

Finance and Public Administration Committee

16th Meeting 2023 (Session 6), Tuesday 30 May 2023

Inquiry into the Scottish Government's Public Service Reform Programme

Purpose

1. The Committee is invited to take evidence regarding its inquiry into the Scottish Government's Public Service Reform Programme, in round-table format, from:
 - Garry McEwan, Head of Corporate Services, Food Standards Scotland,
 - Stuart MacQuarrie, Deputy Director Business Services and Transformation, NatureScot,
 - David Page, Deputy Chief Officer, Police Scotland,
 - Chris Kerr, Registration and Policy Director, Registers of Scotland,
 - Elaine Lorimer, Chief Executive, Revenue Scotland,
 - Karen Watt, Chief Executive, Scottish Funding Council,
 - Anthony Daye, Director of Finance and Corporate Resources, South of Scotland Enterprise, and
 - Kerry Twyman, Director of Finance and Corporate Services, Transport Scotland.
2. This paper sets out background information in relation to the Committee's inquiry and highlights key issues raised in written submissions received from the above witnesses¹, which are reproduced in full at Annexe A. [A summary of evidence received has also been produced by SPICe.](#)

Committee remit

3. Public service reform was included in the Committee's remit when it was established at the start of Session 6, in June 2021.
4. That year, the Committee held two exploratory evidence sessions to establish what progress had been made in relation to delivering public service reform in line with the Christie Commission's principles, and the barriers to advancing this agenda. At the first session, held on [9 November 2021](#), the Committee heard from: the Auditor General for Scotland, Professor James Mitchell from the University of Edinburgh (and Commission Member), and Professor Graeme Roy of the University of Glasgow. Witnesses recognised that the Christie

¹ Transport Scotland has not to date provided written evidence.

Commission principles remain relevant, but that limited, or “sporadic”, progress has been made. The Committee heard that, for reform to be successful, it requires time, effort, cultural change, a longer-term focus, proper accountability mechanisms, collaboration, and innovation.

5. These points were explored with the Deputy First Minister and Cabinet Secretary for Covid Recovery at an evidence session on [21 November 2021](#). He told the Committee that “the Government’s commitment to Christie’s vision and public services reform remains strong but making Christie a reality requires a collective national endeavour”, adding “I am committed to making that happen in the years to come”. He also provided examples of areas where reform had taken place in recent years, including structural reform of the police and fire and rescue service, and policy reforms such as the expansion of early learning and childcare provision. He also recognised that some areas may present more challenges in putting reforms into practice.

Background to the Inquiry

6. [The Scottish Government’s ‘Investing in Scotland’s Future’ Resource Spending Review](#) (RSR) published on 31 May 2022 set out its high-level spending plans up until 2026-27 to deliver its ambitions. The RSR stated that “the more efficient and effective we can become in the delivery of public services, the more able we will be to achieve key priorities and direct support towards those who need it most”. The RSR identified five areas of focus for reform over the lifetime of this Parliament:
 - digitalisation
 - maximising revenue through public sector innovation
 - reform of the public sector estates
 - reform of the public body landscape, and
 - improving public procurement.
7. The Scottish Government also indicated in the RSR that it wanted to develop—

“a pathway to return the overall size of the public sector workforce broadly to pre-Covid-19 pandemic levels, while supporting expansion in key areas of service delivery, helping to hold total pay bill costs – as opposed to pay levels – at 2022-23 levels”.
8. Further details of the Scottish Government’s plans for reform and workforce levels were expected to be published with the Scottish Budget 2023-24 on 15 December 2022 but did not materialise.
9. The then Deputy First Minister explained to the Committee on [10 January 2023](#) that—

“I want to debunk for the Committee the idea that we are waiting for something to happen to undertake public sector reform, because we are constantly changing the way in which public services are delivered in order to live within the financial restraint that we all face.”

10. He went on to state that, instead of targets and an overarching framework for reform, public bodies would be expected to “change the way that they operate in this financial year to ensure the sustainability of their public services”. He further noted that “those changes will become apparent as organisations take decisions in order to live within the resources that have been made available to them”.
11. The Committee’s [Budget Report 2023-24](#) therefore sought to establish further details of how the Scottish Government plans to achieve each of the five priorities for reform (included in the RSR and set out at paragraph 3 above). The Committee also asked for information on the milestones for delivering these priorities, the costs, efficiencies, and savings it anticipates as a result, and how it is supporting public bodies to deliver each element.
12. Some further details on the Scottish Government’s plans were included in the then Deputy First Minister’s [response of 3 February](#) to the Committee’s Budget Report, including confirmation that public bodies’ plans are expected later this year for inclusion in the Scottish Budget 2024-25. [In further correspondence dated 20 March](#), the then Deputy First Minister appeared to indicate that the original plans regarding the public sector pay bill had been revisited—

“The RSR included commitments to hold the total public-sector pay bill (excluding Local Government) at around 2022-23 levels, whilst returning the overall size of the public sector broadly to pre-COVID-19 levels. Following further analysis and engagement, our proposal on how we achieve sustainable public bodies developed. ... it is for individual public bodies to determine locally the target operating model for their workforces and to ensure workforce plans and projections are affordable in 2023-24 and in the medium term”.

Inquiry

13. On 6 March 2023, the Committee launched an inquiry into the Scottish Government’s plans for public service reform, with the following remit:
 - to develop a greater understanding of the Scottish Government’s public service reform programme,
 - to bring greater transparency to the aims of the programme and measures put in place by the Scottish Government to support public bodies to achieve these aims,

- to track progress in delivering public service reform by the Scottish Government and public bodies over the remainder of this parliamentary session until 2026, and
 - to examine the outcomes of the public service reform programme, including effectiveness, efficiency, and impact on public service delivery. *This element will be explored towards the end of the parliamentary session.*
14. The Committee's [call for views](#), which opened on 6 March 2023, sought written submissions from Scottish public bodies on their plans for reform in their sectors, and others with a view on how the reform programme is working in practice and how it is delivering effective and efficient services. The evidence gathered through the [written submissions received](#) and a series of evidence sessions to take place during May/June 2023 will inform the Committee's pre-budget scrutiny starting in September. Its findings from this work will be included in its Pre-Budget 2024-25 Report, given the links between reform and the sustainability of Scotland's public finances.
 15. [SPICe has produced a summary of evidence received](#) in response to the call for views.
 16. In a [letter dated 20 April, the Committee sought clarification from the new Deputy First Minister and Cabinet Secretary for Finance](#) in relation to the frequency of updates to be provided on public service reform. The Committee also, at the request of the former Deputy First Minister, reflected on the nature of these updates and asked that "they should include details of all public bodies reform activity, rather than just narrowly focusing on the five areas of reform identified in the RSR".
 17. In the [Scottish Government's 'Equality, Opportunity and Communities' Prospectus](#) published in April 2023, the Deputy First Minister states that by 2026, she will have progressed a 10-year programme of public bodies and public service reform; strengthened the resilience of public services and communities, and "targeted both short-term efficiencies and wider, deeper, and longer-term reform".

Previous evidence sessions

18. The Committee held a 'setting the scene' evidence session on 23 May 2023, hearing from Audit Scotland, Reform Scotland, and Professor John Connolly from Glasgow Caledonian University. Issues explored at that session included:
 - The need for the Scottish Government to provide oversight and direction on its reform programme, as well as a sense of purpose and clarity on the intended outcomes. A "more worked up plan" with measures of success is needed, with issues such as "a lack of strategic grip" and lack of capacity within the Scottish Government identified as barriers to achieve this.

- Public bodies should also be empowered to participate and deliver reforms that best suit their organisations. The Scottish Government should build capacity across the public sector to encourage collaboration, leadership, and evaluation in relation to reform. Audit Scotland has seen “a strong appetite” amongst most public bodies to collaborate.
- Achieving efficiencies as part of managing budgets is not genuine reform.
- Electoral cycles and policy distraction were cited as wider barriers to reform, including preventative and early intervention measures. The Christie Commission principles had been “overlayed on to existing models of delivery” and therefore “operate in the background” rather than being the lead principles and drivers for reform.
- Lessons can be learned from how the Scottish Government and public bodies operated during the Covid-19 pandemic, such as collaboration, speedy decision-making and focus on delivering support to those in need. Witnesses have seen signs that the public sector is reverting to previous ways of working and that the appetite for risk is waning.
- The Scottish Government should seek meaningful feedback from the public through an “honest conversation” about the financial challenges being faced, what the public would like to see from their public services, which reforms are required to deliver this, and be led by whom.
- Progress is now urgent and the Scottish Government should be trying new things, undertaking pilots and, importantly, learning lessons.

Round-table session on 30 May 2023

19. The evidence session on 30 May provides an opportunity to discuss the level of guidance, direction and overarching framework provided by the Scottish Government to support public bodies to achieve progress with reform. It can also be used to explore with public bodies from different sectors, sizes and types, issues such as different approaches taken, challenges, and barriers to reform, along with examples of good practice, such as collaboration on reform.
20. Submissions received from the witnesses attending are attached at Annexe A of this paper and include more details on the size and status of each body. The SPICe summary of evidence also includes at Table 1 comparisons of FTE staff levels and 2022-23 and 2023-24 pay bills for those organisations who responded to the Committee’s call for views. While Police Scotland, the Scottish Funding Council and Transport Scotland did not originally respond to this call for views, both Police Scotland and the Scottish Funding Council have since provided submissions to inform this evidence session, which are also included at Annexe A to this paper.
21. Following publication of the Resource Spending Review in May 2022, and, in light of other financial pressures, **Food Standards Scotland (FSS)** proactively undertook a “complete organisational re-prioritisation exercise to create an environment and workforce that was leaner and focused resources on key statutory and regulatory priorities and deliverables”. This exercise led to “a list of FSS activities proposed as stopped, paused, continued with an exit strategy,

or scaled appropriately” and agreed seven priority areas². A member of the Scottish Delivery Board Group (SDBG), FSS “leads collaborative work on joint service reform plans [and] has been an active participant in the Group’s shared services feasibility review”. FSS has indicated that the timescale for submitting reform plans to the Scottish Government to inform the 2024-25 Budget is challenging to manage but achievable.

22. **NatureScot** states that “following the introduction of hybrid working and changes in use of our workplaces, a new programme has been established to look at our future requirements [and] business cases are being developed to review each locality”. A number of reforms are progressing or are planned, including projects on organisational design (exploring approaches to enable resources to be deployed in a more dynamic and agile manner), utilisation of innovative technology (such as mobile apps and digital mapping), and shared services (currently sharing ICT, HR and FM functions with other bodies). NS states that it is very active on the field of open data and “harnessing data for smarter decisions is key”, adding that “integrating data platforms and better sharing of data across the public sector could lever significant savings”.
23. **Police Scotland**, in its submission, sets out that the move to a single national police service as required under the Police and Fire Reform (Scotland) Act 2012, has delivered £200m per annum of cost savings, approximately £3bn of savings since the body came into existence. It argues that this “is widely recognised as the most successful transformation of policing services across UK policing”. The Police Scotland estate “has been reduced from c.460 operational buildings in 2013 to 304 buildings today – a 34% reduction over a 10-year period”, adding that it is has established 64 co-locations with public sector partners, including with 16 local authorities in 31 sites and with blue light partners in 18 sites”. Its “transformational programme seeks to deliver a digital/data enabled policing service that is fit for the 21st century, including increased capacity; increased digital capacity, a more efficient and effective workforce, and right sizing of the estate”. Police Scotland however highlights that “some of this urgent and necessary transformation may have to be slowed, if not stopped in some areas, as a result of recent funding decisions”, and that this, along with the 3.7% reduction in workforce, “means that overall policing capability will continue to be degraded on an ongoing basis”.
24. Also a member of the SDBG, **Registers of Scotland (RoS)** has been proactive in seeking new tenants for its buildings, is sharing both its locations with other public bodies, and is exploring a shared pool car scheme. It is also “coming to the end of a significant programme of digital transformation, moving the organisation from a paper-based approach to a fully modern digital registration and information business”. It expects a smaller workforce (circa 10%) by 2027 through automation and improved processes. RoS’s reform plans are part of its 2022-27 Corporate Plan and in-year delivery plan, “so no additional work is

² The Regulatory Strategy & Scottish Authorities Food Enforcement Rebuild (SAFER) programme; Food crime and incidents; Data and digital transformation; Official Controls (OC) for food and feed; Scottish Veterinary Service (SVS); Retained European Union law (REUL), and Public Health nutrition.

needed to meet the timescales required by the Scottish Government” and it has therefore not needed to make use of its guidance or support.

25. **Revenue Scotland (RS)** is another active member of the SDBG and “takes advantage of a broad range of shared services via the Scottish Government, including IT, HR, Payroll, Procurement, Internal Audit and Estates” which it explains “avoids the need to duplicate resources and costs”. Staffing levels are “planned to increase modestly within RS in 2023-24 due to the programme of work to introduce the Scottish Aggregates Tax”, though most of these posts will be filled by absorbing existing staff from within the Scottish Administration. As it begins to develop a new Corporate Plan for 2024-27, RS intends to ensure its plans for reform are reflected in its service delivery. In terms of guidance and support, RS indicates it regularly engages with the Scottish Government’s Public Bodies Division through its membership of SDGB.
26. The **Scottish Funding Council**, which has a staff complement of 123 people, explains in its submission that it has, over the past decade, engaged in a series of reforms, including college mergers, widening access, launching Innovation Centres, and mainstreaming funding for Foundation and Graduate Apprenticeship delivery within core tertiary education funding. Work is underway “to deliver improvement and enhancement” as part a 2021 [Review](#) commissioned by the Scottish Government on “how it can fulfil its mission of securing coherent provision and sustainability by colleges and universities”. The SFC shares services and supports joint working, including sharing staff with NHS Education for Scotland and internal audit services and office space with Scottish Enterprise. The SFC is implementing a flexible hybrid working policy and in 2022, as part of an organisation-wide transformation programme, it invested in its IT infrastructure and data analytical capabilities.
27. **South of Scotland Enterprise**, established in 2020, shares estates with two public sector partners and is working with local authorities and regional partners to explore opportunities as leases end. It was the first agency to create a formal partnership, Civtech (the Scottish Government’s innovation programme) “to provide innovators, entrepreneurs, start-ups or established businesses a procurement route to develop products centred around solving real life challenges”. Since it was established, SoSE has “grown the organisation carefully working with the Scottish Government” and its original staffing total “will be 30 FTE below in 2023/24 due to actions taken both last year and at the start of this financial year ..., working closely with the Scottish Government”. SoSE indicates that “the timing and scale of managing a change process needs to be balanced against delivery priorities in the economy”, adding that it regularly engages with the Scottish Government “as we shape our approach and contribution to public sector reform”.
28. **Transport Scotland**³ has to date not submitted written evidence to the inquiry. The SPICe briefing, Transport in Scotland: subject profile⁴, notes that “Transport Scotland was established as an executive agency of the then

³ [Transport Scotland | About](#)

⁴ SPICe briefing: Transport in Scotland: subject briefing: SB 21-31.pdf

Scottish Executive in January 2005 [and] its role was substantially expanded when it merged with the Scottish Government's Transport Directorate on 2 August 2010, while remaining as a separate agency". As at May 2022, Transport Scotland had 532 members of staff.⁵ In its Annual Report and Accounts for 2021-22, Transport Scotland highlight that its resources had had to be refocused to ensure that essential services operate safely, and that it is "utilising and developing previously untapped data resources, including public surveys, accessing data from transport operators and stakeholder groups". Its Corporate Plan 2017-20⁶ sets out that it supports an overall 'smarter approach' to how it works, including better use of improved IT and collaborative tools, optimisation of space, greater organisational flexibility, improved collaboration across the agency.

Next steps

29. The Committee will continue taking oral evidence in relation to this inquiry at its next meeting on 6 June 2023.

Committee Clerking Team
May 2023

⁵ <https://www.gov.scot/publications/foi-202200290521/>

⁶ [transport-scotland-corporate-plan-2017-20.pdf](#) An update to this Corporate Plan was published for 2020-21. This appears to be the latest version according to the Transport Scotland website.

Written Submission from Food Standards Scotland

Is your organisation a public body? (Yes/No)

Yes.

Please tell us about your organisation type and sector.

Food Standards Scotland (FSS) is the public sector food body for Scotland with a mandate to deliver a safe, healthy and sustainable food environment that benefits and protects the health and wellbeing of everyone in Scotland. FSS has 5 strategic outcomes: food (and feed) is safe and authentic; consumers have healthier diets; responsible businesses are able to thrive; consumers are empowered to make positive choices about food; and, FSS is trusted and influential.

The primary role of FSS is to work with local authorities, regulators, industry, consumer bodies, science and research institutes and other government departments to make sure that food is safe to eat, ensuring consumers know what they are eating and improving diet and nutrition. Additionally, FSS strives to create a regulatory environment that reduces burdens on business and enables effective trade while continuing to protect consumer safety. FSS is the central competent authority overseeing the application of food and feed law to 71,536 registered food businesses and 24,500 feed businesses in Scotland.

FSS is an independent public body established by the Food (Scotland) Act 2015 as a non-ministerial office, part of the Scottish Administration, alongside, but separate from, the Scottish Government. Funding is primarily received from the Scottish Government, but FSS also generates some income by charging fees to recover costs for regulatory functions. The model allows for full cost recovery though some business operators benefit from a subsidised rate.

FSS is governed by an independent non-executive board comprising a chair and seven board members. For Parliamentary activities, FSS works to the Minister for Public Health and Women's Health. There is also regular contact with the Cabinet Secretary for Rural Affairs on issues related to the meat industry and food security.

On 1 April 2015 FSS took on the functions that had previously been carried out in Scotland by the Food Standards Agency though Scottish Ministers have required us to manage additional responsibilities for them since that time.

How many FTE (full time equivalent staff) does your organisation have? (1-9, 10-49, 50-249, 250+)

250+.

To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

FSS currently has a lease for Pilgrim House, Aberdeen, until 03/11/29. FSS occupies circa 1200 square meter office space, over 2 floors, with a maximum of 146 workstations (although due to the re-organisation of the office to include collaborative space this has reduced to circa 129). We are unable to terminate the lease early.

Due to a move towards hybrid working, post COVID 19, the office space is not currently being fully utilised however there has been a notable increase in desk and meeting room bookings over the past 3 months (January – March 2023).

To improve utilisation of office space Scottish Government (SG) employees (from the Office of the Chief Executive Economic Advisor) are working from our Pilgrim House office. There would be scope to expand co-location arrangements wider across Scottish Government and other public sector organisations.

To increase utilisation, and collaboration with the wider SG, we have also facilitated a number of SG events in Pilgrim House including the November 2022 'In the Service of Scotland' events and Marine Scotland workshops.

FSS also has a Memorandum of Terms of Occupation (MOTO) for 3 workstations in Victoria Quay which provides some flexibility for staff based in the Central Scotland region.

What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

The budgeted pay bill for 2023-24 is £17.7m. The provisional outturn for 2022-23 is £16.7m. The increase for the current financial year reflects a provisional 2% pay settlement and any pay progression as staff move up their pay grades. This assumption gives an overall increase of approx. 5.5% in salary costs. There will also be slight increase in headcount as we focus on the priority areas for the organisation.

What opportunities for further efficiencies has your organisation identified in these five priority areas for reform? Please give brief descriptions and timescales for delivery.

FSS Digital and Data Strategy

The FSS Digital and Data Strategy was presented to the FSS Board in December 2022 and since then a Digital and Data Governance Steering Board (DDGSB) has been established to provide strategic direction, accountability and authorisation in the use and development of appropriate digital and data systems and solutions aligned to the strategic goals of FSS. It will aim to optimise value for money and ensure end products are future proofed and fit for all users.

A digital delivery plan is being developed to implement FSS's Digital and Data Strategy. A key pillar of the delivery plan is to build workforce capabilities through digital skill building with the goal of developing in-house digital solutions. To this end, we have proactively engaged with SG Digital to agree key digital job descriptions through the Digital, Data and Technology (DDaT) framework. Additionally, we are currently engaging with SG Digital to explore the use of common systems platforms and user-centric applications benchmarked against Digital Scotland Service Standard (DSSS).

Equally, we are developing our business and data analytics capability by seeking new opportunities for collaboration and data linkages. We recently met with SG Digital leadership team to provide an overview of the SAFER programme and LA event. We also met with Food Standards Agency to collaborate on their Food Standards Delivery Model and to introduce FSS SAFER programme. We are also exploring collaborative opportunities with Marine Scotland Science (MSS) to consider how best to progress with the development of joint data/digital strategies between both public sector organisations including the recruitment of required digital skills and expertise.

Due to a move towards hybrid working, post COVID 19, the office space is not currently being fully utilised however there has been a notable increase in desk and meeting room bookings over the past 3 months (January – March 2023).

To improve utilisation of office space Scottish Government (SG) employees (from the Office of the Chief Executive Economic Advisor) are working from our Pilgrim House office. There would be scope to expand co-location arrangements wider across Scottish Government and other public sector organisations.

To increase utilisation, and collaboration with the wider SG, we have also facilitated a number of SG events in Pilgrim House including the November 2022 'In the

Service of Scotland' events and Marine Scotland workshops. FSS also has a Memorandum of Terms of Occupation (MOTO) for 3 workstations in Victoria Quay which provides some flexibility for staff based in the Central Scotland region.

Shared Services feasibility review

As part of the Scottish Delivery Bodies Group, FSS has been an active participant in the shared services feasibility review. This was established by the group to investigate options for more effective delivery of shared services for our enabling functions across our different organisations, and the potential for formalising and expanding various bilateral arrangements that are already in place.

Maximising revenue through public sector innovation

FSS Reprioritisation exercise

Due to the RSR in May-22, and additional pressures on public services, FSS embarked on a complete organisational re-prioritisation exercise to create an environment and workforce that was leaner, and focused resources of key statutory and regulatory priorities and deliverables.

Through a series of facilitated workshops and engagement sessions with FSS Board members and Heads of Division, prioritisation was assessed against a set of FSS organisation descriptors, principles and associated weightings, including contractual requirements and strategic risks.

The exercise resulted in a list of FSS activities proposed as stopped, paused, continued with an exit strategy or scaled appropriately. The exercise also agreed seven priority areas, to be delivered alongside our statutory obligations, which are noted below.

- The Regulatory Strategy & Scottish Authorities Food Enforcement Rebuild (SAFER) programme
- Food crime and incidents
- Data and digital transformation
- Official Controls (OC) for food and feed
- Scottish Veterinary Service (SVS)
- Retained European Union law (REUL)

Public Health nutrition

FSS are now reviewing the impact of the prioritisation exercise on our 3-year Corporate Plan and 5-year Strategy.

Considering the seven priority areas, FSS undertook a review of the current organisational structure. This resulted in a reconfigured organisation as of 01 February 2023, which will be in place for at least 6 months. This will be reviewed once we understand the impacts of REUL and SVS.

The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale? (Very difficult to manage / Challenging to manage but achievable / Timescale is straightforward to meet)

Challenging to manage but achievable.

Please add here any other comments on these timescales and other challenges for achieving this.

FSS as detailed above have been proactive in this regard and are well on the road toward delivering upon internal reform to meet budgetary challenges. This is part of the ongoing FSS reprioritisation exercise and ties into to the FSS 3-year financial plan which is almost finalised.

Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

FSS has been heavily impacted by leaving the EU and actual experience post-EU exit is bringing significant financial and staffing pressures on pre-existing and ongoing operational delivery. The June 2022 Scottish Government announcement, relating to the spending review, further impacted on FSS's financial situation. Our planning assumption going forwards is an FTE of around 300, although our workforce plan (including the 56 FTE required for EU Exit) identified a need of around 370 FTE. We are therefore already operating on a significant reduction of 23% against identified need.

As a consequence of the financial gap, we instigated a re-prioritisation exercise in order that our resources are allocated towards areas of greatest importance.

Prioritisation was assessed against a set of FSS organisation descriptors, principles and associated weightings. The resulting scores alone did not determine priorities and a number of other factors were taken into consideration. These include interdependencies with other functions, statutory and contractual requirements, whether the function is an organisational enabler, produces an efficiency or seeks to address a FSS strategic risk.

The prioritisation exercise resulted in a list of FSS activities proposed as stopped, paused, continued with an exit strategy or scaled appropriately. The exercise also agreed seven priority areas underpinned by a resilient and innovative Corporate Services support function.

How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)? (Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies / Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies / Not involved in any relevant collaborative work on reform and use of resources)

Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies.

Please add here any other relevant information on your approach to collaborative working on joint service reform plans and use of resources.

SAFER Programme

FSS is planning an ambitious and collegiate programme of work to be delivered with all Local Authorities over the next 3 – 5 years to modernise the current outdated food law delivery framework.

Evidence from FSS audit has illustrated that Local Authority Environmental Health Services are struggling to deliver food law interventions as specified in the Food Law Code of Practice. These Services are responsible for the delivery of food law checks

across almost 77,000 businesses in Scotland and failure to deliver is a risk to public health, business growth, trade and wider economic effectiveness.

The programme of work aims to deliver with all Local Authorities;

- a national centralised database for all intervention data including a digital registration for businesses portal
- complete review and overhaul of current professional accreditation pathways
- delivery of a new and innovative consumer information scheme to assist in consumer choice.
- the use of data analytics/AI to deliver a data driven, intelligence led and risk-based system

It is anticipated that capital and revenue expenditure will cost £1.5m over the duration of the programme. This excludes staff salary costs for those delivering the projects which has yet to be fully costed. FSS has a tentative agreement that LAs will support SAFER with staff, but it is a dependency that puts the programme at significant risk of delay if LA's do not support the programme.

Scottish Veterinary Service

The Programme for Government 2021-22 committed that

“Alongside the highest environmental standards in our marine and rural economies, we will ensure the highest standards of animal health and welfare, including the creation of a new dedicated Scottish Veterinary Service within this Parliament, to ensure there are highly trained staff to provide Scotland with good animal health and food safety to meet all our needs across the public and private sector for animal health issues.”

A Programme Board and an associated programme of work has been established by Scottish Government, led by the Animal Health and Welfare Division (AHWD), to advise on the services, functions and potential governance arrangements that may be required for a new Scottish Veterinary Service (SVS).

The Board is made up of senior representatives of the five organisations that provide services that may become part of, or be affected by, a new SVS.

These are: Scottish Government AHWD, Marine Scotland Directorate, Food Standards Scotland (FSS), Animal Plant and Health Agency (APHA) Scotland and Scottish Local Authorities.

The work of the SVS Programme has been split into four phases. Presently in Tranche One, the programme is actively gathering evidence and reviewing current delivery of animal health and welfare services in order to understand the current state of business functions and services.

Programme activity to date has largely been focussed on:

- Understanding current delivery of animal health and welfare services in Scotland,
- Considering potential governing body model options for a how a new SVS might operate, and
- Analysing the legislation which may be applicable or required for a new SVS .

The two key deliverables of Tranche One are a summary of options to Scottish Ministers at the end of November followed by a full options appraisal with firm recommendations on a potential new Scottish Veterinary Service by the end of April 2023.

What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been? (Not aware of any support and guidance from the Scottish Government / Support and guidance from the Scottish Government fulfils some of my organisation's needs / Support and guidance from the Scottish Government fulfils most of my organisation's needs / Support and guidance from the Scottish Government fulfils all my organisation's needs).

Support and guidance from the Scottish Government fulfils some of my organisation's needs.

Please add here any other relevant information on the level of support and guidance provided or needed from the Scottish Government to deliver the efficiencies and plans necessary for your organisation.

FSS is a non-ministerial organisation and therefore operates independently from the Scottish Government. There is regular liaison at officials' level and senior FSS officials meet regularly with Ministers on a range of issues. However, in terms of guidance for the Executive, that comes from the FSS Board that set the strategic direction for the organisation. The FSS CEO also attends the SG Delivery Bodies

Group and we are contributing through that group and working with SG reform programme team who are attending regularly.

Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

As noted previously, the prioritisation exercise resulted in a list of FSS activities proposed as stopped, paused, continued with an exit strategy or scaled appropriately.

The prioritised functions do not represent all activities (statutory or otherwise) that FSS undertakes. Essential underpinning core activities, such as finance, human resources, science and evidence generally and other routine functions, were not prioritised at this time as delivery of the priorities must be underpinned by a resilient and innovative Corporate Services support function.

The proposed priority areas are:

- The Scottish Authorities Food Enforcement Rebuild (SAFER) programme
- Food Crime and Incidents
- Data and digital transformation
- Official Controls (OC) for food and feed
- Scottish Veterinary Service (SVS)
- Retained European Union Law (REUL)
- Diet and nutrition

The consequence of the decisions on priorities is that while we have identified what we “must do”, we have also identified what we intend to stop or pause. A key element of our decision making is to ensure that we invest in data and digital (potentially £500k per year for the next three years), but the consequence of that decision is that it means less resource for other priorities in the short term. However, without digital our ability to improve our efficiency is constrained.

How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation’s services?

The introduction of the FSS strategy 2021-26 provided an opportunity for a critical review of performance management and outcome reporting. Since then, FSS has embedded a robust performance management process which includes a quarterly comprehensive review of operational performance reports by Senior Leadership and EMB members.

In addition to operational performance reporting, FSS established a 'Performance and Outcomes Reporting' Short Life Working Group (SLWG) in Q4 2021/22 to progress strategic outcome reporting work. The membership included representation from the FSS Board, ELT, and Corporate Governance and reviewed key indicators associated with the five strategic outcomes.

The membership agreed on a set of principles to ensure focus remained strategic, informative and at a level appropriate to inform meaningful discussion at Board meetings:

- Outcomes relevant and appropriate to the FSS Strategy's five strategic outcomes. Any indicators and reports will be at a strategic level and not focus on operational detail, with a strategic Board in mind as the key audience. Aims to publish SPIs and not KPIs.
- Outcomes identified should relate to FSS's performance and ambition and be within FSS' influence. They do not attempt to describe everything that we see and collect data on.
- Key priority, strategic and consistent (comparable) information to be summarised, in a visual, graphical manner that demonstrate trends over time with reporting being retrospective.
- The Outcomes Report should direct and inform Board discussion,

The revised strategic outcomes format support both monitoring outcomes against the new strategic goals and the associated strategic risk management process.

The benefits of this refreshed approach include:

- A more focused report on progress towards FSS strategic outcomes.
- A clearer line of sight on FSS' deliverables and a shift away from reporting on issues and metrics FSS has no direct control over.

Written Submission from NatureScot

Information about your organisation

Our statutory purpose is to:

- Secure the conservation and enhancement of nature and landscapes;
- Foster understanding and facilitate enjoyment of nature and landscapes;
- Advise on the sustainable use and management of nature and landscapes;
- Further the conservation, control and sustainable management of deer in Scotland

Is your organisation a public body? (Yes/No)

Yes.

Please tell us about your organisation type and sector.

NDPB sponsored by Environment & Forestry Directorate. Details on our statutory purpose provided in previous box.

How many FTE (full time equivalent staff) does your organisation have? (1-9 / 10-49 / 50-249 / 250+)

250+.

To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

Following the introduction of hybrid working and changes in use of our workplaces, a new programme has been established to look at our future requirements. Business cases are being developed to review each locality.

What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

2022/23 - £31.346m

2023/24 - £33.320m

These figures include staff recruited for 2023/24 to resource delivery of key ministerial priorities such as 30 x 30; Marine Protected Areas; and delivery of key

funding mechanisms such as the Facility for Investment Ready Nature in Scotland (FIRNS) and Nature Restoration Fund (NRF).

What opportunities for further efficiencies has your organisation identified in these five priority areas for reform? Please give brief descriptions and timescales for delivery.

Digital - We are very active in this field and harnessing data for smarter decisions is key. Integrating data platforms & better sharing of data across the public sector could lever significant savings. Strategic leadership from SG on this would be helpful. Examples of our own work include:

- Digital Strategy
- Data Strategy
- IM Strategy
- Business Intelligence
- M365, unified comms and other collaborative tools
- Online licensing, including Deeline

Estates and Net Zero - We want to drive the best value from our estate to strategically maximise opportunities to be fit for purpose, efficient and adapt to the evolving demands of delivering government services. We are doing this through our:

- Estates Strategy/ property portfolio assessments (inc NNRs)
- Workplaces programme
- Net Zero Plan
- Fleet electrification
- Co-locations

Public Body Landscape – We continue to seek to work collectively, with common purpose, breaking down delivery silos and efficiently using the totality of available resources within the constraints we face. bodies we work most closely with or could valuably work in partnership with include:

- Marine Scotland
- Local Authorities
- SEPA (shared services)
- Forestry and Land Scotland (shared services)
- Scottish Forestry (shared services)
- Historic Environment Scotland (shared services)
- Scottish Canals
- NHS (Health reform)
- Loch Lomond and Trossachs National Park Authority
- Cairngorm National Park Authority

- Bòrd na Gàidhlig (Shared services)
- Crofting Commission (Shared services)
- Skills Development Scotland (Shared services)
- Visit Scotland (Shared services)
- Transport Scotland
- Scottish Land Commission
- Zero Waste Scotland
- Highlands and Islands Enterprise
- Scottish Enterprise (Shared services)
- South of Scotland Enterprise
- Colleges and Universities
- Crown Estates Scotland (Shared services)

Innovation and Revenue Raising – Examples include

- Innovative Technology Programme
- CivTech Strategic Partnership – Innovate for Nature
- Nature Planner Application (to be used by developers and Local Authorities)
- Deer census by drones vs helicopters
- Satellite surveys/AI Image capture and ID vs on site monitoring
- Investigating scope and legislative competence for fees and charging

Procurement – The current economic climate and the ongoing impacts of the COVID-19 pandemic, Russian war in Ukraine and Brexit present challenges for public procurement, with cost increases in relation to labour, materials and utilities. We are responding to this through our:

- Procurement strategy
- Participation in the Procurement and Commercial Improvement Programme

Grant management - The latest spending review identified a cross-cutting opportunity to improve the management of grants, particularly general grants, and the impact that grants can have on key outcomes. This applies to our work on managing:

- Facility for Investment Ready Nature in Scotland (FIRNS)
- Nature Restoration Fund (NRF)
- Better Places Fund (BPF)
- Peatland Action (PA)
- Approach to smaller funding partners eg NGOs; and
- Better Biodiversity Data

Shared services - We share, as a supplier, ICT, HR and FM functions with other public bodies. The largest area is FM which is usually correlated with colocations. There is potential for sharing Fusion ERM with other bodies using the same system longer term.

The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale? (Very difficult to manage / Challenging to manage but achievable / Timescale is straightforward to meet).

Challenging to manage but achievable.

Please tell us if, and how your organisation's plans seek to deliver on the Scottish Government's three strategic priorities, set out below? Please also outline briefly any barriers to delivering these priorities.

Tackling child poverty

Nil.

Transforming the economy to achieve a just transition to net zero

Ministerial Priorities:

- Delivering our net zero plan by 2035 tackling climate change by reducing emissions and use of fossil fuels
- Creation of one new National Park to conserve and enhance nature and make it more sustainable
- Nature Restoration fund tackling the twin crises of climate change and biodiversity loss by restoring Scotland's natural environment on land and at sea.
- Transforming marine management including offshore renewables leasing to expand wind energy generation in Scotland and coastal adaption and development of a marine plan and development of sustainable aquaculture
- Developing a framework for protecting 30% of Scotland by 2030, including nature networks and 10% highly protected marine areas to increase habitat regeneration and connectivity and biodiversity gains
- Develop and launch the Scottish Biodiversity Strategy halt biodiversity loss by 2030 and reverse it with large-scale restoration by 2045.
- Peatlands Restoration Programme placing peatlands and their ecosystem services on the road to recovery
- Modernising wildlife management and licensing functions including reducing the impact of deer and changes in grouse moor management

- Stimulate responsible private restoration in nature restoration
- Natural Capital and environmental benefits are recognised and valued within planning and regulatory decision making across stakeholders
- Transforming agriculture through agri-environment climate scheme and the farming with nature programme to deliver sustainability, conserving and rehabilitating land.
- Connecting people with nature and inspiring them to engage positively and regularly with nature in all settings to improve a range of societal benefits. This includes early engagement with schools, colleges and universities to develop nature based skills and jobs in the environmental sector.
- Deliver the digital strategy focussing to share resources and deliver efficiencies which can then be reinvested in nature based activity.

National Performance Indicators we lead on:

- Condition of protected nature sites - This indicator reports the percentage of natural features on protected nature sites found to be in favourable condition
- Biodiversity - This indicator is a combination of trends for three measures of Scottish species, index of abundance of marine species (based on seabirds), index of abundance of terrestrial species and index of occupancy of terrestrial species
- Natural Capital - The Natural Capital Asset Index (NCAI) monitors the quality and quantity of terrestrial habitats in Scotland, according to their potential to deliver ecosystem services now and into the future. It is a composite index, based (i.e. equal to 100) in the year 2000

National Performance Indicators we contribute to:

- Visits to the Outdoors - Proportion of adults making one or more visits to the outdoors per week
- Access to green and blue space - Proportion of adults who live within a 5 minute walk of their local green or blue space
- Carbon footprint - Scotland's carbon footprint expressed in million tonnes of carbon dioxide equivalent

Ensuring sustainable services

Part of details in previous box.

Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

We recognise the broad aim to return the total size of the devolved public sector workforce to around pre-COVID-19 levels by 2026-27, through effective vacancy and recruitment management. However, we are also cognisant that Scottish Government does not propose a uniform approach due to varying trends in demand for different services and therefore supports flexibility across the public sector, whilst driving the action needed in the current economic and fiscal context.

The SG response to the climate-nature crisis has placed significant additional resource demands upon our organisation in the short to medium term and our staffing levels reflect this. We are offsetting these new demands where possible within our existing complement but the need to maintain capacity for the proper discharge of our statutory duties does not unfortunately allow for the full absorption of new demand within existing staffing levels. Our aim is to ensure that any growth is offset by additional income received.

How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)? (Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies / Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies / Not involved in any relevant collaborative work on reform and use of resources).

Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies.

Please add here any other relevant information on your approach to collaborative working on joint service reform plans and use of resources.

We continue to work closely with the EELG group to develop sector-wide plans.

What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been? (Not aware of any support and guidance from the Scottish Government / Support and guidance from the Scottish Government fulfils some of my organisation's needs / Support and guidance from the Scottish Government fulfils most of my organisation's needs / Support and guidance from the Scottish Government fulfils all my organisation's needs).

Support and guidance from the Scottish Government fulfils all my organisation's needs.

Please add here any other relevant information on the level of support and guidance provided or needed from the Scottish Government to deliver the efficiencies and plans necessary for your organisation.

We are in regular contact with our sponsor team, the wider ENFOR directorate and DG Net-Zero to support us on our PSR journey.

As with all public sector bodies, finding the resources (cash and time) for reforming activity alongside continued delivery of high quality core functions is challenging and has a material impact on the scale and pace of transformative change which can be delivered within a given timeframe. A common challenge of spend to save initiatives is having cash available where the investment is required upfront to deliver cost reductions at a future date.

A central fund to enhance capacity for collaboration and transformation would be helpful in this regard.

A further constraint is the proportionately higher administrative overhead for smaller public bodies to deliver on generic expectations on public bodies e.g. reporting duties (equality, climate) Fair Work requirements, Social Impact Pledges, and other good practice arrangements. The smaller the organisation the harder it is to resource or implement these in a meaningful way. A greater degree of collaboration coupled with SG leadership in this area could bring benefits.

Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

Reform activity currently underway or already planned includes:

- Business Transformation/Organisational Development Programme commenced 2019. Focused around three themes - New ways of working, a more resilient and happy workforce and increased leadership capability.
- Objectives pursued include:
 - Organisational Design
 - Net Zero
 - Digital First
 - Cloud migration
 - Shared Services
 - Green finance
 - Innovative technologies programme
 - Collaborative technologies
 - Hybrid working
 - Generic role profiles
 - Performance management review
 - Workplaces review
- Business Intelligence (increasing capacity and capability for more efficient and effective business decision support)

Intended results from this activity include:

- Organisational Design – Work continues to shape the organisation to enable us to deliver on our Corporate Plan ambitions. We have been exploring approaches to enable our resources to be deployed in a more dynamic and agile manner. We will implement this approach for 2023/24.
- Workplaces – Following the introduction of hybrid working and changes in use of our workplaces, a new programme has been established to look at our future requirements. Business cases are being developed to review each locality.
- Use of Innovative Technology – Good progress continues to be made on the utilisation of innovative technology with an emphasis on how innovation can deliver for nature. This includes the development of mobile apps to help

collect field data, the use of digital mapping to inform natural capital assessment data, and the use of remote change detection tools using satellite earth observation data to help inform site condition monitoring.

- We've recently developed Innovate for Nature, a strategic partnership with CivTech for challenge development linked to the Environment Strategy, focusing on nature, climate and environmental issues.
 - Use of Information Technology – to support our new hybrid ways of working and exploit the use of technology a number of projects are underway. This includes moving to a new network infrastructure that is more suited to the level of hybrid/remote working that now takes place; the roll-out of new corporate mobile phones to permit access to our systems from anywhere; and a new unified communication tool to replace our current telephony and video services. We are also continuing with the move to M365 so that we have access to the range of tools available to help facilitate collaboration and communication, internally and externally.
- Shared Services - we currently share, mostly as a supplier, ICT, HR and FM functions with other public bodies. The most prevalent of these is FM services and is generally linked with co-locations.
- Licencing Development - A single online, customer-centric service comprising:
 - Web form front end using the mygov.scot design style
 - Replacement database combining species licencing and Deerline with management functionality and metrics to deliver the service and monitor performance/efficiency.
- Diverse and inclusive workforce – we have been working with partners such as CEMVO (Council of Ethnic Minority Voluntary Sector Organisations) on engagement and gathering evidence for equality impact assessments on inclusion recruitment, homeworking and new ways of working. We have also been working to see how we can embed equality, diversity and inclusion in the full scope of our work.
 - Workforce that is empowered and innovative – work is underway to develop generic role profiles for each grade in the organisation so that we have a workforce that is more flexible in how they are deployed. We are also shortly to implement a refreshed approach to performance management.
- Skilled Workforce – we continue to develop a new Learning Framework to better support staff in having the necessary skills and development opportunities. A key outcome of this work is to ensure that learning and development forms a central part of everyone's experience within NatureScot.
- Green/Net Zero Organisation – Our corporate emissions are continuing to reduce. To ensure a downwards trajectory is maintained, a number of new renewable technology projects have been commissioned to increase our self-generation at suitable sites. Alongside this is we are undertaking some fabric upgrades of our buildings to increase their energy efficiency and continuing the electrification of our fleet.

Current status and future milestones:

Our Transformation Programme is ongoing. Future work includes continuation of net zero; workplaces review; complete licencing build; increased utilisation of collaborative tool capability; use of innovative technologies to reduce costs of core

delivery functions; further work to increase the flexibility of our workforce and resource deployment.

We are also increasing our focus on open data - We are very active in this field and harnessing data for smarter decisions is key. Integrating data platforms & better sharing of data across the public sector could lever significant savings.

We will also continue our work around green finance -exploring new and innovative ways to leverage funding from large scale private financial investment in natural capital and through exploring our own options for fees and charging.

Most costs have been absorbed within existing running costs - making changes as extant agreements and licencing arrangements expire. Some initiatives have a spend-to save element e.g. unified communications (soft phones) however costs are already being recouped through the eradication of call charges. Licencing build is perhaps the largest cost to date at around £0.65m, however this too is expected to deliver savings when operational.

Other elements of our programme e.g. Net Zero and Workplaces review are expected to deliver direct savings. Overall position is therefore broadly cost neutral to date though some of the technology solutions are driving higher costs in terms of licences alongside savings on existing costs.

How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation's services?

We will continue to track measures of success of our Corporate Plan Objectives and report these through our Annual Report and Accounts. We will also continue to track the full suite of our customer satisfaction performance indicators.

Written Submission from Police Scotland

Committee Questions and Police Scotland Answers;

Q1. Please tell us about your organisation type and sector?

Policing.

Q2. How many FTE (full time equivalent staff) does your organisation have?

Organisation	FTE
Scottish Police Authority	602
Police Scotland - Officers	16,547
Police Scotland - Staff	5,271
	<u>22,420</u>

Q3. To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

Size of the Estate

SPA/Police Scotland estate has 304 buildings located all over Scotland. In terms of utilisation following the Covid pandemic and the introduction of Hybrid working many of these buildings are underutilised. In terms of efficiencies the Police Scotland estate has to date been reduced from c.460 operational buildings in 2013 to 304 buildings today – a 34% reduction over a 10 year period.

Co-locations

Police Scotland has already established 64 co-locations with public sector partners and are currently developing a number of other co-location projects. The 64 co-locations to date represent 21% of the Estate.

We are currently co-located with 16 Local Authorities in 31 sites and with blue light partners in 18 sites, collectively representing 16% of the Estate.

Of the c.30 current live estate transformation projects in feasibility and delivery stages, 22 of these are co-locations with our public sector partners, 17 of which are being planned in partnership with Local Authorities.

One example of a successfully delivered co-location is the North East Integration Project saving £1m each year while improving conditions for 850 officers and staff, and where Police Scotland is now co-located with Aberdeen City Council at

Marischal College and with Aberdeenshire Council at Woodhill House and Peterhead.

Condition of the Estate

The last condition survey carried out on the Police Scotland estate in 2020/21 summarised the condition of the estate as being at 69% - at the lower end of the satisfactory scale of 60% - 85% and determined that £243m was required over the next 10 year period to maintain the estate at Satisfactory. Given the continued long term under funding in the estate and the current inflationary financial pressures it has been impossible for Police Scotland to carry out anything other than priority 1 or 2 repairs on the estate (Health & Safety compliance or security repairs) as such the condition of the estate continues to degrade.

Occupancy

The Covid pandemic, the move to home working and the subsequent adoption of hybrid working has changed the requirement for space across many public and private sector organisations. This has resulted in many police buildings being under occupied

Police Scotland currently has a major efficiency review underway (Project Falcon) to optimize the size of the estate to better reflect:

- Changes in operational service delivery requirements
- Accelerating (subject to funding) ongoing collaboration opportunities including Blue Light collaboration.
- Space optimisation
- Hybrid working
- The changing shape of the workforce
- Technology requirements
- Operational service delivery requirements
- Funding availability

Q4. What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

Pay costs account for ~85% of the overall expenditure budget. The total pay bill budget for 2022/23 and 2023/24 is shown below. However, it should also be noted that 2023/24 pay negotiations for officers and staff are still ongoing.

CORE RESOURCE BUDGET	2022/23 Budget £m*	2023/24 Budget £m
Police Officer Costs	856.2	862.4
Police Staff Costs	276.1	289.8
Police Officer pensions	18.6	21.2

Total pay costs	1,150.9	1,173.4
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Notes:

- Core revenue budget only, does not include Reform funded posts.
- Pay costs include basic pay, national insurance, overtime, allowances, police staff pension and apprenticeship levy
- 2022/23 revenue budget adjusted for additional £37m pay award funding received in-year as part of the Spring Budget Revision process. These costs have been baselined in the 2023/24 revenue budget.
- 2022/23 revenue budget adjusted for additional post mortem toxicology funding that was received in-year as part of the Spring Budget Revision. These costs have been baselined in the 2023/24 revenue budget.

Q5, What opportunities for further efficiencies has your organisation identified in these five priority areas for reform?

The Police and Fire Reform (Scotland) Act (2012) rationalised and merged 8 legacy forces police forces, the Scottish Crime and Drug Enforcement (SCDEA) and the Scottish Police Services Authority (SPSA) into a single national police service.

Police Scotland, working with the Scottish Police Authority, **has already delivered the most substantial efficiency and service improvement across Scotland's public services** through structural reform and service transformation since 2013. The transformation has delivered **£200m per annum (approx. £2bn of savings since Police Scotland came into existence)** of cost savings (the cost per annum of three legacy forces) and is widely recognised as the most successful transformation of policing services across UK policing.

Savings include:

- ~£21m savings from overtime and allowances through service wide management changes
- ~£85m procurement and property savings from economies of scale and reduced estate
- ~£69m Staff savings from reducing the workforce by **1,700 civilians** exiting PS in the early years
- ~£20m savings pay costs through a rationalisation of promoted posts e.g. 8 CC to one

Police reform delivered improved overall operational service delivery bringing **national capabilities** to all of the communities of Scotland in areas such as; murder investigation, public protection, serious and organised crime and cybercrime to whilst maintaining a strong community based local policing service. It also duplication of support services eight times over, improved service delivery and substantially reduced costs.

SPA/PS continue to improve efficiency on a year-on-year basis and specifically in the five priority areas for SG the table below outlines the current position;

Priority area for reform	Action taken to date:	Future actions:
Reform of the public sector estate	<p>Police Scotland's Estate Strategy was approved by the SPA Board in 2019. The strategy sets out the organisation's ambition to provide improved working environments for staff and the public with a strong commitment to partnership through co-location, collaboration and service integration; the creation of a modern estate; enabling the use of technology to improve operational effectiveness; enhancing visibility and presence within communities, and achieving financial sustainability and best value. Investment in continued implementation of the Estate Strategy will deliver significant benefits, both financial and non-financial, to the organisation, other public service bodies across Scotland and the public purse. The Police Scotland estate has to date been reduced from c.460 operational buildings in 2013 to 304 buildings today – a 34% reduction over a 10 year period.</p>	<p>There is an unprecedented level of pressure on the Estates budgets with limited capital funding and significant continued revenue pressures as a consequence of utility price increases, NDR increases and service contract inflation. Maintaining our existing estate within the current funding settlement is no longer viable necessitating further accelerated rationalisation and consolidation of the estate. This would:</p> <ul style="list-style-type: none"> (i) ensure more efficient utilisation of the available estate taking hybrid working/space optimisation into consideration, and; (ii) ensure that for the retained estate, we can use the limited funding available to bring it up to a better condition for officers/staff, ultimately right-sizing and modernising the estate and making it affordable to maintain for the future.
Reform of the public body landscape	<p>Police Scotland has already established 64 co-locations with public sector partners and are currently developing a number of other co-location projects. The 64 co-locations to date represent 21% of the Estate. We are currently co-located with 16 Local Authorities in 31 sites and with blue light</p>	<p>Additional ongoing capital investment is required to continue this progress over the longer term as outlined in our Estate Strategy. Our Estates Transformation Implementation Plan currently consists of 140 planned and pipeline projects to be delivered over the next 5-10 years to fully modernise a reduced, more</p>

	<p>partners in 18 sites, collectively representing 16% of the Estate. Of the c.30 current live estate transformation projects in feasibility and delivery stages, 22 of these are co-locations with our public sector partners, 17 of which are being planned in partnership with Local Authorities.</p> <p>One example of a successfully delivered co-location is the North East Integration Project saving £1m each year while improving conditions for 850 officers and staff, and where Police Scotland is now co-located with Aberdeen City Council at Marischal College and with Aberdeenshire Council at Woodhill House and Peterhead.</p>	<p>affordable Police Scotland estate.</p>
<p>Improving public procurement</p>	<p>Police Scotland recognises the crucial role that procurement plays in delivering an effective policing service.</p> <p>Since the creation of Scotland's national police service, significant progress has been made in consolidating the separate procurement and contracting arrangements that existed in legacy organisations. Significant improvements have been delivered across procurement activity e.g. non-compliant spend reduced from £11.9m in 19-20 to £3.7m in 21-22</p>	<p>We have already delivered the benefits of moving to a national procurement model.</p> <p>The procurement strategy 2021-2023 describes how we will comply with our statutory responsibilities, along with 8 strategic procurement objectives including accessible procurement, compliance with legislation and delivering best value.</p>
<p>Maximising revenue through public sector innovation</p>	<p>20% fleet is comprised of Ultra Low Emission Vehicles (ULEV). Public sector average is 5%. UK Policing average is 2%</p>	<p>Investment in our fleet and EV infrastructure has a direct financial benefit in terms of reducing revenue spend on service, repairs and maintenance. Over £800k has already been removed from the revenue cost base and it is anticipated that an additional ~£2m will be removed over the next 4-5 years. However,</p>

Digitalisation	<p>Police Scotland's 2018 Digital, Data, and ICT Strategy (DDICT Strategy) set out a programme of work to invest in digital, data and technology, to meet and support the changing needs of policing. Significant progress has been made against the DDICT Strategy, and there is a further need to optimise existing investments, take advantage of new technologies and meet the changing nature of crime. Without continued, focussed investment in our ICT infrastructure and future technology, our ability to support all other strategies diminish and there is a real and credible risk that as a national police force, we will not have the tools and technologies to quickly adapt to the changing nature of crime.</p>	<p>continual capital investment is required to ensure that the ULEV model can be fully implemented.</p>
		<p>The new Digital Strategy sets out five strategic objectives:</p> <ul style="list-style-type: none"> • Tackle crime through our cyber and intelligence led policing capability • Modernise and improve access to our services • Enhance our colleague's experience by providing the right digital tools • Promote partnership working and secure digital collaboration • Utilise digital technologies and data to improve the Criminal Justice System <p>The total programme investment (capital and revenue) is estimated to be ~£389m over the next five years, which includes the cost of delivering projects and the enabling solutions, and the implementation and operation of the Digital Division target operating model over the same period.</p> <p>The Digital Strategy is currently going through governance approvals within Police Scotland and the Scottish Police Authority. The strategy will need to be tailored to the available funding.</p>

6. The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale?

As stated above the vast amount of transformational structural, workforce reduction benefit that could be achieved by public sector reform in policing has already been delivered (the £200m above)

Police Scotland's transformation programme seeks to deliver a digital / data enabled policing service that is fit for the 21st century, including:

- increased capability;
- increase digital capability;
- a more efficient and effective workforce; and
- right sizing of the estate

Unfortunately, Reform funding for Policing has been baselined at £20m in the 2023/24 budget - a 20% reduction from previous years which clearly reduced PS's ability to innovate, design and deliver new capabilities to offset the reduction in the workforce. The demand for transformation and reform is **significantly higher** than this level of funding. As a result, some urgent and necessary transformation programmes may have to be stopped or delayed to live within the funding available.

Police Scotland's reform journey will continue to focus on developing organisational capability, i.e. Body Worn Video, and ensuring that the organisation is as efficient and effective as possible within the funding available, i.e. through investment in our digital capability, the roll out of Enabling Policing for the Future and the wider roll-out of the Strategic Efficiency Redesign and Reinvestment review.

However, some of this urgent and necessary transformation may have to be slowed, if not stopped in some areas, as a result of recent funding decisions.

The slowing down or stopping of Police Scotland's transformation journey alongside the 3.7% reduction in workforce e.g. police officers reduced from 17,234 to 16,600, means that overall policing capability will continue to be degraded on an ongoing basis with a flat cash/capital future funding profile.

7. Please tell us if, and how your organisation's plans seek to deliver on the Scottish Government's three strategic priorities, set out below? Please also outline briefly any barriers to delivering these priorities.

- Tackling child poverty
- Transforming the economy to achieve a just transition to net zero
- Ensuring sustainable services

As a vital public service, Police Scotland will make a significant contribution to the successful achievement of these important priorities. In particular, policing will make a critical contribution to maintaining the stable foundational platform of both societal and economic security that will be needed to underpin progress across these and other priorities.

Ongoing development and enhanced investment in policing capacity and capability is essential to preserving and protecting the conditions for stability in society.

It will also enable the environment that will allow the Scottish Government to achieve its ambitions, public policy priorities and its future vision for a society that is thriving across economic, social and environmental dimensions.

The SPA/PS shared view is that a stable foundation of social cohesion and economic security is required to achieve all of the priorities of the Scottish Government. Investment in policing is critical to:

- Preserving the rule of law;
- Maintaining the legitimacy of government and protecting democracy;
- Enhancing the stability and wellbeing of our communities; and
- Protecting economic security and stability across Scotland.

PS is at the forefront of UK Blue light services in its drive to deliver sustainable services with the UK's first major fleet commitment to delivering a ULEV fleet by 2023. Already 20% of our fleet is comprised of Ultra Low Emission Vehicles (ULEV) compared to a Public sector average of 5% and UK Policing average is 2%

8. Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

As part of the creation of Police Scotland our **civilian workforce was reduced by c1,700 civilian staff** part of the transformational and structural reforms that delivered the c£200m of savings.

Policing's funding allocation for 2023/24 is better than the flat cash settlement which had been suggested, however it does not allow us to maintain our workforce at the levels of previous years and at the same time make a pay award in 2023/24.

Hard choices are being taken to further refine our Service to prioritise and maintain operational policing as we respond to high inflation and the cost of living crisis.

For FY 22/23 SPA/PS has already had to **reduce its workforce by c3.7%** to ensure that we can operate within a balanced budget. This has meant a reduction in Police Officers numbers from an establishment of 17,234 down to 16,600.

Police officer numbers will be managed through recruitment. We will reduce our police staff establishment proportionately to officers and we are consulting with union colleagues on how this can best be achieved through a fair and transparent process.

Going forward into FY 2024/25, each 1% of pay award will cost ~£11.7m, and if additional funding is not received, this is the equivalent of a **further 227 FTE workforce reduction** as demonstrated in the table below:

pay Increase %	Cost £m	Workforce reduction
1%	11.7	227
2%	23.4	454
3%	35.1	681
4%	46.8	908
5%	58.5	1,135

We will continue to develop scenario modelling to understand the implications of 2023-24 budget, along with the multi-year spending reviews and future financial challenges.

9. How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)?

The benefits of co-location of services are well rehearsed and evidenced. Through the work of the Reform Collaboration Group (RCG)⁷ and Blue Light Collaboration Programme we continue to work with Scottish Fire & Rescue Services (SFRS) and

⁷ The RCG is a body consisting of the Chairs and the senior Chief Officers (Chief Executive SAS, Chief Fire Officer SFRS and Chief Constable PS) of SFRS, SAS and PS. The current Chair of the RCG is Dr Kirsty Derwent Chair of SFRS.

the Scottish Ambulance Service (SAS) to further explore additional opportunities for Blue Light Collaboration. It is our intention to jointly (SFRS & PS) apply to the Scottish Government for funding from the £5m set aside for Justice Transformation to further develop options for considering how Blue Light services could be more efficiently and effectively integrated and shared to achieve further cost savings and improve service delivery outcomes.

The Blue Light Collaboration Programme has recently been folded into The Reform Collaboration Group (RCG) work streams of activity which will continue to explore opportunities for further Blue light service delivery improvements and cost savings

Collaboration opportunities continue to be explored at a national and local level.

Police Scotland currently operates from 64 co-locations with public sector partners. This includes 30 sites with 15 different local authority partners, the Scottish Courts and Tribunals Service in Inverness, and, NHS and Scottish Fire and Rescue bodies.

In addition to these co-locations, Police Scotland is committed to enabling further collaboration and is keen to work with local government partners to adopt a joint approach to establishing an electric charging post network for public sector vehicles in each local authority area.

Police Scotland works with Public Health Scotland and Local Authorities on complex mental health, vulnerabilities, poverty related crime and adverse childhood experience.

Policing is also critical to the wider Justice Recovery programme and addressing the unprecedented backlog in Courts activity.

10. What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been?

The guidance to date has fulfilled some of our needs.

We welcome the continued support from Scottish Government colleagues in Justice Division who recognise the financial challenges we are facing.

11. Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

Reform of policing in Scotland has demonstrated that efficiencies delivered through improvements to service design, working practices and technology can be,

and are, reinvested to enhance service and to support the safety and wellbeing of officers and staff.

At the same time, we will continue to achieve necessary savings such as through increased co-location with partners. Driving this progress is essential as policing is required to respond to growing and increasingly complex community and personal needs, underlined by our commitment to prioritise our response to violence against women and girls and to tackling cybercrime.

Police Scotland and key partners must ensure we address the highest levels of risk and support the vulnerable. We are actively considering areas of demand; how we align our resources; and what services are best delivered at national, regional and local levels.

12. How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation's services?

We (SPA/PS) would assess the impact on the quality and delivery of services via our performance framework, specific evaluations and also benefits of change reporting against business cases. This is all actively monitored via the PS internal governance Boards and by the SPA Board committees and SPA Main Board.

Additional reviews of the impact of reform/transformational activity is undertaken by; SPA Internal Audit, External Audit (Audit Scotland) and HMICS and associated independent major programme review teams.

Written Submission from Registers of Scotland

Information about your organisation

Registers of Scotland hold and maintain 21 public registers relating to land and property ownership in Scotland.

Is your organisation a public body? (Yes / No)

Yes.

Please tell us about your organisation type and sector.

Registers of Scotland (RoS) is a Scottish public body and is categorised as a Non-Ministerial Office. RoS is headed by the Keeper, who is a non-ministerial office-holder in the Scottish Administration and the Chief Executive of RoS.

RoS's function is to maintain the public registers for which the Keeper is statutorily responsible and make the information they contain publicly available. RoS hold and maintain 21 public registers relating to land and property ownership in Scotland.

RoS provides Scotland's citizens and institutions with the social and economic benefits that flow from a publicly guaranteed system of rights in land and property. RoS provides state-backed indemnity protection for some £50bn worth of property transactions each year. One of the measures used by the World Bank to evaluate the ease of doing business in a country is the effort involved in transacting property.

RoS' purpose is to support the Scottish economy for the benefit of the people of Scotland. Without RoS fulfilling its function effectively, the Scottish economy would not be able to function, and, at an individual level, citizens would not be able to buy and sell property and the housing market would collapse.

RoS' strategic objectives are set out in its corporate plan (available on our website) and are reviewed regularly. By working to meet these strategic objectives, RoS contributes to the Scottish Government's purpose and objectives, and plays its part in delivering national outcomes as provided by the National Performance Framework.

How many FTE (full time equivalent staff) does your organisation have? (1-9 / 10-49 / 50-249 / 250+)

250+.

To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

Building utilisation levels at Meadowbank House (MBH) and St Vincent Plaza (SVP) have reduced post-COVID, as our colleagues embrace hybrid working. We have condensed operating space at MBH from seven floors to three floors, with heating setpoints reduced in non-operational areas to drive energy and efficiency savings.

Our workspaces are designed to provide flexibility should we require to scale up at short notice. To encourage building use by RoS colleagues, we have been focusing on creating a variety of different spaces that colleagues want to use (e.g. spaces to support quiet working, 1-1 meetings, collaboration activities, hosting events etc). Use of existing technology has allowed us to provide staff with the opportunity to remain connected, regardless of where they have chosen to work on any specific day.

To utilise the space in our buildings no longer required by RoS we have actively sought new tenants for our buildings and are now sharing both our locations with several other public bodies (see question on opportunities for efficiencies as follows).

To create further efficiencies, we are exploring using the SG's security and access control system to enable a wider range of public sector colleagues to use our buildings on a more ad-hoc basis. We are also looking into a shared pool car scheme with our existing tenants.

What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

Total pay bill for RoS permanent staff in 2023/24 is forecast at £55.3 million compared with £54.7 million for 2022/23.

What opportunities for further efficiencies has your organisation identified in these five priority areas for reform? Please give brief descriptions and timescales for delivery.

RoS is coming to the end of a significant programme of digital transformation, moving the organisation from a paper-based approach to a fully modern digital registration and information business. As part of this work we are:

- Building and launching new statutory registers (with no increase in staffing numbers). Current infrastructure, including the use of cloud technology,

means that these new registers can be built more quickly and for lower cost. They can also have automation of processes build in from the start meaning that running costs are lower and they have much greater ability to scale with demand than some of our more established registers have traditionally had.

- Enhancing our existing digital services (to improve the timeliness, quality and resilience of registration services and enable the introduction of automation to reduce the number of staff required to service new applications):
- Further developing our Register Land and Property service (the system that enables customers to submit all types of applications to us digitally).
- Enhancing customer self-service of information from our registers.
- Integrating our systems into customer case management systems to support seamless transactions.
- Streamlining and automating our internal registration and support processes for our more established registers.
- Reducing our on-premises IT delivery and increasing the use of cloud technology.
- Delivering ongoing technical debt reduction, removing vulnerabilities from legacy IT systems.

RoS occupies and manages its own building in Edinburgh (Meadowbank House MBH – which is owned by Scottish Ministers) and leases space in Glasgow (St Vincent Plaza SVP). Hybrid working has reduced space requirements for RoS colleagues and therefore when COVID restrictions were eased we actively sought tenants to sublet vacant space at MBH and SVP under Memorandum of Terms of Understanding (MOTU) arrangements with other Scottish Government (SG) and public sector organisations, to both improve building utilisation levels and deliver cost efficiencies for both us and SG. We have installed a dedicated SCOTS network into both MBH and SVP to support this occupancy and parts of Social Security Scotland, Consumer Scotland, Revenue Scotland, and Scottish Futures Trust have already formally co-located at MBH/SVP, with another non-departmental public body due to move in from July 2023 (subject to Ministerial approval). RoS provides an estate management service for all tenants. We will continue to promote opportunities to occupy available space in both of our buildings and are in active discussions with several other Agencies and NDPBs who may wish to share space in the future (for example when their current lease arrangements end).

RoS is actively involved in the Scottish Delivery Bodies Group forum of Chief Executives. Together we have been exploring opportunities for greater sharing of resources or the creation of shared services across member organisations. In addition, there is scope for reviewing the statutory boundaries between some organisations, as digitisation starts to make some of the ‘handoffs’ in service provision less meaningful. For example, with the opening of the Register of Deeds to digital documents, there is less need for RoS to send physical paper deeds to National Records of Scotland (NRS) for archiving. Currently RoS has a statutory responsibility to send documents post-processing to NRS for archiving and for them to fulfil their statutory responsibility to make certain documents available to the public. In a paper world this made sense, in a digital world RoS is already securely

archiving the documents when we have processed them and can provide ready public access, so this is an example of an opportunity to find efficiencies.

RoS charges fees for the services it provides. Most of our fees are set by Scottish Ministers by SSI, though the Keeper may set (and change) fees for our non-statutory services. Some RoS services are explicitly provided free of charge as per the legislative requirements (e.g. the Register of Persons Holding a Controlled Interest in Land). Whether set by Ministers or the Keeper the fees are set at a level to recover the cost of delivery of the service and it would be inappropriate for RoS to seek to over-recover for the services it provides.

RoS Procurement has developed and implemented a robust contract management process to ensure suppliers meet their contractual obligations for the duration of a contract. We also work innovatively and collaboratively with suppliers and stakeholders to identify opportunities for supply chain improvements, putting action plans in place to deliver the identified opportunities. We engage with expert independent advice to review our approach to procuring our digital estate to ensure we are keeping pace with the most modern ways of procuring and maintaining a flexible IT estate.

We will continue to attend local and national procurement forums to identify areas of best practice and implement these where appropriate. Procurement have also developed a new suite of templates that ensure we meet all our obligations set out in the reform act by asking suppliers whether they have policies such as living wage accreditation and are addressing areas such as climate change. We will continue to use collaborative frameworks to ensure value for money.

The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale? (Very difficult to manage / Challenging to manage but achievable / Timescale is straightforward to meet).

Timescale is straightforward to meet.

Please add here any other comments on these timescales and other challenges for achieving this.

RoS's reform plans are already part of our FY 22-27 corporate plan, and our in-year delivery plan, so no additional work is needed to meet the timescales required by SG. However, it will be important for SG to respond to any emerging themes that emerge from these plans and identify the things that will need to be in place to

support the whole of the public sector in achieving its reform ambition. For example, many organisations will need to implement workforce reskilling and resizing approaches to ensure they have right number of colleagues with the right skills to deliver in a post-digitised public service environment. SG could play a significant role in ensuring that aspects such as harmonised terms and conditions, pay policy etc make it easy for staff to move to where they are needed and incentivised reskilling etc.

Please tell us if, and how your organisation's plans seek to deliver on the Scottish Government's three strategic priorities, set out below? Please also outline briefly any barriers to delivering these priorities.

Tackling child poverty

The nature of RoS work does not directly contribute to this priority.

Transforming the economy to achieve a just transition to net zero

The data we hold in our registers is a critical asset used by several organisations who are involved in the transition to net zero. For example, utility suppliers building windfarms access our data to support the purchasing of land to build on and to understand the rights and restrictions on that land. Through our Geovation programme we have supported several start-up organisations that are building green economy businesses – for example, an organisation that uses geo-spatial data to provide support to electric vehicle users, and an organisation that uses data to support more efficient crop-watering.

RoS has published a Sustainability & Climate Change Strategy. We are making timely progress in meeting our net zero emissions target. Sustainability and the environment are considered in all business decisions that we make. Work is in hand to make our buildings as efficient as possible and initiatives such as LED light replacement and maximising the use of our building management system are underway. To further reduce our energy consumption, we have reduced the overall heating set point by two degrees. We actively promote green travel, have conducted a survey to establish the carbon footprint of colleagues working from home, have significantly improved the waste streams and recycling in our buildings, have established mechanisms to repurpose equipment and office furniture we now longer require in much more sustainable way, and we offer a broad selection of meat-free food within our on-site café.

Ensuring sustainable services

Our key strategic priority is to deliver speedy, high quality and sustainable registration and information services. Work planned over the next 3 years includes streamlining and automation of internal processes along with significant focus on staff development and upskilling to ensure we deliver on that priority. That work, highlighted in our corporate plan, will ensure that the services we currently deliver, and any new services we are asked to deliver, will be delivered more sustainably, and have costs covered by fees charged. In particular, the introduction of much greater automation will enable RoS to be much more resilient to fluctuations in the housing market. There is currently a financial sustainability risk for RoS, as a small drop in income would leave us unable to cover our costs, which are mostly inflexible staffing costs. At the other end of the issue a boom in the housing market currently presents RoS with a service delivery risk as we could be unable to keep pace with demand and therefore be unable to sustain service timeliness standards. A much greater use of technology to process registration cases will significantly reduce both elements of this risk. As noted above we are also addressing the environmental sustainability of our services by ensuring that we are adopting green working practices.

Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

RoS's workforce has been stable for the last few years and, as we progress through the delivery of our corporate plan, we have detailed modelling of the number of colleagues needed, the skillsets they require and how this will change. We have published our forecast workforce trajectory in our most recent corporate plan update (published April 2023 - available on our website). Our Strategic Workforce Planning has predicted that towards the later stages of our Corporate Plan 2022-2027, as initiatives such as automation and improved process changes deliver, the size of the organisation will reduce as lower grade tasks will no longer be performed by as many people. The number of colleagues who work within our operational areas and enabling functions will reduce, and although we anticipate that our digital and data teams will need to grow slightly to support this new way of working, the net effect will be a smaller workforce (circa 10%) by 2027. Our strategic workforce planning approach is identifying how the specific changes required (both size and skillset) will be delivered on an ongoing basis through mechanisms such as natural attrition, targeted recruitment, reskilling programmes etc.

How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)? (Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies / Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies / Not involved in any relevant collaborative work on reform and use of resources)

Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies.

Please add here any other relevant information on your approach to collaborative working on joint service reform plans and use of resources

As part of the Scottish Delivery Bodies Group, RoS has been an active participant in the SDBG shared services feasibility review. This was established by the group to investigate options for more effective delivery of shared services for our enabling functions across our different organisations, and the potential for formalising and expanding various bilateral arrangements that are already in place.

What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been? (Not aware of any support and guidance from the Scottish Government / Support and guidance from the Scottish Government fulfils some of my organisation's needs / Support and guidance from the Scottish Government fulfils most of my organisation's needs / Support and

guidance from the Scottish Government fulfils all my organisation's needs)

Support and guidance from the Scottish Government fulfils some of my organisation's needs.

Please add here any other relevant information on the level of support and guidance provided or needed from the Scottish Government to deliver the efficiencies and plans necessary for your organisation.

Having already put in place a reform agenda that aligns with the emerging priorities for PSR, RoS has not needed to make use of any guidance or support from the Scottish Government to enable us to deliver our plans. We are supporting SG PSR colleagues and other public sector organisations wherever possible by sharing our approach to digitising our services, raising revenue etc so that our experience can hopefully help other public sector organisations shape their reform approach.

Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

In the short term our reform plans will enable us to fully realise the benefits of our digital transformation.

For Customers, our reforms will mean:

- A faster, higher quality end-to-end conveyancing process.
- Complete removal of our stock of long-standing open casework and customer confidence that it will not return.
- A more seamless experience via enhanced integration of our systems with their systems.
- More access to well-structured data to support their work.
- More ability to self-serve to meet their needs.
- Increased customer satisfaction.

For Scotland, our reforms will enable us to:

- Absorb cost rises and reduce the unit cost of delivering our services.
- Provide a more sustainable and efficient public service (able to respond effectively to variations in the housing market).
- Provide more resilient services.
- Reduce our reliance on contractors to support our digital estate.

In the long term our reform plans will enable us to better meet our overall purpose of supporting the Scottish economy for the benefit of the people of Scotland. Our current vision of becoming a digital registration and information business trusted for our integrity is not an end in itself. It represents the starting point of a journey to ensure that we maximise the benefits that digital registration and information services can and should bring to our customers, colleagues, stakeholders, and partners. If we are going to support the Scottish economy to the best of our ability, then we must continue to look for ways in which we can further improve the efficiency and effectiveness of the services we offer, the experience that colleagues have working for us, and how we meet the expectations of our stakeholders. Our reform plans are central to this ambition.

How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation's services?

RoS has a robust set of Key Performance Indicators (KPIs) that we report on publicly. These KPIs demonstrate our progress in delivering an excellent public service for the citizens of Scotland. We set public targets for application processing times, data quality, customer satisfaction and customer effort, as well as colleague satisfaction and financial health. Our reform plans underpin our ability to set more ambitious targets in each of these areas, as well as our plans to deliver on other public commitments such as contributing to net-zero targets. We anticipate that successfully delivering our contribution to the public service reform agenda will underpin our ability to continue to provide a consistent, sustainable, high-quality public registration and information service that fully meets our diverse customers' needs and expectations.

Written Submission from Revenue Scotland

Information about your organisation

Revenue Scotland is the tax authority with responsibility for the collection and management of Scotland's devolved taxes.

Revenue Scotland was established as a Non-Ministerial Office on 1 January 2015 and is the tax authority responsible for the administration and collection of Scotland's devolved taxes - Land and Buildings Transaction Tax (LBTT) and Scottish Landfill Tax (SLfT). The organisation has a Board with seven members, a Chief Executive and a senior leadership team.

Is your organisation a public body? (Yes / No)

Yes.

Please tell us about your organisation type and sector.

Revenue Scotland is the national tax authority responsible for the collection and management of Scotland's devolved taxes, which currently includes Land and Buildings Transaction Tax (LBTT) and Scottish Landfill Tax (SLfT). The programme for a third wholly devolved tax, Scottish Aggregates Tax, is underway with April 2025 the provisional date for introducing this new tax. Since 2015, Revenue Scotland has collected £5.8bn in revenues, all of which is paid to the consolidated fund to support the provision of public services in Scotland. Revenue Scotland was established in 2015 as a non-ministerial office, staffed by civil servants, within the Scottish administration. Revenue Scotland is accountable to Parliament and operates independently of the Scottish Government. Our Corporate Plan, 2021-2024 sets out our strategic objectives (<https://revenue.scot/news-publications/publications/corporate-plan/corporate-plan-2021-24>).

How many FTE (full time equivalent staff) does your organisation have? (1-9 / 10-49 / 50-249 / 250+)

50-249.

To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

As a tenant of the Scottish Government, Revenue Scotland currently occupies space within Victoria Quay in Edinburgh. The total occupancy capacity is 92.

Revenue Scotland has been piloting a hybrid working model since September 2021. The hybrid model was defined as a combination of office and remote working, where the office is used for defined activities which are optimally done in person, such as collaboration, performance management meetings or staff wellbeing.

Revenue Scotland has been evaluating the hybrid model to determine whether to adopt it as a permanent model and if so, to identify potential efficiencies. A potential opportunity for cost savings is office space. Data collected between July 2022 and March 2023 suggests, on average, desks were utilised only ~11% of the time, which is below the anticipated occupancy threshold identified for when the building initially re-opened. This suggests the Revenue Scotland office space remains under-used. Final decisions about future estate arrangements for the organisation will be taken in the coming weeks and we expect to reduce our footprint as a result.

What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

Revenue Scotland's budgeted pay bill for 2023-24 is £5.5m for 95.56 FTE compared to a draft outturn in 2022-23 of £4.9m for 85.56 FTE.

The budget for 2023-24 includes a new allocation of £407k for 9 FTE of new staff to work on the programme for the implementation of Scottish Aggregates Tax.

What opportunities for further efficiencies has your organisation identified in these five priority areas for reform? Please give brief descriptions and timescales for delivery.

Revenue Scotland is already a digitally enabled organisation, with 99% of tax returned, delivered electronically. We have a programme of continuous improvement which has identified several further opportunities for efficiencies in the area of digital reform, including automation of some core processes where the law permits. The organisation aims to deliver all services electronically and communicate with taxpayers through electronic means, presuming electronic communication with exceptions made for accessibility reasons.

Revenue Scotland has placed 'digital by design' at the heart of the new Scottish Aggregates Tax. This approach to digitalisation not only further improves our efficiency, but also increases compliance and reduces costs for taxpayers.

Revenue Scotland is a tenant within the Scottish Government estate. The analysis we have undertaken of our utilisation of the estate and anticipated future need will inform our future requirements. We anticipate that we will need a smaller, more

flexible space, with access to technology which promotes collaboration and hybrid working. In 2022/23 we also trialled the use of a shared space with another public body to create a hub for staff in Glasgow. Our future estate needs are likely to include access to touchdown spaces in hubs to reduce commuting time for staff.

Revenue Scotland is an active member of the Scottish Delivery Bodies Group (SDBG). This forum has engaged extensively with the Scottish Government to input into discussions around Public Service Reform and to look collectively at opportunities to progress the reform agenda. The SDBG has commissioned work exploring opportunities for collaboration between delivery bodies, with a view to increasing the number of shared services between its members.

We have legal powers to delegate certain functions to Registers of Scotland (RoS) and Scottish Environmental Protection Agency (SEPA). The delegation to SEPA is live and provides RS with a broad range of expertise to assist with the management of Scottish Landfill Tax, thus reducing the need for duplication.

Revenue Scotland recognises the rapidly evolving nature of technology and seeks to harness it to better serve taxpayers. For instance, Revenue Scotland aims to automate certain routine tasks such as the issuing of penalty notices and automated decision letters, which would improve efficiency.

We are a data – driven organisation. Our ambitions include exploring data sharing with other public bodies under the Digital Economy Act 2017 and making greater use of geospatial technology to assist with tax compliance activities.

These measures aim to enhance Revenue Scotland's efficiency and performance, and also contribute to broader reforms in this area. We are keen to explore other options for innovative reform with the wider public service.

Revenue Scotland takes advantage of a broad range of shared services via the Scottish Government, including: IT, HR, Payroll, Procurement, Internal Audit and Estates. This avoids the need to duplicate resources and costs within our organisation. We also have arrangements in place for the resourcing of our legal and statistical staff, where staff are seconded to Revenue Scotland from the Scottish Government. Given the extensive range of shared services Revenue Scotland already employs, there is limited scope for Revenue Scotland to engage further in this area.

The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale?

We respond to the Scottish Government's commissions for information as they are made. Revenue Scotland is committed to supporting Public Service Reform and has already taken steps towards this goal. For example, as referenced above, as an active member of the SDBG we have contributed to work through that group and other coordinated efforts by the Scottish Government. Beyond that, we would draw the Committee's attention to the response expected to be issued by the SDBG.

Please tell us if, and how your organisation's plans seek to deliver on the Scottish Government's three strategic priorities, set out below? Please also outline briefly any barriers to delivering these priorities.

Tackling child poverty

As a tax authority, Revenue Scotland is not directly involved in eradicating child poverty. However, we contribute indirectly to the Scottish Government's strategic priorities by effectively collecting and managing the devolved taxes, as the revenues we collect help fund Scotland's public services.

Transforming the economy to achieve a just transition to net zero

Scottish Landfill Tax is an environmental tax, designed to incentivise the reduction of waste going to landfill and to promote a circular economy. Our role, to collect and manage Scottish Landfill Tax therefore contributes to the delivery of net zero by discouraging the disposal of waste to landfill and thus encouraging the re-use and recycling of materials.

As a public body, Revenue Scotland is committed to promoting sustainability and reducing its environmental impact across all of our business activities. We have included the environment as a key consideration in our 2021-24 Corporate Plan and in our "excelling in delivery" strategic outcome. To this end, we have designed our service delivery model with a focus on reducing paper waste and travel emissions. Our electronic tax system is designed to encourage taxpayers to submit their tax returns online, reducing paper waste and emissions from mail delivery.

In addition, we consider the environment a fundamental consideration in the design and delivery of any new or changing responsibility. For instance, we aim to use a digital-by-design approach in administering the Scottish Aggregates Tax to provide stakeholders with the information they require to pay the correct amount of tax first time. We plan to enhance our Scottish Electronic Tax System (SETS) to deliver an entirely paperless tax collection and management process.

Revenue Scotland has a dedicated Green Strategy that focuses on reducing emissions from our buildings and systems, reducing waste, reducing travel emissions and reducing emissions when from working from home. We prioritise environmental initiatives in these areas to reduce our carbon footprint and promote sustainable practices in our operations.

Ensuring sustainable services

We report on our operational performance in our annual report and accounts each year, which are laid before Parliament. This includes evidence of our efficiency, our delivery against key performance indicators and the delivery of our business plan for the year. We are keen to play an active role in shaping the delivery of public services of the future, working collaboratively with the Scottish Government and delivery partners.

Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

Staff within Revenue Scotland are part of the SG Main terms and conditions including pay scales. Thus, cost management via pay rates is not within our purview. Instead, we monitor staffing levels closely, including vacancies, to ensure efficient allocation of resources. Strategic workforce planning is an integral part of Revenue Scotland's planning and monitoring processes, and justifications are required to replace staff when they depart.

Staffing levels are planned to increase modestly within Revenue Scotland in 2023-24 due to the programme of work to introduce Scottish Aggregates Tax and the resulting operational activity once it is live. Most of these posts will be filled by absorbing existing staff from within the Scottish Administration.

How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)? (Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies / Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies / Not involved in any relevant collaborative work on reform and use of resources)

Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies.

Please add here any other relevant information on your approach to collaborative working on joint service reform plans and use of resources.

Revenue Scotland procures a variety of services from Scottish Government including IT, HR, Payroll, Procurement, Internal Audit and Estates. These provide a cost effective service which avoids the need to duplicate resources and costs within our organisation.

Revenue Scotland, as referenced above, is also working collaboratively with other public sector organisations through its membership of the SDBG to explore other opportunities for closer working.

We are always looking for opportunities to share resources and knowledge with other bodies through our memberships of various delivery body working groups.

What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been?

Revenue Scotland has received regular engagement from the Public Service Reform and Public Bodies Divisions of Scottish Government, through our membership of the SGDB. We received formal communication in line with all public bodies in Scotland in early 2023, seeking our plans for reform.

Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

Revenue Scotland will shortly begin the process of developing a new Corporate Plan for 2024-27, which will provide a roadmap for the delivery of our services in the years ahead. As part of this planning process, Public Service Reform will be taken into consideration to ensure our plans for reform are reflected in our service delivery approach.

In the short term, we anticipate the impact of our reform plans will be felt primarily in the form of internal process changes and improvements. We are refreshing our data, digital and technology strategy to support our operations and make them more efficient, with the goal of delivering services even more effectively to taxpayers and stakeholders. We regularly review our organisational structure to ensure it is optimally aligned to meet our reform objectives.

In the long term, we anticipate that our reform plans will enable Revenue Scotland to continue to be a modern and agile organisation, equipped to meet the evolving needs of taxpayers and stakeholders. We will continue to invest in technology and innovation to improve our service delivery and optimise our resources. We will build on our culture of continuous improvement, with a focus on innovation and collaboration, to ensure we remain at the forefront of tax administration and public service reform. Our ongoing commitment to modernisation and innovation will be critical in helping us to achieve Scotland's public service reform objectives and deliver high-quality services to taxpayers and our stakeholders.

How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation's services?

Revenue Scotland has a structured approach to assessing performance which is designed to ensure that the organisation is delivering efficiently and effectively.

The Revenue Scotland Corporate Plan is the guiding document that directs and prioritises all of Revenue Scotland's work. The objectives and deliverables are defined and translated into action through a strategic framework of corporate strategies and annual business plan. Comprehensive performance reporting processes, including assessment against key performance indicators and analysis of risk are in place to monitor progress against objectives on a monthly and quarterly basis. This data led approach enables action to be taken to ensure delivery is kept on track.

The Revenue Scotland Board oversees the delivery of our Corporate Plan and our assessment of our performance is audited each year by Audit Scotland. Our Annual Report and Accounts provides a comprehensive report to the Scottish Parliament of our performance.

Written Submission from Scottish Funding Council

Introduction

1. The Scottish Funding Council (SFC) is a non-departmental public body established by the Further and Higher Education (Scotland) Act 2005. SFC is Scotland's tertiary education and research authority, with a legislative duty to secure the coherent provision of high-quality fundable further and higher education by colleges and universities in Scotland, in addition to securing the undertaking of research.
2. Our purpose is to sustain a world-leading system of tertiary education, research and innovation that enables students to flourish; changes lives for the better; and supports social, economic and environmental wellbeing and prosperity. We invest in 26 colleges and 19 universities that educate and upskill Scotland's population. They provide over 260,000 FTE places for students to study further and higher education, providing a lifeline for social mobility and a pipeline of skilled graduates. We have three universities in the top 200 in the world and seven world-leading Innovation Centres. Our investment in research and innovation helps to leverage in excess of an additional £750 million of research funding into Scotland, providing a magnet for inward investment. Universities and colleges collectively employ 62,000 people, with an additional 73,000 jobs supported by universities alone, making up a significant proportion of Scotland's workforce.
3. SFC is responsible for the effective and efficient distribution of around £2 billion of public money, annually. During FY 2021-22, we awarded £1.3 billion to universities and £750 million to colleges. We have an outcome agreement process, that ensures institutions demonstrate the outcomes and impact they are delivering for public funds.

Delivering strategic and long-term system change in tertiary education and research

4. Over the past decade we have engaged in a series of reforms, including college mergers, widening access, launching Innovation Centres, and mainstreaming funding for Foundation and Graduate Apprenticeship delivery within our core tertiary education funding. More recently, in 2020, we were asked by Scottish Government Ministers to conduct a national Review of how best SFC could fulfil its mission of securing coherent provision and sustainability by colleges and universities. Our Review was published in June 2021 and the recommendations subsequently endorsed by Ministers later that year. These recommendations set out the path for strategic and long-term system change and significant work is underway to deliver improvement and enhancement, as part of our review and beyond.
5. We are working with partners on the delivery of two regional pathfinders in the North East of Scotland and South of Scotland which, through evidence, analysis

and collaborative action, are exploring in practical ways how to make the education and skills system responsive, integrated and supportive of economic and inclusive growth. The pathfinders represent a revised approach to strategic planning within regions and will inform recommendations for the wider system.

6. We are revising our core funding distribution models for teaching and research. Following the UK-wide research assessment exercise (REF2021), we introduced a revised funding model for our Research Excellence Grant (REG) in 2022-23. For 2023-24, we are taking the first steps towards a more dynamic and forward-looking teaching funding distribution model that focuses more on the direction of travel for student activity rather than relying on the retrospective recovery of funds due to under-delivery.
7. Work is also underway to deliver on our Review recommendation to revise our approach to assurance and accountability, to better demonstrate the contribution of the sector and in particular, the impact of research.
8. In order to enhance the student experience, we are also exploring the development of a common approach to quality assurance in colleges and universities, working closely with Education Scotland and QAA.
9. Colleges and universities form an important and integral part of the towns and cities in which they are situated. SFC's capital allocations contribute to delivering backlog and lifecycle maintenance programmes of work. Our financial transactions programme offers low-cost loans for low carbon capital investments in university estates. But colleges are significantly constrained in their ability to borrow or carry cash reserves for new investment in their estates. In line with Scottish Government policy to deliver a more joined-up, collaborative, and participative approach to services, land and buildings, we published a College Infrastructure Strategy in 2022 and we are now preparing an Infrastructure Investment Plan which will identify investment required, potential funding solutions and a revised approach to prioritising and allocating capital funding.
10. To secure efficiencies across the sectors and support institutions in the delivery of their core teaching and research functions, SFC provides funding for the delivery of procurement services and IT / digital infrastructure at a national level through Advanced Procurement for Universities and College (APUC) and Jisc respectively. By using the collaborative agreements through APUC, the sectors saved £30.4m¹ in 2021-22 while working through Jisc saves the sectors £17.81m annually.
11. Despite a challenging budget settlement, SFC is working with the sector to address the challenges ahead and to secure the long-term sustainability and success of Scotland's tertiary education sector and impactful research. In addition to the Review implementation activities outlined above, we will also explore with colleges further flexibilities to support their ability to manage their financial position to best effect.

Reform of the public body landscape

12. We work extensively in partnership with other funders, skills and enterprise agencies, qualification and data authorities to secure mutually shared goals and outcomes, joined up impact and greater public value. SFC shares services and supports joint working where mutually beneficial. For example, we share staff members with NHS Education for Scotland (NES), support a joint position with South of Scotland Enterprise, share internal audit services and office space with Scottish Enterprise and adopt appropriate learning and development packages from other government and partner organisations to secure efficient approaches to support our staff.
13. As part of the Shared Outcomes Framework, we work with Skills Development Scotland and the Scottish Government on collaborative projects that contribute to overarching skills outcomes, as set out in the National Strategy for Economic Transformation (NSET) and the missions of the Future Skills Action Plan.

Improving and enhancing our organisational operations and activity

14. SFC is committed to delivering improvement and enhancement in our own operations and activity. We are a small organisation: in 2022-23, we had a staff complement of 123 people, which represented 0.48% of total spend. We are implementing a flexible hybrid working policy, we lease an office in Edinburgh, with a desk space to staff member ratio of 2:3 and we make use of a shared meeting space with Scottish Enterprise.
15. During 2022, as part of an organisation-wide transformation programme, we invested in our IT infrastructure and data analytical capabilities. This enables us to respond to our current needs and adapt to future demands.
16. SFC has provided expert advice to the Scottish Government to support its spending review processes and path to achieve a balanced budget, while protecting opportunities for learners, redirecting resource to where it is most needed, and considering options for further reform.

Further information:

Lynne Raeside, Head of External Affairs, Scottish Funding Council

Written Submission from South of Scotland Enterprise

Is your organisation a public body? (Yes / No)

Yes.

Please tell us about your organisation type and sector.

South of Scotland Enterprise (SOSE) was established by the South of Scotland Enterprise Act 2019 and came into effect on 1 April 2020.

The Act set out our remit to:

- (a) further the sustainable economic and social development of the South of Scotland, and
- (b) improve the amenity and environment of the South of Scotland.

Our action plan sets out our ambitions for the next five years:

<https://www.southofscotlandenterprise.com/media/1942/our-five-year-plan.pdf>

How many FTE (full time equivalent staff) does your organisation have? (1-9 / 10-49 / 50-249 / 250+)

50-249.

To what extent is your organisation fully using its land/estates/offices and what scope is there for efficiencies in these areas?

SOSE has a focused property portfolio, we cover both the Scottish Borders and Dumfries and Galloway. We have a main office (leased) in Dumfries, an owned office in Selkirk and small satellite offices in Eyemouth and Stranraer to allow us to provide full geographic coverage.

Our offices are fully open. We operate a hybrid working model with staff actively using those offices, particularly for collaborative working and knowledge sharing.

We are proactive in marketing and leasing space in our officer in Selkirk and regularly review the lease arrangements for our office in Dumfries.

SOSE collaborates with partner organisations e.g. a working group has been set up where colleagues from SOSE, HIE, SE, Nature Scotland, Crown State Scotland and SFC meet to discuss business continuity and initiatives.

What is your organisation's total pay bill for 2023-24 (in £ millions), compared to 2022-23 levels?

2022-23 £8.6m

2023-24 Planned £10.1m

The 22/23 figure is representative of a lower average staff number employed during the year hence the 23/24 increase looks steeper than it is in actuality.

What opportunities for further efficiencies has your organisation identified in these five priority areas for reform? Please give brief descriptions and timescales for delivery.

Our role in supporting initiatives such as the Scottish 5G Centre Rural Test Bed and a planned regional Techscaler hub is enabling more of our enterprises to embrace and take advantage of the benefits of the digital revolution.

Internally, SOSE makes significant use of Microsoft Teams and related tools to enable remote, collaborative and cross team working. We have a policy of minimising unnecessary travel to meetings but recognise that some critical meetings need to be face to face.

We use digital technology to enable 'roundtable' events with international participants to ensure geography does not limit us in securing the most appropriate and expert input for SOSE clients.

To increase efficiencies, we have developed 'MySOSE' CRM solution, basing this on MyHIE to help us create cost savings whilst improving client knowledge and management processes.

Regional structures and relationships help facilitate new ways of working. It enables us to share assets, we continue to work with Local Authorities and other regional partners to explore opportunities as they arise on lease terms ending. Currently we operate shared estate arrangements with two public sector partners.

We work closely with regional partners (and national agencies) to ensure we make effective use of our collective resources. Structures such as our Regional Economic Partnership (REP) and the Convention of the South of Scotland provide fora for those discussions which are complemented by officer level collaboration in Team

South of Scotland. The South of Scotland Regional Economic Strategy, developed by the REP, provides a clear and agreed vision for the region which organisations working in the South support.

Establishing the South as a place that embraces innovation, efficiency and circular economic approaches is central to our vision. As a region, the South is well placed to be a test bed for innovation and advances across businesses and the Third Sector. We must also champion an innovative circular economy as an integral part of our regional economy and our climate and nature transition, embedding and enhancing circular approaches that can grow and strengthen regional supply chains, working closely with organisations like Zero Waste Scotland to do so. We will work with key national partners such as the Scottish Manufacturing Advisory Service, the National Manufacturing Institute of Scotland and regional partners including those involved in the Advancing Innovative Manufacturing in the South project, to inspire and deliver practical support to drive increased efficiencies. Together we will work to strengthen the region's role as a hub for innovation, resolving challenges and achieving more for less through continual improvement, greater collaboration and knowledge transfer. We can build on existing investments in many sectors and areas such as service design and delivery, farming, cycling, textiles and food and drink manufacturing.

SOSE will continue to work with CivTech and were the first agency to create a formal partnership and MoU with Civtech, – as the Scottish Government's flagship innovation programme - to provide innovators, entrepreneurs, start-ups or established businesses a procurement route to develop products centred around solving real life challenges.

SOSE were also the first agency to set up regular roundtables, and partnerships with all of the Innovation Centres, with a specific focus on collaborative project opportunities for the South of Scotland.

SOSE are working in partnership with the Codebase Tech (Start-Up) Scaler programme, with both Local Authorities and with academic partners including Napier University, Heriot Watt University, the University of Glasgow and SRUC. Areas of focus range from the Mountain Bike Innovation Centre to regenerative agriculture, hydrogen developments and carbon capture.

Sustainability is embedded in our new procurement strategy and the social, economic and environmental impacts of all contracts we award are proportionately taken into account at invitation to quote/tender stage including our downstream supply chain. Fair work practices are also required to be evidenced by all bidders.

Strengthening the local supply chain is important to us as we look to support community wealth ambitions in the South of Scotland and we work to ensure that our contracts are more accessible to local suppliers

We now have a new contract management policy/guidance in place whereby key contracts are identified and depending on their business criticality, an appropriate level of contract management/supplier relationship management facilitated by the Procurement team with key stakeholders will be carried out.

The Scottish Government has asked public bodies to produce their plans for delivering public sector reform by later this year, in order to inform the 2024-25 budget. How realistic is this timescale?

SOSE recognise the current economic context, and the immediate role the Enterprise agencies play in ameliorating the “cost of doing business crisis”. The timing and scale of managing a change process needs to be balanced against delivery priorities in the economy.

We engage regularly with the Scottish Government as we shape our approach and contribution to public sector reform.

Please tell us if, and how your organisation’s plans seek to deliver on the Scottish Government’s three strategic priorities, set out below? Please also outline briefly any barriers to delivering these priorities.

Tackling child poverty

We are committed to tackling child poverty, through creating economic opportunity and ensuring equity of access to our support. Specific activity includes – our coaches supporting young and women entrepreneurs, our work with communities and social enterprises as well as establishing a Youth Advisory Forum so we hear direct from young people in the South.

Transforming the economy to achieve a just transition to net zero

SOSE will use our influence and expertise to work with key regional partnerships such as the Net Zero Commission, the Regional Land Use Partnership and the Energy Transition Group to collectively help the region harness the full potential of our natural resources and create a circular economy. In this way we can meet our decarbonisation targets while restoring nature, improving wellbeing and creating new economic opportunities. We will enhance the region’s resilience to climate change adapting to the changes we already see, working closely with Dumfries and Galloway and Scottish Borders Councils to do so.

SOSE is leading a just transition to Net Zero and a nature-positive region:

- Innovating for a clean energy transition and promoting nature-based solutions
- Establishing regenerative and resilient approaches to land and marine assets
- Leveraging the natural capital potential of the region

SOSE wanted to accelerate progress in delivering on a just transition to net zero, fair work, innovation and entrepreneurship. SOSE has developed and adapted our organisational structure and recruited new posts to enhance our capacity and capabilities. SOSE has established a new Net Zero Directorate, which alongside supporting our own path to Net Zero carbon emissions, will lead and facilitate the South of Scotland's Just Transition to Net Zero: presenting the climate opportunities to our region/clients; the climate positive contribution we will need to make; and ensuring we lead by example to inspire others into action. We will strengthen our focus on Innovation and Entrepreneurship, establishing clear leads and a new team, with dedicated enterprise coaches to provide support with very early stage enterprise including concept design, stimulating ideas, moving ideas forward, and looking at product and service development.

SOSE will publish the first Net Zero Investment Guide to the South of Scotland in May 2023.

Ensuring sustainable services

SOSE has developed the organisation with a key focus on:

- Building and sustaining a strong client focussed culture that is responsible, inclusive, striving and bold in delivering for the South of Scotland
- Being visible and available across the South of Scotland
- Continuing to build our organisational capability
- Being an exemplar for a Fair Work organisation

By building our evidence and data with people and partners we can support informed, real-time decision making in areas where the need and impact are greatest and understand the barriers to success.

We will create a shared understanding and awareness of our potential and key opportunities and challenges.

Given the Government ambitions to reduce the public sector head count and total pay bill costs to 2022-23 levels, what level of reduction in FTE does this mean for your organisation, and how do you plan to achieve it and by when?

Since our established in April 2020, we have grown the organisation carefully working closely with Scottish Government. Our original planned staffing total will be 30 FTE below in 23/24 due to actions taken both last year and at the start of this financial year.

How, if at all, is your organisation working collaboratively with other public sector organisations to produce joint service reform plans for the public body landscape and use of resources (for submission to the Scottish Government later this year)? (Leading collaborative work on joint service reform plans and use of resources with other relevant public bodies / Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies / Not involved in any relevant collaborative work on reform and use of resources)

Involved in collaborative work on joint service reform plans and use of resources with other relevant public bodies.

Please add here any other relevant information on your approach to collaborative working on joint service reform plans and use of resources.

Examples of current areas of close joint working are:-

- Shared Information Technology and Information Systems, across SDS, SE, HIE and SOSE;
- Shared Internal Audit function across SDS, SE, SOSE, SFC and Clyde Gateway;
- Collaborative strategy development and alignment via the Joint Working Group, encompassing SG, SE, SOSE, HIE, SDS, SFC and VS;

- Collaborative product and service development, promotion and delivery via the Business Support Partnership, encompassing Scottish Government (SG), SE, SOSE, HIE, SDS, Scottish Development International (SDI),
- Creative Scotland, VS, Convention of Scottish Local Authorities (COSLA) , Business Gateway National unit, and Scottish Local Authorities Economic Development (SLAED) Group.
- It is worth highlighting that the activities of the BSP are closely related, relevant and reportable but outside the scope of this commission on collaborative; the BSP has a plan and momentum and there is no wish to distract from that work. Colleagues are exploring separately the future model for BSP delivery.

What level of support and guidance has your organisation been given by the Scottish Government to deliver the efficiencies and plans necessary for your organisation, and how adequate has this been?

We work closely with our sponsor team in Scottish Government to ensure we are able to contribute effectively to the agenda.

Can you describe the impact of your plans for reform on how your services will be delivered, in both the short and long term?

Our approach will ensure that we deliver on our ambitions for the South of Scotland as effectively and efficiently as possible, through collaboration and partnership. We will lead the way in bringing people together to collaborate through existing and new partnerships, recognising that much can be achieved by simply bringing the right people together and through the power of a collective regional identity, voice and a forum for shared design and decisions.

We will collaborate to create the conditions for investment, transformation and wellbeing. For example, with our partners we will advocate for and support improvements to enabling infrastructure such as housing, transport, employment sites and digital, recognising these can unlock wider opportunities for the South.

We will raise SOSE's profile to reach more people and make us and the support we offer more accessible. We know we still need to help people and organisations in the South understand how we work with and alongside other key organisations – including Dumfries and Galloway and Scottish Borders Councils – and we will work with them to do so.

Partnership is key to realising the great potential of the South. There is a fresh and strengthened partnership approach in and across the region that is helping us to

collaborate even more effectively than ever before. Our partnerships are and will be wide ranging and encompass our critical regional partners such as:

Dumfries and Galloway and Scottish Borders Councils; other national agencies such as Highlands and Islands Enterprise, Scottish Enterprise, Skills Development Scotland and Visit Scotland; the Third Sector; skills and education institutions; the health boards; and, crucially, communities and enterprises.

How do you propose to monitor and assess the impact of any reforms on the quality and delivery of your organisation's services?

We are developing our performance measurement framework and ensuring we focus on the impact of that our activity is having in line with NSET, the Regional Economic Strategy and SOSE new published Action plan.