

FINANCE COMMITTEE CALL FOR EVIDENCE

POST-16 EDUCATION (SCOTLAND) BILL: FINANCIAL MEMORANDUM

SUBMISSION FROM SCOTTISH PUBLIC SERVICES OMBUDSMAN

Background – Role of the Scottish Public Services Ombudsman in Post-16 Education

In 2005 the role of the Scottish Public Services Ombudsman (SPSO) was extended to include complaints about further and higher education bodies. This was achieved by a change in our legislation which was amended to allow us to take complaints about “any fundable body within the meaning of Further and Higher Education (Scotland) Act 2005”. Since then we have received complaints from students and others who have unresolved concerns about universities and colleges. The numbers of such complaints are low, and out of a total of 3918 complaints received by SPSO during the year 2011-12, only 130 were about this sector. This was, however, an 18% increase on the number received about the sector in the previous year.

In 2011, the Public Services Reform (Scotland) Act gave us a new role and we now not only consider complaints but have a role in creating standard complaints procedures for each sector under our jurisdiction. The SPSO’s Complaints Standards Authority has been working with further and higher education bodies over the last year and anticipate that a model complaint handling procedure for this sector will be implemented over the next academic year (2013-2014). We will be working with bodies to support this change.

Consultation

1. Did you take part in either of the Scottish Government consultation exercises which preceded the Bill and, if so, did you comment on the financial assumptions made?

We did not participate in the consultation process. We normally only respond to consultations when we are directly asked to do so; can identify a clear impact on the SPSO or feel that we have useful information from our experience of complaints which may help. We did not feel this was the case in the consultations which preceded this bill.

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

N/A

3. Did you have sufficient time to contribute to the consultation exercise?

N/A

Costs

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details?

The Financial Memorandum identifies at paragraph 157 that there will be an extension to our remit because of the creation of new regional boards, which will increase our work slightly. It adds that this would be marginal. It notes that the number of colleges themselves will reduce.

The creation of new bodies is not the only change which may have an implication for complaints arising from the Bill. New duties and responsibilities for bodies can drive

complaints, as can significant structural change if not well-managed. The Bill allows for both of these scenarios, in particular there are new obligations to consult and the Bill encourages the merger of bodies.

It is difficult to assess the impact of new organisations coming within our jurisdiction as well as the changes that will occur in the sector in terms of complaints numbers. We rarely receive complaints about the current funding set up. Although the Financial Memorandum does not identify all the possible impacts on us, working on the assumption that the changes are implemented well we are, therefore, in broad agreement that the impact is likely to be marginal.

However, we would raise two points of caution. We have seen a double digit increase in complaint numbers from this sector over the last two years and this may be further inflated by any uncertainty arising from the changes. Also, while on its own a single net marginal increase may be absorbed by our organisation, if this were to occur in a number of areas we could experience a cumulative impact that would be much more difficult for us to absorb. Like all public bodies, we are currently seeing our budgets reduce and have extremely limited capacity to absorb any increase in workload. As the Finance Committee will be aware, our funding comes direct from the Scottish Parliament. We are seeking to monitor and keep the SPCB informed as far as we can of any possible cumulative impact of such changes, which would individually have only limited effect. We have also had some positive early discussions with the Scottish Government about the incremental impact of policy changes which on their own may be small or marginal.

5. Do you consider that the estimated costs and savings set out in the Financial Memorandum and projected over 15 years for each service are reasonable and accurate?

With the exception of the comments under question 4, we have no comments to make.

6. If relevant, are you content that your organisation can meet the financial costs associated with the Bill which your organisation will incur? If not, how do you think these costs should be met?

As we have said above, on the assumption that any increase in complaint numbers is small, we are content we can manage this. If we consider that a number of small changes have reached the point where there will be a cumulative impact or if we see a spike in complaint numbers because of any unexpected occurrences during implementation of the legislation, we will work with SPCB and SG to ensure that our ability to maintain our service is maintained. These possible costs are not ones that it would be easy to set out in a Financial Memorandum and they may, in any event, not be large in terms of the overall costs.

7. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

See our answers above.

Wider Issues

8. Do you believe that the Financial Memorandum reasonably captures costs associated with the Bill? If not, which other costs might be incurred and by whom?

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

See our answers above