

Scottish Futures Trust
PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010
Duties to Publish Information
2018-19 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:

[2018/19 Business Plan](#)

[2014 - 2019 Corporate Plan](#)

2018/19 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 2018/19: £96,951 (2017/18: £86,723)

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 18	James King	Monaco	Datacloud Europe 2-day conference
Jun 18	Andrew Bruce	Dublin	Ireland & UK Governments' Infrastructure Meeting
Jun 18	Stephen Aird	Berlin	PuReNet Working Tables
Sep 18	Toby Tucker	Venice	EEMI Advisory Council meeting and conference
Sep 18	James King	Dublin	Datacloud Ireland 2-day conference
Sep 18	Colin Proctor	Copenhagen	EuHPN Conference
Oct 18	Shona Adam	Amsterdam	Smart Workspace Design Summit
Dec 18	Peter Reekie & Kerry Alexander	Luxembourg	European PPP Expertise Centre (EPEC) Annual Members Meeting
Jan 19	James King	Amsterdam	Forum on Data Centres & Cloud Services Infrastructure and EU Data Centre Association meeting
Jan 19	Kerry Alexander & Gemma Boggs	Paris	Fin Infra & Meridiam Meetings
Feb 19	Sarah Eynon/Warren Adkins and Bernie Dougherty	Helsinki	Nokia 5G Test bed and use case visit
Feb 19	Tony Rose	Paris	Organisation for Economic Co-operation and Development (OECD) meeting
Mar 19	Andrew Bruce	Nice	MIPIIM International Property Event
Mar 19	Paul Moseley	Brussels	A Framework for CCS Risk Sharing and Business Model Selection
Apr 19	James King	New Orleans	Triannual Subsea Cables Conference

Amount for 2018/19:

£ 16,356 costs funded by SFT

(2017/18: £10,051 costs borne by SFT; £10,290 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 2018/19: £2,781 (2017/18: £1,779)

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 2018/19: £1,285,869 (2017/18: £1,003,441)

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			
Aberdeenshire Council	25/5/2018	Secondment	27,888.00
Aberdeenshire Council	26/10/18	Secondment	44,668.80
Brightwire Technology Services	15/03/2019	Application support for Source	25,920.00
CBRE Limited	06/042018	Scottish pension funds pooling	99,000.00
City of Edinburgh Council	13/04/2018	Non-domestic rates	37,595.80
City of Edinburgh Council	11/01/2019	West Edinburgh Vision Planning	25,000.00
Deloitte	31/08/2018	Technical advice associated with digital programme	76,500.00
Deloitte	04/12/2018	Technical advice associated with digital programme	25,200.00
Deloitte	22/03/2019	Estate Services Delivery Strategy	57,600.00
Deloitte	22/03/2019	Technical advice associated with digital programme	49,800.00
Falkirk Council	15/03/2019	Scoping study for Resilience Shield	25,000.00
Global Marine Systems Ltd	14/12/2018	Technical advice associated with digital programme	57,912.00
Korn Ferry	08/02/2019	Leadership team training	29,131.20
Quorum Cyber Security Ltd	26/10/2018	IT security audit	43,200.00
Red Tree Research	13/04/2018	Market research in association with the build to rent sector	35,464.50
Workman LLP	11/05/2018	Rent for quarter to August 2018	33,213.64
Workman LLP	10/08/2018	Rent for quarter to November 2018	33,213.64
Workman LLP	23/11/2018	Rent for quarter to Feb 2019 plus annual building insurance	36,324.64
Workman LLP	25/01/2019	Rent for quarter to May 2019	33,395.12

Item 2: Award of Grant			
East Ayrshire Council	28/12/2018	Release of Funds to assist Early Years and Childcare Design Work	35,000
Dundee City Council	28/12/2018	Release of funds to assist Council PPP Schools NDEE Pilot Project	50,000
NHS Highland	24/01/2019	Release of funds as a contribution towards the costs associated with the Local Care Programme	100,000
Dundee City Council	24/01/2019	Release of funds towards procurement, delivery and deployment of 5G testbed project in the Dundee Central Waterfront	40,000
Comhairle nan Eilean Sar	28/02/2019	Release of funds towards the Barra Integrated Community Study	25,000
NHS Greater Glasgow & Clyde	15/03/2019	Release of funds towards costs associated with disposal of Yorkhill Hospitals	55,000
NHS Highland	22/03/2019	Release of funds to assist with life cycle reviews of projects nearing the end of concession	31,750
The Highland Council	29/03/2019	Release of funds towards the design and development of a masterplan and business case for the Inverness Castle Project	35,002

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 2018/19.

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: [SFT 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.

Infrastructure and Sustainable Growth – the International Context

The G20's Global Infrastructure Outlook states that "across the globe, a well-functioning, modern infrastructure is central to economic development and to quality of life" and that global infrastructure investment needs to be \$94 trillion between 2016 and 2040. It considers that the world will need to increase the proportion of GDP it dedicates to infrastructure by 0.5% over that expected under current trends. These global figures are for economic infrastructure only and are not distributed evenly, geographically. They indicate that investment in the right infrastructure is critical for economic growth and meeting sustainable development goals.

Infrastructure and Sustainable Growth – the Scottish Context

Recognising the global evidence base, Scottish Government has put investment in infrastructure at the heart of its plan to achieve its overall purpose – "to create a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth¹."

In its September 2018 Programme for Government, it established a new National Infrastructure Mission to increase investment so that it will be £1.5bn per year higher in 2025-26 than in 2019-20. In its Economic Action Plan published in October 2018, Scottish Government set boosting private and public investment and delivering world-class infrastructure as one of its key economic priorities. The plan sets out eight key elements for investment and infrastructure: Infrastructure Investment, digital and mobile connectivity, transport infrastructure and connectivity, housing, city region and other growth deals, carbon neutral economy, ultra-low emission vehicles, oil and gas and carbon capture. SFT is active in all these priority areas and will pursue objectives relating to each.

Infrastructure and Sustainable Growth – SFT's Role

In Scotland and for the past ten years we, the Scottish Futures Trust, has managed and delivered a wide range of public sector infrastructure programmes that not only support inclusive economic growth, but contribute towards a low carbon economy and deliver buildings into the heart of communities for maximum impact.

Examples of the inclusive economic growth implications of the programmes we support include:

- the hub programme has delivered £1.9bn of community infrastructure since its formation in 2011 with over £500m under construction;
- our development of the Growth Accelerator Model has facilitated the delivery of projects such as the St James Centre in Edinburgh;

¹ <https://nationalperformance.gov.scot/>

- our development and housing experts helped unlock multi-million pound levels of private sector investment into market and affordable housing in Winchburgh.

Further details of SFT's activities for the financial year to 31 March 2018 can be found on our website within the [2014 - 2019 Corporate Plan](#), the [2018/19 Business Plan](#) and the 2018/19 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’

Some examples of this work during 2018/19 include:

- Our development and housing expertise led to multimillion-pound levels of private sector investment being made into market and affordable housing in Winchburgh
- As a strategic partner in the Low Carbon Infrastructure Transition Programme our work helped deliver Fife Council's district heating scheme in Markinch that will provide low carbon heat to council office buildings, local businesses and homes, contributing to climate change targets.
- We established Host in Scotland as an umbrella organisation to represent and promote the interests of the Scottish datacentre sector industry. Data is one of the key utilities of the 21st century and datacentres will be the engine rooms of the knowledge economy.
- Our commercial property team supported Police Scotland and secured a multi-million-pound deal into the heart of Glasgow after selling the former Strathclyde Police HQ that will see the site transformed into the largest, purpose-built Build to Rent development in Scotland
- The hub programme delivered 29 community infrastructure projects in the financial year worth c£400m.

In establishing SFT, Scottish Government set the organisation a challenging target of achieving between £100m and £150m of savings and benefits every year. Over its first 10 years, from 2009 to 2019, SFT secured £1.34bn of savings with £136m of savings secured these past 12 months.

In addition to financial savings, SFT has secured wider benefits to the economy, the environment and local communities. Through SFT's various infrastructure programmes, thousands of local jobs and

apprenticeship opportunities were created; 19 more schools opened taking the total open in the Scotland's Schools for the Future programme to 102, the majority of which are open for communities to enjoy and benefit from; hundreds of millions of pounds of private sector investment has been leveraged into numerous residential development sites right across Scotland, and many thousands of tonnes of CO2 have been saved through a variety of low carbon projects and programmes led by SFT.

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