

Public Sector Reform Act Disclosure

The attached **Annex** comprises a draft Public Sector Reform Act Disclosure report for SFT for the financial year 2022/23. The information detailed in the report is prescribed in statute. It covers areas which may be of interest to the wider public ranging from specific expenditure on consultancy costs, overseas travel and payments over £25k, through to SFT's wider activities to support economic development.

The Report is submitted annually to Scottish Ministers in conjunction with the Annual Accounts and is published on SFT's website.

The Audit Committee is asked **to note** the report for publication.

Scottish Futures Trust
PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010
Duties to Publish Information
2022-23 Publication

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1. Introduction

This document details the information Scottish Futures Trust is required to publish 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 Limited, 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:

[2022/23 Business Plan](#)

[2019 - 2024 Corporate Plan](#)

[2022/23 Annual report and Financial Statements \[Link to be updated\]](#)

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 Head of Communications. 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 2022/23: £137,771 (2021/22: £109,577)

The increase relates to SFT's new website and additional reports externally published by our workstreams.

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
Apr 22	James King	Monaco	Datacloud Europe Conference
Jun 22	Stephen Vere & Paul Moseley	Copenhagen	UK District Heating Tour to Denmark 2022
Aug 22	Ruth MacDonald	Brussels	PureNet Strategy Working Table Event
Sept 22	Colin Proctor	Riga	PureNet Conference
Sept 22	Ryan Tennyson	Dublin	BIM coordinators summit
Nov 22	Colin Proctor	Helsinki	PureNet Working Table Event
Mar 23	Peter Reekie	Luxembourg	European PPP Expertise Centre (EPEC) Annual Members Meeting
Mar 23	Colin Proctor, Ruth MacDonald & Jamie Goth	Oslo*	PureNet Climate Change Working Table Event

*Event was in April 23 but flights and accommodation were paid for in Mar 23 to obtain best rates.

Amount for 2022/23: £ 7,932 costs borne by SFT (2021/22: £1,110 borne by SFT)

The increase relates to travel getting back towards pre-pandemic rates.

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.

Amount for 2022/23: £1,488 (2021/22: £1,296)

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. SFT's consultancy spend varies annually reflecting both the range and the stage of development of the programmes which we support.

Amount for 2022/23: £1,762,656 (2021/22: £1,843,978)

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			
Mott MacDonald Ltd	11/04/2022	Provision of consultancy support for the core objectives of Scottish Government's net zero carbon public sector buildings standard	129,191.08
GEP Environmental	11/04/2022	Provision of PFI/PPP Net Zero Carbon Guidance – 50% Milestone	29,813.40
Connected Places Catapult Services Ltd	11/4/2022	Infralink–Data Acquisition & Improvement and Productionisation & Best Practices	45,000.00
Buro Happold	11/04/2022	Provision of ventilation / CO2 consultancy support (£29,700) and planning, preparation and delivery of the design sprint pertaining to the Scottish Islands and Depopulation (£15,000)	44,700.00
Addleshaw Goddard LLP	11/04/2022	Professional charges for services in relation to Public Inquiry	81,038.70
WSP UK Ltd	11/04/2022	Visualisation in Planning	60,000.00
Nuffield Health	11/04/2022	Health assessments	41,982.00
Field Dynamics	19/04/2022	Consulting: EV Infrastructure Demand Forecasting	59,400.00
Turner Townsend Consulting Ltd	19/04/2022	Services in connection with NPF4 consultancy support services	37,440.00
Frontier Economics Ltd	09/05/2022	Energy strategy consultation	59,938.80
City of Edinburgh Council	09/05/2022	Non-domestic rates	37,967.30
BSL-IT South Ltd	09/05/2022	Provision of IT equipment	32,394.80
Zurich Assurance Ltd/ Workman LLP	25/05/2022	Rent for quarter to August 2022	39,197.83
Connected Places Catapult Services Ltd	25/07/2022	DCIA - Accelerator Programme - (Digital Connectivity Infrastructure Accelerator) - Data ecosystem map & data roadmap	30,000.00
Addleshaw Goddard LLP	03/08/2022	Professional charges for services in relation to Public Inquiry	49,401.60
Waterstons Ltd	10/08/2022	Networking Infrastructure	40,588.80

Thistle Propco Investments Ltd	13/09/2022	Rent for quarter to November 2022	44,192.67
Addleshaw Goddard LLP	23/09/2022	Professional charges for services in relation to Public Inquiry	58,419.60
Thistle Propco Investments Ltd	02/11/2022	Rent for quarter to February 2023	31,500.00
Connected Places Catapult Services Ltd	02/11/2022	DCIA - Accelerator Programme - (Digital Connectivity Infrastructure Accelerator) – Continued development of data ingestion report and Data Security & Governance Reporting'	43,999.99
BSL-IT South Ltd	25/11/2022	Provision of IT equipment	27,575.82
Addleshaw Goddard LLP	21/12/2022	Professional charges for services in relation to Public Inquiry	34,510.80
Farrpoint Limited	21/12/2022	Provision of industry expertise to work closely with the SFT on Data Centres, Scotland 4G Infill, Infralink Programme, Dundee 5G testbed and Scotland 5G Centre	31,140.00
Improvement Services Ltd	08/02/2023	Management and supply of local authority data as part of the Infralink Exchange project	42,120.00
Cambridge Econometrics	15/02/2023	Infrastructure Scenario Modelling	39,814.56
Addleshaw Goddard LLP	15/02/2023	Professional charges for services in relation to Public Inquiry	25,605.60
Connected Places Catapult Services Ltd	20/02/2023	DCIA - Accelerator Programme (Digital Connectivity Infrastructure Accelerator) – Project Coordinator	46,627.20
Aecom Professional Services Ltd	01/03/2023	Project & Policy Review, Stakeholder engagement with project and programme leads, development of draft metrics, project management and progress meetings	42,146.40
Thistle Propco Investments Ltd	10/03/2023	Rent for quarter to May 2023	31,500.00
Addleshaw Goddard LLP	10/03/2023	Professional charges for services in relation to Public Inquiry	43,209.60
Buro Happold	31/03/2023	Provision of ventilation / CO2 consultancy support	29,640.00

Item 2: Award of Grant			
Midlothian Council	15/03/2023	Contribution towards the costs to disseminate associated learnings from the pathfinder project at Lasswade HS & Mauricewood PS.	30,000.00

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 had one staff member who received remuneration in excess of £150,000 during 2022/23.

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: [Salary Ranges](#)

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.

Importance of infrastructure

From the schools and health centres we use and the homes we live in, to the new types of infrastructure Scotland needs - either for charging electric vehicles or improving mobile phone coverage – quality infrastructure, in all its forms has and will always remain a fundamental building block of a wellbeing economy.

Helping Scotland’s many different public sector organisations make the right infrastructure decisions for what their communities need, both now and in the future, is a key role of the Scottish Futures Trust. We were established by Scottish Government as a centre of infrastructure expertise to work closely with the public and private sectors to maximise the benefits from public sector infrastructure projects.

There is no question that the past 12 months have been tough with soaring energy costs and inflation at a level many have never seen before. But despite the particularly challenging year for us and our many partners, substantial progress continued to be made across our workstreams, in particular:

- Our Operational Contract Management team supported the public and private sector on adopting a systematic approach to the delivery of net zero in the PPP sector, where we published our ‘Guidance on pathways to net zero for assets delivered under PPP contracts’
- Our Place, Housing and Economic Investment team provided Scottish Government with expertise on the £30m Islands Programme that will deliver positive outcomes to island communities with the first projects announced
- The first project in the £2bn, SFT-managed, outcomes-based Learning Estate Investment programme opened – Newton Farm Primary School in Cambuslang, South Lanarkshire
- Our Asset Strategy team published the Guide to Property Asset Strategy in the Scottish Public Sector underlining the importance of making the most of existing assets and taking a collaborative place-based approach to help determine future infrastructure investment
- Our Digital Infrastructure team produced its Infralink-Exchange Playbook - a tool to help the public sector better engage with the mobile industry to identify assets they own to have mobile network equipment installed
- As a strategic partner in the Construction Leadership Forum, the Scottish Construction Accord was published, aimed at creating a more thriving, net zero construction sector with enhanced working conditions and improved construction quality
- And through the SFT-managed hub Programme, hub West completed Glasgow’s largest Passivhaus-certified social housing development guaranteeing low energy bills for tenants

As has been the case since we were established in 2008, our continued success lies in our ability to forge strong partnerships across the public and private sectors. These successful collaborations contribute significantly to us achieving our goals and we continue to nurture and build on those strong relationships, working towards our vision of world class infrastructure for the people of Scotland.

Infrastructure and Sustainable Growth – SFT’s Role

Today in Scotland, the infrastructure we need, how it is paid for, what materials are used to build it, and where it is built, are all considered with a focus of net zero, place and inclusive economic growth.

This is not just a challenge for the public sector, but it is the responsibility of every person involved in planning, building, investing in, owning, operating and using Scotland’s infrastructure.

Helping the public sector navigate a path around this increasingly complex infrastructure landscape is a key role for us, the Scottish Futures Trust where we take a leadership approach and work hand in hand with our public and private sector partners to maximise the benefits coming from their infrastructure projects.

And we do this recognising that more must be done to encourage the adoption of a ‘one public sector’ approach to service delivery, where we are providing support to help the public sector work closer together to get the most from limited budgets.

We work across 14 interlinked infrastructure workstreams giving us a holistic view of the priorities and needs of all our public sector partners, which in turn helps us pull together the right teams and resources to enable our partners to secure greater value and deliver improved services for their communities.

Further details of SFT’s activities for the financial year to 31 March 2023 can be found on our website within the, [2019 - 24 Corporate Plan](#), the [2022/23 Business Plan](#) and the [2022/23 Financial Statements](#). [link to be updated when accounts are finalised]

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.

Our Impact

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”

Working closely with many organisations across the public and private sectors, during 2022/23, we contributed to the following:

- the value of public infrastructure projects under construction made possible through our innovative funding and financing approaches exceeded £290m;
- the value of investment in private infrastructure continued to be unlocked with projects valued at over £2.5bn on site;
- and over the past 12 months our work has continued to contribute towards a net-zero carbon economy, with 16,000 tonnes of infrastructure-related CO2 emissions saved during 2022/23.

In 2018, Scottish Government published its updated National Performance Framework (NPF) setting out a series of long-term outcomes aimed at creating a more successful country with opportunities for everyone to flourish through increased wellbeing from sustainable and inclusive economic growth.

The following year we published our 2019-24 five-year Corporate Plan that set out ten outcomes we wished to achieve with our partners which focussed on the goals set out in the NPF and to where all our business objectives are aligned.

In 2019/20 we published our first Outcomes Report on a website that detail over 30 case studies illustrating where our interventions and actions, in collaboration with our many partners, have had the greatest impact towards our ten infrastructure outcomes.

Since then, we have added approximately 30 more case studies to the Outcomes website each financial year, with the latest update for 2022/23 taking the total number of case studies to over 130; each case study illustrating how our work contributes towards achieving our three corporate priorities:

- Enable the transition to net zero emissions (focus on leading the way with coordinated decarbonisation of public sector assets to catalyse necessary industry transition)
- Drive inclusive economic growth (focus on delivering additionality of investment and accelerating appropriate development activity in current economic context)
- Build resilient and sustainable places (focus on showing leadership in the shift to collaborative and place-based ways of working)

Further details of all our workstreams and the impact they make are available on the [SFT Outcomes Website](#).