

Standing Orders

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Note: These Standing Orders set out arrangements for the Commissioners acting corporately as a Governance Board. They apply specifically to **Governance Board meetings** covering the operation of the Commission as a whole, as opposed to technical, forecasting, scrutiny or modelling meetings of Commissioners (See Standing Order 18: Interpretation). In particular, the Protocol agreed under section 6 of the SFCA (Scottish Fiscal Commission Act 2016) between the Commission and the Scottish Ministers covers arrangements for their engagement in relation to the forecasting and assessment process.

1 General

1.1 The Scottish Fiscal Commission (“the Commission”) (in Gaelic, Coimisean Fiosgail na h-Alba), established by section 1(1) of the Scottish Fiscal Commission Act 2016 (“the SFCA”), is (by virtue of section 14, SFCA) a body corporate. In terms of its status as a Scottish public body it is a non-Ministerial Office and an office-holder in the Scottish Administration, thus ensuring its operational independence. The Commission is directly accountable to the Scottish Parliament for the delivery of its functions.

1.2 These standing orders, for regulation of the conduct and proceedings of the Commission, are made under section 23 of the SFCA.

1.3 The members of the Commission, who are appointed by the Scottish Ministers with the approval of the Scottish Parliament under section 15 of the SFCA, will be known as “the Commission” or “the Commissioners”. The Chair of the Commission, appointed by Ministers under section 15(1)(a), may be referred to as “the Chair”. The term “Governance Board” is used to denote the Commissioners acting corporately in that capacity.

1.4 These standing orders should be read in conjunction with:

(a) the **Code of Conduct** for Members of the Scottish Fiscal Commission, including its provisions on the registration and declaration of interests and on the use of public funds;

(b) the Scottish Fiscal Commission **Scheme of Internal Delegation**, which sets out which of its functions the Commission has delegated under section 26 of the SFCA to individual Commissioners, its Committees, its Chief Executive or members of staff, or to third parties; and

(c) the Scottish Fiscal Commission **Framework Document**, which sets out an agreement between the Commission and the Scottish Ministers in relation to the governance, financing and operations of the functions of the Commission.

1.5 No standing order is to be made, read, applied or suspended in such a manner that contravenes any rule of law, legislative provision or the terms of the Scottish Fiscal Commission Framework Document.

1.6 These standing orders are made by and can be altered, suspended or revoked, in whole or in part, by a majority of the Commissioners. They remain in force unless and until so altered, suspended or revoked. Additional standing orders considered necessary to ensure the effective operation of the Commission may be adopted, on the proposal of the Chair and/ or any Commissioner and/ or the Chief Executive with the agreement of the majority of the Commissioners.

1.7 These standing orders and their Annexes should be reviewed no later than by 1 April 2018 and by the beginning of each subsequent financial year.

1.8 Where these standing orders do not make specific provision, the Chair, in consultation with the Chief Executive, will have discretion to determine all questions of procedure for the conduct and proceedings of the Commission.

2 Membership of the Commission

2.1 Members are appointed to and hold office in the Commission in accordance with the provisions of the SFCA and the Scottish Fiscal Commission Framework Document.

2.2 Members are appointed to the Commission in their individual capacity and they do not hold office as representatives of any personal or professional group or any professional or corporate body. Members are expected to subscribe to and comply with the Code of Conduct set out at Annex A.

2.3 Members will require to register their interests as defined at Annex A, within one month of the date of their appointment to the Commission, in a register kept by the Commission Secretariat (“the Secretariat”) for that purpose. This register, which will be updated within one month of any significant changes and in any case annually in March, will be available for public inspection.

2.4 Procedures for making declarations of interest are also set out in full at Annex A. Where a dispute arises as to whether a conflict of interest arises in respect of any Commission member (other than the Chair), the following procedure will apply:

- (a) in the event of the potential conflict arising during the course of a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Commissioner concerned will not be permitted to be further involved in that part of the meeting affected by the conflict;
- (b) in the event of the potential conflict arising outwith a meeting, the Chair will determine whether such a conflict exists. If a conflict exists, the Commissioner concerned will not be permitted to be further involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means;
- (c) before reaching a conclusion in either of the circumstances set out in (a) or (b) above, the Chair may consult other Commissioners as they consider necessary;
- (d) a record of the area of potential conflict and of the action taken under (a) or (b) above will be retained by the Secretariat.

3 Chair of the Scottish Fiscal Commission

3.1 The Chair, or in their absence a nominated deputy, will preside at meetings of the Commission in accordance with these standing orders. Any power or duty assigned to the Chair in relation to the conduct of a Commission meeting may be exercised by the nominated deputy presiding at the meeting.

3.2 In the event that the Chair is unable to attend a meeting, and no deputy has been nominated or any nominated deputy is also unable to attend, a temporary deputy will be selected by the Commission members present. Any power or duty assigned to the Chair in relation to the conduct of a Commission meeting may be exercised by the temporary deputy at the meeting.

3.3 The Chair will regulate discussion and debate at Commission meetings and will ensure that all present enjoy equality of opportunity to express their views.

3.4 If in the opinion of the Chair any person present at a meeting is incapacitated, or behaving inappropriately or without due consideration for other Commission members or persons present, the Chair may require that person to leave the meeting.

3.5 The Chair is bound, in the same way as are all Commission members, by the provisions of the Code of Conduct and of standing orders 2.3 and 2.4 in respect of the registration and declaration of interests. Where a conflict of interest arises during the course of a meeting, the Chair will not be further involved in that part of the meeting affected by the conflict, and a nominated deputy will preside at that part of the meeting until conclusion of the relevant business. Where a conflict arises outwith a meeting, the Chair will not be involved in the business affected by the conflict, whether in discussion, in secure electronic communication or by any other means. Before reaching a conclusion in either of these circumstances, the Chair may consult other Commission members as they consider necessary and appropriate. A record of the area of potential conflict and of the action taken will be retained by the Secretariat.

4 Governance Board Meetings

4.1 The Commission will hold Governance Board meetings at least four times in each financial year on dates and at times and places determined by the Commission and specified in the notice calling the meeting, provided that the Chair, or in their absence a nominated deputy, may order the convening of an additional meeting or meetings. No period longer than four months should elapse between Governance Board meetings.

4.2 Not less than two calendar days prior to the date of a Commission Governance Board meeting the following documents will be issued electronically by the Secretariat to each Commission member's designated official email address:

- (a) a notice convening the meeting (detailing date, time and location);
- (b) an agenda detailing the business to be transacted (with each substantive agenda item clearly indicating whether the matter is for decision or for scrutiny/ noting); and
- (c) reports and other documents referred to in, or to be read with, the agenda (specifying whether documents are for decision, scrutiny or information).

Late papers will be issued or tabled only in exceptional circumstances and at the discretion of the Chair or a nominated deputy.

4.3 Any Commission member who wishes to receive notice of all or any Governance Board meetings and the agenda and papers for those meetings in paper copy must ensure

that the Secretariat receives notice to that effect in time for the Secretariat to meet the requirements of Standing Order 4.2.

4.4 Subject to the agreement of the Commission, failure to comply with Standing Order 4.2 will not affect the validity of a Governance Board meeting or decisions reached at it.

4.5 In exceptional circumstances, a Commission member, or the Chief Executive (who attends Governance Board meetings but is not a member of the Commission and does not therefore have a vote at meetings), may raise at the start of a meeting a matter not set out in the agenda. Subject to the Commission member (or the Chief Executive) providing appropriate reasons for the urgency or delay, the matter may be discussed or decided upon, either as a substantive agenda item or under Other Competent Business, if the majority of Commission members present agree to the addition of that matter to the agenda.

4.6 Where business to be transacted has not been completed within the time allotted for a Commission Governance Board meeting:

- those present may resolve to continue the meeting in order to deal with the business; or
- the Commission may adjourn any meeting to another date, time and place by majority agreement of members present; or
- the business may be concluded under the arrangements set out at Standing Order 6.4; or
- any business not completed may become part of the agenda for a subsequent meeting.

4.7 All decisions must be made by the Commission unless it has, under section 26 of the SFCA, authorised an individual Commission member, a Committee, the Chief Executive or any other member of Commission staff, or a third party, to exercise a function or deal with a specific issue. In so doing, the Commission remains responsible for the performance of the function.

4.8 Decisions of the Commission at Governance meetings will normally be by consensus of those present.

4.9 If consensus cannot be reached on a particular issue by Commission members attending, the Chair or another member may ask for a vote to be taken. Any matter put to the vote is decided by a simple majority of Commission members present. In the event of a tie, the Chair, or in their absence a nominated deputy, has a second or casting vote. Voting will be by a show of hands. Only Commission members present at a meeting may vote and proxy voting is not allowed. Commission members departing early will be treated as non-attending for the purpose of any decision taken after the time of departure.

4.10 Decisions of the Governance Board are binding on all Commission members and staff.

4.11 The quorum for Governance Board meetings of the Commission is one fewer than the number of Commission members. No business will be transacted at a Governance Board meeting of the Commission unless there is a quorum.

4.12 Apologies for absence should be tendered in advance to the Secretariat and will be noted.

4.13 In the event of a Commission member failing to attend Commission meetings, (including Governance Board meetings and/ or technical meetings), for a period of three consecutive months without permission from the Commission, it is open to the Scottish Ministers under section 20(1) of the SFCA to remove that member, subject to the approval of the Scottish Parliament, by giving notice in writing. The Chair may also discuss with the member the circumstances surrounding their absence and, if need be, their suitability for remaining a member of the Commission. In such circumstances the Chair may raise with the Scottish Ministers the potential removal of that member.

4.14 The Chair, or in their absence a nominated deputy, may permit a Commission member to attend a Commission Governance Board meeting by way of either audio- or video-conferencing. Where a Commission member attends a meeting in this way, they will be regarded as being present for the purposes of constituting a quorum and will be entitled to vote.

4.15 The Commission (or any of its Committees) may invite individuals, bodies or organisations to attend its meetings, or parts of its meetings, to provide information about particular issues. The Commission (or any of its Committees) may also invite individuals, bodies or organisations to provide written submissions for consideration in advance of meetings of the Commission (or its Committees).

4.16 The Commission may from time to time agree upon and publish a process for seeking input and/ or information (including the format and timescales for provision of this input or information) from interested and/ or affected parties in advance of it considering particular issues at a Governance Board meeting.

4.17 The Chief Executive (or nominated representative), the Head of Strategy, Governance and Corporate Services (or nominated representative) and the Commission Secretariat will be in attendance at all Governance Board meetings. Other members of staff will attend as required.

5 Agenda for Governance Board Meetings

5.1 The agenda for Governance Board meetings of the Commission will be prepared by the Secretariat and circulated to Commission members for approval or comment usually at least two weeks in advance of the date of the meeting. The final decision on the agenda will rest with the Chair.

5.2 The order of business at meetings of the Governance Board will normally be:

- (a) Declarations of interest
- (b) Apologies for absence

- (d) Minutes of the last meeting and matters arising (if not otherwise on the agenda)
- (e) Business in the order in which it is noted on the agenda
- (f) Other competent business.

The order of business may be varied by the Chair with the agreement of a majority of the Commission members present at the meeting.

5.3 The following will be standing items on the Agenda for Governance Board meetings, with all substantive papers either for decision or for scrutiny/ noting:

- Minutes of the last meeting and matters arising
- Report by the Chair
- Report by the Chief Executive
- Corporate and Business Plan delivery status reports
- Finance report
- Corporate Risk Register
- Planning and horizon scanning
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5.4 Following meetings of the Audit and Risk Committee, the Governance Board will receive and consider oral and/ or written updates from the Committee on the progress being made in the Committee's areas of delegated responsibility. The Governance Board will receive an annual written report from the Committee. Agendas and minutes of all Audit and Risk Committee meetings will also be circulated to the Commissioners.

5.5 Items will be added to the Agenda of Commission Governance Board meetings as the need arises, for example:

- Corporate projects and associated risks
- Staff recruitment, skills and training
- Health and Safety, Equalities and other statutory duties
- Shared services agreements
- Briefings for Commissioners

5.6 Any Commission member may propose an item for the Agenda of a Commission Governance Board meeting by contacting the Secretariat, copying the proposal to the Chair, not less than 14 calendar days before the date of the meeting.

5.7 Any Commission member wishing to raise an urgent item at a Governance Board meeting must give notice at the start of the meeting. The Commission members present will decide whether any such item will be discussed at the meeting (see 4.5 above) or held over to a subsequent meeting.

6 Special Governance Board Meetings and Commission decisions taken outwith meetings

6.1 The Chair, a Commission member or members, or the Chief Executive may at any time propose a special Governance Board meeting of the Commission to deal with urgent business. The Chair or Chief Executive will call a special Governance Board meeting on receipt of a formal request which specifies the business to be transacted at the meeting and which has the support of no fewer than two Commission members. Formal requests under this standing order will be sent to the Secretariat.

6.2 Where a formal request is received in accordance with Standing Order 6.1, the special Governance Board meeting will usually be held within 14 calendar days of receipt of the request. No business will be transacted at that meeting other than that specified in the request.

6.3 Decisions of the Commission and transaction of business at special Governance Board meetings will be subject to the requirements of Standing Order 4.11 (quorum) in the same way as at Governance Board meetings.

6.4 In addition to such action at special Governance Board meetings of the Commission, urgent Commission business may be transacted, and/ or Commission decisions made, via video- or audio- conference or via secure electronic communication, always subject to the requirements of Standing Order 4.11.

6.5 On every occasion on which any of Standing Orders 6.1 to 6.4 is invoked, the circumstances will be reported to all members of the Commission and to the Secretariat at the earliest opportunity. All such actions will be reported to the next Governance Board meeting.

7 Minutes

7.1 Minutes will be kept of each Commission Governance Board meeting (and of any special Governance Board meetings) recording the Commission members present, staff in attendance, apologies tendered and accepted for non-attendance, issues considered, decisions reached, resolutions passed and actions agreed.

7.2 The Secretariat will following each Commission Governance Board meeting agree with the Chair and circulate usually within two working days to all Commission members a short summary of actions agreed and key issues discussed and/ or decided. Usually within four calendar days of a Commission Governance Board meeting, draft minutes will be sent by the Secretariat to the Chair for approval. The Chair will return the draft minutes, with such revisions as they wish to be made to the draft, to the Secretariat usually within a further four calendar days. The revised draft minutes returned by the Chair, or, where it is not possible for any reason to obtain a revised draft from the Chair, an unrevised draft, will be circulated to all Commission members usually within a further three calendar days and in any event no later than two weeks from the date of the Governance Board meeting. The draft minutes will be tabled at the next Governance Board meeting for approval.

7.3 Where those present at a meeting of the Commission or any of its committees determine that any part of the business conducted is confidential, that part of the

proceedings will be minuted separately and will not be published under Standing Order 7.4 below.

7.4 Once approved, minutes will be published on the Commission website in final form. Minutes will be made available for up to five years following the date of the meeting, after which time they will be removed from the website and placed in an electronic archive by the Secretariat. Where appropriate, published minutes will indicate where conduct of confidential business has been recorded in separate unpublished minutes.

7.5 Decisions on issues of immediate importance to Commission staff may be disseminated to them, notwithstanding the minutes of the meeting recording the decision having not been approved or published, but only with the approval of the Chair or, where this applies, the nominated or temporary deputy chairing the meeting.

8 Committees

8.1 Committees established by the Commission under section 25 of the SFCFA will operate strictly in accordance with their terms of reference.

8.2 When establishing Committees, the Commission will:

- (a) establish the terms of reference, including (in consultation with the Committee) the frequency of meetings and arrangements for reporting to the Commission on progress being made in the Committee's areas of delegated responsibility;
- (b) determine the chair, membership and period(s) of appointment;
- (c) confirm the arrangements for chairing meetings of the Committee;
- (d) determine procedures, including the Committee's quorum and which of the standing orders set out in this document will apply to the conduct of the Committee.

8.3 Committees may comprise members of the Commission and individuals who are not members of the Commission. Committees must not consist entirely of non-Commission members. No business will be transacted at a meeting of any Committee unless at least one Commission member is present. Committees therefore should contain at least two Commission members.

8.4 Members of a Committee who are not Commission members are nevertheless bound by the provisions set out in the Scottish Fiscal Commission Code of Conduct.

8.5 Members of a Committee who are not Commission members are not entitled to vote at meetings of the Committee.

8.6 The Commission may delegate to any of its Committees such of its functions as it considers appropriate. The Commission however remains responsible for the performance of its functions.

8.7 Committees will, subject to any directions by the Commission, meet on such dates and at such times and places as they may determine. The Committee Chair may decide,

in discussion with Committee members, that urgent business may be tabled at a given meeting.

8.8 The Commission or its Committees may organise, as appropriate, business planning meetings and working groups to consider specific tasks or to respond to emerging issues. Such meetings will be discursive and will not be decision-making fora; they may be minuted if appropriate and a decision would be taken on a case by case basis on whether to publish the minutes or, as the case may be, the outcome of the discussion. Recommendations and/ or reports from business planning meetings and working groups will be referred to the Commission or to the appropriate Committee for consideration or decision.

8.9 The following will be standing committees of the Commission:

- (a) the Audit and Risk Committee;
- (b) any other Committees to whom the Board decides to delegate any of its functions.

8.10 The Commission will review its Committee structure at least annually.

9 Decisions Reserved for the Commission and Scheme of Internal Delegation

9.1 The following decisions are reserved for the Commission:

- (a) strategic direction and oversight of corporate and business plans;
- (b) Commission Standing Orders, including a Scheme of Internal Delegation;
- (c) the establishment of terms of reference and reporting arrangements for all Committees acting on behalf of the Commission;
- (d) corporate financial, audit and risk reporting arrangements;
- (e) approval of annual accounts;
- (f) corporate performance management reporting arrangements;
- (g) other decisions reserved to the Commission under the Scheme of Internal Delegation.

9.2 A Scheme of Internal Delegation made under section 26 of the SFCA is set out at Annex B.

10 Correspondence

10.1 All incoming correspondence to the Scottish Fiscal Commission body corporate is for the attention of the whole Commission, whether addressed to any Commissioner or to the Commission Secretariat.

10.2 The Secretariat will receive and log all correspondence to and from the Commission. Any such correspondence received or sent by an individual Commission

member in relation to the Commission will be copied, normally electronically, to the Secretariat for this purpose.

10.3 The Secretariat will arrange for the Commission to be consulted electronically on the terms of an appropriate response. (See also Standing Orders 6.4 and 11.)

11 Urgent actions

11.1 The Chair, or in their absence a nominated deputy, has the authority to require or permit the Chief Executive or other senior member of staff to take urgent action (on matters that are permitted to be delegated to an individual) or to reply to correspondence between meetings of the Commission where the delay in exercising a function or in responding to correspondence is likely to be seriously detrimental to the interests of the Commission or to be contrary to legislation.

11.2 If the issue in relation to which the urgent action relates is not one permitted to be delegated to an individual, agreement to take such action should be sought and obtained through secure electronic means of communication from a majority of the members of the Commission.

11.3 On every occasion on which Standing Order 11.1 or 11.2 is invoked, the circumstances will be reported to all members of the Commission and to the Commission Secretariat at the earliest opportunity. All such actions will be reported to the next Commission Governance Board meeting.

12 Public statements

12.1 Public statements concerning the Commission will normally be made by the Chair, another Commissioner, the Chief Executive or a member of staff authorised by the Chair or the Chief Executive. Roles and responsibilities in connection with statements and other communications functions are set out in the Scheme of Internal Delegation at Annex B.

13 Signing of Documents

13.1 Where any documents are required to be executed on behalf of Commission, they shall be signed:

- (a) by the Chair and one other member of the Commission; or
- (b) by any person operating within their remit under the Scheme of Internal Delegation set out at Annex B.

14 Confidentiality

14.1 All Commission members, the Secretariat and any other person present at a meeting of the Commission, have a duty not to:

- (a) unless authorised to do so by the Chair or the Chief Executive, discuss with any person who was not present at the meeting in question any item of business agreed under Standing Order 7.3 to be confidential; or
- (b) comment on any matter in any way that undermines the principle of collective responsibility for decisions reached at such meetings.

14.2 This standing order is without prejudice to the terms of the Public Interest Disclosure Act 1998.

15 Papers and Documents

15.1 Commission members will be held personally responsible for the safe custody of any papers or documents which may be issued or entrusted to them in the course of their duties. The loss of any such documents must be reported immediately to the Chief Executive (as Senior Information Risk Owner (SIRO)), the Information Asset Owner (IAO) and, in the absence of either the SIRO or the IAO, the Secretariat.

16 Duty of the Commission in relation to the Accountable Officer

16.1 The Chair and Commission members must ensure that they are fully aware of, and have due regard to, the responsibilities and statutory duties placed upon the Chief Executive as the Accountable Officer; these are summarised in Section 4 of the Scottish Fiscal Commission Framework Document and set out in full in the *Memorandum to Accountable Officers for Parts of the Scottish Administration*, published in the Scottish Public Finance Manual (SPFM).

16.2 In particular, the Commissioners must at all times bear in mind that it is incumbent on the Chief Executive to combine their Accountable Officer responsibilities to the Scottish Parliament with responsibilities to the Commission. The Chief Executive may consult the Director General Scottish Exchequer, Scottish Government on any aspects of their duties as Accountable Officer. The Accountable Officer must consult the Director General on any action which they consider is inconsistent with their duties on financial, regulatory or propriety grounds, and specifically where they seek written authority from the Scottish Ministers in terms of section 8 of the SPFM or a direction from the Commission.

17 Members' remuneration and expenses

17.1 The Commission will remunerate Commission members, and any other persons appointed to any Committee established by the Commission, in accordance with the scales set out at Annex C to these standing orders, always provided that that person is not already in receipt of a publicly funded salary or payment for the time they expended on Commission business.

17.2 The Commission will reimburse appropriately receipted expenses incurred by Commission members or any member of a Committee established by the Commission in accordance with the scales set out at Annex C to these standing orders.

17.3 The daily fees for Commission members may be reviewed annually by the Commission and approved by the Scottish Government in line with the annual Public Sector Pay Policy for Senior Appointments.

18 Interpretation

18.1 In these standing orders and their Annexes:

“Commission Secretariat” or “Secretariat” means any officer or officers appointed by the Chief Executive of the Scottish Fiscal Commission to act in this capacity;

“financial year” means the period beginning with the establishment of the Scottish Fiscal Commission as a body corporate and ending on 31 March next occurring and each subsequent period of a year ending on 31 March;

“Governance Board meeting” means a quarterly meeting of the Commissioners acting corporately in their capacity as a Governance Board;

“technical meeting” means a meeting of Commissioners for the purpose of economic or fiscal forecasting, modelling or scrutiny or for any other purposes consistent with carrying out the Commission’s forecasting, assessment and reporting functions under sections 2, 4 and 5 of the SFCA; and

“the Commission website” is: www.fiscalcommission.scot .

For Approval by the Scottish Fiscal Commission: 23 October 2018