

Governance Arrangements and Finance Update

Purpose

1. The Commission is invited to note an update regarding its governance arrangements and its financial position.

Governance Arrangements

2. Following discussion between the Secretary and the Office of the Secretary of State for Scotland (OSSS), the January 2021 meeting of the Audit and Risk Assurance Committee (ARAC) of the Joint Management Board of the OSSS and the Office of the Advocate General for Scotland (OAG) considered a paper on reporting arrangements between OSSS and the Commission and reporting lines into the OSSS as the Arms-Length Body Sponsor.
3. The meeting agreed that:
 - a formal quarterly meeting should take place between officials from OSSS and the Secretariat, in order to discuss finance, governance and appointments. These meetings have in fact been in place for some time since an audit of the sponsorship relationship was undertaken but, with frequent changes in OSSS officials, have lapsed recently.
 - using the information from these meetings, and working with the Secretariat, OSSS officials will produce reports twice a year for the ARAC outlining finances and the work of the Commission at that time.
 - the Director of the OSSS, and the Chair of the ARAC (who is also a non-Executive Director of OSSS) will take up the Commission's offer to attend the start of a Commission meeting in the near future.
4. This meeting would be an opportunity for the new Director, Laurence Rockey, to meet the Deputy Chair and Commissioners and would replace the recent ad hoc meetings between Lord Matthews and a non-executive Director of OSSS. If the Commission is content with this proposal the Secretariat will liaise with OSSS with a view to the Director and Chair of ARAC (Ross Finnie) attending part of the next meeting.

Corporate Plan

5. The Secretariat has published the 2020-23 Corporate Plan on the website. Future costs have been noted as indicative as OSSS have advised that funding has not yet been agreed.

Finance Update

6. A finance update table is at Appendix A. The Commission is invited to note its financial position as of 22 February 2021.
7. The Secretariat has kept the Office of the Secretary of State for Scotland (OSSS) informed of the Commission's expected expenditure throughout the year. The Commission had been allocated a budget of £408,000 for 2020-21. On 25 November 2020 OSSS advised the Secretariat that it had reduced the allocation to £300,000 in light of the expected expenditure. The budget shown is as set out in the Corporate Plan 2020-23.

8. The overall forecast has fallen by c. £6,700 compared to that shown in BCS Paper 2021/04 at the Commission's meeting of 18 January 2021. This is chiefly due to lower forecast Administration costs.

Secretariat
February 2021

	Budget	Actuals										Forecast		Spend to Date	Balance to Spend		Overall Forecast	Forecast Remainder	
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	(£)	(£)	(%)	(£)	(£)	(%)
Secretariat Staff Costs	201,207	14,958	16,402	15,680	15,679	15,681	15,681	15,682	15,679	15,840	15,956	15,679	15,679	157,239	43,968	22%	188,597	12,610	6%
Commissioners' Fees and Expenses	11,321	0	0	0	0	762	0	506	0	0	506	1,011	7,077	1,773	9,548	84%	9,861	1,460	13%
Subtotal	212,528	14,958	16,402	15,680	15,679	16,443	15,681	16,187	15,679	15,840	16,461	16,690	22,756	159,012	53,516	25%	198,458	14,070	7%
Accommodation	23,557	0	0	0	0	0	5,613	0	5,613	0	5,613	checksum: 0	5,613	16,839	6,718	29%	22,452	1,105	5%
Admin	39,660	611	58	4,686	656	42	586	148	312	135	10,648	830	3,410	17,883	21,777	55%	22,123	17,537	44%
T&S	2,000	0	0	0	0	0	0	0	0	0	0	50	50	0	2,000	100%	100	1,900	95%
Review Costs	6,000	0	0	0	0	0	0	0	0	0	0	0	6,000	0	6,000	100%	6,000	0	0%
Subtotal	71,217	611	58	4,686	656	42	6,199	148	5,925	135	16,261	880	15,073	34722	36,495	51%	50,675	20,542	29%
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Overall	283,745	15,570	16,460	20,366	16,335	16,485	21,881	16,336	21,604	15,975	32,722	17,570	37,829	193,734	90,011	32%	249,132	34,613	12%
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