

FRAMEWORK DOCUMENT

SCOTTISH GOVERNMENT

SCOTTISH SOCIAL SERVICES COUNCIL

EXECUTIVE FRAMEWORK DOCUMENT

Introduction

1. This framework document has been drawn up by the Scottish Government (SG) in consultation with the Scottish Social Services Council (the SSSC). It sets out the broad framework within which the SSSC will operate and defines key roles and responsibilities which underpin the relationship between the SSSC and the SG. While this document does not confer any legal powers or responsibilities, it forms a key part of the accountability and governance framework and should be reviewed and updated as necessary, and at least every 2-3 years. Any proposals to amend the framework document either by the SG or the SSSC will be taken forward in consultation and in the light of SG priorities and policy aims. Any question regarding the interpretation of the document shall be determined by the SG after consultation with the SSSC. Legislative provisions shall take precedence over any part of the document.
2. References to the SSSC include any subsidiaries and joint ventures owned or controlled by the SSSC. The SSSC shall not establish subsidiaries or enter into joint ventures without the express approval of the SG. **For the purposes of this document only any reference to ‘the Council’ will mean ‘the Convener and Council Members’.**
3. Copies of the document shall be published on the SG and the SSSC’s websites.

Purpose

4. The SSSC is to contribute to the achievement of the SG’s primary purpose of increasing sustainable economic growth by aligning its aims and objectives with the [National Performance Framework](#), [Scotland’s Economic Strategy](#) and [Programme for Government](#).
5. The SSSC’s statutory duties are to:
 - establish and maintain registers of particular groups in the social work, social care and early years workforce
 - consider applications for registration according to the terms of the Regulation of Care (Scotland) Act 2001 and rules made under the Act and to grant (conditionally or unconditionally) or refuse registration on that basis
 - remove, revise or restore an entry on the register
 - prepare and publish codes of practice for the entire workforce
 - prepare and publish codes of practice for employers of the social work, social care and early years workforce; and ensure that these are complementary to the codes for the workforce

- in accordance with directions from the Scottish Ministers, to make grants and pay allowances to secure education and training in social services work for persons resident in Scotland
 - make grants to organisations providing approved courses under the Act
 - set fees in respect of the SSSC's functions, with the longer term aim of balancing income and expenditure for registration functions
 - establish a complaints procedure for complaints about the exercise by the SSSC of its functions, and
 - consult with the Care Inspectorate on the exercise by the SSSC of its functions, where appropriate.
6. The SSSC's purpose, strategic aims and objectives, as agreed by the Scottish Ministers, are to:
- improve standards of care provided in Scotland and protect the people who use services by:
 - strengthening and supporting the professionalism of the social work, social care and early years workforce, through effective regulation and continuing workforce development
 - raising standards of practice through training and education, and
 - carrying out the functions of the sector skills council, Skills for Care and Development.

Relationship between Scottish Government and the Scottish Social Services Council

7. Effective strategic engagement between the SG and the SSSC is essential in order that they work together as effectively as possible to maintain and improve public services and deliver improved outcomes. Both the SG and the SSSC will take all necessary steps to ensure that their relationship is developed and supported in line with the jointly agreed principles set out in the statement on [‘Strategic Engagement between the Scottish Government and Scotland's NDPBs’](#).

Governance and accountability

Legal origins of powers and duties

8. The SSSC is established under the Regulation of Care (Scotland) Act 2001 (the Act). The constitution of the SSSC is set out in Section 43 of the Act. The SSSC does not carry out its functions on behalf of the Crown.

Ministerial responsibilities

9. The Scottish Ministers are ultimately accountable to the Scottish Parliament for the activities of the SSSC and its use of resources. They are not however responsible for day to day operational matters. Their responsibilities include:
- agreeing the SSSC's strategic aims and objectives and key targets as part of the corporate planning process
 - agreeing the budget and the associated grant in aid requirement to be paid to the SSSC, and securing the necessary Parliamentary approval
 - carrying out responsibilities specified in the Regulation of Care (Scotland) Act 2001 (the Act), relevant Regulations, SG guidance, appointments to the SSSC's Council, approving the terms and conditions of Council Members, and appointment of the Chief Executive; and approval of the Strategic and Operational Plans, and
 - other matters such as approving the Convener and Council staff pay remit in line with SG Pay Policy and laying the accounts (together with the annual report) before the Parliament.

Council Responsibilities

10. The Council, including the Convener, normally consists of non-executives appointed by the Scottish Ministers in line with the [Code of Practice](#) for Ministerial Public Appointments in Scotland. The role of the Council is to provide leadership, direction, support and guidance to ensure the SSSC delivers and is committed to delivering its functions effectively and efficiently and in accordance with the aims, policies and priorities of the Scottish Ministers. It has corporate responsibility, under the leadership of the Convener, for the following:
- taking forward the strategic aims and objectives for the body agreed by the Scottish Ministers
 - determining the steps needed to deal with changes which are likely to impact on the strategic aims and objectives of the SSSC or on the attainability of its operational targets
 - promoting the efficient, economic and effective use of staff and other resources by the SSSC consistent with the principles of [Best Value](#), including, where possible, participation in [shared services](#) arrangements
 - ensuring that effective arrangements are in place to provide assurance on risk management, governance and internal control. (The Council must set up an Audit Committee chaired by a non-executive Member to provide independent advice and assurance on the effectiveness of the internal control and risk management systems)
 - (in reaching decisions) taking into account relevant guidance issued by the Scottish Ministers

- approving the annual accounts and ensuring that Scottish Ministers are provided with the annual report and accounts to be laid before the Scottish Parliament. The Chief Executive as the Accountable Officer of the SSSC is responsible to the Scottish Parliament for their actions
- ensuring that the Council receives and reviews regular financial information concerning the management and performance of the SSSC and is informed in a timely manner about any concerns regarding the activities of the SSSC
- appointing, with the approval of the Scottish Ministers, the SSSC Chief Executive and, in consultation with the SG, set appropriate performance objectives and remuneration package, in line with the SG Pay Policy for senior appointments. New contracts for Chief Executives should include a notice period of no more than three months. Where a business case can be made, the notice period may be set at a maximum of six months. In consultation with the SG, appropriate performance objectives should be set which give due weight to the proper management and use of resources within the stewardship of the NDPB and the delivery of outcomes, and
- demonstrating high standards of corporate governance at all times, including openness and transparency in its decision making.

Further guidance on how the Council should discharge its duties is provided in appointment letters and in [On Board: A Guide for Board Members of Public Bodies in Scotland](#).

The Convener's Responsibilities

11. The Convener is accountable to the Scottish Ministers and, in common with any individual with responsibility for devolved functions, may also be held to account by the Scottish Parliament. Communications between the SSSC and the Scottish Ministers should normally be through the Convener. He or she is responsible for ensuring that the SSSC's policies and actions support the Scottish Ministers' wider strategic policies and that its affairs are conducted with probity.
12. In leading the Council, the Convener must ensure that:
 - the work of the Council is subject to regular self-assessment and that the Council is working effectively
 - the Council, in accordance with recognised good practice in corporate governance, is diverse both in terms of relevant skills, experience and knowledge appropriate to directing the SSSC's business and in terms of protected characteristics under the Equality Act and the [Gender Representation on Public Boards Act](#) and [Guidance](#), where these apply
 - the Council has a balance of skills appropriate to directing the SSSC business, in accordance with recognised good practice in corporate governance

- the Council Members are fully briefed on terms of appointment, duties, rights and responsibilities
 - he or she, together with the other Council Members, receives appropriate induction training, including on financial management and reporting requirements and, as appropriate, on any differences that may exist between private and public sector practice
 - succession planning takes place to ensure that the Council is diverse and effective
 - the Scottish Ministers are advised of the SSSC's needs when Council vacancies arise, and
 - there is a code of conduct for Council Members in place, approved by the Scottish Ministers.
13. The Convener assesses the performance of individual Council Members on a continuous basis and undertakes a formal appraisal at least annually. The Convener, in consultation with the Council as a whole, is also responsible for undertaking an annual appraisal of the performance of the Chief Executive.

Individual Council Members' Responsibilities

14. Individual Council Members should act in accordance with the responsibilities of the Council as a whole and comply at all times with the code of conduct adopted by the SSSC and with the rules relating to the use of public funds and to conflicts of interest. (In this context "public funds" means not only any funds provided to the SSSC by the Scottish Ministers but also any other funds falling within the stewardship of the SSSC, including trading and investment income, gifts, bequests and donations.) General guidance on Council Members' responsibilities is summarised in their appointment letters and is also provided in [On Board: A Guide for Board Members of Public Bodies in Scotland](#).

Chief Executive Responsibilities

15. The Chief Executive of the SSSC is employed and appointed by the Council with the approval of the Scottish Ministers. He/she is the Council's principal adviser on the discharge of its functions and is accountable to the Council. His/her role is to provide operational leadership to the SSSC and ensure that the Council's aims and objectives are met and the SSSC's functions are delivered and targets met through effective and properly controlled executive action. His/her general responsibilities include the performance, management and staffing of the SSSC. General guidance on the role and responsibilities of the Chief Executive is contained in 'On Board' ([On Board: a guide for members of statutory boards - gov.scot \(www.gov.scot\)](#)). Specific responsibilities to the Council include:
- advising the Council on the discharge of its responsibilities - as set out in this document, in the founding legislation and in any other relevant

instructions and guidance issued by or on behalf of the Scottish Ministers - and implementing the decisions of the Council

- ensuring that financial considerations are taken fully into account by the Council at all stages in reaching and executing its decisions, and that appropriate financial appraisal and evaluation techniques, consistent with the [Appraisal and Evaluation](#) section of the [Scottish Public Finance Manual](#) (SPFM), are followed
- ensuring that the SSSC adheres, where appropriate, to the SG's [Programme and project management principles](#)
- having robust performance and risk management arrangements - consistent with the [Risk Management](#) section of the SPFM - in place that support the achievement of the SSSC's aims and objectives and that facilitate comprehensive reporting to the Council, the SG and the wider public
- ensuring that adequate systems of internal control are maintained by the SSSC, including effective measures against fraud and theft consistent with the [Fraud](#) section of the SPFM
- establishing appropriate documented internal delegated authority arrangements consistent with the [Delegated Authority](#) section of the SPFM
- advising the Council on the performance of the SSSC compared with its aims and objectives
- preparing the SSSC's Strategic and Operational Plans, in light of the strategic aims and objectives agreed by the Scottish Ministers
- ensuring effective relationships with SG officials, and
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the SG; that the SG is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the SG in a timely fashion.

The SSSC's Accountable Officer responsibilities

16. The Principal Accountable Officer for the Scottish Administration (the Permanent Secretary of the SG) will designate the Chief Executive as the Accountable Officer for the SSSC. Accountable Officers are personally answerable to the Scottish Parliament for the exercise of their functions, as set out in the [Memorandum to Accountable Officers for Other Public Bodies](#). These include:

- ensuring the propriety and regularity of the SSSC's finances and that there are sound and effective arrangements for internal control and risk management
 - ensuring that the resources of the SSSC are used economically, efficiently and effectively and that appropriate arrangements are in place to secure Best Value and deliver Value for Money for the public sector as a whole
 - ensuring compliance with relevant guidance issued by the Scottish Ministers, in particular the SPFM and SG Pay Policy ([Scottish Public Finance Manual](#))
 - signing the annual accounts and associated governance statements, and
 - a statutory duty to obtain written authority from the Council/Convener before taking any action which he/she considered would be inconsistent with the proper performance of the Accountable Officer functions. The Accountable Officer should also notify the relevant Portfolio Accountable Officer.
17. It is incumbent on the Chief Executive to combine their Accountable Officer responsibilities to the Scottish Parliament with their wider responsibilities to the Council. The Council/Convener should be fully aware of, and have regard to, the Accountable Officer responsibilities placed upon the Chief Executive, including the statutory duty described above.

Portfolio Accountable Officer responsibilities

18. The Principal Accountable Officer for the Scottish Administration will designate the Director-General Education, Communities and Justice as the Accountable Officer for the SG portfolio budget for the SSSC. The responsibilities of a Portfolio Accountable Officer are set out in detail in the [Memorandum to Accountable Officers for Parts of the Scottish Administration](#). They are personally answerable to the Scottish Parliament for ensuring that:
- the financial and other management controls applied by the SG are appropriate and sufficient to safeguard public funds and, more generally that those being applied by the SSSC conform to the requirements both of propriety and of good financial management
 - the key roles and responsibilities which underpin the relationship between the SG and the SSSC are set out in a framework document and that this document is regularly reviewed
 - effective relationships are in place at Director and Deputy Director level between the SG and the SSSC in accordance with the strategic engagement principles, and
 - there is effective continuous assessment and appraisal of the performance of the Convener of the Council, in line with the requirements of the Code of Practice for Ministerial Public Appointments in Scotland.

Scottish Government Director and Deputy Director

19. The Director for Children and Families and the Chief Social Work Adviser have responsibility for overseeing and ensuring effective relationships between the SG and the SSSC which support alignment of the SSSC's business to the SSSC's Purpose and National Outcomes and high performance by the SSSC. They will work closely with the SSSC's Chief Executive and be answerable to the Portfolio Accountable Officer for maintaining and developing positive relationships with the SSSC characterised by openness, trust, respect and mutual support. They will be supported by a sponsor unit in discharging these functions. The Deputy Director shall be responsible for assessing the performance of the Council's Convener, at least annually.

Sponsor unit responsibilities

20. The SG sponsor unit for the SSSC is the Office of the Chief Social Work Adviser (OCSWA). It is the normal point of contact for the SSSC in dealing with the SG. The unit, under the direction of the Chief Social Work Adviser, is the primary source of advice to the Scottish Ministers on the discharge of their responsibilities in respect of the SSSC and undertakes the responsibilities of the Portfolio Accountable Officer on his/her behalf. Specific responsibilities include:
- discharging sponsorship responsibilities in line with the principles and framework set out in the document '[Public bodies strategic engagement: guidance - gov.scot \(www.gov.scot\)](http://www.gov.scot/publications/public-bodies-strategic-engagement-guidance-2016/pages/1-6.aspx)' and ensuring that sponsorship is suitably flexible, proportionate and responsive to the needs of the Scottish Ministers and the SSSC
 - ensuring that appointments to the Council are made timeously and in accordance with the Code of Practice for Ministerial Appointments to Public Bodies in Scotland; [Code of Practice | Ethical Standards Commissioner](#)
 - proportionate monitoring of the SSSC's activities through an adequate and timely flow of appropriate information, agreed with the SSSC, on performance, budgeting, control and risk management;
 - addressing in a timely manner any significant problems arising in the SSSC alerting the Portfolio Accountable Officer and the responsible Minister(s) where considered appropriate
 - ensuring that the objectives of the SSSC and the risks to them are properly and appropriately taken into account in the SG's risk assessment and management systems, and
 - informing the SSSC of relevant SG policy in a timely manner.

Internal audit

21. The SSSC shall:

- establish and maintain arrangements for internal audit in accordance with the [Guidance overview: Public Sector Internal Audit Standards - GOV.UK \(www.gov.uk\)](#) (GIAS) and the [Internal Audit](#) section of the SPFM
 - set up an Audit Committee of its Council, in accordance with the [Audit Committees](#) section of the SPFM, to advise both the Council and the Chief Executive in his/her capacity as the SSSC's Accountable Officer
 - forward timeously to the SG the audit charter, strategy, periodic audit plans and annual audit assurance report, including the SSSC's appointed Internal Audit lead's opinion on risk management, control and governance and other relevant reports as requested, and
 - keep records of, and prepare and forward timeously to the SG an annual report on fraud and theft suffered by the SSSC and notify the SG at the earliest opportunity of any unusual or major incidents.
22. The SG's Internal Audit Division has a right of access to all documents held by the SSSC's internal auditor, including where the service is contracted out. The SG has a right of access to all the SSSC's records and personnel for any purpose subject to FOI and data protection legislation and contractual agreements.

External audit

23. The Auditor General for Scotland (AGS) audits, or appoints auditors to audit, the SSSC's annual accounts and passes them to the Scottish Ministers who shall lay them before the Scottish Parliament, together with the auditor's report and any report prepared by the AGS. For the purpose of audit the auditors have a statutory right of access to documents and information held by relevant persons. The SSSC shall instruct its auditors to send copies of all management reports (and correspondence relating to those reports) and responses to the SG.
24. The AGS, or examiners appointed by the AGS, may carry out examinations into the economy, efficiency and effectiveness with which the SSSC has used its resources in discharging its functions. The AGS may also carry out examinations into the arrangements made by the SSSC to secure Best Value. For the purpose of these examinations the examiners have a statutory right of access to documents and information held by relevant persons. In addition, the SSSC shall provide, in contracts and any conditions to grants, for the AGS to exercise such access to documents held by contractors and sub-contractors and grant recipients as may be required for these examinations; and shall use its best endeavours to secure access for the AGS to any other documents required by the AGS which are held by other bodies.

Annual report and accounts

25. The SSSC must publish an annual report of its activities together with its audited accounts after the end of each financial year. The annual report must

cover the activities of any corporate, subsidiary or joint ventures under the control of the SSSC. It should comply with the [Government Financial Reporting Manual: - GOV.UK \(www.gov.uk\)](#) (FReM) and outline the SSSC's main activities and performance against agreed objectives and targets for the previous financial year.

26. The accounts must be prepared in accordance with relevant statutes and the specific accounts direction (including compliance with the FReM) and other relevant guidance issued by the Scottish Ministers. Any financial objectives or targets set by the Scottish Ministers should be reported on in the accounts and will therefore be within the scope of the audit. Any subsidiary or joint venture owned or controlled by the SSSC shall be consolidated in its accounts in accordance with International Financial Reporting Standards as adapted and interpreted for the public sector context.
27. The draft annual report should be submitted to the SG for comment by 30 June, and the draft accounts for information, by 1 October. The final version should be available for laying before the Scottish Parliament by the Scottish Ministers by 1 December. Whilst the statutory date for laying and publishing accounts audited by the AGS is by 31 December, following the close of the previous financial year, there is an expectation on the part of the Scottish Ministers that accounts will be laid and published as early as possible. The accounts must not be laid before they have been formally sent by the AGS to the Scottish Ministers and must not be published before they have been laid. The SSSC shall be responsible for the publication of the report and accounts e.g. on the SSSC's website.

Management responsibilities

Strategic Plan and Strategic Delivery Plan

28. The SSSC must ensure that a Strategic Plan, agreed with the Scottish Ministers, is in place and published on the SSSC's website. The SSSC shall agree with the SG the issues to be addressed in the plan and the timetable for its preparation and review. The finalised plan shall reflect the SSSC's strategic outcomes and objectives as agreed by the Scottish Ministers, indicative budgets and any priorities set by the Scottish Ministers. It shall demonstrate how the SSSC contributes to the achievement of the SG's primary purpose of increasing sustainable economic growth and alignment with the SG's [National Performance Framework | National Performance Framework](#) (NPF).

The Strategic Plan for the SSSC should include:

- the purpose and principal aims of the SSSC
- an analysis of the environment in which the SSSC operates
- key objectives and associated key performance targets for the period of the plan, the strategy for achieving those objectives and how these will contribute towards the achievement of the SG's primary purpose and alignment with the NPF
- indicators against which performance can be judged

- details of planned efficiencies, describing how the SSSC proposes to achieve better value for money, including through collaboration and shared services, and
 - other matters as agreed between the SG and the SSSC.
29. The Strategic Plan should inform the development of a separate Annual Strategic Delivery Plan for each financial year. The Annual Strategic Delivery Plan for the SSSC should include key targets and milestones for the year immediately ahead, aligned to the NPF, and be linked to budgeting information so that, where possible, resources allocated to achieve specific objectives can be identified. A copy of the SSSC's Annual Strategic Delivery Plan should be provided to the sponsor unit prior to the start of the relevant financial year. Meetings between the SSSC and the Sponsor Division to monitor progress against planned expenditure will be carried out as part of the normal cycle of the accountability meetings as agreed with Sponsor.

The Annual Strategic Delivery Plan

A timetable for the preparation of the plans is attached in Appendix 2

Budget management

30. Each year, in the light of decisions by the Scottish Ministers on the allocation of budgets for the forthcoming financial year, and following receipt of detailed budget proposals from the SSSC, the SG (sponsor team) will send to the SSSC no later than 31 March, a formal statement of its budgetary provision, a note of any related matters and details of the budget monitoring information required by the SG. The terms of that statement, referred to as the Budget Allocation and Monitoring letter, should be viewed as complementing the content of this document. The monthly monitoring is the primary means of in-year budgetary control across the SG. As such bodies must comply with the format and timing of the monitoring together with any requests for further information. The statement of budgetary provision will set out the budget within the classifications of resource Departmental Expenditure Limits (RDEL), capital DEL (CDEL) and Ring-fenced (non-cash) (RfDEL). The SSSC will inform the sponsor unit at the earliest opportunity if a requirement for Annually Managed Expenditure (AME) budget is identified. The SG should also be advised in the event that estimated net expenditure is forecast to be lower than budget provision. Transfers of budgetary provision between the different summary classifications as advised would require the prior approval of the SG Finance Directorate. Any proposals for such transfers should therefore be submitted to the sponsor team. Transfers of provision within the summary classifications may be undertaken without reference to the SG, subject to any constraints on specific areas of expenditure e.g. the approved pay remit.
31. If the trading and other resource income - or the net book value of disposals of non-current assets - realised is less than included in the most up to date agreed budget the SSSC shall, unless otherwise agreed with the SG, ensure a corresponding reduction in its gross expenditure. (The extent to which the SSSC exceeds agreed budgets shall normally be met by a corresponding reduction in the budgets for the following financial year.) If income realised is more than included in the most up to date agreed budgets the Council must

obtain the prior approval of the SG before using any excess to fund additional expenditure. Failure to obtain prior approval for the use of excess income to fund additional expenditure may result in corresponding reductions in budgets for the following financial year. The only exception is where the income is from gifts, bequests and donations but this must be spent within the same financial year as the receipt, otherwise additional budget allocation will be required. In any event, income from all sources and all planned expenditure should be reflected in the monthly budget monitoring statement.

Cash management

32. Any [grant in aid](#) (i.e. the cash provided to the SSSC by the SG to support the allocated budget) for the year in question must be authorised by the Scottish Parliament in the annual Budget Act. Grant in aid will normally be paid in monthly instalments on the basis of updated profiles and information on unrestricted cash reserves. Payment will not be made in advance of need, as determined by the level of unrestricted cash reserves and planned expenditure. Unrestricted cash reserves held during the course of the year should be kept to the minimum level consistent with the efficient operation of the SSSC - and the level of funds required to meet any relevant liabilities at the year-end. Grant in aid not drawn down by the end of the financial year shall lapse. Grant in aid shall not be paid into any restricted reserve held by the SSSC.
33. The banking arrangements adopted by the SSSC must comply with the [Banking](#) section of the SPFM.

Risk management

34. The SSSC shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of generally recognised best practice in corporate governance, and develop a risk management strategy, consistent with the [Risk Management](#) section of the SPFM. Reporting arrangements should ensure that the sponsor unit is made aware of relevant risks and how they are being managed. The SSSC's Audit Committee is also required, at the earliest opportunity, to notify the relevant Director General Assurance meeting if it considers that it has identified a significant problem which may have wider implications.

Organisational security and resilience

35. As part of risk management arrangements, the SSSC shall ensure that it has a clear understanding at Council level of the key risks, threats and hazards it may face in the personnel, physical and cyber domains, and take action to ensure appropriate organisational resilience to those risks/threats/hazards. It should have particular regard to the following key sources of information to help guide its approach:
 - [Having and Promoting Business Resilience \(part of the Preparing Scotland suite of guidance\)](#)

- [The Scottish Public Sector Action Plan on Cyber Resilience and associated guidance, in particular the Cyber Resilience Framework](#)

Counter fraud arrangements

36. The NDPB should adopt and implement policies and practices to safeguard itself against fraud and theft, in accordance with the [Fraud](#) section of the SPFM. Application of these processes must be monitored actively, supported by a fraud action plan and robust reporting arrangements. This includes the establishment of avenues to report any suspicions of fraud.

Performance management

37. The SSSC shall operate management information and accounting systems that enable it to review, in a timely and effective manner, its financial and non-financial performance against the strategic outcomes and operational objectives set out in the Strategic and Operational Plans. The results of such reviews should be reported on a regular basis to the SSSC's Council and copied to the SG. The SG shall assess the SSSC's performance on a continuous basis and undertake a formal internal review at least twice a year. The responsible Scottish Minister shall meet the SSSC's Convener at least once a year.

The SSSC's staff management

Broad responsibilities for the SSSC's staff

38. The SSSC will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:
 - personnel policies, practices and systems comply with employment and equalities legislation, and standards expected of public sector employers
 - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness (subject to the SG Pay Policy for Staff Pay Remits)
 - the performance of its staff at all levels is satisfactorily appraised and the SSSC's performance measurement systems are reviewed from time to time
 - its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the SSSC's objectives
 - proper consultation with staff takes place on key issues affecting them
 - adequate grievance and disciplinary procedures are in place
 - whistle-blowing procedures consistent with the Public Interest Disclosure Act 1998 are in place, and

- a code of conduct for staff is in place based on the Model Code for Staff of Executive NDPBs.

Pay and conditions of service

39. The SSSC shall submit to the SG for approval (normally annually unless a multi-year deal has been agreed) a pay remit in line with the SG Pay Policy for Staff Pay Remits and negotiate a pay settlement within the terms of the approved remit. Proposals on non-salary rewards must comply with the guidance in the [Non-Salary Rewards](#) section of the SPFM. The SSSC shall comply with employment and equalities legislation. The terms and conditions of the chief executive are subject to a separate approval exercise in line with the SG Pay Policy for Senior Appointments.

Pensions, redundancy and compensation

40. Superannuation arrangements for the SSSC's staff are subject to the approval of the SG. The SSSC's staff shall normally be eligible for a pension provided by Local Government Pension Scheme (LGPS). Staff may opt out of the occupational pension scheme provided by the SSSC, but the employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.
41. Any proposal by the SSSC to move from existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the SG. Proposals on compensation payments must comply with the [Settlement Agreements, Severance, Early Retirement and Redundancy Terms](#) section of the SPFM. This includes referral to the SG of any proposed severance scheme (for example, a scheme for voluntary exit), business case for a settlement agreement being considered for an individual, or proposal to make any other compensation payment. In all instances, a body should engage with the SG prior to proceeding with proposed severance options, and prior to making any offer either orally or in writing.

Asset and property management

42. The SSSC shall maintain an accurate and up-to-date record of its current and non-current assets consistent with the [Property: Acquisition, Disposal & Management](#) section of the SPFM. 'Non-current' assets should be disposed of in accordance with the SPFM. The SG's Property Division should be consulted about relevant proposed disposals of property that the SSSC holds for operational purposes (rather than investment) at the earliest opportunity so it may be advertised internally. An [Internal Advertisement](#) form must be completed and submitted at least one month prior to property being advertised on the open market. Any proposal to acquire land, buildings or other rights in property for accommodation/operational purposes should comply with the SPFM. The SSSC is also subject to the [SG Asset Management Policy](#), including the requirement for acquisition of a new lease, continuation of an existing lease, decision not to exercise a break option in a lease or purchase of property for accommodation/operational purposes, to be approved in advance by Scottish Ministers. The Property Controls Team should be

consulted as early as possible in this process. All assets (property, plant and equipment) are to be properly recorded and updated as necessary by the SSSC on the Cabinet Office [electronic Property Information Mapping System](#).

Delegated authorities

43. The SSSC's specific delegated financial authorities - as agreed in consultation between the SSSC and the SG - are set out in the attached **Appendix 1**. The SSSC shall obtain the SG's prior written approval before entering into any undertaking to incur any expenditure that falls outside these delegations. The SSSC shall also comply with any requirements for prior SG approval included in the SPFM and/or this document. Prior SG approval must always be obtained before incurring expenditure for any purpose that is or might be considered novel, contentious or repercussive or which has or could have significant future cost implications.

Income generation

44. The SSSC shall seek to optimise income – grant in aid does not qualify as income – from all sources, and ensure that the SG is kept informed. Novel or contentious proposals for new sources of income or methods of fundraising must be approved by the SG. Fees or charges for any services supplied by the SSSC shall be determined in accordance with the [Fees & Charges](#) section of the SPFM. Registration Fees charged by the SSSC are subject to consent by Scottish Ministers in accordance with Section 57 of Regulation of Care (Sc) Act 2001.
45. Gifts, bequests or donations received by the SSSC score as income and should be provided for in the agreed resource DEL and capital DEL budgets, updated as necessary in consultation with the SG. However, the SSSC should be able to demonstrate that expenditure funded by gifts etc. is additional to expenditure normally supported by grant in aid (i.e. SG core funding) or by trading and other income. Before accepting such gifts etc. the SSSC shall consider if there are any associated costs in doing so or any conflicts of interests arising. The SSSC shall keep a written record of any such gifts etc. and what happened to them.

Financial investments

46. Unless covered by a specific delegated authority the SSSC shall not make any financial investments without the prior approval of the SG. That would include equity shares in ventures which further the objectives of the SSSC. The SSSC shall not invest in any venture of a speculative nature.

Borrowing

47. Borrowing cannot be used to increase the SSSC's spending power. All borrowing by the SSSC - excluding agreed overdrafts - shall be from the Scottish Ministers in accordance with guidance in the [Borrowing, Lending & Investment](#) section of the SPFM.

Lease arrangements

48. Unless covered by a specific delegated authority the SSSC shall not enter into any finance, property or accommodation related lease arrangement – including the extension of an existing lease or the non-exercise of a tenant's lease break - without the SG's prior approval. Before entering/continuing such arrangements the SSSC must be able to demonstrate that the lease offers better value for money than purchase and that all options of sharing existing public sector space have been explored. Non-property/accommodation related operating leases are subject to a specific delegated authority. The SSSC must have capital DEL provision for finance leases and other transactions which are in substance borrowing.

Tax arrangements

49. Non-standard tax management arrangements should always be regarded as novel and/or contentious and must therefore be approved in advance by the SG. Relevant guidance is provided in the [Tax Planning and Tax Avoidance](#) section of the SPFM. The SSSC must comply with all relevant rules on taxation, including VAT. All individuals who would qualify as employees for tax purposes should be paid through the payroll system with tax deducted at source. It is the responsibility of the SSSC to observe VAT legislation and recover input tax where it is entitled to do so. The implications of VAT in relation to procurement and shared services should be considered at an early stage to ensure that financial efficiency is achieved. The SSSC must also ensure that it accounts properly for any output tax on sales or disposals.

Lending and guarantees

50. Any lending by the SSSC must adhere to the guidance in the [Borrowing, Lending & Investment](#) section of the SPFM on undertaking due diligence and seeking to establish a security. Unless covered by a specific delegated limit the SSSC shall not, without the SG's prior approval, lend money, charge any asset, give any guarantee or indemnity or letter of comfort, or incur any other contingent liability (as defined in the [Contingent Liabilities](#) section of the SPFM or in International Financial Reporting Standards), whether or not in a legally binding form. Guarantees, indemnities and letters of comfort of a standard type given in the normal course of business are excluded from this requirement.

Third party grants

51. Unless covered by a specific delegated authority or permitted under the Regulation of Care (Sc) Act 2001, the SSSC shall not, without the SG's prior agreement, provide grant funding to a third party. Such funding would be subject to the guidance in the [Subsidy Control](#) section of the SPFM. Guidance on a framework for the control of third party grants is provided as an annex to the [Grant & Grant in Aid](#) section of the SPFM.

Impairments, provisions and write-offs

52. Assets should be recorded on the balance sheet at the appropriate valuation basis in accordance with the FReM. Where an asset - and that includes investments - suffers impairment it is important that the prospective impairment and background is communicated to the SG at the earliest possible point in the financial year to determine the implications for the SSSC's budget. Similarly any significant movement in existing provisions or the creation of new provisions should be discussed in advance with the SG. Write-off of bad debt and/or losses scores against the SSSC's resource DEL budget classification and is subject to a specific delegated limit.

Insurance

53. The SSSC is subject to the SG policy of self-insurance. Commercial insurance must however be taken out where there is a legal requirement to do so and may also be taken out in the circumstances described in the [Insurance](#) section of the SPFM - where required with the prior approval of the SG. In the event of uninsured losses being incurred the SG shall consider, on a case by case basis, whether or not it should make any additional resources available to the SSSC. The SG will provide the SSSC with a Certificate of Exemption for Employer's Liability Insurance.

Procurement and payment

54. The SSSC's procurement policies shall reflect relevant guidance in the [Procurement](#) section of the SPFM and relevant guidance issued by the SG's Procurement and Commercial Directorate. Procurement should be undertaken by appropriately trained and authorised staff and treated as a key component of achieving the SSSC's objectives consistent with the principles of [Best Value](#), the highest professional standards and any legal requirements. Unless covered by a specific delegated authority any proposal to award a contract without competition (non-competitive action) must be approved in advance by the SG. Any external consultancy contracts with a value of more than £100,000 must be endorsed in advance by the Chief Executive and approved by the Sponsor team.
55. Any major investment programmes or projects undertaken by the SSSC shall be subject to the guidance in the [Major Investment Projects](#) section of the SPFM and is also subject to a specific delegated authority. The sponsor unit must be kept informed of progress on such programmes and projects and Ministers must be alerted to any developments that could undermine their viability. ICT investment plans must be reported to the SG's Information Services Investment Board.
56. The SSSC shall pay all matured and properly authorised invoices relating to transactions with suppliers in accordance with the [Expenditure and Payments](#) section of the SPFM, and in doing so shall seek wherever possible and appropriate to meet the SG's target for the payment of invoices within 10 working days of their receipt.

57. The SSSC shall pay all matured and properly authorised invoices relating to transactions with suppliers in accordance with the Expenditure and Payments section of the SPFM and in doing so shall seek wherever possible and appropriate to meet the SG's target for the payment of invoices within 10 working days of their receipt

Gifts made, special payments and losses

58. Unless covered by a specific delegated authority the SSSC shall not, without the SG's prior approval, make gifts or special payments or write-off losses. Special payments and losses are subject the guidance in the [Losses and Special Payments](#) section of the SPFM. Gifts by management to staff are subject to the guidance in the [Non-Salary Rewards](#) section of the SPFM.

Claw back

59. Where the SSSC has financed expenditure on assets by a third party, the SSSC shall make appropriate arrangements to ensure that any such assets above an agreed value are not disposed of by the third party without the SSSC's prior consent. The SSSC shall put in place arrangements sufficient to secure the repayment of its due share of the proceeds - or an appropriate proportion of them if the SSSC contributed less than the whole cost of acquisition or improvement. The SSSC shall also ensure that if assets financed by the SSSC cease to be used by the third party for the intended purpose an appropriate proportion of the value of the asset shall be repaid to the SSSC.

Subsidy Control

60. The EU State aid regime was effectively revoked from UK law from 1 January 2021 and subsidy control provisions are now covered by the UK-EU Trade and Cooperation Agreement (TCA) and the UK's international obligations including various Free Trade Agreements and those arising as a consequence of World Trade Organisation membership. This position may be subject if the UK Government establishing its own domestic subsidies control regime: a UK wide consultation on this is set to take place in the first half of 2021. Currently any activity that the NDPB undertakes itself, or funds other bodies to undertake, that can be offered on a commercial market for goods and services is subject to the TCA subsidy rules. A full assessment is therefore required prior to disbursing any funding and would be subject to the guidance in the [subsidy regime section](#) of the SPFM.

Council expenses

61. Remuneration, allowances and expenses paid to Council Members must comply with the SG Pay Policy for Senior Appointments and any specific guidance on such matters issued by the Scottish Ministers.

EXECUTIVE NDPB MODEL FRAMEWORK DOCUMENT: APPENDIX 1

SPECIFIC DELEGATED FINANCIAL AUTHORITIES

		Delegated Limit (all delegated limits exclude VAT)
External business and management consultancies		£100,000
Non-competitive action		Lower of £30,000 total contract value or £10,000 per annum
Acquisition of Property Plant & Equipment and intangible assets – capital expenditure		£25,000
Operating leases – other than property/ accommodation related leases		Lower of £50,000 over lease period or £10,000 per annum
Gifts		£200
Special payments:		
Compensation payments (made under legal obligation, i.e. following a pronouncement by a recognised court or tribunal)		£10,000
Ex-gratia payments		£200
Extra-statutory and extra-regulatory payments		£0
Claims waived or abandoned		£2,500
Write-off of bad debt and/or losses:		
Loss of cash due to theft, fraud, overpayment of salaries, wages, fees, allowances, other causes		£3,000
Loss of equipment and property, due to theft, fraud, arson, fire, flood, motor vehicle accidents or damage to vehicles		£3,000
Irrecoverable debt (limit refers to accumulated irrecoverable debt for a legal entity)		£10,000

EXECUTIVE NDPB MODEL FRAMEWORK DOCUMENT: APPENDIX 2

TIMETABLE FOR THE SSSC's ANNUAL STRATEGIC DELIVERY PLANS AND FINANCIAL RETURNS

1. The Annual Strategic Delivery Plan

The first year of the strategic plan, amplified as necessary, will form the Annual Strategic Delivery Plan. The Annual Strategic Delivery Plan for the year immediately ahead shall be consistent with the agreed Strategic Plan. The Annual Strategic Delivery Plan shall be updated annually by the SSSC to include key targets and milestones for the forthcoming year and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the sponsor Directorate. A copy of the Annual Strategic Delivery Plan will be submitted to the sponsor Directorate for information and comment prior to the beginning of the financial year in question

2. Timetable for the Plans

The timetable for the preparation of the plans is as follows:

January	Draft outline of plans
February	Discussions with key stakeholders, Council and Sponsor Agreement on core grant with Sponsor Directorate
February/March	Council discussion and approval with full plan available to sponsor Division
End March	Scottish Ministers to approve

3. Financial statements and returns

The SSSC will provide the Sponsor team with:

- The first of these statements will be based on the financial position as at the end of April, showing for each of the main budget headings a total of the payments made and any receipts received in the previous month, together with the accumulated net payments to date and the balance of cash remaining available to the SSSC for the year.
- Financial statements and outturns analyses will be submitted to the Department within 12 working days of the end of the calendar month.