

— OFFICE OF —

# THE SCOTTISH ROAD WORKS COMMISSIONER

SCOTTISH ROAD WORKS COMMISSIONER

2015/16 ANNUAL REPORT AND ACCOUNTS

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## PERFORMANCE REPORT

## OVERVIEW

## STATEMENT BY SCOTTISH ROAD WORKS COMMISSIONER (SRWC) – ANGUS CARMICHAEL

The Scottish Road Works Commissioner (the Commissioner) is an independent statutory office holder established under Section 16 of the Transport (Scotland) Act 2005 (the 2005 Act) and is accountable to the Scottish Ministers and ultimately the Scottish Parliament.

The first Commissioner was appointed in 2007. The second Commissioner, Elspeth King, was appointed in January 2013 and stepped down in May 2015. I was appointed to succeed Mrs King and took up the post of Commissioner on 28 September 2015.

During the four months prior to my appointment, the office continued to provide support to the roads works community across Scotland.

In November 2015 I presented my priorities at the “Roads Expo” industry seminar which is held annually at Ingliston, Edinburgh. Details are available on the office website at <http://www.roadworksscotland.gov.uk/>

In particular my priorities include pursuing greater consistency in the notification of road works undertaken by roads authorities and scrutinizing the work of utilities companies with respect to quality of reinstatements on completion of road works.

There were a total of 128,854 road works in Scotland in the year to 31 March 2016, a decrease of 2,845 from the year to 31 March 2015 (131,699). Roads authority, i.e. Local Councils or Transport Scotland, works accounted for 25.7% of the total, an increase from 24.5% in the year to 31 March 2015. The performance of all organisations undertaking road works continues to be monitored by my office on a quarterly basis using data and reports, extracted from the Scottish Road Works Register, by members of my team.

This year I decided to realign the Performance reporting period to 1 April 2015– 31 March 2016. This change coincides with the Roads Authorities and Utilities Committee (Scotland) (RAUC(S)) business year and the commonly adopted financial year of many organisations. An Annual Road Works Performance Review is issued to each roads authority and utility company operating in Scotland, this consists of operational performance data and analysis thereof, specific to each organisation. All performance reviews were issued in June and July 2016.

The utility company noticing failure rate has again fallen from 7.5% in the previous reporting period to 7%. The roads authority noticing failure rate shows a slight increase from 7.8% in the previous reporting period to 8%. The number of overrunning works remains low on both sides of the community, demonstrating that works are generally well planned. The figure for works extensions again shows a slight improvement.

There were no Commissioner penalties issued during the reporting period.

Over the reporting period my office continued to engage with the road works community at many levels through attendance at quarterly RAUC(S) meetings, Area RAUC meetings, Local RAUC meetings, technical working groups and ad hoc meetings. The Commissioner also attended the Highways Authorities and Utilities Committee UK (HAUC(UK)) meetings which enables engagement with England, Wales and Northern Ireland.

The Commissioner is a member of a number of working groups including the Scottish Road Works Policy and Development Group, the Scottish Road Research Board, the Scottish Pavement Forum and the Scottish Temporary Traffic Management Safety Forum.

## PURPOSE & MAIN ACTIVITIES

### HISTORY, STATUTORY POWERS AND RESPONSIBILITIES

The Commissioner's general function is to work with the road works community to oversee improvements to the planning, co-ordination and quality of road works in Scotland. In particular the Commissioner must:

- Monitor the carrying out of works in roads in Scotland undertaken by both Roads Authorities (Councils for local roads, Transport Scotland for trunk roads), Tay Bridge Authority and Utility Companies.
- Promote compliance with the New Roads and Street Works Act 1991 (the 1991 Act) which sets out the general duties of road works authorities to co-ordinate works and for statutory undertakers to co-operate with road works authorities when undertaking works; and
- Promote the pursuit of good practice by those persons who have functions conferred on them or permissions granted to them by or under the 1991 Act.

The Commissioner has the power to request from a road works authority or a utility company such information relevant to their respective functions and activities. The Commissioner also has the power to impose financial penalties when systematic failure of duties under the 1991 Act occurs by either roads authorities or utility companies. The Commissioner also undertakes a dispute resolution function where escalation of disputes between roads authorities and utility companies occur.

## KEY ISSUES AND RISKS AFFECTING THE ORGANISATION

### DEVELOPMENTS IN 2016/17

In August 2015, Derek Mackay, Minister for Transport and the islands announced that he intended commissioning a review of the office and functions of the Scottish Road Works Commissioner to build on existing strengths. The consultant's review has been received by the Scottish Government for submission to the Minister. The Minister expressed the view that any resultant improvements should be fully implemented before the appointment of the next Commissioner.

In addition, the Scottish National Party election manifesto noted "We will bring forward a Transport Bill to improve bus services, enhance and improve the role of the Scottish Road Works Commissioner and wider road works legislation and to enable and enforce responsible parking". The office will input to this process as invited. In addition to the review of the office of the Scottish Road Works Commissioner (oSRWC), the findings of the 2013 Strategic Review of Road Works in Scotland will likely influence this process.

A further Coring Programme of utility company reinstatements carried out during 2015 is currently underway and will be the subject of a report to RAUC(S) in early 2017.

In addition to established priorities, the office will focus on:

1. Roads Authority noticing performance.
2. The compaction of the unbound layers in utility company reinstatements using the Light Weight Deflectometer (LWD) to inform future road works policy.

### MONITORING

Since the appointment of a Scottish Road Works Commissioner, the main focus of the monitoring regime has been the performance of each organisation with regard to the data and suite of indicators in the Scottish Road Works Register, the inspections of Undertakers by Roads Authorities and two yearly Coring Programmes.

The Scottish Road Works Register (SRWR) suite of indicators which helps benchmark performance within Scotland and against the rest of the UK is regularly reviewed to enable organisations and the Commissioner

to demonstrate continuous improvement in road works performance. A recent metric introduced measures the number of qualifying works promoted per 100km of road length for each roads authority against others in their respective Society of Chief Officers in Transportation in Scotland (SCOTS) peer group.

The previous Annual Report and Accounts stated that a Technical Standards Manager had been appointed in December 2013 to assess compliance with Technical Standards and Codes of Practice. The role includes site monitoring, including spot checks of road works sites. This position has been further developed with the purchase of a Light Weight Deflectometer which will be used to assess the competence of the compaction of the unbound backfill layers in utility company reinstatements.

## BEST PRACTICE AND COMMUNITY ENGAGEMENT

In 2014/15 the Commissioner obtained funding from the Scottish Roads Research Board to commission research into compaction and joints in relation to reinstatements and determine where best practice lay and could be achieved. Whilst this work is on-going the commission with Transport Research Laboratory (TRL) has yet to conclude.

As previously noted the Commissioner presented his priorities to Roads Expo at Ingliston in November 2015.

Engagement with broadband delivery companies and their funders has continued this reporting period to ensure their full cooperation and to enable roads authorities to coordinate their works with the works of other utility companies and their own works for roads purposes.

The Commissioner continued engagement with the road works community attending or providing representation to national and area meetings and at various working groups.

There were no updates to secondary legislation during the reporting period.

In 2015/16, the Commissioner plans to increase the promotion of best practice and communication by engaging with the Community on improvements to processes, delivery and monitoring. It also involved highlighting innovation and performance improvements in a wider coordinated approach.

Through the activities of the Technical Standards Manager, the office increased its presence at a more local level which was designed to improve community communication and compliance.

## LEGISLATIVE REGIME

### THE SCOTTISH ROAD WORKS REGISTER (PRESCRIBED FEES) REGULATIONS 2015 AND THE SCOTTISH ROAD WORKS REGISTER (PRESCRIBED FEES AND AMOUNTS) REGULATIONS 2008

The above Scottish Statutory Instruments are the mechanism by which the Commissioner collects the funds to provide and operate the Scottish Road Works Register. The sum required is updated based on going running costs of the Register.

A review of the 2008 and 2015 Regulations was initiated during 2015/16. However, pending increased confidence in the noticing practices of roads authorities, further investigation is required; this is on-going and will be determined during the 2016/17 reporting period.

In the interim, it is intended to ask Scottish Ministers to update the Scottish Statutory Instruments to reflect the projected running costs of the Scottish Road Works Register (SRWR) for the next two years.

### THE ROAD WORKS (INSPECTION FEES) (SCOTLAND) AMENDED REGULATIONS 2014

This Scottish Statutory Instrument defines the fee which roads authorities charge utility companies for undertaking inspections of utility company road works in accordance with the Code of Practice for Inspections. Again, a review was initiated during 2015/16 and data collection is on-going.

## PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are set out within the Governance Statement on page 12.

## GOING CONCERN BASIS

Accounts have been prepared on a going concern basis and there are no issues to report.

## SUMMARY

The office of the Scottish Road Works Commissioner is currently well placed to continue its engagement with the road works community across Scotland and to oversee improvements to the planning, co-ordination and quality of road works. In parallel, it will continue to input to road works policy and development.

## PERFORMANCE ANALYSIS

Whilst there are no formal performance indicators, office performance is generally measured against the objectives set out in general terms in the Corporate Plan and more specifically in the Business Plan. During 2016/17, the office will continue to refresh and update procedures and governance to enable it to continue to deliver the aims of the Corporate and Business Plans, which are published and updated on the office website.

In addition to established road works community and governance priorities such as the issue of Annual Performance Reviews, the publication of an Annual Report etc, the office has identified the need to further scrutinize the noticing practices of roads authorities and the compaction of the unbound layers in utility company reinstatements. These two metrics will be further developed during 2016/17.

Ongoing attendance at all Area RAUC and National RAUC meetings is key to promoting good practice and improved performance across organisations undertaking road works. The office was routinely present at all such meetings. In addition, it is intended to develop a programme of attendance at Local RAUC meetings which represents the "grass roots" level of cooperation and coordination.

During 2015/16, the office achieved a planned budget overspend which was fully agreed with the sponsor department. Whilst this exceeded the available grant in aid, it utilised available carry forward budget. Major elements of spend related to the purchase of an office car and a Light Weight Deflectometer to further improve the ability of the office to monitor site activities.

## FINANCIAL POSITION

The financial statements cover the period 1 April 2015 to 31 March 2016 and have been prepared in accordance with the accounts direction issued by Scottish Ministers.

The accounts reflect the overall financial position during 2015/16. Within the various statements, figures associated with the operation of the Scottish Road Works Register (SRWR), which is funded by the user community through the collection of Prescribed Fees and Amounts, are effectively ring fenced. In view of this, whilst not fully segmented, the accounts include segmented information.

Grant in Aid awarded by the Scottish Ministers in 2015/16 was £410k, which was fully drawn down over the financial year (2014/15: £410k of which £310k was drawn down). 2015/16 expenditure at £415k (2014/15: £302k) included a planned overspend utilising carried forward funding.

Prescribed Fees Amounts collected in relation to the operation of the SRWR in 2015/16 totalled £783k (2014/15: £760k). Related expenditure was £886k (2014/15: £869k). The variance between money collected and expenditure primarily reflects the phased use of "deferred income" previously collected by Susiephone Ltd to fund the 2016/17 retendering process which the Scottish Government is now underwriting.

2015/16 expenditure against budget is detailed in note 2 of the Accounts.



The Commissioner earned no income in the year on direct activities (2014/15: £nil).

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**SUSTAINABILITY**

The office of the Scottish Road Works Commissioner is committed to functioning in as sustainable a manner as possible. The Commissioner's office publishes, under the Public Services Reform (Scotland) Act 2010, its Sustainability, Efficiency Effectiveness and Economy Statement on the Commissioner's website. The 2015/16 statement is available to view at our website at the following location:

<http://www.roadworksscotland.gov.uk/Publications/Information.aspx>

**PERFORMANCE REPORT**

**Angus Carmichael**  
**Scottish Road Works Commissioner and Accountable Officer**

**31 August 2016**

## ACCOUNTABILITY REPORT

## CORPORATE GOVERNANCE REPORT

## DIRECTORS' REPORT

## THE COMMISSIONER

The Commissioner at the start of the 2015/16 financial year was Mrs Elspeth King. Mrs King stepped down at the end of May 2015. Mr Angus Carmichael was appointed as Commissioner and took up the post on 28 September 2015.

## EQUAL OPPORTUNITIES, DIVERSITY AND HUMAN RIGHTS

The Commissioner is committed to the continued compliance with the Public Sector Equality Duty as set out in the Equality Act 2010 and the Equality & Human Rights Commission's Code of Practice and supports the principles of equal opportunities in carrying out operational functions and employment practices. The Commissioner is committed to pursuing positive action in the organisation's policies and practices to ensure that no individual is discriminated against, either directly or indirectly, unlawfully or unjustifiably because of their personal status in relation to race, ethnic or national origin, religion, age, gender, sexual or marital status, or disability.

## PENSION LIABILITIES

Pensions and their benefits are provided through the Civil Service pension arrangements and administered for the Commissioner by Scottish Government. Further information is included in Note 4 of the Accounts.

## REGISTER OF INTERESTS

The Commissioner publishes a Register of Interests. This is updated as required and reviewed annually. The register details only staff who have made disclosures. Where no disclosure has been made, there is no entry in the register for the staff member, this is clearly identified on the register. The current copy of declared interests is published on the Commissioner's website along with the Code of Conduct for the Commissioner's office.

The Register of Interests can be found in the following location :  
<http://www.roadworksscotland.gov.uk/Publications/Information.aspx>

The Code of Conduct can be found in the following location:  
<http://www.roadworksscotland.gov.uk/Publications/Policies.aspx>

## AUDITORS

The Accounts are audited by auditors appointed by the Auditor General for Scotland in accordance with paragraph 2(b) of Schedule 2 of the Transport (Scotland) Act 2005. The Auditor General for Scotland appointed Audit Scotland under powers conferred by the Public Finance and Accountability (Scotland) Act 2000. An external audit remuneration fee of £13,450 is reflected in the accounts. Audit Scotland receive no fees in relation to non-audit work.

## DISCLOSURE OF RELEVANT AUDIT INFORMATION

As Accountable Officer, I am not aware of any relevant information of which our auditors are unaware. I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

## PROVISION OF INFORMATION TO EMPLOYEES

The Scottish Road Works Commissioner has adopted the principles of openness and participation in the office and places a high level of importance on both informing and consulting staff. The Commissioner does so by providing access to management papers, through oral and written briefings, by regular staff meetings and events. Information is only withheld where this can be shown to be justified or where a duty of confidence is owed to a third party.

## PERSONAL DATA INCIDENTS

There were no personal data incidents during 2015/16.

## PAYMENT OF CREDITORS

The Scottish Road Works Commissioner has adopted the same policies and procedures as Scottish Government in relation to the payment of suppliers. 100% of supplier invoices were paid within 10 days of receipt.

## SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

There have been no significant events since the end of the financial year which require revision to the figures disclosed in the annual accounts under the terms of IAS 10: Events after the Reporting Period. In accordance with the requirements of IAS 10, events are reviewed and considered up to the date on which the accounts are authorised for issue. This is interpreted as the date on which the Independent Auditor's report is signed.

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## STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

The Scottish Government designated the Scottish Road Works Commissioner as the Accountable Officer for the office of the Scottish Road Works Commissioner. The relevant responsibilities as Accountable Officer, including the responsibility for the propriety and regularity of the public finances, for the keeping of proper records, and for safeguarding the Commissioner's assets, are set out in the Memorandum to Accountable Officers of Other Public Bodies issued by the Scottish Government and published in the Scottish Public Finance Manual.

Under Paragraph 2(a) Schedule 2 of the Transport (Scotland) Act 2005, the Scottish Ministers have directed the Commissioner to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commissioner and of income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Scottish Road Works Commissioner is required to comply with the requirements of the Government Financial Reporting Manual, applied in accordance with the Scottish Public Finance Manual, and in particular to:

- (i) Observe the Accounts Direction issued by Scottish Ministers (see Annex 1), including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- (ii) Make judgements and estimates on a reasonable basis;
- (iii) State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the financial statements; and
- (iv) Prepare the accounts on a "going concern" basis.

I confirm that, as far as I am aware, there is no relevant audit information of which Audit Scotland are unaware, and that as Accountable Officer, I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that Audit Scotland are aware of that information.

As Accountable Officer, I am responsible for the regularity and propriety of the public finances and collected prescribed fees and amounts for which I am answerable, for keeping proper records and for safeguarding SRWC assets, as set out in the Accountable Officer's Memorandum issued by Scottish Ministers.

## GOVERNANCE STATEMENT

As Accountable Officer, I have responsibility for putting in place and maintaining sound systems of governance and internal control that support the achievement of the office policies, aims and objectives, and to safeguard the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

## GOVERNANCE ARRANGEMENTS

In 2010, it was agreed with Transport Scotland, the sponsor organisation in the Scottish Government, that given the independent status and the budget of the Office, the Commissioner would operate without an audit committee or advisory board. It was also agreed that the topic should be kept under review and that should any practical difficulties arise, that governance arrangements be reconsidered. I can confirm that no practical difficulties have arisen.

The agreement that the office of the Scottish Road Works Commissioner would operate without an audit committee or advisory board was taken based on the following arrangements being in place to give assurance that there are adequate controls:

- Annual audit by an independent auditor;
- Publication of audited Annual Accounts;
- Continuing to utilise Scottish Government processes and procedures as much as possible;
- Continuing to utilise Scottish Government services such as SCOTS, SEAS, Pensions and Payroll;
- Regular meetings with Transport Scotland; and
- Internal Audit undertaken at appropriate intervals.

It was further agreed in 2010 that given the reliance that the Commissioner's office places on Scottish Government processes and systems, Transport Scotland would include the need for internal audit cover as part of their risk based plans for internal audit. As such Scottish Government internal audit provide coverage on an occasional, though not annual basis, including the availability for advisory services on risk, control and governance and to carry out urgent work on being asked where there are specific needs or problems. Scottish Government Internal Audit undertook an internal audit in 2015/16 to review risk, control and governance and have reported on their audit. The audit action plan identified seven issues/risks and categorised them three Low Priority, four Medium Priority and zero High Priority. Action is being taken in respect of all recommendations.

## INTERNAL CONTROL

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the Commissioner's aims and objectives. It can, therefore, only provide reasonable, not absolute assurance of effectiveness.

The process within the organisation accords with the guidance from the Scottish Ministers provided in the SPFM and has been in place for the year ended 31 March 2016 and up to the date of approval of the Annual Accounts.

The system of internal control is based on an on-going process designed to identify principal risks to the achievement of the organisation's policies, aims and objectives. It evaluates the nature and extent of those risks and manages them efficiently, effectively and economically.

I confirm that, in my opinion, the controls have been and are working well and that no significant issues have been identified.

Given the Office's reliance on Scottish Government financial and HR systems I confirm that I have considered the content of the Accounting Officer's Certificate 2015/16 submitted to the Cabinet Office on 8 April 2016.

## RISK MANAGEMENT

All bodies to which the SPFM is directly applicable must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

The Commissioner and staff regularly consider risk in respect of specific issues. In addition, the SRWC and SRWR risk registers were reviewed on a bi-annual basis during the financial year. Following a recommendation in the Internal Audit Action Plan in March 2016, the SRWC and SRWR Risk Registers were amalgamated within one overarching oSRWC Risk Register. As new or changed risks emerge they are identified and entered on to the register. The business continuity plan is updated every time there are any changes in staff, legislation or any other issues which would have an impact on the continued operation of the office. These reviews also take into account any changes required due to advice received from professional advisors or the results of internal and external audit.

The Commissioner is committed to a process of continuous development and improvement, responding to any relevant reviews and identified best practice. Whilst it was intended to develop and introduce a formal risk management system alongside the current register during 2015/16, this work remains ongoing.

The Commissioner will continue to be guided by the Scottish Public Finance Manual.

## DATA SECURITY

There have been no lapses in data security for the period ending 31 March 2016.

## REVIEW OF EFFECTIVENESS OF INTERNAL CONTROLS

As Accountable Officer I have responsibility for reviewing the effectiveness of internal controls. My review of the effectiveness of internal controls in place during the 2015/16 financial year was informed by:

- The staff within the office who have responsibility for the development and maintenance of the internal control framework
- Consideration of the matters which arose during 2015/16 preparation of these accounts
- A review of the comments provided by the Scottish Government Internal Audit in support of the preparation of these accounts and the procedures and policies adopted
- Comments made by the external auditors
- Comments made by the internal audit team
- Compliance with the Scottish Public Finance Manual and Financial Reporting Manual



There was a formal internal review undertaken in 2015/16.

Appropriate action is in place to address any weaknesses identified and to improve the effectiveness of internal controls.

## SIGNIFICANT ISSUES

I confirm that there are no significant issues to report for the 2015/16 period.

## REMUNERATION AND STAFF REPORT

### REMUNERATION REPORT

The second Commissioner, Mrs Elspeth King, was in post during the first 2 months of the 2015/16 financial year. Commissioner appointments are generally for a period of 5 years, however, Mrs King stepped down in May 2015 after 29 months in the post. Mr Angus Carmichael was appointed as Commissioner for a period of 2 years commencing on 28 September 2015, pending a review of the Commissioner's functions on behalf of Scottish Ministers.

The salaries and pension entitlements of both Elspeth King and Angus Carmichael during the 2015/16 financial year plus the median pay disclosure are subject to audit and are set out below.

### REMUNERATION

Remuneration	Salary (Bands of £5, 000)	Notes	Pension Benefits (£000s)	Total Remuneration 2015/16 (Bands of £5,000)
<b>Elspeth King</b> (Stepped down 29/05/15)	£55-£60k (2014/15 : £75-£80k)	(1)(2)(3)	£4k (2014/15 : £25k)	£60-£65k (2014/15 : £100- £105k)
<b>Angus Carmichael</b> (Commenced 28/09/15)	£30-35k (2014/15 : Nil)	(1)	£13k (2014/15 : Nil)	£45-£50k (2014/15 : Nil)

Notes:

(1) Annualised Salary £65,000 -£70,000

(2) Includes - £45,000 payment in lieu of notice, holidays, additional hours worked, pension entitlements and compensation for loss of office.

(3) Excludes - £9,600 outplacement costs

Salary disclosures reflect the requirements of the Government Financial Reporting Manual (the FReM). Given the independent nature of the office, the Commissioner is not part of a bonus scheme, nor do they have any reserved rights, recruitment or retention allowances.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The annualised banded remuneration of the highest-paid director in the Office of the Scottish Road Works Commissioner in the financial year 2015/16 was £65,000 - £70,000 (2014/15 £75,000 - £80,000). This was 1.66 times (2014/15 - 2.14 times) the median remuneration of the workforce, which was £40,588 (2014/15 £36,279). All staff employed in the Commissioner's office are remunerated between Scottish Government Grades B1 to B3 (£23,383 - £41,596).

There is a decrease in the ratio of the salary of the highest paid director and the median remuneration of the organisation's workforce in 2015/16 when compared with the ratio in 2014/15, this is due to a number of factors, these can be summarised as follows:

- The Commissioner received additional pay in 2014/15 to reflect untaken leave.
- Four members of staff achieved normal pay progression within their salary band in 2015/16, meaning their salaries in 2015/16 increased significantly to the extent that the median salary increased.

Given the small size of the office the items outlined above have had a significant impact on the ratio.

In 2015/16, no employees received remuneration in excess of the highest-paid director (2014/15 Nil). Remuneration includes basic salaries and, where appropriate overtime. It does not include employer National Insurance or pension contributions.

### BENEFITS IN KIND

The Commissioner received no benefits in kind over the reporting period 2015/16 (2015/14: £nil)

### PENSION BENEFITS

Commissioner	Real increase in pension and related lump sum at pension age (Bands of £2500)	Accrued pension at pension age as at 31/3/16 and related lump sum (Bands of £5000)	CETV at 31 March 2016 £'000	CETV at 31 March 2015 £'000	Real increase in CETV £'000
<b>Elsbeth King</b> (Stepped down 29/05/15)	Pension 0-2.5 Lump Sum 0-2.5	Pension 30-35 Lump Sum 0-5	483	465 (1)	3
<b>Angus Carmichael</b> (Commenced 28/09/15)	Pension 0-2.5 Lump Sum 0-2.5	Pension 0-5 Lump Sum 0-5	13	Nil	11

Note

(1) Prior year figure revised from £470,000 by Civil Service Pensions

### THE CASH EQUIVALENT TRANSFER VALUE (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits they have accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## THE REAL INCREASE IN THE VALUE OF CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## STAFF REPORT

### NUMBER OF SENIOR STAFF BY BAND

The most senior officer is the Commissioner and the current remuneration level is Band C3 (£62,751 – £68,693)

### STAFF NUMBERS EMPLOYED (SUBJECT TO AUDIT)

The average number of full time equivalent (FTE) staff employed by the Office of the Scottish Road Works Commissioner during the period was as follows:

	2015/16	2014/15
Commissioner	1	1
Permanent Staff	5	4.5
Other	0.75	0
	<u>6.75</u>	<u>5.5</u>

All staff are subject to UK Employment Contracts.

Staff costs are detailed in the Financial Statements Note 4 – Staff Costs

### STAFF COMPOSITION (SUBJECT TO AUDIT)

The following table shows the breakdown by gender of the staff employed within the Commissioner's Office and who were in post on 31 March 2016.

	Male	Female
Staff	3	3
Commissioner	1	
<u>Total</u>	<u>4</u>	<u>3</u>

One member of staff was on maternity leave as at 31 March 2016, therefore as a permanent member of staff she has been included in the above table.

### SICKNESS ABSENCE DATA

The staff sickness absence rate in the Commissioner's Office was 0.42% for 2015-16, which is a significant decrease from 2.5% in 2014-15. There was no long term sickness absence recorded.

### EXPENDITURE ON CONSULTANCY

Over the reporting period the SRWC continued to engage Anderson Strathern to provide legal support in line with their existing practise. In addition the SRWC sought advice from DLA Piper. The expenditure on legal support during 2015/16 was £12,618.



## STAFF POLICIES

The Scottish Road Works Commissioner has made a commitment to follow current Scottish Government policy with respect to applications for employment, continuing employment, training and career development.

In line with Scottish Government's recruitment procedures, the Commissioner gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. In addition, the Commissioner's current remuneration policy reflects Scottish Government policy.

## OFF-PAYROLL ENGAGEMENTS

During the reporting period there were no off payroll engagements.

## EXIT PACKAGES (SUBJECT TO AUDIT)

The Second Commissioner, Mrs Elspeth King, left under voluntary exit terms on the 29<sup>th</sup> May 2015. She received a compensation payment as detailed in the remuneration report.


1	Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
2	<£10,000			
3	£10,000 - £25,000			
4	£25,000 - £50,000		1	1
5	£50,000 - £100,000			
6	£100,000 - £150,000			
7	£150,000 - £200,000			
8	Total number of exit packages		1	1

## PARLIAMENTARY ACCOUNTABILITY REPORT

## FEES AND CHARGES

The SRWC receives fees income, in the course of work carried out with respect to the provision of the Scottish Road Works Register. Fees income for 2015/16 was £870K (2014/15: 786K). Fees income received from activities is summarised in note 3.

## ACCOUNTABILITY REPORT



**Angus Carmichael**  
Scottish Road Works Commissioner and Accountable Officer

**31 August 2016**

## INDEPENDENT AUDITOR'S REPORT

**Independent auditor's report to the Scottish Road Works Commissioner, the Auditor General for Scotland and the Scottish Parliament**

I have audited the financial statements of the Scottish Road Works Commissioner for the year ended 31 March 2016 under the Transport (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2015/16 Government Financial Reporting Manual (the 2015/16 FReM).

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Respective responsibilities of Accountable Officer and auditor**

As explained more fully in the Statement of the Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and income. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors. I am also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements. It also involves obtaining evidence about the regularity of expenditure and income. In addition, I read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially

inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements, irregularities, or inconsistencies I consider the implications for my report.

### Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view in accordance with the Transport (Scotland) Act 2005 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2016 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM; and
- have been prepared in accordance with the requirements of the Transport (Scotland) Act 2005 and directions made thereunder by the Scottish Ministers.

### Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

### Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Transport (Scotland) Act 2005 and directions made thereunder by the Scottish Ministers; and
- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

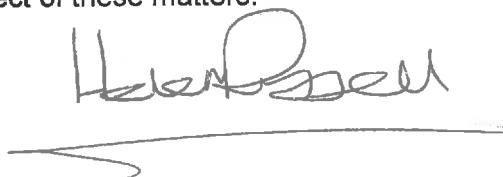
### Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration and Staff Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Governance Statement does not comply with guidance from the Scottish Ministers.

I have nothing to report in respect of these matters.

Helen Russell BA CPFA  
Senior Audit Manager  
Audit Scotland  
4th Floor  
8 Nelson Mandela Place  
Glasgow  
G2 1BT



31 August 2016

## FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE PERIOD ENDED 31 MARCH 2016

	Note	2015/16 £000	2014/15 £000
<b>Expenditure</b>			
Staff Costs	4	376	297
Register Operation		769	755
Professional Fees		30	25
Accommodation		11	9
Other Expenditure	5	85	83
Depreciation	6	2	2
<b>Total</b>		<b>1273</b>	<b>1171</b>
<b>Income</b>			
Income From SRWR Activities	3	870	786
		<b>870</b>	<b>786</b>
Net Expenditure For The Year Before Taxation		403	385
Corporation Tax			0
<b>Total Comprehensive net Expenditure for the financial year ended 31 March</b>		<b>403</b>	<b>385</b>

All amounts relate to continuing activities. There have been no gains or losses other than those recognised in the Statement of Comprehensive Net Expenditure.

The accompanying notes on pages 24 to 34 form an integral part of these Accounts.

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	2015/16 £000	2014/15 £000
<b>Non-current assets:</b>			
Property, plant and equipment	6	27	1
<b>Total non-current assets</b>		<b>27</b>	<b>1</b>
<b>Current assets:</b>			
Trade and other receivables	8	4	6
Cash and cash equivalents	9	540	580
<b>Total current assets</b>		<b>544</b>	<b>586</b>
<b>Total assets</b>		<b>571</b>	<b>587</b>
<b>Current liabilities</b>			
Trade and other payables	10	306	275
Deferred income		54	
<b>Total current liabilities</b>		<b>360</b>	<b>275</b>
<b>Total Assets</b>			
<b>less: Current Liabilities</b>		<b>211</b>	<b>312</b>
<b>Non-current liabilities</b>			
Deferred income	10	108	216
<b>Total non-current liabilities</b>		<b>108</b>	<b>216</b>
<b>Net Assets / (Liabilities)</b>		<b>103</b>	<b>96</b>
<b>Reserves</b>			
Taxpayers Equity		103	96
		<b>103</b>	<b>96</b>

The accompanying notes on pages 24 to 34 form an integral part of these Accounts.

The accountable officer authorised these financial statements for issue on 31 August 2016

## FINANCIAL STATEMENTS

Angus Carmichael

Scottish Road Works Commissioner and Accountable Officer

31 August 2016

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2016

	Note	2015/16 £000	2014/15 £000
<b>Cash flows from operating activities</b>			
Net operating (costs) before Scottish Ministers funding		(403)	(385)
Adjustments for non-cash items			
Depreciation	6	2	2
Decrease in trade and other receivables	8	2	5
(Decrease)/Increase in trade payables	10	31	78
(Decrease)/Increase in long term liabilities		(54)	0
<b>Net cash outflow from operating activities</b>		<b>(422)</b>	<b>(300)</b>
<b>Cash flows from investing activities</b>			
Purchase of non-current assets	6	(28)	0
<b>Net cash outflow from investing activities</b>		<b>(28)</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
Grants from Sponsor Body		410	310
<b>Net cash flow from financing activities</b>		<b>410</b>	<b>310</b>
<b>Net (decrease)/increase in cash and cash equivalents in the period before adjustments for receipts due to/payments from the Consolidated Fund</b>		<b>(40)</b>	<b>10</b>
Receipts due to the Consolidated Fund which are outside the scope of operating activities	11	0	58
Payments of amounts due to the Consolidated Fund	11	0	(58)
<b>Net (decrease)/increase in cash and cash equivalents in the period</b>		<b>(40)</b>	<b>10</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	9	<b>580</b>	<b>570</b>
<b>Cash and cash equivalents at the end of the period</b>	9	<b>540</b>	<b>580</b>

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2016

	Total Reserves (£000's)
<b>Balance at 1 April 2014</b>	<b>171</b>
Net expenditure for the year	(385)
Funding from Scottish Ministers	310
<b>Balance at 31 March 2015</b>	<b>96</b>
 <b>Balance at 1 April 2015</b>	 <b>96</b>
Net expenditure for the year	(403)
Funding from Scottish Ministers	410
<b>Balance at 31 March 2016</b>	<b>103</b>

## NOTES TO THE ACCOUNTS FOR 2015/16

**1. STATEMENT OF ACCOUNTING POLICIES****1.1 BASIS OF ACCOUNTING**

These financial statements have been prepared in accordance with the 2015/16 Government Financial Reporting Manual (FReM) issued by Scottish Ministers. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Scottish Road Works Commissioner for the purposes of giving a true and fair view has been selected. The particular policies adopted by the Scottish Road Works Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the Accounts.

The Accounts for the financial year ended 31 March 2016 are presented in accordance with paragraph 2(a) of Schedule 2 of the Transport (Scotland) Act 2005, and prepared in accordance with an Accounts Direction given by Scottish Ministers, refer to Annex 1.

These accounts are prepared on a historical cost basis, as modified by the revaluation of property, plant and equipment and financial assets and liabilities at fair value.

**1.2 TANGIBLE NON-CURRENT ASSETS****CAPITALISATION**

Purchases of assets for a value exceeding £500 inclusive of irrecoverable VAT are treated as capital with the exception of land and buildings where the threshold is set at £10,000 and IT equipment where the group value exceeds £300.

**VALUATION**

Assets are valued at depreciated historical cost as a proxy for current value in existing use.

**DEPRECIATION**

Depreciation is provided on property, plant & equipment at rates calculated to write off costs or valuation in equal instalments over the remaining estimated useful life of the asset. These are as follows:

Furniture & Equipment	5 Years
Fixtures & Fittings	5 Years
IT Equipment	3 Years
Office Vehicle	5 Years
Testing Equipment (LWD)	5 Years

Depreciation is calculated on a monthly basis starting the month after purchase or acquisition and ceasing in the month of disposal.

**1.3 INTANGIBLE NON-CURRENT ASSETS**

Software licenses are capitalised as intangible non-current assets where the value exceeds £500 and amortised on a straight line basis over the expected life of the asset (3 years). The Scottish Government holds the licenses for the software currently used by the office of the Scottish Road Works Commissioner.



#### 1.4 FUNDING RECEIVABLE

Funding received from the Scottish Ministers via Transport Scotland is credited directly to the general fund in the period to which it relates.

#### 1.5 LEASES

The Commissioner holds no material finance or operating leases.

#### 1.6 PENSION COSTS

The Commissioner is a member of the Civil Service Nuvo Pension Scheme (MyCSP).

The defined Pension benefits are provided through the Principal Civil Service Pension Scheme (MyCSP) which is an unfunded multi-employer defined benefit scheme.

One member of staff employed in the Scottish Road Works Commissioner's office is on the Partnership Scheme. The remaining staff are members of the Civil Service Alpha Pension Scheme.(MyCSP).

With funding arrangements that are through defined contributions, it is not possible to identify or describe the extent to which MyCSP is liable for other entities obligations or any agreed allocations of deficit /surplus on the wind-up of the plan given the scale of the Commissioner's office's involvement in relation to the wider Scottish Government (SG). The exact proportion of the plan attributable to MyCSP is negligible in relation to SG and other related bodies within the plan. Further details on pension payments are included in Note 4.

A full actuarial valuation was carried out as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office; Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

#### 1.7 VALUE ADDED TAX

The Scottish Road Works Commissioner is required to pay VAT on the purchase of goods and services. All VAT is charged to the Statement of Comprehensive Net Expenditure.

The Scottish Government considers that the Commissioner cannot be classed as a Government Department for the purposes of section 41(3) of the Value Added Tax Act 1994 and as such cannot gain the appropriate status to allow the recovery of VAT.

The Prescribed Fees and Amounts collected by the Commissioner are a statutory levy and therefore VAT cannot be applied to them.

#### 1.8 INCOME RECOGNITION

Income relating to the SRWR is recognised and matched as closely as possible to the activity on the SRWR in the year. Income received in advance of SRWR activity is deferred for use in future years.

#### 1.9 IMPENDING APPLICATION OF NEWLY ISSUED ACCOUNTING STANDARDS NOT YET EFFECTIVE

The Scottish Road Works Commissioner has considered the expected impact of new accounting standards issued but not yet in effect and considers the impact is not material. This will be reviewed upon the implementation of new standards.

### 1.10 SEGMENTAL REPORTING

The Commissioner currently operates two segments, namely the Scottish Road Works Commissioner's Office and Scottish Road Works Register. The office of the Scottish Road Works Commissioner is funded through Grant in Aid from the Scottish Government. The Scottish Road Works Register is funded by the road works community with income being collected by means of The Scottish Road Works Register (Prescribed Fees) Regulations 2015 and The Scottish Road Works Register (Prescribed Fees and Amounts) Regulations 2008. IFRS 8 Segmental Reporting requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Commissioner in order to allocate resources to the segment and assess their performance. Details are shown in Note 2 and Note 17.

## 2. PERFORMANCE AGAINST BUDGET

### SCOTTISH ROAD WORKS COMMISSIONER – (SRWC)

For the year 2015/16 the Commissioner's Grant in Aid budget was £409,500 with a total of £409,500 actually being drawn down.

The overspend was funded out of Grant in Aid income carried over from the previous year.

	2015/16 Budget £000	2015/16 Expenditure £000	2015/16 Variance £000
Net Operating Costs	410	387	23
Capital Expenditure	0	28	(28)
<b>Total Expenditure</b>	<b>410</b>	<b>415</b>	<b>(5)</b>

	2015/16 Budget £000	2015/16 Expenditure £000	2015/16 Variance £000
<b>Cash Funding from Scottish Ministers</b>	<b>410</b>	<b>415</b>	<b>(5)</b>

### SCOTTISH ROAD WORKS REGISTER – (SRWR)

The costs of the Scottish Road Works Register are recovered by way of Prescribed Fees and Amounts charged to roads authorities and utility companies. The information below on SRWR activities is provided for fees and charges purposes in line with the requirements of the Government's Financial Reporting Manual.

The overspend was funded from Community contributions during the previous financial year from reserved funds. In the event that any reserved funds are not spent these are returned to the community by issuing reduced fees under the aforementioned legislation.

	2015/16 Budget £000	2015/16 Expenditure £000	2015/16 Variance £000
<b>SRWR Activities</b>	<b>881</b>	<b>886</b>	<b>(5)</b>

### SRWC / SRWR TOTAL EXPENDITURE

	2015/16 Budget £000	2015/16 Expenditure £000	2015/16 Variance £000
<b>Total Expenditure</b>	<b>1291</b>	<b>1301</b>	<b>(10)</b>

Expenditure in 2015/16 includes capital purchases totalling £28k for an office vehicle and specialist testing equipment, (2014/15: £nil)

### 3. INCOME FROM ACTIVITIES

	2015/16 £000	2014/15 £000
<b>Income from Activities:</b>		
Prescribed Fees & Amounts (PFA)	783	760
Released from Deferred Income	54	0
SRWR training	32	25
Interest	0	0
Other Income	1	1
	<b>870</b>	<b>786</b>

#### 4. STAFF COSTS

The office of the Scottish Road Works Commissioner employs 5 permanent staff, plus the Commissioner. The figure for 2014/15 was 4.5, plus the Commissioner.

#### STAFF COSTS

	Commissioner	SRWC Segment Staff	SRWR Segment Staff	Total Remuneration	Total Remuneration
	2015/16	2015/16	2015/16	2015/16	2014/15
	£000	£000	£000	£000	£000
<b>Wages and salaries</b>	92	154	53	299	232
<b>NI Contributions</b>	8	13	5	26	23
<b>Pension costs</b>	10	32	9	51	42
	<b>110</b>	<b>199</b>	<b>67</b>	<b>376</b>	<b>297</b>

The total remuneration for 2015/16 has increased by £79K, this is due in part to the second commissioner's exit package. Further details noted in the Remuneration report.

#### PENSION COSTS

For 2015/16 a total employer's contributions of £45,118 was payable to MyCSP at one of five rates in the range between 20% and 24.5% per cent of pensionable pay based on salary bands. In addition to this, £6,301 was paid to the Partnership pension scheme.

The salary bands for pension contributions were revised and implemented on 1 April 2015.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

There were no outstanding or prepaid scheme contributions at 31 March 2016.

On death after retirement, a pension and/or lump sum benefit is payable to the surviving spouse, dependant on the member's circumstances and the scheme joined within MyCSP. On death in service, the scheme pays a lump sum benefit of at least twice pensionable pay, again dependant on the scheme joined, and also provides a service enhancement on computing the spouse's pension. The enhancement depends on the length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

## 5. ANALYSIS OF OTHER EXPENDITURE

	2015/16 £000	2014/15 £000
<b><u>SRWC Segment</u></b>		
General office expenses	16	13
Travel & Subsistence	5	6
Development Costs	6	5
Other Costs	12	1
	<b>39</b>	<b>25</b>
<b><u>SRWR Segment</u></b>		
Training	25	28
Meetings & External Services	13	15
Travel, Administration & General	8	15
	<b>46</b>	<b>58</b>
<b>Total Other Expenditure - oSRWC</b>	<b><u>85</u></b>	<b><u>83</u></b>

The above total does not include £13,450 for external auditor remuneration for 2015/16. This is included under Professional Fees in the Statement of Comprehensive Net Expenditure. External audit received no fees in relation to non-audit work.

## 6. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles £000	Test Equipment £000	Information Technology £000	Furniture & Fittings £000	Total £000
<b>Cost</b>					
At 1 April 2015	0	0	9	2	11
Additions	20	8	0	0	28
Disposals	0	0	0	0	0
<b>At 31 March 2016</b>	<b>20</b>	<b>8</b>	<b>9</b>	<b>2</b>	<b>39</b>
<b>Depreciation</b>					
At 1 April 2015	0	0	8	2	10
Charge for Year	1	0	1	0	2
Disposals	0	0	0	0	0
<b>At 31 March 2016</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>12</b>
<b>Net Book Value at 31 March 2016</b>	<b>19</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>27</b>
<b>Net Book Value at 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
	Motor Vehicles £000	Test Equipment £000	Information Technology £000	Furniture & Fittings £000	Total £000
<b>Cost</b>					
At 1 April 2014	0	0	9	3	12
Additions	0	0	0	0	0
Disposals	0	0	0	(1)	(1)
<b>At 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>11</b>
<b>Depreciation</b>					
At 1 April 2014	0	0	7	3	10
Charge for Year	0	0	2	0	2
Disposals	0	0	0	(1)	(1)
<b>At 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>11</b>
<b>Net Book Value at 31 March 2015</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Net Book Value at 31 March 2014</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>

**7. INTANGIBLE NON-CURRENT ASSETS**

The Scottish Road Works Commissioner holds no Intangible Non-current Assets (31 March 2015: £nil).

**8. TRADE RECEIVABLES AND OTHER CURRENT ASSETS**

	2015/16 £000	2014/15 £000
<b>Bodies External to Government</b>		
Trade debtors	3	5
Prepayments	1	1
	<u>4</u>	<u>6</u>

**9. CASH AND CASH EQUIVALENTS**

	2015/16 £000	2014/15 £000
The following balances at 31 March 2016 were held at:		
<b>Government Banking Service</b>		
Opening Balance	118	35
Movement	42	84
Closing	<u>160</u>	<u>119</u>
<b>RBS account</b>		
Opening Balance	461	535
Movement	(81)	(74)
Closing	<u>380</u>	<u>461</u>
<b>Total Closing Balance</b>	<u>540</u>	<u>580</u>



**10. TRADE PAYABLES AND OTHER LIABILITIES**

	<b>2015/16</b>	<b>2014/15</b>
<b>Trade Payables and Accruals</b>	<b>£000</b>	<b>£000</b>

**Amounts falling due within one year:**

Trade Payables		
OSRWC	11	0
SRWR	173	165
Accruals		
OSRWC	112	100
SRWR	1	0
IAS 19: Employee Benefits	9	10
	<b>306</b>	<b>275</b>

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>

**Amounts falling due within one year:**

Due to :		
Other Central Government Bodies	123	97
Local Authorities	0	0
NHS Bodies	0	0
Public Corporations & Trading Funds	0	0
Bodies external to Government	183	178
	<b>306</b>	<b>275</b>

**Deferred Income**

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>

**Amounts falling due within one year:**

Deferred income for 2016/17 implementation	54	
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**Amounts falling due after one year:**

Deferred income for future implementation	108	216
	<b>162</b>	<b>216</b>

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**11. PAYMENTS TO THE CONSOLIDATED FUND**

There were no Commissioner penalties imposed and no consequential payments to the consolidated fund during the 2015/16 financial year (2014/15: £57,500).

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**12. CAPITAL COMMITMENTS**

There were no contracted capital commitments as at 31 March 2016 (31 March 2015: £nil).

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**13. CONTINGENT LIABILITIES DISCLOSED UNDER IAS 37**

There were no contingent liabilities as at 31 March 2016 (31 March 2015: £nil).

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**14. FINANCIAL INSTRUMENTS**

The Scottish Road Works Commissioner has no borrowings and relies on grant-in-aid for cash requirement purposes. The Commissioner is therefore not exposed to liquidity risks. The Office has no deposits and all assets are denominated in sterling. Consequently, the office is not exposed to interest rate risk or currency risk.

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**15. RELATED-PARTY TRANSACTIONS**

The post of the Scottish Road Works Commissioner was constituted by Scottish Ministers who provide funding through Transport Scotland. The Scottish Government is regarded as a related body. Neither the Commissioner, staff nor related parties have undertaken material transactions with the Office of the Scottish Road Works Commissioner during the year.

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**16. OTHER FINANCIAL COMMITMENTS**

There are no other financial commitments at 31 March 2016.

**17. SEGMENT INFORMATION**

The following items show the main categories of expenditure split between the two segments of the organisation.

	<b>SRWC</b>	<b>SRWR</b>	<b>Total</b>
	<b>2015/16</b>	<b>2015/16</b>	<b>2015/16</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Total Income	410	870	1280
Total Expenditure	387	886	1273
Total Assets	187	384	571
Total Liabilities	132	336	468
	<b>2014/15</b>	<b>2014/15</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Total Income	310	786	1096
Total Expenditure	303	870	1173
Total Assets	121	466	587
Total Liabilities	110	381	491

## ANNEX 1

## ACCOUNTS DIRECTION



## THE SCOTTISH ROAD WORKS COMMISSIONER

## DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of paragraph 2 of Schedule 2 of the Transport (Scotland) Act 2005, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2008, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 14<sup>th</sup> January 2008