scheduling for both BCS and LGBCS made that split of costs unsustainable and to allow flexibility for both Commissions during a time of uncertainty, resulted in agreement to split costs 50:50. Analysis by the Secretariat suggested that over a 10 year period such a split would be broadly cost neutral. Further uncertainty has been caused by the 2018 Review not yet being implemented; UK general elections being called outwith the timescales allowed for in the Fixed Terms Parliament Act 2011 and ongoing concerns expressed within Parliament about the legislative framework for reviews.
4. The LGBCS is currently carrying out reviews of electoral arrangements for six local authorities which contain inhabited islands. These are scheduled to be completed in May 2021. It will then need to consider its future review programme in light of the Scottish Elections (Reform) Bill. The BCS's forthcoming 2023 Review of UK Parliament Constituencies is expected to commence in February 2021, based on the timetable of the 2018 Reviews.
5. The Secretariat currently has 3 full time equivalent staff members who are primarily engaged in review work and 3.5 full time equivalent staff members who are primarily engaged in other work to support both Commissions. They carry out activities such as finance, governance, maintenance of electorate databases, and office management. It is only the salaries of the review staff which historically have been allocated proportionally between Commissions.
6. As a consequence of the arrangement by which the Scottish Government provides staff for the Secretariat, the portion of the staff costs which are attributed to BCS attracts VAT. This means in practice that BCS pays an additional 20% for staff costs. This would not change regardless of how staff costs are apportioned between the Commissions.

### **Uncertainty Over LGBCS Timetable**

7. The timing of the next Scottish Parliament Review means that it is likely that BCS and

LGBCS will be engaged in significant review work at the same time in the next few years.

8. There is uncertainty over the LGBCS's workload over the period of this Corporate Plan, both in terms of the timing of the next Scottish Parliament Review, and if and when it will carry out reviews of electoral arrangements for local authorities.
9. This uncertainty is a consequence of legislation currently in the Scottish Parliament (the Scottish Elections (Reform) Bill) which considers term lengths for local government and Scottish Parliament as well as scheduling of local government reviews.

## Scenarios

10. The Secretariat has drawn up some illustrative scenarios of the consequences for the BCS of possible changes to staff costs apportionments between the Commissions. Naturally, many other scenarios are possible. All staff costs shown in the scenarios included 20% VAT.
11. The Draft Corporate Plan in Appendix A makes the following assumptions:
  - The equivalent of an additional B1 member of staff will be required in 2021-22 and 2022-23;
  - All Staff Costs will be divided equally between Commissions for the whole period of the Corporate Plan.
  - Staff Costs rise by c. 12% per year. This is high compared with most recent years, but last year the Scottish Government's pay settlement, staff promotions, and changes to superannuation produced a forecast 11% rise for 2019-20 relative to 2018-19.
12. The Staff Costs in the Draft Corporate Plan are as follows:

	2020-21	2021-22	2022-23
staff costs	£201,207	£253,192	£282,790

13. Alternative scenarios A and B both assume that the costs for the staff members who are not primarily engaged in Review work are shared equally between Commissions.

## Scenario A

14. Scenario A assumes that both Commissions are active in 2021-22 and 2022-23. It shows how the BCS costs would be reduced in year in which it is mostly inactive.
  - 2020-21
    - o allocates 75% the costs of the 3 members of staff most directly involved in Review Work (Review Team) to LGBCS in 2020-21, when the BCS will mostly inactive;
  - 2021-22
    - o allocates 50% of the costs of the Review Team to both Commissions;
    - o allocates 50% of the costs of the additional staff member to both

Commissions;

- 2022-23
  - o allocates 50% of the costs of the Review Team to both Commissions;
  - o allocates 50% the costs of the additional staff member to both Commissions;

15. This produces the following staff costs:

	2020-21	2021-22	2022-23
staff costs	£157,451	£253,192	£282,790

16. The effect of this, relative to the figures in the Draft Corporate Plan in Appendix A would be a saving of £43,756 in 2020-21, but no change in subsequent years.

### Scenario B

17. Scenario B apportions staff costs as in Scenario A, but in this case LGBCS pays 90% of the review staff costs in 2020-21.

18. This produces the following staff costs:

	2020-21	2021-22	2022-23
staff costs	£131,197	£253,192	£282,790

19. The effect of this, relative to the figures in the Draft Corporate Plan in Appendix A would be a saving of £70,010 in 2020-21, but no change in subsequent years.

### Other Considerations

20. The current arrangement is easier for the Secretariat to administer, and makes budgeting more predictable.

21. The LGBCS would have to be consulted before changes are made which would affect its future plans.

### Conclusions

22. The Commission is invited to consider the staff costs scenarios, and whether it would like changes to be made to the staff costs as a consequence. This paper only considers 2020-21 and the future budgeting arrangements can be reviewed again once there is greater clarity over the timing of review work for both BCS and LGBCS