**People Directorate** DFP: People Advice Public Appointments Team



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20 August 2021

**Dear Commissioner** 

Thank you for sharing the report of your survey on time commitment, remuneration and other aspects of the role of public appointees. The views expressed in the survey have been carefully considered by the Scottish Government. Please find a formal response attached at Annex A.

Yours sincerely

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# Scottish Government Response to the Ethical Standards Commissioner's report on a survey on time commitment, remuneration and other aspects of the role of public appointees 2020

Scottish Ministers value highly the leadership and expertise that public appointees bring to public body boards. Work is ongoing to ensure that an increasingly diverse range of people apply for and are appointed to public body boards.

The Scottish Government note that many of the issues outlined in the report concern the operational process and policy of public body boards once appointees are in post rather than the appointments process.

Scottish Ministers support the principles outlined in the Commissioner's Code of Practice. We aim to be open and transparent in outreach and engagement with potential applicants. The information provided for applicants is of a high standard and includes detail about the board and the vacancy, the recruitment process, time commitment and remuneration. Appointees also receive an induction from Scottish Government as well as a local induction from the public body board so that they are clear about the arrangements in place for meetings, events, remuneration and expenses, the public body's policies and so on.

### Equality and diversity

The Scottish Government note the link that the Commissioner draws between an unexpected increase in time commitment once a person is appointed and the ability to attract a diverse range of people to these roles. The Scottish Government's own evidence does not substantiate this assertion.

We have seen an increase in the number of women appointees from 46% in 2017 to 52% in 2020. There has also been an improvement at Chair level with 39.3% of Chair roles now held by women; this is up from 26.7% in 2017.

Rates of appointment of disabled people are also improving. In 2020 12.7% of new appointees were disabled, this is up from 2019 when 12% of new appointments were made to people who declared a disability and up from 7% in 2018 and 6% in 2017. Overall, 7.4% of appointees are disabled.

In accord with the Public Appointments Race Equality Action Plan 2019 – 2022<sup>1</sup> the Scottish Government has been working with a range of stakeholders to better understand the barriers minority ethnic people experience. Actions taken to address these barriers include: promoting vacancies to minority ethnic people and a wide range of networks; working with current appointees to showcase talent and provide role models to enthuse people to apply; providing feedback and support to people who have applied for an appointment but been unsuccessful. As a result of these efforts there has been an improvement in the appointment rate of people from a minority ethnic background, in 2020 5.6% of new appointees were from a minority ethnic background, this was down only slightly from 6% in 2019 and an improvement from 4% in 2018 and 2% in 2017. Overall, 4% of current appointees are from a minority ethnic background.

In addition, recent feedback from our outreach and engagement activity suggests that changing working patterns (reduced hours, part time, job sharing) and home working means that more people are open to the commitment required for a public appointment, particularly

<sup>&</sup>lt;sup>1</sup> Public Appointments Race Equality Strategy, Scottish Government (2019) <u>Public appointments: race</u> equality action plan - gov.scot (www.gov.scot)

women. Feedback from younger people is that they are motivated to apply for a public appointment because of a desire to develop new professional skills and networks and for people over 50 the feedback tends to be that they are changing the way they work, retiring or reducing their paid employment and have more time and a desire to make a contribution to public life. These anecdotal findings are backed up by the survey of applicants (2020)<sup>2</sup> which reported a 4 year trend that people are motivated to apply because of a belief that they have the skills, knowledge and experience required for the role rather than the remuneration rate for the role.

The Scottish Government understand that time commitment and remuneration will play a part in people's consideration of whether or not a public appointment is right for them but this has not proven to be a significant barrier to increasing the participation of people from protected groups.

### Time commitment

The report noted that 62.5% of respondents to the survey found the time commitment needed for the role was more than had been advertised.

The policy is to ensure that the time commitment advertised in applicant information packs for appointments is as accurate as possible. In each appointment round the time commitment required is carefully considered by the Board and the selection panel and is always set out clearly in information packs for applicants. This includes health board appointments where information has been updated to reflect the increased time commitment for additional duties with Integrated Joint Boards. In outreach events for specific vacancies we encourage a realistic discussion about the expectations around time commitment and how this works in practice.

During the recruitment process, as part of the 'fit and proper person test' at interview the selection panel seeks assurance from candidates that they are able to meet the time commitment required. Details about the standards expected, the remuneration and the time commitment are also set out in appointment letters.

In practice the time commitment required may sometimes vary and each board will have policies in place to manage this situation. The number of additional responsibilities that an appointee takes on is at their own discretion and will happen in consultation with the Board Chair. Scottish Ministers expect that board Chairs and board members will monitor their time commitment and raise any concerns they have at a local level. If an appointee finds that the time commitment is greater than anticipated there are a number of routes that they can take to address this, including for example: informal discussion with the board Chair; raising it as part of a formal annual appraisal; resignation from additional committees. In cases where a board member has increased their commitment they will be reimbursed in line with the board's policy, and within the budget allocated for board remuneration for that public body.

## Remuneration

Remuneration for the appointment is detailed in the applicant information pack and also in the appointment letter.

The rate of remuneration across different public body boards and public appointments should align with the Chairs' and Members' Daily Fee Framework as set out in the Scottish Public Sector Pay Policy. The Daily Fee Framework sets out a number of remuneration tiers which reflect the different types of public body and appointments to those public bodies are

<sup>&</sup>lt;sup>2</sup> Applicant Research 2019, Ethical Standards Commissioner (2021) <u>2021-01-18 (Annual applicant survey</u> report)- FINAL.pdf (ethicalstandards.org.uk)

remunerated at the relevant level. Scottish Ministers make decisions about remuneration of public appointees on an annual basis and this is published in the Scottish Public Sector Pay Policy as part of the draft budget.

Although the survey of applicants shows that people are not motivated to apply for a public appointment because of the remuneration, it is a policy objective that public appointees are remunerated for their time so that membership can be drawn from as diverse a range of candidates as possible or where there is specific need for appointees to be drawn from otherwise under-represented groups. Any remuneration payable is not intended to meet in full the market rate that could be commanded by individuals in an employment context.

#### Expenses

The Scottish Government notes that, in terms of expenses, the survey respondents reported different experiences and varying levels of satisfaction. The payment of expenses is a matter for each public body board and arrangements may vary from board to board. However there is a principle that no appointee should be out of pocket as a result of expenses arising from their appointment, provided their costs are reasonable. All board members will be made aware of the policy and practice for expenses as part of their board induction. All expenses are paid in line with current HMRC guidance.

#### Pensions

It was not clear why the survey asked appointees about their pension arrangements. In line with data protection policy the Scottish Government only collect information necessary to report transparently on public appointments, we do not collect information about public appointees' pension's arrangements.