Public Services Reform (Scotland) Act 2010

Report for 1 April 2024 to 31 March 2025

October 2025

ENVIRONMENTAL Standards Scotland
Ìrean Àrainneachdail na h-Alba

Contents

1. Introduction

1.1 Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 ('the Act') impose duties on Scottish public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year. We produce this statement to ensure compliance with the requirements of the Act.

1.2 Further information on Environmental Standards Scotland's (ESS) work can be found on the ESS website. In particular the ESS:

- Business Plan 2024/25 – 2025/26
- Strategic Plan 2022-25
- Annual Report and Accounts for 1 April 2024 to 31 March 2025

1.3 Should you require further information in relation to the activities or operations of ESS, please contact us at:

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2. Statement of expenditure

2.1 Sections 31 (1) and (2) require relevant public bodies to publish a statement on expenditure in connection with: public relations; overseas travel; hospitality and entertainment; external consultancy; payments in excess of £25,000; and remuneration in excess of £150,000.

2.2 ESS received a budget allocation of £3.02 million in the financial year 2024/25. ESS returned £100,000 mid-year in response to a call for public service reform savings, reducing this budget total to £2.92 million.

2.3 The statements below include information on each category of expenditure in relation to ESS’ budget allocation.

Public relations

Account code	2024/25 expenditure (£)	2023/24 expenditure (£)
Publications	16,098.79	20,536.18
Media Services	28,620.76	26,447.80
Staff costs	63,791.22	34,096.79
Development of Web Services	16,904.40	84,884.93
Total	**125,415.17**	**131,868.91**

Table 1 - Statement of expenditure in connection with public relations

2.4 From 1 April 2024 to 31 March 2025, ESS’ expenditure in connection with public relations amounted to £125,415.17. This figure is equal to 4.3% of ESS’ budget allocation for the period.

Overseas travel

Account code	2024/25 expenditure (£)	2023/24 expenditure (£)
Staff costs	3,766.76	1,338.84
Total	**3,766.76**	**1,338.84**

Table 2 - Statement of expenditure in connection with overseas travel

2.5 From 1 April 2024 to 31 March 2025, ESS’ expenditure in connection with overseas travel amounted to £3,766.76. This figure is equal to 0.1% of ESS’ reduced budget allocation for the period. This amount includes expenditure in relation to travel and subsistence for an ESS Board member who is based overseas.

2.6 ESS’ Board requires international expertise, particularly in relation to environmental policy, to complement existing work on keeping pace with the European Union and wider international developments, and provide an opportunity to tap into insights and advice from experts in this area. These expenses are therefore reflective of ESS' position in monitoring Scotland's commitment.

Hospitality and entertainment

Account code	2024/25 expenditure (£)	2023/24 expenditure (£)
Hospitality	-	883.03
Catering	171.18	1,230.29
Total	**171.18**	**2,113.32**

Table 3 - Statement of expenditure in connection with hospitality and entertainment

2.7 From 1 April 2024 to 31 March 2025, ESS' expenditure in connection with hospitality and entertainment amounted to £171.18. This figure is equal to 0.006% of ESS' reduced budget allocation for the period.

2.8 Instances of one-off items of expenditure on hospitality and entertainment below £25 have been excluded from this report. This is in line with guidance that these figures are de minimis.

External consultancy

Account code	2024/25 expenditure (£)	2023/24 expenditure (£)
Consultancy	47,017.00	17,755.00
Total	**47,017.00**	**17,755.00**

Table 4 - Statement of expenditure in connection with external consultancy

2.9 From 1 April 2024 to 31 March 2025, ESS' expenditure in connection with external consultancy amounted to £47,017.00. This figure is equal to 1.6% of ESS' reduced budget allocation for the period.

2.10 This expenditure related to services that are defined as consultancy following the Scottish Government 'Three Part Test'. To ensure comparisons to prior year figures were accurate, prior year consultancy costs have also been redefined and processed through the test.

Individual payments in excess of £25,000

Account code	Supplier/ purpose	No. of invoices	2024/25 expenditure (£)	2023/24 expenditure (£)
Accommodation charge	SLAB – rent charges	4 - all over £25k	145,651.79	133,055.11
Development of website services	The Gate – ongoing support and design and development of new website	-	-	82,740.00
Computer equipment	Computacentre Ltd – computer equipment for new office and homeworking	-	-	64,174.72
Accommodation charge	GHI – refurbishment of office space	7 – 2 over £25k	78,271.83	60,796.05
Agency staff costs	Venesky-Brown – interim finance and accountancy advisor	35	40,975.18	36,656.00
IT – shared service	iTECS – charges for use of SCOTS Connect	4	39,042.36	39,790.17
Media services	Smarts – third-party comms support	-	-	28,579.00
Research	Napier University Ventures Ltd – commissioned literature review	-	-	27,194.40

Table 5 - Statement of expenditure in connection with individual payments in excess of £25,000

2.11 ESS made six individual payments in excess of £25,000 during 2024/25, as outlined above. Table 5 also includes cumulative payments of over £25,000 during 2024/25, in the interests of transparency.

Remuneration

2.12 Between 1 April 2024 and 31 March 2025, no members of staff at ESS received remuneration in excess of £150,000.

2.13 No member of ESS received a bonus or other discretionary performance-related payment during this period.

3. Statement on steps to promote sustainable economic growth

3.1 Section 32(1)(a) of the Act places a duty on public bodies to publish a statement of the steps it has taken during the financial year to promote and increase sustainable growth through the exercise of its functions.

3.2 The Board, Audit and Risk Committee and Executive team keep ESS' budget and expenditure under regular review, including longer-term financial planning over the coming ten financial years. This allows ESS to ensure financial sustainability and remain reactive to pressures, priorities and in-year budget revisions.

3.3 ESS also complies with Fair Work First principles, the Scottish Government's flagship policy for driving high-quality and fair work, and workforce diversity across the labour market in Scotland. At ESS, implementation of this includes payment of at least the real Living Wage (including by its contractors), investment in workforce development, and opposing use of inappropriate zero hour contracts and fire and rehire practices.

3.4 In terms of ESS' operations, we have implemented Phase 1 of our Sustainability Plan over the 2022-2025 period. Phase 2 was developed over the course of 2024/25 for delivery from 2025 to 2030. This Plan seeks to embed a sustainable culture within the organisation as it continues to grow, and to guide ESS in reducing its own emissions and environmental impact.

3.5 As part of this plan, ESS is committed to the principles of sustainable procurement and will identify methods to better measure and reduce emissions relating to its supply chain. Additionally, ESS considers sustainability alongside quality and price in its technical scoring for awarding contracts to suppliers, achieving benefits such as:

- carbon reduction plans/net zero targets
- greener offices/greener travel
- Cycle to Work schemes
- waste reduction and recycling initiatives, including IT equipment and furniture being offered to local charities
- use of renewable energy suppliers
- hybrid working models
- employees encouraged to use days for Corporate Social Responsibility, net zero and community benefit activities
- hosting sector-focused national conferences where sustainability is a key topic

3.6 Phase 2 of the Plan also commits ESS to aligning with the United Nation's Sustainable Development Goals. This can be applied to ESS' own operations, but also through its influence within the wider public sector ensuring sustainable economic growth through its statutory functions. The role of ESS is to ensure that environmental law is effective, and that public bodies comply with it. This is so that Scotland's people and nature benefit from a high-quality environment. ESS achieves this by monitoring and evaluating environmental performance in Scotland and investigating matters of environmental concern.

3.7 To measure ESS' performance, a set of Performance and Management Indicators (PMIs)[1] has been developed and is reported on annually in ESS' Annual Report and Accounts. In addition to keeping track of ESS' actions and outputs, we look at the intermediate and long-term outcomes of delivering ESS' functions. In the longer-term, we will undertake impact assessments to determine how ESS' work has contributed (directly or indirectly) to changes to improve environmental outcomes.

[1] Publications: ESS' Performance and Management Indicators - Definitions and Sources

4. Statement on steps to improve efficiency, effectiveness and economy

4.1 Section 32(1)(b) of the Act requires public bodies to publish a statement of the steps taken to improve efficiency, effectiveness and economy in the exercise of their functions.

4.2 ESS is a non-ministerial office, independent of the SG and accountable to the Scottish Parliament. However, as a small public sector organisation and in line with public sector guidance, ESS analogues to the SG in terms of employment terms and conditions, and makes use of a number of its shared services. These include:

- IT
- data protection
- finance
- internal audit
- procurement

4.3 As a user of the finance shared service ESS has been a part of the move to a new Oracle Cloud finance system. This was onboarded from 1 October 2024 and has helped to improve the efficiency of financial reporting at ESS. ESS actively engaged with the SG's business readiness team and other bodies across the public sector to ensure this was a smooth transition.

4.4 In 2023/24, ESS' Audit and Risk Committee carried out a deep dive review of third-party contracts. This review considered the scope, risks and values of the contracts and made recommendations for the relet process. Over the course of 2024/25, the outcomes of the review have been drawn on to successfully relet contracts such as legal advice, HR and payroll. As a small public sector organisation, engaging in third-party contracts is an efficient and flexible way to buy in expertise and access services.

4.5 ESS leases its office space from the Scottish Legal Aid Board (SLAB). In collaboration with SLAB and Consumer Scotland, ESS carried out a retrofit of this accommodation. ESS and Consumer Scotland began co-habiting this space in May 2024, allowing efficiencies across both organisations. Both organisations will continue to assess partnership working opportunities across corporate services and the wider investigatory and analytical teams.

4.6 ESS seeks to work collaboratively wherever possible, whether that is with public bodies across Scotland, counterparts across the UK, or relevant bodies internationally. ESS has signed memoranda of understanding (MoU) with bodies including the SG's Rural and Environmental Science and Analytical Services (RESAS) (with regard to the use of the Strategic Research Programme), the Climate Change Committee, the Office for Environmental Protection and the Interim Environmental Protection Assessor for Wales. These MoU set out our intentions to collaborate where possible, and will allow for pieces of work such as information sharing, joint commissions and events.

4.7 ESS is committed to securing environmental outcomes by informal resolution where possible. This is an efficient and effective way of delivering ESS' investigatory functions, where we work with public bodies to improve the effectiveness and application of environmental law. Informal resolution can secure improvements in a more timely manner than taking formal action, and demonstrates collaboration across Scottish public bodies.

4.8 To remain efficient and effective, ESS has taken a flexible approach to recruitment and staffing. This has included: recruiting fixed-term appointments for short-term projects and scoping longer-term positions; agreeing part-time secondments for ongoing, on-call expertise; hosting mutually-beneficial placements to students from the Scottish Graduate School of Social Science (SGSSS); implementing temporary responsibility supplements to call on additional expertise within the existing staff complement; and seeking agency work where necessary.

4.9 ESS' sole source of income is its annual budget allocation received from the SG. Where efficient use of ESS' funds has resulted in savings against ESS' budget, ESS has been engaged with the SG to report this on a monthly basis and has been proactive in providing in-year returns to the SG against its annual budget allocation.

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