

Scottish Futures Trust
PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010
Duties to Publish Information
2017-18 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:

[2017/18 Business Plan](#)

[2014 - 2019 Corporate Plan](#)

[2017/18 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.

During 2016/17, SFT instigated the refresh of its website which resulted in the slight increase in spend on public relations in the that year.

Amount for 2017/2018: £86,723 (2016/17: £100,139)

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 tips:

Date	Person Travelling	Destination	Purpose of Travel	
Jun 17	James King and John Trower	Monaco	Datacloud Europe 2-day conference	
Sep 17	Barry White	Barcelona	Speaker at the World Infrastructure and Energy Summit	
Jul 17	James King, John Trower and Warren Adkins	Dublin	Meeting with Aquacomms on international connectivity	
Sep 17	James King and John Trower	Dublin	Datacloud Ireland 2-day conference	
Nov 17	James King	Chicago	Forum on Data Centres & Cloud Services Infrastructure	
Oct 17	Colin Proctor	Brussels	Attendance at PuREnet annual conference	
Nov 17	Kerry Alexander	Luxembourg	European PPP Expertise Centre (EPEC) Working Group	
Jan 18	Richard Lockhart	Copenhagen	District Heating Event	
Mar 18	Jamie Goth	Brussels	Energy Efficiency Conference	*
Feb 18	Ivan Marjanovic	Barcelona	Mobile World Congress Exhibition	
Mar 18	Mark Pillans	Luxembourg	EPEC Working Group Meeting of European Government Agencies	

Amount for 2017/18:

£10,051 costs funded by SFT

(or £10,290 in total including items marked '*', where costs were borne by external parties)

(2016/17: £10,115 costs borne by SFT; £14,740 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 2017/18: £1,779 (2016/17: £5,644)

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 2017/18: £1,003,440 (2016/17: £706,430)

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			
Aecom	07/04/2017	Secondment and BIM training	28,080
Aecom	13/10/2017	Secondment and BIM training	34,560
Aecom	29/03/2018	Technical advice associated with SFT new build	30,959
Advanced Wireless Technology Group	13/04/2017	Technical advice associated with digital programme	95,931
Brightwire Technology Services	19/05/2017	Application support for Source	25,920
Brightwire Technology Services	16/03/2018	Application support for Source	25,920
Carnall Farrer Ltd	01/12/2017	Healthcare plan and modelling support	54,000
CBRE Limited	28/03/2018	Data centre location review	64,800
City of Edinburgh Council	24/04/2017	Non-domestic rates	36,556
Farrpoint Limited	19/01/2018	Technical advice associated with digital 4G infill programme	47,880
Gartner UK Ltd	23/02/2018	Technical advice associated with digital programme	59,999
Pickard Everard	07/04/2017	Technical advice associated with innovative finance programme	36,450
Red Tree Research	21/03/2018	Market research in association with the build to rent sector	34,774
Smith Brands Limited	07/04/2017	Development of new Corporate website and Business plan for 2017/18	31,162
Workman LLP	19/05/2017	Rent for quarter to August 2017	32,681
Workman LLP	25/08/2017	Rent for quarter to November 2017	32,681
Workman LLP	08/11/2017	Rent for quarter to Feb 2018	32,681
Workman LLP	26/01/2018	Rent for quarter to May 2018	33,214
Item 2: Award of Grant			
East Ayrshire Council	18/01/2018	Release of Funds to assist Early Years and Childcare Design Work	60,000

Item 2: Award of Grant			
Construction Scotland Innovation Centre	15/11/2017	Release of funds to assist BIM knowledge framework	25,000
NHS Tayside	29/03/2018	Release of funds to cover demolition costs and associated work in relation to Murray Royall Walled Garden	30,000
South East Territory Participants	22/01/2018	Capital Enabling Funds – Edinburgh and Pennywell Regeneration Project	262,758
South East Territory Participants	16/03/2018	Capital Enabling Funds – Edinburgh and Pennywell Regeneration Project	46,110
South East Territory Participants	27/03/2018	Capital Enabling Funds – Edinburgh and Pennywell Regeneration Project	115,862

Credit card payments

Details of our credit card payments can be found on the SFT website: [here](#).

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 two staff members who received remuneration in excess of £150,000 during 2017/18.

Barry White, SFT's Chief Executive until his resignation on 9 January 2018, received a salary of £153,983 and car allowance of £9,400 in 2017/18. (2016/17 salary of £189,615 and car allowance of £11,500).

Peter Reekie, appointed Chief Executive on 10 January 2018 and previously held the post of Deputy Chief Executive and Director of Investments, received a salary of £164,940 and car allowance of £10,297 in 2017/18. (2016/17 salary of £158,012 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.

As an arm's length company owned by Scottish Government, our focus is to achieve the very best value when money is spent on building public infrastructure such as homes, schools, roads and hospitals and on services for improved digital communications.

We secure best value in many ways by - obtaining low-cost finance to allow construction start on a major road or hospital; expanding the use of a new school and its facilities for the benefit of the community; deploying innovative tools to allow public bodies to assess the investment required for energy efficient street lighting; or, by pioneering a new approach to building design that can be shared across local authorities.

Innovation is key for the delivery and funding of our programmes. With continued constraints on capital budgets across the UK, it is vital that alternative sources of investment are secured to support sustainable economic growth. On one innovative project with The City of Edinburgh Council, our Growth Accelerator initiative is allowing £60m of public money to be invested which is attracting £850m of private sector investment. As a result, this initiative is being rolled out with the potential to unlock substantial additional investment across Scotland.

Further success can be measured by the impact on peoples' lives. Our work is securing employment, opening up new training and apprenticeship positions, delivering more affordable-rent housing, expanding access to superfast broadband and is improving working environments by having flexible, energy-efficient and well-designed buildings. Great design has the power to deliver improved working and living environments which benefit us all. We continue to push design boundaries and challenge architects and builders to consider and implement new ways to design world class infrastructure.

Further details of SFT's activities for the financial year to 31 March 2017 can be found on our website within the [2014 - 2019 Corporate Plan](#), the [2017/18 Business Plan](#) and the [2017/18 Annual report and Financial Statements](#)

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 Review, detailing these Benefits, is published on our website and we remain well on track to achieve our five-year corporate target of securing £500-£750m of savings and benefits between 2014-2019. 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 and health centres; 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:

- Public bodies using the hub programme have in total commissioned over 184 community facilities, with 35 completed in 17/18; supporting over 5,300 jobs and with 77% of work going to Scottish SMEs.
- Our Street Lighting programme has seen 43% of Scotland's 900,000 street lamps replaced by energy-efficient LEDs, helping councils save over 50,000 tonnes of CO2 and £20m a year.
- Over half of Scotland's local authorities have utilised the Energy Performance Framework in its first 18 months of operation to deliver energy efficiency projects with guaranteed savings.

- Working closely with Scottish Government, we have led the £25m 4G mobile 'not-spot' mast programme into procurement.
- SFT and Angus Council established a regional collaborative programme which is bringing partners together to deliver efficiencies and find better ways of getting the most from their assets.

Further details of all our programmes and the benefits we deliver are available on the [SFT Website](#).