GUIDANCE NOTE - FINAL

RECRUITMENT INFORMATION REQUEST AND MONITORING – Additional Accountability Returns

Purpose

1. The Minister for Public Finance has asked his officials to collaborate with colleagues across the sector to improve, and make less onerous, the collection of routine workforce data. The purpose of this is to provide a 'helicopter view' of the whole landscape, as part of the Ministerial oversight of public service reform. The Minister is clear that this is about seeking assurance on recruitment and workforce, whilst leaving the operational control with Chief Executive/Accountable Officers.

2. The Minister also intends that Chief Executive/Accountable Officers, both inside and outside the core Scottish Government, must increase collaboration to ensure that the government's policy intentions to reduce the size of the public sector workforce overall, while simultaneously brigading resources behind delivering the four key Programme for Government (PfG) priorities set out by our First Minister, are implemented. This, of course, does not alter organisations' requirement to deliver their statutory obligations.

3. As well as better data, this will mean a shift of focus to the role of Chief Executive/Accountable Officers to build a system where: (i) collaboration drives efficiency, for example in the reduction of unnecessary bureaucratic activity; (ii), the sharing of services; (iii) the finding of new economies of scale; (iv) the use of technology to drive improvements; and(v) a refocus on accountability chains so that leaders can make the decisions that are right for their organisation, but also instil a new level of collective accountability to meet our shared PSR challenges.

Background and Context

4. In August 2024, Ministers announced that recruitment controls for all non-essential frontline posts should be implemented across the devolved civil service and wider public bodies as part of the emergency spending controls to ensure a path to balance for 2024-25. This was followed in November 2024 by Cabinet agreeing to a range of proposals on pay and workforce that included extending recruitment controls to 2025-26. The principle of using workforce reductions as a key measure to be able to afford budget priorities was also established, as was the requirement for each portfolio to provide a delivery plan as part of Budget 2025-26 which sets out how it will operate within the funding allocation. It was also agreed that portfolios should reflect changes in demographic projections in their workforce planning, the Cabinet Secretary for Finance and Local Government would reissue the guidance in place for No

Compulsory Redundancy (NCR) and a new 'Invest to Save' fund would be created for 2025-26 to facilitate change, including voluntary severance schemes.

5. A further Cabinet discussion on 4 February considered the Portfolio Path to Balance Delivery Plans, commissioned on 6 January to support a path to balance for the 2025-26 Budget. These returns indicated that some portfolios are projecting an increase in 2025-26 workforce numbers. As a result, Cabinet agreed further priority will need to be given to organisational re-prioritisation, re-design & re-structure, efficiencies & innovations, for example through digital and productivity improvements. The Minister for Public Finance is developing a programme of workforce reforms including a workforce management policy that will sit alongside the monitoring of recruitment activity and this framework will be in place close to the start of the 2025-26 fiscal year.

6. The Minister recognises the vital importance of the role of Chief Executive/Accountable Officers in public bodies. He understands that these accountability arrangements vary by type of public body, as does the governance arrangements with some reporting directly to Ministers - because they are Executive Agencies - whilst others have different relationships with the Scottish Administration. All public bodies are bound to follow the rules in the SPFM, and all have either a sponsorship arrangement with Scottish Ministers or a more direct interface. For that reason the Minister prefers building on accountability as the key lever for public service reform in the public body landscape.

Governance

7. The role of governance and a recognition of different governance arrangements is important in ensuring delivery of public service reform. There are obviously different arrangements in place for different categories of public body. That said, all bodies – regardless of status – are part of the Scottish Administration (which is distinct from the Scottish Government) and Ministers are therefore keen to have an understanding across the entirety of the public sector. The Minister therefore asks that all Chief Executive/Accountable Officers consider the checklist below (in the next section) before authorising new external recruitment.

8. As part of Public Service Reform, new programme governance is being set up with membership that includes public bodies as well as core Scottish Government representatives. We have yet to finalise the details, but the Minister expects joined-up workforce planning in respect of delivering on PfG priorities and that this will be given effect through reform in Scottish Government and public bodies alike, as part of a systemic process to build efficiency and deliver better public services.

Criteria to Consider

9. In assessing whether to recruit externally, public bodies may use the following criteria to support their decisions:

i. the post is critical to the delivery of public services;
ii. the work in question cannot be absorbed within the existing staff complement, for example, through the redeployment of any surplus staff;
iii. there are overwhelming operational imperatives to fill the post;
iv. Intelligent Automation cannot fulfil the work of the post and/or improve service efficiency (see Annex B for further information);
v. there are health and safety risks if the post is not filled;
vi. there are legal or statutory requirements to fill the post;
vii. there is evidence that not to recruit will result in demonstrable overall financial loss;
viii. the proposed new post forms part of a restructuring proposal which has established that recruiting externally is necessary to produce overall savings or to significantly increase income.

10. This list is not exhaustive. In completing the monthly return, the Minister would like to understand what criteria public bodies currently use as a minimum.

11. It is recognised that across the wide spectrum of public bodies in the Scottish public sector, different professions and job families will have different degrees of criticality to the front-line operations of those organisations. An example would be a Prison Officer which is a critical role for the Scottish Prison Service to deliver its front-line functions. There are other job types such as scientists, lawyers, engineers, etc. which are front-facing in some organisations but would be 'back-office' or corporate functions in other organisations. Further work to shape this is being developed.

Data

12. For organisations on Oracle, we aim to gather much of the required information from the system. We will ask all bodies to return this manually until the Oracle processes are in place and satisfactory. For organisations not on Oracle, and if data harvested from Oracle cannot fulfil all of the requirements, the process is outlined below.

13. For Sponsor teams and lead SG officials this means as part of their routine liaison with public bodies that they seek assurance that the public body has an appropriate workforce plan in place (rather than giving approval for recruitment) and they are conducting appropriate assurance on an ongoing basis that public bodies are on track with that plan.

Process for Monthly Returns

14. The process is as follows:

Stage 1: Scottish Government will issue a standardised template for capturing relevant workforce data and contextual information to show the rationale for any increases and explanation for any reductions. If a public body is part of Scottish

Administration these should be submitted by the Public Body CEOs to workforcepolicy@gov.scot, or via Sharepoint if available. For public bodies out with the Scottish Administration the information should be sent to Sponsor teams or their lead SG contact. These are required within ten working days of the end of each month (public bodies have 5 days to complete followed by a further 5 days for Sponsor teams or lead SG contact).

The data should also include any external recruitments that are planned, with reason from the checklist above identified. The decision to recruit remains wholly with the AO, as does the accountability for so doing.

We are aware of the risk of appearing to cut across existing governance arrangements and recognise that Public Bodies (PB's) produce strategic, affordable workforce plans with reports on progress to Boards. The intention here is not to cut across that Governance, but provide information to Ministers on a more regular basis than the Annual Reports and Accounts process so they can get a macro view across all public bodies.

Stage 2: SG Workforce Team will then provide a monthly summary to Senior Officials, and the Minister for Public Finance. Any feedback or issues raised by the Minister will be flagged to the appropriate Sponsor Team(s) for further explanation or analysis.

15. This assurance measure will remain in place until at least March 2026 although the process for PBs on Oracle may change within that timescale.

Implementation

16. A related policy has already been implemented within the Scottish Government Core where all vacancies are subject to scrutiny by the Recruitment Approval Committee. The policy for public bodies has been altered to reflect the significant role of Chief Executive/Accountable Officers and to provide appropriate assurance so that the government achieves its ambition of improving public services, whilst exercising overall controls on the growing size of the Scottish public sector workforce. It will be applied to public bodies going forward, with the first data collection taking place in April 2025.

Pay & Workforce Team
Directorate for Public Spending
March 2025

Annex A – List of Organisations within scope

Level of Control	Organisations
Level 2	**Devolved Civil Service** (Scottish Government Main Bargaining Unit): • Accountant in Bankruptcy • Community Justice Scotland • Disclosure Scotland • Education Scotland • Food Standards Scotland • National Records of Scotland • Office of the Scottish Charity Regulator • Revenue Scotland • Scottish Fiscal Commission • Scottish Housing Regulator • Scottish Public Pensions Agency • Social Security Scotland • Students Award Agency for Scotland • Transport Scotland
Level 3	**Other Public Bodies** (Public bodies outwith SG Main where public sector pay policy for staff pay remits applies): • Architecture and Design Scotland • Bòrd na Gàidhlig • Cairngorms National Park Authority • Caledonian Maritime Assets Limited • Care Inspectorate • Children's Hearings Scotland • Creative Scotland • Crofting Commission • Crown Estate Scotland • Crown Office and Procurator Fiscal Service • David MacBrayne Ltd • Ferguson Marine (Port Glasgow) Ltd • Forestry and Land Scotland • Highlands and Islands Airports Limited • Highlands and Islands Enterprise • Historic Environment Scotland • Independent Living Fund • Loch Lomond and The Trossachs National Park Authority • Mental Welfare Commission for Scotland • National Galleries of Scotland • National Library of Scotland • National Museums Scotland • NatureScot • NHS Scotland senior managers (grades A to C) • Police Investigations and Review Commissioner

	• Quality Meat Scotland • Redress Scotland • Registers of Scotland • Risk Management Authority • Royal Botanic Garden Edinburgh • ScotRail/Caledonian Sleeper/ScotRail Holdings • Scottish Canals • Scottish Children's Reporter Administration • Scottish Courts and Tribunals Service • Scottish Criminal Cases Review Commission • Scottish Enterprise • Scottish Environment Protection Agency • Scottish Forestry • Scottish Funding Council • Scottish Futures Trust • Scottish Land Commission • Scottish Legal Aid Board • Scottish Legal Complaints Commission • Scottish National Investment Bank • Scottish Police Authority (staff only) • Scottish Prison Service • Scottish Qualifications Authority • Scottish Social Services Council • Scottish Water • Skills Development Scotland • South of Scotland Enterprise • sportscotland • VisitScotland • Water Industry Commission for Scotland • Zero Waste Scotland

Annex B

The Intelligent Automation Centre of Excellence (IACoE) within the Corporate Transformation Directorate of the Scottish Government

To support efficient and effective government operations and advance AI enabled automation maturity across Scotland's public sector, the **Intelligent Automation Centre of Excellence (IACoE)** is evolving from a centralised model to supporting federation. This strategic shift is supported by the development of a National Collaborative Procurement Framework for Intelligent Automation, which supports the acceleration and scaling of faster, nimbler and cheaper AI enabled Automation technologies across our public services, transforming the countless daily tasks across the public sector which are repeatable processes carried out on a mass scale in order to operate more efficiently, serve our citizens better and provide more satisfying work for our staff. It provides the public sector with the expertise, guidance, standards, and resources needed to transform how they operate using AI enabled automation, while ensuring alignment with national objectives. This drives economies of scale and builds specialised skills across public sector staff.

Since established in 2021, the CoE has positioned Scotland as a global leader in AI-enabled automation, driving transformative changes in public service delivery with a citizen centred focus. Through this shared service, government and executive agencies have realised substantial benefits, including reduced delivery costs, enhanced compliance, increased operational capacity, and significant cost savings. To date, 143 automations have been implemented delivering £3.9m in cost-avoidance benefits to date and projecting £14.5m by 2028-29.

The transition to a federated model, guided by the National Collaborative Procurement Framework for Intelligent Automation, empowers the public sector to independently develop AI enabled automation capabilities. This federated approach enables us to share successful strategies, avoid duplication of effort, and address individual needs, thus improving operational efficiency across the public sector. For example, over the next three years, AI-enabled automation initiatives under this model have the potential to unlock additional capacity of 20 to 40% across the Public Sector, enabling more efficient, effective, and innovative public services for all citizens.

Contact email for further information: automationservice@gov.scot