

**Public Services Reform
(Scotland) Act 2010
Duties to Publish Information**

**Scottish Futures Trust
2015-16 Publication**

SCOTTISH
FUTURES
TRUST

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1. Introduction

This document details the information Scottish Futures Trust is required required as prescribed in the Public Services Reform (Scotland) Act 2010. It has been compiled with reference to the [guidance](#) issued by Scottish Government.

Relevant extracts from the guidance are included in boxes.

The publication includes information relating to the Scottish Futures Trust Ltd, and its wholly owned subsidiary Scottish Futures Trust Investments Limited.

Further information

Further information on the work of the Scottish Futures Trust can be found on our [website](#). In particular, in the following documents:

[2014/19 Corporate Plan](#)

[2015-16 Business Plan](#)

[2015/16 Benefits](#)

[2015/16 Annual Report and Financial Statements](#)

Should you require further information in relation to the activities or operations of the Scottish Futures Trust, please contact us at:

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2. Expenditure Information

Section 31(1) and (2) require public bodies to publish as soon as is reasonably practicable after the end of each financial year a statement of any expenditure they have incurred during that financial year on or in connection with the following matters:

*Public relations;
Overseas travel;
Hospitality and entertainment;
External consultancy.*

None of these terms are defined in the Act but they are all terms which are widely used and well understood. The guiding principle should be to publish as much information as possible and to interpret the duties imposed by Parliament widely rather than narrowly.

Public Relations

The statement of expenditure on public relations should state the total amount of expenditure during the relevant financial year on all external communications, including the cost of in-house and contracted staff and consultants. Expenditure on 'public relations' includes (for example) marketing, PR campaigns, media relations, marketing research and evaluation, branding and design, promotional events, external events, conferences and exhibitions, corporate communications, sponsorship, publications and printing, digital communications, advertising and media planning.

The statement should include expenditure on external communications relating to the services which the public body provides, such as promoting tourism in the case of Visit Scotland. It is not necessary to include expenditure which relates only to internal communications, such as staff newsletters, or to recruitment advertising.

This amount is stated including VAT and includes half of the all-in cost of employment of SFT's only member of staff engaged in public relations, our Communications Manager. It is assessed that this role is directed 50% to external communications and 50% to internal matters and communication with other public sector stakeholders. It also includes revenue costs such as external events and corporate publications.

Amount for 2015/2016: £84,758 (2014/15: £82,419)

Overseas Travel

The statement of expenditure incurred on overseas travel should include travel to as well as from the United Kingdom; and should also include the cost of hotels, conference fees, the cost of travel and subsistence during the overseas visit and any other related expenditure. In other words, expenditure incurred on 'overseas travel' should be regarded as the full costs incurred in connection with the trip from departure until return, and not simply the cost of the journey itself.

This amount is stated including VAT and covers the following trips:

Date	Person Travelling	Destination	Purpose of Travel	
May 15	Andrew Bruce	Philippines	Part of OECD taskforce to assist review of PPP planning & procurement arrangements	*
May 15	Peter Reekie & Julia Kennedy	Brussels	ESA 10 discussions	
Jul 15	Peter Reekie & Julia Kennedy	Brussels	ESA 10 discussions	
Sep 15	Barry White	Barcelona	Speaker at IJ Global World Infrastructure summit	
Nov 15	Colin Proctor & Stephen Aird	The Hague	To meet with Dutch Government Real Estate team	
Nov 15	Peter Reekie	Luxembourg	EPEC annual all members meeting	
Nov 15	Tony Rose	South Korea	Speaker at PPP and Infrastructure summit	*
Jan 16	James King	China	Speaker on cost control of Scottish Health PPP projects	*
Feb 16	Peter Reekie	Luxembourg	Eurostat group meeting /Statistical treatment of PPPs	
Mar 16	Paul Dodd	Dublin	Speaker at Irish Government BIM conference hosted by Enterprise Ireland	

Amount for 2015/16:

£8,014 costs funded by SFT

(£13,347 including items marked '*' where costs were borne by external parties)

(2014/15: £3,026 costs borne by SFT; £3,276 including all overseas travel costs some of which were borne by external parties)

Hospitality & Entertainment

Hospitality and entertainment should be interpreted widely as including any gifts, meals, parties, receptions, tickets for or invitations to public, sporting, cultural or other events or other similar benefits accorded by a public body to its own members or employees or third parties for whatever reason. The payment of reasonable travel and subsistence allowances and the reimbursement of expenses that are necessarily incurred in relation to service as a member or employee of a public body (including office-holders and company directors or secretaries) should be excluded.

Gifts and benefits which are wholly trivial and of minimal value may also be excluded as de minimis. In the interests of consistency, it is suggested that a threshold of £25 for 'one off' gifts or benefits would be reasonable for this purpose, provided that the gifts or benefits in question are not regular or recurring. If a different threshold is adopted it should be set out in the statement of expenditure.

SFT has not:

- a) Provided any gifts to any employee or third party.
- b) Provided any invitations to public, cultural or sporting events to any employee or third party.

The hospitality and entertainment costs incurred by the Company include refreshments and meals at meetings with stakeholders and attendance at award ceremonies where SFT or its projects had been nominated for an award.

Amount for 2015/16: £2,117 (2014/15: £11,409)

External Consultancy

Scottish Government guidance on ['Use of Consultancy Procedures'](#) defines 'consultancy' as including a wide range of professional services such as management consultancy, IT consultancy, financial consultancy, construction or infrastructure related consultancy, research and evaluation and policy development (including feasibility studies). It is suggested that the definition set out in this guidance should be adopted for the purposes of the statement of expenditure. It should be noted that the definition applies to the services which are being procured, not the name of the supplier or the supplier's own description of the service.

'External consultancy' does not include outsourcing or buying in technical or specialist services such as legal advice and representation or recruitment services.

This amount is stated inclusive of VAT and includes specialist legal, financial and technical consultancy in relation to the projects and programmes on which SFT has a role.

Amount for 2015/16: £380,670 (2014/15: £757,565)

Payments in excess of £25,000

Section 31(3) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement specifying the amount, date, payee and subject-matter of any payment made during that financial year which has a value in excess of £25,000 (inclusive of VAT).

'Payments' include all individual payment transactions, including payments for goods and services, grants or grant-in-aid to third parties and transactions with government departments or other public bodies. The reporting requirement relates to cash payments, not accruals or invoices; and includes relevant payments made by a listed body on behalf of third parties. It does not include information relating to remuneration or other payments made to an individual in respect of their service as a member or employee of a public body (including office-holders and company directors or secretaries), such as salary, bonuses, allowances, fees, receipt of pension, voluntary severance, compromise agreements or redundancy payments.

Payee	Date	Subject Matter	Amount £
Item 1: Payment of Suppliers			
Network ROI	31/03/2016	Surface Pro Tablets including set-up and warranty	69,876
Mott McDonald Ltd	13/04/2015	Technical advice associated with the procurement of the Scottish Non-domestic Energy Efficiency Framework	38,265
Workman LLP	27/07/2015	Rent for quarter to August 2015 including rent review	40,447
	23/11/2015	Rent for quarter to February 2016	27,477
	02/02/2016	Rent for quarter to May 2016	32,680
City of Edinburgh Council	21/04/2015	Non-domestic rates	45,947
Drivers Jonas Deloitte	13/04/2015	Digital Impact Assessment	43,200
	01/05/2015	Professional fees relating to the Non-domestic Energy Efficiency Framework	47,280
	05/08/2015	Digital Impact Assessment	64,800
Aecom Professional Services LLP	22/03/2016	Secondment and BIM training	46,560
Hill International	05/08/2015	Professional fees	37,056
FES FM Ltd	13/04/2015	Office modifications to allow for flexible working	26,290
Item 2: Award of Grant			
East Renfrewshire Council	22/03/2016	Release of Funds for Council to commission a post occupancy evaluation	55,882
University of Highland and Islands	30/03/2016	Release of funds for Inverness College	50,000
NHS Lanarkshire	31/03/2016	Release of funds for Greenfaulds High School project	30,000
Angus Council	22/03/2016	Release of funds Forfar Academy project	35,000
NHS Lothian	31/03/2016	Release of funds for Edinburgh Royal project	30,000

Item 2: Award of Grant cont.			
Edinburgh Napier University	15/03/2016	Release of funds to assist with environmental sustainability research in relation to the Construction Procurement Review	30,000
NHS Greater Glasgow and Clyde	30/03/2016	Release of funds for Eastwood/Maryhill Health Centres	30,000
Highland Council	22/03/2016	Release of funds for Wick High School	25,000
Shetland Council	30/03/2016	Release of funds for Anderson High School	25,000
South West Territory Participants	17/11/2015	Capital Enabling Funds – South Carrick Project	43,318
	01/05/2015	Capital Enabling Funds – Garnock Academy Project	247,002
	01/05/2015	Capital Enabling Funds – Ayr Campus Project	631,308
South East Territory Participants	30/03/2016	Capital Enabling Funds – Schools Development Project	30,000
West Territory Participants	04/12/2015	Capital Enabling Funds – Renfrewshire Council	250,000
	01/05/2015	Capital Enabling Funds – Glasgow Women’s Library	53,916
	26/01/2016	Capital Enabling Funds – Bearsden Project	110,199
East Central Territory Participants	22/03/2016	Capital Enabling Funds – Falkirk Community Campus Project	26,010

3. Remuneration

Section 31(4) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement specifying the number of individuals (if any) who received remuneration during that financial year in excess of £150,000 in relation to service as a member or employee of a public body (including office-holders and company directors and secretaries).

Remuneration in relation to service as a member or employee includes salary, bonus or other discretionary performance payments, allowances, fees, royalties and also bonus or other payments in respect of performance in a previous financial year, but does not include receipt of pension, voluntary severance, compromise agreements or redundancy payments.

SFT has two staff members who received remuneration in excess of £150,000 during 2015/16.

Barry White, SFT's Chief Executive, received a salary of £185,897 and car allowance of £11,500 in 2015/16. (2014/15 salary of £182,700 and car allowance of £11,500)

Peter Reekie, Deputy Chief Executive and Director of Investments, received a salary of £154,914 and car allowance of £9,200 in 2015/16. (2014/15 salary of £152,250 and car allowance of £9,200)

No member of SFT staff has received a bonus or performance related payment. Further information is set out in SFT's [pay and grading structure](#) on our website.

4. Steps to Promote Sustainable Economic Growth

Section 32(1)(a) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to promote and increase sustainable growth through the exercise of its functions. Since this requires the publication of a statement it is not sufficient simply to refer to other published material such as the Annual Report. The statement can, of course, draw on such material.

The Government Economic Strategy, which was published in November 2007, sets out the Government's central Purpose is "to focus the Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. By sustainable economic growth we mean building a dynamic and growing economy that will provide prosperity and opportunities for all, while ensuring that future generations can enjoy a better quality of life too."

The National Performance Framework was developed to provide a clear focus and direction for the whole of the public sector in Scotland and in common with the rest of the public sector, all public bodies are expected to align their activity (demonstrated through their corporate and business plans) in support of the Purpose, Purpose Targets and the 15 National Outcomes set out in the Framework.

Further information about the National Performance Framework, together with the Government Economic Strategy and the Economic Recovery Plan which was first published in January 2009 and most recently updated in March 2010, can all be found on the Scottish Government's website at: www.scotlandperforms.com.

SFT was established to improve the efficiency and effectiveness of infrastructure investment in Scotland and therefore has an important role in promoting sustainable economic growth. The Civil Engineering Contractors Association¹ highlights that every £1 of infrastructure construction raises economic activity by £2.64 and it is noted in the same report that every 1,000 direct jobs created by the delivery of new infrastructure boosts wider employment by over 3,000 jobs.

SFT's wide range of programmes such as its management of the Scotland's Schools for the Future programme and its development of the hub and NPD programmes has resulted in £1.9bn of new build investment either in construction or operational as at 31 March 2016.

However, SFT's activities not only directly contribute to new build construction they also facilitate wider economic growth. For example, SFT is leading the development of approaches to implement the Scottish Government's World Class Digital Vision. Our review of [The Economic and Social Impacts of Enhanced Digitalisation in Scotland](#) provides an overview of the potential impact on economic growth if Scotland were to become a digital world leader – an increase in GDP of over £13bn by 2030.

Within economic investment, SFT's work in developing the Growth Accelerator (GA) approach along with the Tax Incremental Financing (TIF) initiative facilitates the delivery of local infrastructure to promote wider economic development. The first GA project at St James Centre in Edinburgh has commenced enabling works and a second project with Dundee City Council for their waterfront area was announced in 2015/16. These approaches are facilitating £250m of planned public sector investment which in turn is estimated to unlock more than £1.5bn of private investment.

Further details of SFT's activities for the financial year to 31 March 2016 can be found on our website within the [2014-2019 Corporate Plan](#), the [2015-16 Business Plan](#) and the [2015/16 Benefits](#).

¹

http://www.ceca.co.uk/media/103459/ceca_cebr_report_-_securing_our_economy_the_case_for_infrastructure_-_may_2013.pdf

5. Steps to Improve Efficiency, Effectiveness and Economy

Section 32(1)(b) provides that as soon as is reasonably practicable after the end of each financial year each listed public body must publish a statement of the steps it has taken during that financial year to improve efficiency, effectiveness and economy in the exercise of its functions. Once again, this may draw on other published material but should take the form of a self-standing statement.

The Scottish Government publishes guidance on the definition of efficiencies as part of the [Efficient Government Programme](#). It also publishes Efficiency Delivery Plans which explain how various public bodies intend to deliver efficiencies together with an annual outturn report which sets out the extent to which that has been achieved.

As part of their drive to improve the efficient and effective delivery of public services and to achieve maximum economy, Scottish Ministers are keen to ensure that public bodies actively explore and implement as appropriate all opportunities for sharing the provision of back office and front line functions. In the statement required under section 32(1)(b), public bodies should therefore provide details of the current level of shared service activity in which they are engaged, either as a provider or a user, including details about the functional areas involved and the scale of the activity.

Statements under section 32(1)(b) should also include details of the steps taken to improve procurement processes and capability, including contract management; managing risk in the supply chain; acting on procurement capability assessments; and savings achieved through collaborative and local contracts.

SFT's mission is: *“to improve the efficiency and effectiveness of infrastructure investment and use in Scotland by working collaboratively with public bodies and industry, leading to better value for money and improved public services’*

We assess our impact by measuring the benefits we deliver across our programmes. Our annual [Benefits Statements](#) are published on our website and in 2015/16 indicate that SFT's commercial approach means it is well on its way to achieve its corporate objective of securing £500-750m of benefits and savings between 2014 and 2019. This is only achievable through co-operation with partners across the public and private sectors.

SFT's approach to infrastructure investment promotes improved efficiency, effectiveness and economy. On new build projects we have developed reference designs for primary schools; facilitated joint procurement through, for example, the hub programme and used funding competitions to drive down the cost of finance where private finance is utilised. For existing assets, we assist in developing the case for change and in ensuring that the estate is suitable to deliver the services for the future be that through our guidance on the use of the office or through supporting the transition to low carbon activities.

Specific examples of SFT's contribution to the efficiency, effectiveness and economy include:

- Facilitating the delivery of a strategic approach to asset management across the Scottish Government Central Estate which is on track to deliver forecast savings of £28m per annum.
- Leading on the development of the LAR (Local Affordable Rental) Housing Trust which was launched in November 2015 with the objective of delivering more than 1,000 mid-market homes in the short-term.
- The launch of SFT's Street Lighting Toolkit has facilitated total investment to-date in energy-efficient LED street lighting of £82m, saving 24,500 tonnes of CO₂ with total forecast savings for the programme of £2.2bln over the 20 year life of the lanterns.

Further details of all our programmes are available on the [SFT website](#).