

Redress Scotland Framework Document

Introduction

1. This Framework document has been drawn up by the Scottish Government (SG) in consultation with Redress Scotland (which is an Executive Non Departmental Public Body). It sets out the broad framework within which Redress Scotland will operate and defines key roles and responsibilities which underpin the relationship between Redress Scotland and the Scottish Government. Whilst 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 Scottish Government or Redress Scotland will be taken forward in consultation and in the light of Scottish Government priorities and policy aims. Any question regarding the interpretation of the document shall be determined by the Scottish Government after consultation with Redress Scotland. Legislative provisions shall take precedence over any part of the document.

2. References to Redress Scotland will include any subsidiaries and joint ventures owned or controlled by the NDPB. Redress Scotland shall not establish subsidiaries or enter into joint ventures without the express approval of the SG.

3. Copies of the agreed framework document must be published on Redress Scotland's website.

Purpose

4. Redress Scotland is to contribute to the achievement of the Scottish Ministers' objectives and priorities by aligning its aims and objectives with the [National Performance Framework](#), [Scotland's Economic Strategy](#) and [Programme for Government](#). In line with the National Performance Framework, Redress Scotland will focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth. Redress Scotland will achieve this through the contribution made to Scotland's Redress Scheme over the lifespan of the public body.

5. The **Redress for Survivors (Historical Abuse in Care) (Scotland) Act 2021** sets out the principles of dignity, respect and compassion which Redress Scotland must have regard to. These principles are included in the Redress Scotland Code of Conduct as our values. Redress Scotland is committed to living these

values and ensuring there is meaningful survivor voice and influence included in the work of the public body. This will mean seeking out, listening to and acting on the views of survivors.

6. Redress Scotland's statutory duties are set out in the ***Redress for Survivors (Historical Abuse in Care) (Scotland) Act 2021***.

The functions of Redress Scotland are, as stated in the Act:

Redress Scotland has the general function of making determinations in connection with applications by individuals under the redress scheme, including determining (section 7 of the Act)–

- (a) applications for redress payments,
- (b) requests for review of a determination,
- (c) referrals for reconsideration of a determination where the determination may have been materially affected by an error.

Redress Scotland is granted general powers to do anything which it considers to be:

- necessary or expedient for the purposes of, or in connection with, the performance of its functions, or (paragraph 13 of Schedule 1)
- otherwise conducive to the performance of its functions (paragraph 13 of Schedule 1)

7. Scotland's Redress Scheme makes redress payments to people who were abused while in care as children before 2004, and to some next of kin. The Scottish Government Redress, Relations and Response division is responsible for assisting survivors of abuse with their applications to the redress scheme. Completed applications are then sent to Redress Scotland for independent assessment and determination. Panels of two or three panel members then advise the Scottish Government of their determination, through a letter which is written directly to the individual survivor. Any redress payments are made by the Scottish Government. Full details of Scotland's Redress Scheme are publicly available.

8. Section 13 of the 2021 Act provides that Redress Scotland, the Scottish Ministers and those who make financial contributions to the scheme must have regard to the principle that applicants to the scheme should be treated with dignity, respect and compassion.

Engagement between Scottish Government and Redress Scotland

9. Effective strategic engagement between the Scottish Government and Redress Scotland is essential in order that they work together as effectively as

possible. Both Scottish Government and Redress Scotland 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](#)'.

Given the joint nature of the delivery of the Redress scheme, it is essential that Redress Scotland and the Scottish Government co-operate.

Regular engagement is key. As a minimum, the Director for Children and Families should meet with the Chair twice-yearly and the Deputy Director for Redress, Relations and Response should meet with Redress Scotland's Chief Executive four times per year.

Governance and accountability

Legal origins of powers and duties

10. Redress Scotland is established, under the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021, as a body corporate. Redress Scotland does not carry out its functions on behalf of the Crown (section 4 of the Act).

11. The governance arrangements for Redress Scotland are detailed further in the Rules of Procedure. This document is available on Redress Scotland's website.

Ministerial responsibilities

12. The Scottish Ministers are ultimately accountable to the Scottish Parliament for the activities of Redress Scotland and its use of resources. They are not however responsible for day to day operational matters and founding legislation prevents them from directing Redress Scotland in relation to specific statutory functions. Their responsibilities include:

- agreeing Redress Scotland'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 Redress Scotland, and securing the necessary Parliamentary approval;
- carrying out responsibilities specified in the founding legislation such as approving the appointments of members to Redress Scotland;

- other matters such as approving Redress Scotland's Chief Executive and staff pay remit in line with Scottish Government [Pay Policy](#) and laying the audited statement of accounts for the year (together with the annual report) before the Scottish Parliament.

Redress Scotland Panel Members Responsibilities

13. The majority of members of Redress Scotland are appointed to undertake determinations in connection with applications by individuals under the redress scheme and are known as 'panel members'. A small number of panel members are also members of Redress Scotland's governance committees. In addition to this, a number of members of Redress Scotland are appointed to provide scrutiny and oversight of corporate governance (including quality assurance of panel determinations) – they are known as non-executive members.

14. The main functions (including powers and duties) of the Panel Members are those set out in the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021 in section 7 and section 13. All panel members should have a good understanding of: all applicable legislation; statutory guidance; the Redress Scotland Panel Member Standing Orders; agreed processes including quality assurance and improvement; and other relevant considerations.

In addition to the above, Panel members will:

- have a good understanding of the assessment framework as part of the statutory guidance and use it to guide their decision making, in order to ensure determinations are robust;
- work collaboratively to assess completed applications in a balanced and objective way, to reach evidence-based redress decisions;
- call on relevant experience and professional knowledge in examining the available information and providing constructive challenge, in order to help sitting panels reach reasoned conclusions;
- ensure applicants are treated with respect, dignity and compassion, showing consideration for their needs and always taking care to minimise potential risk of causing further harm or distress to survivors;

- exercise expert judgement and discretion in reaching determinations for completed applications;
- support the Chair in ensuring proceedings are transparent and well managed including drafting letters to survivors which set out the determination made and the reasons for this;
- ensure they act at all times within the Redress Scotland Code of Conduct; and
- always respect the principles of public life as set out by the Ethical Standards Commissioner at all times.

Non-Executive Member Responsibilities

15. Although not regulated appointments, members will respect the Code of Practice for Ministerial Appointments in Scotland. The role of non-executive members is to provide leadership, direction, support and guidance to ensure that the Body is committed to delivering its functions effectively and efficiently and in accordance with the aims, policies and priorities of Scottish Ministers. All non-executive members should respect the principles of public life as set out by the Ethical Standards Commissioner.

Non-executive members have corporate responsibility, under the leadership of the Chair, to:

- ensure that the public body delivers its functions, taking into account relevant guidance issued by the Scottish Ministers;
- ensure that effective governance is established and maintained, and, with support from the Accountable Officer and the Audit, Risk and Assurance Committee, ensure that key risks are identified and managed;
- regularly scrutinise current and projected performance against the aims, objectives and targets set out in plans and take decisions on remedial action where required;
- approve the annual accounts and ensure Scottish Ministers are provided with the annual report and accounts to be laid before the Scottish Parliament;
- support the Chair in providing strategic leadership, respecting and living the principles and values of dignity, respect and compassion;

- hold the Chief Executive and senior management team to account, through constructive challenge;
- provide robust scrutiny of the governance processes established by Redress Scotland and set out in the Rules of Procedure;
- promote the efficient, economic and effective use of staff and other resources by the organisation and where appropriate in line with the principles of [Best Value](#);
- ensure that effective arrangements are in place to provide assurance on risk management, including in respect of personnel, physical and cyber risks/threats/hazards, and internal control;
- establish an audit committee chaired by an Oversight Board member to provide independent advice and assurance on the effectiveness of the internal control and risk management systems and review accordingly;
- respect the principles of public life as set out by the Ethical Standards Commissioner at all times;
- prepare a Corporate Plan for approval by Scottish Ministers, setting out the strategy for Redress Scotland and a general description of the main activities which Redress Scotland plans to undertake;
- ensure that the Corporate Body has in place a comprehensive policy in relation to the making of a qualifying disclosure (Whistleblowing) by staff of the body and members; and for ensuring that the Body's staff and members have confidence in the fairness and impartiality of procedures for making and dealing with qualifying disclosures.

Further guidance which will be useful for Oversight Board members in the discharge of their duties is provided in appointment letters and [in On Board – A Guide for Members of Statutory Boards](#).

Individual Non-Executive Members' Responsibilities

16. Individual non-executive members should act in accordance with the corporate responsibilities of the body as a whole and comply at all times with the Redress Scotland Code of Conduct 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 Redress Scotland by the Scottish

Ministers but also any other funds falling within its stewardship, including trading and investment income, gifts, bequests and donations.

Panel and Non-Executive members expenses

17. Remuneration (daily fees), allowances and expenses paid to non-executive members (and any pension arrangements) must comply with the SG Pay Policy for Senior Appointments and any specific guidance on such matters issued by the Scottish Ministers.

The Chair's Responsibilities

18. The Chair 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 non-executive members and the Scottish Ministers should normally be through the Chair. The Chair is responsible for ensuring that Redress Scotland's policies and actions deliver the functions set out in the legislation and that its affairs are conducted with probity.

19. In leading the Oversight Board members, the Chair must:

- lead the Oversight Board 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 in implementing the decisions of the board;
- ensure that the work of the Oversight Board is regularly assessed and reviewed and that the board is working effectively;
- ensure that the purpose and values of Redress Scotland are actively lived and promoted, building trust and confidence in the public body and ensuring that survivor needs are at the centre;
- ensure that robust governance and reporting arrangements are introduced, implemented and developed that are aligned to best practice and are compliant with legislative requirements;
- ensure that Corporate Plans, the Annual Report and Accounts and other reports are prepared and approved appropriately;
- ensure that the non-executive members are, in accordance with recognised good practice in corporate governance, diverse both in terms of relevant skills, experience and knowledge appropriate to

directing the Redress Scotland's business and in terms of protected characteristics under the Equality Act and in line with the with the Gender Representation on Public Boards Act and Guidance, where these apply;

- ensure non-executive members are fully briefed on their duties, rights and responsibilities and receive appropriate induction training including in financial management and reporting requirements;
- ensure there is good succession planning which ensures the Oversight Board is diverse and effective, and that Scottish Ministers are advised when board vacancies arise and the needs of Redress Scotland;
- ensure that a code of conduct for members is established and approved by the Scottish Ministers.

20. The Chair and the Chief Executive will ensure that all panel members have an annual appraisal. The Chair will ensure that all non-executive members have an annual appraisal. The processes for these appraisals should be described in an approved policies.

21. The Chair in consultation with the Oversight Board will ensure that the Chief Executive has an annual appraisal. This will be conducted as set out in the Redress Scotland appraisal policy and include review of performance taking into account the role description and any agreed objectives.

Portfolio Accountable Officer responsibilities

22. The Principal Accountable Officer for the Scottish Administration will designate the Director-General for Education and Justice as the Accountable Officer for the SG portfolio budget for Redress Scotland. 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 Scottish Government are appropriate and sufficient to safeguard public funds and, more generally, that those being applied by Redress Scotland conform to the requirements both of propriety and of good financial management;
- the key roles and responsibilities which underpin the relationship between the Scottish Government and Redress Scotland 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 Scottish Government and Redress Scotland in accordance with the strategic engagement principles and the agreed written matrix of meetings and contact;
- there is effective continuous assessment and appraisal of the performance of the chair of the NDPB, respecting the requirements of the Code of Practice for Ministerial Public Appointments in Scotland.

Scottish Government Director and Deputy Director

23. The Director for Children and Families and the Deputy Director for Children's Rights, Protection and Justice have responsibility for overseeing and ensuring effective relationships between Scottish Government and Redress Scotland which support alignment of their business to the SG's Purpose and National Outcomes and high performance by the NDPB. They will work closely with the Redress Scotland Chief Executive and be answerable to the Portfolio Accountable Officer for maintaining and developing positive relationships with Redress Scotland characterised by openness, trust, respect and mutual support. They will be supported by a sponsor unit in discharging these functions. The Director or Deputy Director shall be responsible for assessing the performance of the Redress Scotland chair at least annually.

Sponsor unit responsibilities

24. The Scottish Government sponsor unit for Redress Scotland is the Redress Scotland Sponsorship team, within the Division for Children's Rights, Protection and Justice. This is the team which is normally the first point of contact for Redress Scotland in dealing with the Scottish Government, although due to the unique set up of the Redress scheme, Redress Scotland works closely with the Redress, Relations and Response Division. The Sponsorship team, under the direction of the Deputy Director, is the primary source of advice to the Scottish Ministers on the discharge of their responsibilities in respect of Redress Scotland and undertakes the responsibilities of the Portfolio Accountable Officer on their behalf.

Specific responsibilities include:

- discharging sponsorship responsibilities in line with the principles and framework set out in the document '[Strategic Engagement between the Scottish Government and Scotland's NDPBs](#)' and ensuring that sponsorship is suitably flexible, proportionate and responsive to the needs of the Scottish Ministers and Redress Scotland;

- ensuring that Non – Executive and Panel Member appointments to Redress Scotland are made timeously and, where appropriate, in accordance with the [Code of Practice for Ministerial Appointments to Public Bodies](#) in Scotland;
- proportionate monitoring of the NDPB's activities through an adequate and timely flow of appropriate information, agreed with Redress Scotland, on performance, budgeting, control and risk management;
- addressing in a timely manner any significant or sensitive issues arising in Redress Scotland, alerting the Portfolio Accountable Officer and the responsible Minister(s) where considered appropriate;
- ensuring that the aims of Redress Scotland and the risks to them are properly and appropriately taken into account in the Scottish Government's risk assessment and management systems; and
- advising Redress Scotland relevant SG policy in a timely manner.

Redress Scotland Accountable Officer responsibilities

25. The Principal Accountable Officer for the Scottish Administration (the Permanent Secretary of the SG) will designate the Chief Executive as the Accountable Officer for Redress Scotland. 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 Redress Scotland's finances and that there are sound and effective arrangements for internal control and risk management;
- following best practice to ensure legal and regulatory compliance including annual corporate, financial and operational reports as set out in legislation;
- ensuring that the resources of the public body are used economically, efficiently and effectively;
- ensuring compliance with relevant guidance issued by the Scottish Ministers, in particular the Scottish Public Finance Manual and Scottish Government [Pay Policy](#);
- signing the annual accounts and associated governance statements;

- a statutory duty to obtain written authority from the Chair before taking any action which they considered would be inconsistent with the proper performance of the Accountable Officer functions and the Accountable Officer should also notify the relevant Portfolio Accountable Officer;
- building new and trusting relationships with survivors, survivor organisations, care providers and other key stakeholders, working collaboratively across boundaries to promote the purpose and values of Redress Scotland;
- working to ensure Redress Scotland is a professional and accessible organisation, role modelling a commitment to integrity, accountability, objectivity and equality which includes setting high standards of performance and establishing appropriate monitoring arrangements.

26. It is incumbent on the Chief Executive to combine their Accountable Officer responsibilities to the Scottish Parliament with their wider responsibilities to the body. The members / Chair should be fully aware of, and have regard to, the Accountable Officer responsibilities placed upon the Chief Executive, including the statutory duty described above.

Redress Scotland Chief Executive responsibilities

27. The Chief Executive of Redress Scotland is employed and appointed by Redress Scotland with the approval of the Scottish Ministers. The Chief Executive is the Oversight Board's principal adviser on the discharge of its functions and are accountable to the board. The Chief Executive's role is to provide operational leadership to Redress Scotland and ensure that the Oversight Board's aims and objectives are met, and the public body's functions are delivered. Their general responsibilities include the performance management and staffing of Redress Scotland. General guidance on the role and responsibilities of the Chief Executive is contained in [On Board](#).

Specific responsibilities to the Oversight Board include:

- ensuring that financial considerations are taken fully into account by the Oversight Board at all stages in reaching and executing its strategic and governance 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 Redress Scotland adheres, where appropriate, to the Scottish Government's [Programme and project management principles](#);
- establishing robust performance and risk management arrangements - consistent with the [Risk Management](#) section of the Scottish Public Finance Manual - in place that support the achievement of Redress Scotland's aims and that facilitate comprehensive reporting to the Oversight Board, the SG and the wider public. Risk management arrangements should include full consideration of organisational resilience to physical, personnel and cyber risks/threats/hazards;
- ensuring that adequate systems of internal financial control over the grant in aid funds are maintained by Redress Scotland, including effective measures against fraud and theft consistent with the [Fraud](#) section of the Scottish Public Finance Manual;
- establishing appropriate documented internal delegated authority arrangements consistent with the [Delegated Authority](#) section of the Scottish Public Finance Manual;
- advising the Oversight Board on the performance of Redress Scotland compared with its strategic aims as set out in the Corporate Plan;
- preparing Redress Scotland's corporate and business plans, aligned with the founding legislation, purpose and aims for Redress Scotland; and in line with the strategic aims and objectives agreed by the Scottish Ministers;
- establish effective working relationships with Scottish Government officials;
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the Scottish Government including prompt notification if over or under spends are likely with corrective action taken and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to Scottish Government timeously;
- ensuring staff pay proposals are in line with Scottish Government [Pay Policy](#) and submitted in time and the necessary approvals obtained prior to implementing any annual award;
- working closely with the Chair, establishing the strategic framework for Redress Scotland, translating this into operational processes and

creating the right conditions for success as an independent public body;

- make evidence-based recommendations to the Oversight Board on the action and resources required to achieve the stated mission;
- instilling a culture based on the values of dignity, respect and compassion across Redress Scotland;
- working collaboratively across boundaries to promote the purpose and values of Redress Scotland with survivors and key stakeholders; and
- working to ensure Redress Scotland is a professional and accessible organisation, role modelling a commitment to integrity, accountability, objectivity and equality which includes setting high standards of performance and establishing appropriate monitoring arrangements.

Performance management

28. Redress Scotland 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 aims, objectives, targets and milestones set out in the corporate and business plans. The results of such reviews should be reported on a regular basis to the Redress Scotland Oversight Board and copied to Scottish Government. The Scottish Government shall assess the NDPB's performance, proportionately, on a continuous basis and hold a formal review meeting at least twice a year. The responsible Cabinet Secretary / Scottish Minister shall meet the Redress Scotland Chair at least once a year.

Redress Scotland staff management

29. Redress Scotland will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:

- people 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 Redress Scotland's performance measurement systems are reviewed from time to time;
- staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve Redress Scotland's objectives;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place;
- effective whistle-blowing policy and 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

30. Redress Scotland will comply with Scottish Government Pay Policy in relation to staff and the Chief Executive. Redress Scotland shall submit to Scottish Government for approval (normally annually unless a multi-year deal has been agreed) a pay remit in line with the Scottish Government [Pay Policy for Staff Pay Remits](#) and negotiate a pay settlement within the terms of the approved remit. Payment of salaries should also comply with the [Tax Planning and Tax Avoidance](#) section of the Scottish Public Finance Manual. Proposals on non-salary rewards must comply with the guidance in the [Non-Salary Rewards](#) section of the Scottish Public Finance Manual. Where applicable, Redress Scotland will also seek appropriate approval under the SG [Pay Policy for Senior Appointments](#) for the Chief Executive's remuneration package prior to appointment, annually or when a new appointment or change to the remuneration package is being proposed.

Pensions, redundancy and compensation

31. Redress Scotland was admitted to the Civil Service Pension Scheme (CSPS) on 1 October 2021. The employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level. Further information on the CSPS can be

found at www.civilservicepensionscheme.org.uk/employers/employer-pension-guide

32. Any proposal by Redress Scotland to move from existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of Scottish Government. 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 Scottish Government 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 Scottish Government prior to proceeding with proposed severance options, and prior to making any offer either orally or in writing.

Internal audit

33. Redress Scotland shall:

- establish and maintain arrangements for internal audit in accordance with the [Public Sector Internal Audit Standards](#) and the [Internal Audit](#) section of the Scottish Public Finance Manual;
- set up an audit committee, in accordance with the [Audit Committees](#) section of the Scottish Public Finance Manual, to advise both the Oversight Board and the Chief Executive in their capacity as Redress Scotland's Accountable Officer;
- forward timeously to Scottish Government the audit charter, strategy, periodic audit plans and annual audit assurance report, including the Redress Scotland Head of Internal Audit opinion on risk management, control and governance and other relevant reports as requested;
- keep records of, and prepare and forward timeously to the SG, an annual report on fraud and theft suffered by Redress Scotland in relation to grant in aid, notifying Scottish Government at the earliest opportunity of any unusual or major incidents.

34. The Scottish Government's Internal Audit and Assurance Directorate has an expectation of cooperation and access to relevant material when required.

External audit

35. The Auditor General for Scotland (AGS) audits, or appoints auditors to audit, Redress Scotland'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.

36. The AGS, or examiners appointed by the AGS, may carry out examinations into the economy, efficiency and effectiveness with which Redress Scotland has used its resources in discharging its functions. The AGS may also carry out examinations into the arrangements made by Redress Scotland 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, Redress Scotland 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

37. Paragraph 17 of Schedule 1 to the **Redress for Survivors (Historical Abuse in Care) (Scotland) Act 2021** states that Redress Scotland must, as soon as practicable after the end of each financial year, prepare a report on its activities during that year, including:

- (a) the audited statement of accounts for the year,
- (b) a general description of its main activities during the year,
- (c) an assessment of the achievement of its objectives during the year by reference to the outcomes set out in the corporate plan for the period which includes that year,
- (d) an assessment of whether applicants for redress payments appear to have had the opportunity to make informed choices,
- (e) an assessment of the accessibility and suitability of guidance available to applicants on the sources and types of information or evidence that applications for redress payments may or must contain or be accompanied by, with reference to the information and evidence considered by it in determining applications,
- (f) any other information which the Scottish Ministers require.

The report may include recommendations, including in relation to the assessments which Redress Scotland has carried out by virtue of subparagraph (1)(c), (d) and (e). Redress Scotland must:

- (a) send a copy of the report to the Scottish Ministers,

(b)publish the report.

The annual report must cover the activities of any corporate, subsidiary or joint ventures under the control of the NDPB and it should comply with the Government [Financial Reporting Manual](#) (FReM).

Annual Accounts

38. Section 16 of Schedule 1 of the Redress Scotland Act states that Redress Scotland must:

(1)(a)keep proper accounts and accounting records,
(b)prepare in respect of each financial year a statement of accounts, and
(c)send a copy of the statement to the Scottish Ministers.

(2) Redress Scotland must comply with any directions from the Scottish Ministers in relation to the matters mentioned in sub-paragraph 1.

(3)The Scottish Ministers must, as soon as reasonably practicable after receiving a copy of the statement of accounts from Redress Scotland, send it to the Auditor General for Scotland for auditing,

39. 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 in the accounts and will therefore be within the scope of the audit. Any subsidiary or joint venture owned or controlled by Redress Scotland shall be consolidated in its accounts in accordance with International Financial Reporting Standards as adapted and interpreted for the public sector context.

40. The draft report should be submitted to Scottish Government for comment, and the draft accounts for information, at least 6 weeks before the proposed laying date and in advance of full Oversight Board approval. The final version should be available for laying before the Scottish Parliament by the Scottish Ministers by 31 October. 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 NDPB shall be responsible for the publication of the annual report and accounts.

Corporate and business plans

41. Section 15 of Schedule 1 of the Redress Scotland Act states that Redress Scotland must submit a corporate plan to the Scottish Ministers. The corporate plan must set out:

- (a) the main objectives of Redress Scotland,
- (b) the outcomes by reference to which the achievement of those objectives will be assessed,
- (c) a general description of the main activities which Redress Scotland plans to undertake.

The corporate plan may include such other material as Redress Scotland considers appropriate.

The Scottish Ministers must:

- (a) approve the corporate plan,
- (b) approve the corporate plan with any modifications they consider appropriate, or
- (c) decline to approve the corporate plan.

Where the Scottish Ministers intend to approve the corporate plan with modifications, they must consult Redress Scotland before doing so. If (b) or (c), above, applies, Redress Scotland must, as soon as reasonably practicable, modify the corporate plan and submit the modified plan to the Scottish Ministers.

As soon as reasonably practicable after it is approved by the Scottish Ministers:

- (a) Redress Scotland must publish the corporate plan, and
- (b) the Scottish Ministers must lay a copy of the corporate plan before the Scottish Parliament.

Redress Scotland:

- (a) may revise the corporate plan at any time, and
- (b) must revise the corporate plan when required to do so by the Scottish Ministers.

42. Redress Scotland shall agree with Scottish Government the issues to be addressed in the corporate plan and the timetable for its preparation and review. The finalised plan shall reflect Redress Scotland's strategic aims and objectives as agreed by the Scottish Ministers.

The Corporate plan should include:

- the mission and aims of Redress Scotland;
- an analysis of the environment in which Redress Scotland operates;
- key objectives and associated key performance targets for the period of the plan with the strategy for achieving those objectives;
- indicators against which performance can be judged;
- details of planned efficiencies, describing how Redress Scotland proposes to achieve better value for money, including through collaboration and shared services;
- other matters as agreed between the Scottish Government and Redress Scotland.

43. The corporate plan should inform the development of a separate business plan for each financial year. The business plan for Redress Scotland should include key targets and milestones for the year immediately ahead, and be linked to budgeting information so that, where possible, resources allocated to achieve specific objectives can be identified. A copy of Redress Scotland's business plan should be provided to the sponsor unit.

Budget management

44. Each year, in the light of decisions by the Scottish Ministers on the allocation of budgets for the forthcoming financial year, the Scottish Government will send to Redress Scotland a formal statement of its budgetary provision, and a note of any related matters and details of the budget monitoring information required by the Scottish Government. The terms of that letter, 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 Scottish Government. 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). Redress Scotland will inform the sponsor unit at the earliest opportunity if a requirement for Annually Managed Expenditure (AME) budget is identified. The Scottish Government 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 classifications require the prior approval of the Scottish Government Finance Directorate. Any proposals for such transfers should therefore be submitted to the sponsor unit. Transfers of provision within the classifications may be undertaken without reference to the Scottish Government, subject to any constraints on specific areas of expenditure e.g. the approved pay remit.

45. If the trading and other resource income realised (including profit or loss on disposal of non-current assets) – scored as negative RDEL, or the net book value of disposals of non-current assets – scored as negative CDEL is less than included in the agreed budget, Redress Scotland shall, unless otherwise agreed with the Scottish Government, ensure a corresponding reduction in its gross expenditure. (The extent to which Redress Scotland 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 agreed budgets, Redress Scotland must consult and obtain the prior approval of the Scottish Government before using any excess to fund additional expenditure or to meet existing pressures. 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

46. Any [grant in aid](#) (i.e. the cash provided to Redress Scotland by the Scottish Government 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 Redress Scotland - 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 Redress Scotland.

47. The banking arrangements adopted by Redress Scotland must comply with the [Banking](#) section of the SPFM.

Risk management

48. Redress Scotland 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 an approach to risk management consistent with the [Risk Management](#) section of the Scottish Public Finance Manual. Reporting arrangements should ensure

that the sponsor unit is made aware of relevant risks and how they are being managed. The Redress Scotland 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

49. As part of risk management arrangements, Redress Scotland shall ensure that it has a clear understanding 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

50. Redress Scotland should adopt and implement policies and practices to safeguard itself against fraud and theft in relation to grant in aid, in accordance with the [Fraud](#) section of the Scottish Public Finance Manual. 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.

Asset and property management

51. Redress Scotland is currently functioning as a digital public body and does not have any property nor office base. However, Redress Scotland 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 NDPB 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 NDPB 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 NDPB on the Cabinet Office [electronic Property Information Mapping System](#) (e-PIMS).

Specific financial provisions

Delegated authorities

52. Redress Scotland's specific delegated financial authorities - as agreed in consultation between Redress Scotland and the Scottish Government - are set out in the attached **Appendix 1**. Redress Scotland shall obtain the Scottish Government's prior written approval before entering into any undertaking to incur any expenditure that falls outside these delegations. Redress Scotland shall also comply with any requirements for prior Scottish Government approval included in the Scottish Public Finance Manual and/or this document. Prior Scottish Government 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

53. Redress Scotland may 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 Redress Scotland shall be determined in accordance with the Fees & Charges section of the SPFM.

54. Gifts, bequests or donations received by Redress Scotland count 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, Redress Scotland 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 Redress Scotland shall consider if there are any associated costs in doing so or any conflicts of interests arising. Redress Scotland shall keep a written record of any such gifts etc and what happened to them.

Financial investments

55. Unless covered by a specific delegated authority, Redress Scotland shall not make any financial investments without the prior approval of the Scottish Government. That would include equity shares in ventures which further the objectives of Redress Scotland. Redress Scotland shall not invest in any venture of a speculative nature.

Borrowing

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

Lease arrangements

57. Unless covered by a specific delegated authority, Redress Scotland 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 Scottish Government's prior approval. Before entering/continuing such arrangements, Redress Scotland 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. Redress Scotland must have capital DEL provision for finance leases and other transactions which are in substance borrowing.

Tax arrangements

58. Non-standard tax management arrangements should always be regarded as novel and/or contentious and must therefore be approved in advance by the Scottish Government. Relevant guidance is provided in the [Tax Planning and Tax Avoidance](#) section of the Scottish Public Finance Manual. Redress Scotland 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 Redress Scotland 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. Redress Scotland must also ensure that it accounts properly for any output tax on sales or disposals.

Lending and guarantees

59. Any lending by Redress Scotland 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 Redress Scotland shall not, without the Scottish Government'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), 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.

Impairments, provisions and write-offs

60. 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 NDPB'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 NDPB's resource DEL budget classification and is subject to a specific delegated limit.

Insurance

61. Redress Scotland is subject to the Scottish Government 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 Scottish Government. In the event of uninsured losses being incurred the Scottish Government shall consider, on a case by case basis, whether or not it should make any additional resources available to Redress

Scotland. The Scottish Government will provide Redress Scotland with a Certificate of Exemption for Employer's Liability Insurance.

Procurement and payment

62. Redress Scotland's procurement policies shall reflect relevant guidance in the [Procurement](#) section of the SPFM and relevant guidance issued by the Scottish Government's Procurement and Commercial Directorate. Procurement should be undertaken by appropriately trained and authorised staff and treated as a key component of achieving Redress Scotland's objectives consistent with the principles of [Value for Money](#), the highest professional standards and any legal requirements. All external consultancy contracts over the value of £100,000 or any proposal to award a contract without competition (non-competitive action) over the value of £100,000 must be endorsed in advance by the Chief Executive.

63. Any major investment programmes or projects undertaken by Redress Scotland 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 Scottish Government's Office of the Chief Information Officer.

64. Redress Scotland 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 Scottish Government's target for the payment of invoices within 10 working days of their receipt.

Gifts made, special payments and losses

65. Unless covered by a specific delegated authority, Redress Scotland shall not, without the Scottish Government's prior approval, make gifts or special payments or write-off of 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.

Clawback

66. Where Redress Scotland has financed expenditure on assets by a third party, they shall make appropriate arrangements to ensure that any such assets above an agreed value are not disposed of by the third party without Redress Scotland's prior consent. Redress Scotland shall put in place arrangements sufficient to secure the repayment of its due share of the proceeds - or an appropriate proportion of them if they contributed less than the whole cost of acquisition or improvement. Redress Scotland shall also ensure that if assets financed by them 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 Redress Scotland.

Subsidy Control

67. 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 to 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 Redress Scotland 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. The UK Subsidy Control Act received Royal Assent in April 2022 and the current position will be subject to change when the new regime comes into force.

EXECUTIVE NDPB MODEL FRAMEWORK DOCUMENT: APPENDIX 1

SPECIFIC DELEGATED FINANCIAL AUTHORITIES

	Delegated Limit
Gifts	£500
Claims waived or abandoned	£5,000
Write-off of bad debt and/or losses	£1000