
**MANAGEMENT STATEMENT and FINANCIAL MEMORANDUM
LOCAL GOVERNMENT BOUNDARY COMMISSION FOR SCOTLAND**

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Part 1: INTRODUCTION

1.1 This Management Statement and Financial Memorandum (MSFM) has been drawn up by the Scottish Government's National Conversation, Referendums and Elections Division ("the sponsor Division") in consultation with the Local Government Boundary Commission for Scotland ("the Commission"). The Management Statement sets out the broad framework within which the Commission will operate while the Financial Memorandum sets out certain aspects of the financial framework in greater detail. The MSFM does not convey any legal powers or responsibilities.

1.2 The MSFM shall be reviewed and updated periodically by the sponsor Division, normally at least every 2-3 years.

1.3 The Commission, or the sponsor Division, may propose amendments to the MSFM at any time. Any such proposals by the Commission shall be considered in the light of the Scottish Ministers' policy aims, operational factors and the track record of the Commission itself. The guiding principle shall be that the extent of flexibility and freedom given to the Commission shall reflect both the quality of its internal controls and its operational needs. The sponsor Division shall determine what changes, if any, are to be incorporated in the MSFM. Legislative provisions shall take precedence over any part of the MSFM.

1.4 The Commission shall satisfy the conditions and requirements set out in the MSFM, together with all relevant requirements in the Scottish Public Finance Manual (SPFM) and such other conditions as the Scottish Ministers or sponsor Division may from time to time impose. Any question regarding the interpretation of the MSFM shall be resolved by the sponsor Division after consultation with the Commission.

1.5 Copies of the MSFM have been placed in the Scottish Parliament Reference Centre and published on the Scottish Government website. Copies shall also be made available on the Commission's website and on request.

Part 2: MANAGEMENT STATEMENT

2.1 FUNCTIONS, DUTIES AND POWERS

2.1.1 *Founding legislation*

2.1.1.1 The Commission is established under the Local Government (Scotland) Act 1973. The constitution of the Commission is set out in Schedule 4 of the 1973 Act. Schedule 1A of the National Health Service (Scotland) Act 1978, as inserted by the Health Boards (Membership and Elections) (Scotland) Act 2009, gives the Commission additional responsibilities with regard to elections to Health Boards.

2.1.2 *The functions, duties and powers of the Commission*

2.1.2.1 The Acts referred to above give the Commission its functions, duties and powers.

2.1.2.2 In exercise of its statutory functions, duties and powers, the Commission acts independently of Scottish Ministers.

2.1.2.3 The functions of the Commission are:

- to make recommendations to Scottish Ministers in the interests of effective and convenient local government for:
 - the alteration of a local government area;
 - the constitution of a new local government area;
 - the abolition of a local government area;
 - a change to the electoral arrangements for a local government area.
- to advise Scottish Ministers on electoral arrangements for Health Boards.

2.1.2.4 The duties of the Commission are:

- subject to any Ministerial Direction, to review all local government areas every 8 to 12 years;
- to review electoral arrangements of all local government areas every 8 to 12 years;
- to consider any request for the review of a local government area;
- to review local government areas affected by new town designations;
- to submit a report to Scottish Ministers when they have conducted a review;
- when consulted, to advise Scottish Ministers on the boundaries of electoral wards for Health Boards.

2.1.2.5 The powers of the Commission are:

- subject to any Ministerial Directions, at its own discretion, to review a local authority area;
- at its own discretion, to review electoral arrangements for a local authority area;
- to arrange a local inquiry in connection with a review.

2.1.3 Classification

2.1.3.1 For policy and administrative purposes the Commission is classified as an advisory non-departmental public body.

2.1.3.2 For national accounts purposes the Commission is classified to the central government sector.

2.2 AIMS, OBJECTIVES AND TARGETS

2.2.1 Overall aims

2.2.1.1 Within the founding legislation the Scottish Ministers have defined the overall aims for the Commission as follows:

To carry out its functions in an independent manner with due regard for economy, effectiveness and efficiency.

2.2.2 Objectives and key targets

2.2.2.1 The sponsor Division determines the Commission's performance framework in the light of the Scottish Ministers' wider strategic aims. The Commission's objectives and key targets shall be agreed within the Commission's corporate planning process (see 2.4 below).

2.3 RESPONSIBILITIES AND ACCOUNTABILITY

2.3.1 The Scottish Ministers

2.3.1.1 The Scottish Ministers are ultimately accountable to the Scottish Parliament for the activities and performance of the Commission. Their responsibilities include:

- approving the Commission's strategic objectives and the policy and performance framework within which the Commission will operate (as set out in this MSFM);
- keeping the Parliament informed about the Commission's performance;
- approving the resource budget and the associated grant in aid requirement to be paid to the Commission, and securing the necessary Parliamentary approval;
- carrying out responsibilities specified in the founding legislation including appointments to the Commission, approving the terms and conditions of Commission members, and appointment of the Secretary in consultation with the Commission.

2.3.2 The Portfolio Accountable Officer

2.3.2.1 The Permanent Secretary is the Principal Accountable Officer for the Scottish Administration and the Portfolio Accountable Officer for parts of Scottish Government including the sponsor Division for the Commission. The responsibilities of a Portfolio Accountable Officer are set out in detail in the Memorandum to Accountable Officers - see Annex 1 of the section on Accountability in the SPFM.

2.3.2.2 In particular the Portfolio Accountable Officer shall ensure that:

- the Commission's strategic aims and objectives support the Scottish Ministers' wider strategic aims;
- the financial and other management controls applied by the sponsor Division to the Commission are appropriate and sufficient to safeguard public funds and for ensuring that the Commission's compliance with those controls is effectively monitored ("public funds" include not only any funds provided to the Commission by the Scottish Ministers but also any other funds falling within the stewardship of the Commission, including gifts, bequests and donations);
- the internal controls applied by the Commission conform to the requirements of regularity, propriety and good financial management;
- any funding provided to the Commission is within the scope and the amount authorised by the Budget Act.

2.3.3 The sponsoring team in the sponsor Division

2.3.3.1 Within the sponsor Division, Elections Team is the sponsoring team for the Commission. The sponsoring team, in consultation as necessary with the Portfolio Accountable Officer, is the primary source of advice to the Scottish Ministers on the discharge of their responsibilities in respect of the Commission, and the primary point of contact for the Commission in dealing with the sponsor Division. The sponsoring team shall carry out its duties under a senior officer who shall have primary responsibility for overseeing the activities of the Commission.

2.3.3.2 The sponsoring team shall advise the Scottish Ministers on:

- an appropriate framework of objectives and targets for the Commission in the light of the Scottish Ministers' wider strategic aims;

- an appropriate budget for the Commission in the light of the Scottish Ministers' overall public expenditure priorities;
- how well the Commission is achieving its strategic objectives and whether it is delivering value for money.

2.3.3.3 In support of the Portfolio Accountable Officer the sponsoring team shall:

on performance and risk management -

- monitor the Commission's activities on a continuing basis through an adequate and timely flow of information from the Commission on performance, budgeting, control and risk management;
- address in a timely manner any significant problems arising in the Commission, whether financial or otherwise, making such interventions in the affairs of the Commission as is judged necessary;
- ensure that the activities of the Commission and the risks associated with them are properly and appropriately taken into account in the Scottish Government's risk assessment and management systems;
- ensure that appointments to the Commission are made timeously and in accordance with the Commissioner for Public Appointments in Scotland Code of Practice.

on communication with the Commission -

- inform the Commission of relevant Scottish Government policy in a timely manner; advise on the interpretation of that policy; and issue specific guidance to the Commission as necessary;
- bring concerns about the activities of the Commission to the attention of the Commission, and require explanations and assurances from the Commission that appropriate action has been taken.

2.3.4 The Chairman of the Commission

2.3.4.1 The Chairman is appointed by Scottish Ministers for a period of three or four years, and in accordance with the Code of Practice issued by the Office of the Commissioner for Public Appointments in Scotland.

2.3.4.2 The Chairman is responsible to the Scottish Ministers. The Chairman shall aim to ensure that the Commission's policies and actions support the wider strategic policies of the Scottish Ministers; and that the Commission's affairs are conducted with probity. The Chairman shares with other Commission members the corporate responsibilities set out in paragraph 2.3.5.2, and in particular for ensuring that the Commission fulfils the aims and objectives set by the Scottish Ministers.

2.3.4.3 The Chairman has a particular leadership responsibility on the following matters:

- formulating the Commission's strategy;
- ensuring that the Commission, in reaching decisions, takes proper account of guidance issued by the Scottish Ministers;
- promoting the efficient and effective use of staff and other resources;
- encouraging high standards of propriety and regularity;
- representing the views of the Commission to the general public.

2.3.4.4 The Chairman shall also:

- ensure that all members of the Commission, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and

responsibilities, and receive appropriate induction training, including on the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice;

- advise the Scottish Ministers of the needs of the Commission when vacancies arise, with a view to ensuring a proper balance of professional and financial expertise;
- assess the performance of individual Commissioners on an annual basis.

2.3.4.5 The Chairman shall also ensure that Commissioners are fully aware of the Commission's Code of Conduct approved by the Scottish Ministers.

2.3.4.6 Formal communications between the Commission and the Scottish Ministers shall normally be through the Chairman. The Chairman shall ensure that the other Commissioners are kept informed of such communications.

2.3.5 The Commission

2.3.5.1 The Commissioners are appointed following the same procedure outlined above for the appointment of the Chairman.

2.3.5.2 The Commission has corporate responsibility for ensuring that the Commission fulfils the aims and objectives set by the Scottish Ministers and for promoting the efficient and effective use of staff and other resources by the Commission in accordance with the principles of Best Value - see relevant section of the SPFM. To this end, and in pursuit of its wider corporate responsibilities, the Commission shall:

- establish the overall strategic direction of the Commission within the policy, planning and resources framework determined by the Scottish Ministers;
- ensure that the Scottish Ministers are kept informed of any changes which are likely to impact on the strategic direction of the Commission or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds (i.e. all funds falling within the stewardship of the Commission) are complied with; that the Commission operates within the limits of its statutory authority and any delegated authority agreed with the sponsor Division, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Commission takes into account relevant guidance issued by the Scottish Ministers;
- ensure that the Commission receives and reviews regular financial information concerning the management of the Commission; is informed in a timely manner about any concerns about the activities of the Commission; and provides positive assurance to the sponsor Division that appropriate action has been taken on such concerns;
- provide commitment and leadership in the development and promotion of Best Value principles throughout the organisation;

2.3.5.3 Individual Commissioners shall act in accordance with their wider responsibility - namely to:

- comply at all times with the Code of Conduct that is adopted by the Commission and with the rules relating to the use of public funds, conflicts of interest and confidentiality;

- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- act in good faith and in the best interests of the Commission.

2.3.6 *The Secretary of the Commission*

2.3.6.1 The Secretary of the Commission carries responsibilities which match many of the functions of an Accountable Officer. However, he/she is not formally designated as such and accountability ultimately lies with the Permanent Secretary.

2.3.6.2 The Secretary of the Commission is personally responsible for safeguarding the public funds (i.e. all funds falling within the stewardship of the Commission) for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the Commission. He/she should act in accordance with the terms of the MSFM and within the terms of relevant guidance in the SPFM and other instructions and guidance issued by the Scottish Ministers - in particular the Memorandum to Accountable Officers of Other Public Bodies (Annex 2 of the section on Accountability in the SPFM).

2.3.6.3 The Secretary has a duty to secure Best Value, which includes the concepts of good corporate governance, performance management and continuous improvement. Guidance to Accountable Officers on what their organisations should be able to demonstrate in fulfilment of the duties which make up a Best Value regime is included in the Best Value section of the SPFM.

2.3.6.4 The Secretary shall exercise the following specific responsibilities:

on planning, performance management and monitoring -

- establish the Commission's corporate plan in the light of the Scottish Ministers' wider strategic aims;
- establish a robust performance management framework which supports the achievement of the Commission's aims and objectives as set out in the corporate plan; and which enables full performance reporting to the Commission, the sponsor Division and the wider public;
- inform the sponsor Division of the Commission's progress in helping to achieve the Scottish Ministers' policy objectives and in demonstrating how resources are being used to achieve those objectives;
- ensure that timely forecasts and monitoring information on performance and finance are provided to the sponsor Division; that the sponsor Division is notified promptly if overspends or underspends are likely or if performance targets are at serious risk 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 sponsor Division in a timely fashion;

on advising the Commission -

- advise the Commission 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 the Scottish Ministers or the sponsor Division;

- advise the Commission on the Commission's performance compared with its aims and objectives;
- ensure that financial considerations are taken fully into account by the Commission at all stages in reaching and executing its decisions, and that standard financial appraisal techniques as set out in the Green Book are followed as far as this is appropriate and practical;
- take action as set out in section 5 of the Memorandum to Accountable Officers of Other Public Bodies if the Commission, or its Chairman, is contemplating a course of action involving a transaction which the Secretary considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration or efficiency or effectiveness;

on managing risk and resources -

- ensure that a system of risk management is embedded in the organisation to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure that the funds made available to the Commission are used for the purpose intended by the Parliament, and that such moneys, together with the Commission's assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that adequate internal management and financial controls are maintained by the Commission, including effective measures against fraud and theft;
- maintain a comprehensive system of internal delegated authorities which are notified to all staff, together with a system for regularly reviewing compliance with these delegations;
- ensure that effective human resource management policies are maintained and that strategic human resource planning is related to the Commission's objectives;

on accounting for the Commission's activities -

- ensure that proper records are kept relating to expenditure;
- provide a Letter of Assurance to the Sponsor Division in relation to the Scottish Government's Statement of Internal Control;
- ensure that an effective complaints procedure is in place and made widely known;
- give evidence when summoned before Committees of the Scottish Parliament on the use and stewardship of public funds by the Commission.

2.3.6.5 The Secretary may delegate the day-to-day administration of his/her responsibilities to other staff in the Commission. However, he/she shall not assign absolutely to any other person any of the responsibilities set out in this document.

2.3.6.6 The Secretary is responsible for informing the Portfolio Accountable Officer about any complaints about the Commission accepted by the Scottish Public Services Ombudsman for investigation, and about the Commission's proposed response to any subsequent recommendations from the Ombudsman.

2.4 PLANNING, BUDGETING AND CONTROL

2.4.1 The corporate plan

2.4.1.1 Each year the Commission shall submit to the sponsor Division a draft of the Commission's corporate plan covering the following 3 financial years. The Commission shall have agreed with the sponsor Division the issues to be addressed in the plan and the timetable for its preparation.

2.4.1.2 The plan shall reflect the Commission's statutory duties and, within those duties, the priorities set from time to time by the Scottish Ministers.

2.4.1.3 The corporate plan shall set out:

- the Commission's key objectives and associated key performance targets for the forward years, and its strategy for achieving those objectives;
- alternative scenarios to take account of factors which may significantly affect the execution of the plan but which cannot be accurately forecast;
- other matters as agreed between the sponsor Division and the Commission.

2.4.1.4 The main elements of the plan - including the key performance targets - shall be agreed between the sponsor Division and the Commission in the light of the sponsor Division's decisions on policy and resources taken in the context of the Scottish Ministers' wider public expenditure plans and decisions.

2.4.1.5 The plan shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the sponsor Division.

2.4.1.6 Subject to any commercial considerations the corporate plan shall be made available on the Internet.

2.4.2 Reporting performance to the sponsor Division

2.4.2.1 The Commission shall operate management information and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in its corporate plan.

2.4.2.2 The Commission shall take the initiative in informing the sponsor Division of changes in external conditions which make the achievement of objectives more or less difficult, or which may require a change to the budget or objectives set out in the corporate plan.

2.4.2.3 The Commission's performance in helping to deliver Ministers' policies, including the achievement of agreed key objectives, shall be reported to the sponsor Division on a regular basis. Performance will be formally reviewed regularly by the sponsor Division. The appropriate Cabinet Secretary or Scottish Minister shall meet the Commission formally each year to discuss the Commission's current and future activities and any policy developments relevant to those activities.

2.4.2.4 The Commission's performance against key targets shall be reported in the Commission's annual report (see 2.5.1 below). Other forms of reporting performance to the public should also be considered.

2.4.3 Budgeting procedures

2.4.3.1 The Commission's budgeting procedures are set out in the Part 3 of this MSFM.

2.4.3.2 The steps in the Commission's budget and planning processes shall normally meet the timing set out in Appendix B.

2.4.4 Internal Audit

2.4.4.1 The Scottish Government's internal audit service shall have a right of access to documents.

2.4.4.2 In addition, the Commission shall forward to the sponsor Division an annual report on fraud and theft suffered by the Commission; notify any unusual or major incidents as soon as possible; and notify any changes to its Fraud Policy and Fraud Response Plan.

2.5 EXTERNAL ACCOUNTABILITY

2.5.1 The annual report

2.5.1.1 After the end of each financial year the Commission shall publish an annual report of its activities.

2.5.1.3 The report shall outline the Commission's main activities and performance during the previous financial year and set out in summary form the Commission's forward plans.

2.5.1.4 The report shall be submitted in draft to the sponsor Division for comment within 3 months of the end of the reporting year. The Commission shall be responsible for the publication of the report, including on the Commission's website.

2.5.2 Value for Money and 3E examinations

2.5.2.1 The Commission agrees that the Auditor General for Scotland (AGS) may carry out examinations into the economy, efficiency and effectiveness with which the Commission has used its resources in discharging its functions.

2.6 STAFF MANAGEMENT

2.6.1. The Commission Secretariat will be staffed by Scottish Government civil servants, and will be managed accordingly.

Part 3: FINANCIAL MEMORANDUM

3.1 BUDGETING PROCEDURES

3.1.1 The Commission's expenditure forms part of the Scottish Government's expenditure.

3.1.2 Each year, in the light of decisions by the Scottish Ministers on the Commission's corporate plan (paragraph 2.4.1), the sponsor Division will send to the Commission:

- a formal statement of the annual budgetary provision (disaggregated by main budget headings) allocated by the Scottish Ministers in the light of competing priorities across the Scottish Government and of the associated grant in aid and any approved forecast income; and
- a statement of any planned change in policies affecting the Commission.

3.1.3 Grant in aid provided by the Scottish Ministers for the year in question will be included in the annual Budget Act and will be subject to approval by the Parliament.

3.1.4 Transfers between main budget headings may be undertaken without the prior approval of the sponsor Division.

3.1.5 The extent to which the Commission exceeds agreed total resource and capital budgets shall normally be met by a corresponding reduction in the budget(s) for the following financial year.

3.1.6 Once the Commission's budget has been approved by the sponsor Division, the Commission shall have authority to incur expenditure and consume resources without further reference to the sponsor Division, on the following conditions:

- the Commission shall comply with the specific delegations set out in Appendix A to this MSFM. These delegations shall not be altered without the prior agreement of the sponsor Division;
- the Commission shall comply with the conditions set out in this MSFM regarding novel, contentious or repercussive proposals and with any relevant guidance in the SPFM;
- inclusion of any planned and approved expenditure in the Commission's budget shall not remove the need to seek formal sponsor Division approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed; and
- the Commission shall provide the sponsor Division with such information about its operations, performance, individual projects or other expenditure as the sponsor Division may reasonably require.

3.2 THE COMMISSION'S INCOME

3.2.1 Fees or charges for any services supplied by the Commission shall be determined in accordance with the Fees & Charges section of the SPFM.

3.2.2 Receipts from the sale of goods and services, rent of land, and dividends may be used to provide additional spending power subject to them being included in the approved budget.

3.2.3 If income realised or expected to be realised in-year is less than estimated, the Commission shall, unless otherwise agreed with the sponsor Division, ensure a corresponding reduction in its gross expenditure so that the authorised budget is not exceeded.

3.2.4 If income realised or expected to be realised in-year is more than estimated, the Commission may apply to the sponsor Division to retain the excess income for specified additional expenditure within the current financial year. The sponsor Division shall consider such applications, taking account of competing demands for resources.

3.3 THE COMMISSION'S EXPENDITURE: GENERAL PRINCIPLES

3.3.1 The Commission shall not, without prior approval of the sponsor Division, enter into any undertaking to incur any expenditure, which falls outside the specific limits on the Commission's delegated authority as set out in Appendix A to this MSFM.

3.3.2 All expenditure proposals shall, so far as appropriate, be subject to the guidance in the Appraisal and Evaluation section of the SPFM.

3.3.3 The Commission's procurement policies shall reflect relevant guidance in the Procurement section of the SPFM. Procurement should be treated as a key component of achieving the Commission's objectives, as well as a means of finding the most cost-effective method for securing the quality of assets and/or services. The Commission shall also ensure that it complies with any relevant EU or other international procurement rules.

3.3.4 Contracts shall be placed on a competitive basis and tenders accepted from suppliers who provide best value for money overall. Proposals to let single-tender or restricted contracts above the relevant delegated limit in Appendix A must be submitted to the sponsor Division for approval.

3.3.5 Procurement by the Commission of works, equipment, goods and services shall be based on value for money, i.e. quality (in terms of fitness for purpose) and delivery against price. Where appropriate, a full option appraisal shall be carried out before procurement decisions are taken.

3.3.6 The Commission shall pay all matured and properly authorised invoices in accordance with the guidance in the SPFM on Expenditure and Payments. The Commission is subject to the Scottish Government target for the payment of invoices within 10 working days of their receipt.

3.3.7 The Commission shall obtain the approval of the sponsor Division before:

- incurring any expenditure for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications, including on staff benefits;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the sponsor Division;
- making any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which might significantly affect the future level of resources required.

3.3.8 The Commission shall ensure that the risks which it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with the Risk Management section of the SPFM.

3.3.9 The Commission shall adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the Fraud section of the SPFM.

3.3.10 The Commission shall take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to give grant or grant in aid.

3.4 EXPENDITURE ON COMMISSIONERS

3.4.1 Remuneration, allowances and expenses paid to Commissioners must comply with specific guidance on such matters issued by the Scottish Ministers.

3.5 EXPENDITURE ON STAFF

3.5.1 The Commission is responsible for determining the number of staff required and the most appropriate organisational structure to deliver its remit economically, efficiently and effectively within the resources available to it. However, any significant changes in staff numbers or organisational structure must be approved in advance by the sponsor Division.

3.5.2 Staff of the Commission are Scottish Government civil servants, and therefore their pay, conditions and superannuation arrangements are determined by Scottish Government.

3.6 NON-STAFF EXPENDITURE

3.6.1 Proposals for making gifts or other special payments (including write-offs) outside the delegated limits set out in Appendix A must have the prior approval of the sponsor Division. Any such proposals should address the considerations listed in the Losses & 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.

3.7 MANAGEMENT AND DISPOSAL OF FIXED ASSETS

3.7.1 The Commission shall make a return for inclusion in the Scottish Government's register of its fixed assets.

3.7.2 The Commission shall dispose of assets which are surplus to its requirements and in accordance with its long-term estate strategy. Assets shall be sold for the best price, taking into account any costs of sale and in accordance with the guidance in the Disposal of Tangible Fixed Assets section of the SPFM. Proceeds from the disposal of assets may be retained by the Commission subject to them being included in the approved budget.

3.8 BANKING

3.8.1 The Commission will not hold its own bank account. All payments and receipts will be made through the Scottish Government financial systems.

Appendix A - Delegations

The Commission shall not exceed the following limits on delegated expenditure without written permission from the sponsor Division.

Acquisition of assets :	£10,000
Write-off of bad debt :	£0
Gifts, donations and special payments :	£0
Loans and indemnities :	£0

Appendix B - Timing

The steps in the Commission's budget and planning processes shall normally meet the following timing.

31 December - submission by Commission to sponsor Division of draft Corporate Plan for following 3 financial years

31 January - agreement of budget estimates for next financial year between Commission and sponsor Division

31 January - notification by Commission to sponsor Division of revised expenditure estimate for current financial year

1 April - notification by sponsor Division to Commission of financial provision for the financial year which is starting

1 July - draft annual report submitted by Commission to sponsor Division