

Annual Report & Accounts

2021-22

Preserving the past | Recording the present | Informing the future



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Foreword from the Chief Executive

I am pleased to introduce the National Records Scotland (NRS) Annual Report and Accounts for 2021- 2022, my fourth as Chief Executive.

This has been a further year facing the ongoing challenges of the covid pandemic, while continuing to open up further services, deliver changes and improvement and to take the census 2022 to the start of live collection.

Providing high quality public services to customers, both online and in



person, continues to be our priority through times of change and uncertainty. This year, we have met fresh challenges in implementing new working arrangements and temporary service measures, while still taking all necessary steps to protect customers and staff following the Covid-19 pandemic.

This has included providing on-site and online access to our archives and records, and supporting delivery of vital registration services

across Scotland. We have moved forward with our digital archiving strategy, delivered enhanced digital services and increased our engagement with our diverse customer base, including those in the research, archive and recordkeeping sectors.

I am proud that we continue to develop and enhance our role as the producer of high quality demographic statistics and data, which explain how Scotland is evolving and to help inform policy and service delivery decision making.

We have invested in the development of our organisation with strengthened project, programme and change management. We have strengthened our approaches to information governance, IT infrastructure and cybersecurity, while continuing to improve our built estate. We have also supported our staff during times of change and continue to develop our staff networks, support arrangements and learning offerings.

Delivering such a varied suite of services for the people of Scotland is a challenging and complex task. It is great credit to the hard work and dedication of my colleagues, and I would like to say thank you to the NRS team for their resilience, diligence and creativity.

This report provides more information in all these areas and our other work over this past year. I hope you enjoy finding out more about our achievements and our ambitious plans to further develop our services in future.



Paul Lowe
Chief Executive
15 September 2022

Performance Report – Overview

This section provides an overview of National Records of Scotland (NRS), its purpose and activities, structure, objectives and risks the organisation faced as well as the statement from the Chief Executive providing their perspective on the performance over the year.

Chief Executive Statement on Performance

I am pleased to reflect on the performance and achievements of NRS over this past year, especially when set against the backdrop of an ongoing and highly-challenging delivery landscape. Some of our most notable achievements have included:

We successfully launched Scotland's first ever principally digital Census on the 28th February 2022. The tireless work of our teams, our suppliers, partners and stakeholders, has helped to drive engagement across the country. Our communications work, including community engagement and national and local media activities, has ensured that important messages around the legal responsibility of completion reached as many households as possible. The census collection will conclude in May to be followed by a range of important follow-up activities, including the delivery of the Census Coverage Survey. Census data reaches into many of the decisions taken across Scotland, on investment and the delivery of services, and will help shape the future of our nation.

Throughout the COVID-19 pandemic we continued to successfully publish a range of analyses on COVID mortality to support monitoring and understanding of the pandemic in Scotland. Our Statistical Services teams have also delivered a range of demographic statistics products to our agreed publication schedule, giving valuable information on population and household estimates, life expectancy figures and migration analyses, among many others topics. As testament to the quality of their work, the redesigned Registrar General Annual Review was recognised at the Analysis in Government awards.

Following an NRS-wide exercise, we continued to bring back services to our buildings based on their criticality. The Service Restart & Delivery Team, including members from Estates, H&S and IT among others, has helped to drive this important process. The ongoing nature of the pandemic and the need to safeguard staff and visitors within a set of distinct challenges with our estate, have made this a complex undertaking.

As part of our ongoing commitment to improve accessibility of our records, we have continued to use digital approaches, adding more than a million key releases to our ScotlandsPeople online library, including Cabinet papers and kirk session documents. We also implemented a new online seat booking system, making it easier for our customers to access the records that are important to them.

We have continued to support staff wellbeing during the pandemic,

expanding our internal guidance and sources of support, including the development of significant new intranet content. We also ran a Q&A event, inviting questions on any COVID-related topic from colleagues, which led to high levels of engagement across all business areas.

We continue to grow our newly-established Delivery Directorate, to support change management and delivery across the organisation. One of the key early tasks for the new team has been the People Strategy, which is based on the combined findings from several staff surveys conducted over the past year. As part of this strategy we have launched the NRS-wide Leadership Forum to encourage and develop leaders within the organisation. We have also improved access to Learning & Development support and developed our staff wellbeing programme.

Following a concerted effort from the project team, with support from staff in all business areas, we successfully obtained accreditation under the Digital Economy Act for our Data Linkage Service. Gaining this important external validation of our information management arrangements was critical to our aspirations to work with others to support research and understanding of a range of key issues facing society.

We also filled two critical strategic roles to support the delivery of Equality, Diversity and Inclusion activities across NRS. We published our Mainstreaming Duty report and our Equality Outcomes, and have established an EDI Assurance Group to coordinate activities, promote the positive use of Equality Impact Assessments and share best practice.

Principal Activities

NRS is a non-ministerial department of the Scottish Administration. It is headed by a Chief Executive who fulfils the role of two non-ministerial office-holders, the Registrar General for Scotland and the Keeper of the Records of Scotland.

NRS performs the registration and statistical functions of the Registrar General for Scotland and the archival functions of the Keeper of the Records of Scotland, including maintaining the archives as one of Scotland's five National Collections. NRS holds UK Accredited Archive status.

NRS collects, preserves and produces information about Scotland's people and history, and makes it available to inform current and future generations.

The organisation holds records spanning the 12th to the 21st centuries which touch on virtually every aspect of Scottish life and is the repository for the public and legal records of Scotland and many local and private archives.

NRS holds and makes available one of the most varied collections of records in Britain. The organisation provides a leadership role for archive and record professionals, and requires 250 named public authorities to submit records management plans for agreement by the Keeper.

The organisation oversees the registration of life events including births, marriages, deaths, civil partnerships, divorces and adoptions. NRS is also responsible for the statutes relating to the formalities of marriage and civil partnership, and the conduct of civil marriage, and for overall leadership of the registration service in Scotland.

The organisation takes the census of Scotland's population every 10 years, prepares and publishes regular demographic statistics revealing the size and characteristics of the population and households of Scotland.

NRS has a global audience for its work, with people all over the world researching their Scots ancestry, accessing NRS records online or as part of a visit to Scotland, and the Scottish Register of Tartans attracts worldwide interest.



NRS Structure

NRS Chief Executive		
NRS Executive Management Team		
Director of Statistical Services	Director of Information and Records Services	Director of Operations and Customer Services
To deliver an optimum approach to all statistical services to maximise public value	To deliver modern information and archival services to maximise value across NRS and the wider public sector	To drive joined-up and customer-centred operations for NRS to improve customer value
Production, dissemination and promotion of demographic statistics, products; engagement with statistical community Census 2022 Stats design and processing, legislation, policy; and Census future	Records management, policy and practice; conservation, storage and digital preservation; information governance; collection policy and practice; engagement with archival community; Census 2022 archiving	Customer and registration services, communications and marketing, channel management, fees/charging policy, service innovations, Census 2022 collection and operations
Director of IT Services	Director of Corporate Services/ Accountable Officer	Delivery Director
To deliver good-quality and integrated IT services which support the business requirements and deliver good value	To develop a business-focused strategy and deliver services that support the running of NRS	To provide leadership and management of NRS major programmes
End-to-end delivery of IT services including IT assurance, governance, design, build, test, operational management and security, Census 2022 IT assurance, delivery, cyber security and BAU transition	Strategy and planning, governance and performance, finance, risk and assurance, procurement/commercials, estates, organisation development, Census 2022 finance, procurement and commercials	To shape and initiate a portfolio of business change; programme management; to deliver portfolio of NRS programmes and projects; cross-cutting business change function; Census 2022 delivery oversight

Strategic Objectives and Goals

Vision: To preserve the past, record the present and inform the future.

Mission: Increase our reach and impact and be recognised as a trusted, expert and professional organisation.

Ethos: We put people at the heart of what we do and deliver in accordance with our values.

Values:

- Professional: Collaborating to share our professional skills and knowledge whilst increasing our skills and expertise.

- Respectful: Listening and respecting different views, learning from others and expanding our knowledge and grow together.
- Accountable: Being responsible for what we do, delivering with transparency and clarity of purpose.
- Customer-Focused: Knowing our customers to understand their needs, delivering a positive experience and encouraging feedback to improve what we do.

In 2021-22 NRS continued to build on the achievements of the previous financial years and were committed to:

- Continue to refocus our delivery priorities to manage the implications of the COVID-19 outbreak for as long as required, including new working arrangements, temporary service measures, and publication of COVID-19 statistics.
- Work with a range of partners to deliver the live Census in Spring 2022 with successful and lasting benefits for Scotland.
- Continue to deliver high quality public services to our customers through our online channels and manage the transition to re-open in person and other services in line with Scotland's response to COVID-19. In doing so, we will also support the delivery of registration services through local authorities across Scotland. We will feed into the digital archiving strategy as we plan priorities for new and enhanced digital services over the coming years.
- Deliver high quality statistics in line with UK standards and through enhancement of our statistical services.
- Deliver NRS archive services, working with stakeholders to address the consequences of the disruption experienced during 2020-21 and recognising that there may be continued limitations given the current issues from COVID-19. We will continue to plan our programme of investment in digital archiving and long term storage whilst also continuing to grow our engagement with our stakeholders and the wider archive and recordkeeping sector.
- Grow and invest in our people, developing our organisation to enhance the way we operate, through investing in skills, knowledge management, leadership and capacity of our organisation. We will continue to mature our governance to support our people based approaches.
- Improve our programme management, information governance, delivery infrastructure and our estate in order to support our long term goals.

- Mature and improve our IT services through investment in our infrastructure, with a focus on major programme delivery including Census, Digital Archiving, additional COVID-19 service responses and other related improvements.

Principal Risks

Significant strategic risks that NRS faced in 2021-22 included:

- Continuing the organisation's response and management of COVID-19, ensuring successful delivery of the critical service functions throughout and safeguarding NRS buildings for staff and customers.
- Delivery of the complex and high-profile Scotland's Census 2022 Programme (further details under Scotland's Census 2022 Programme and Associated Risks, on [page 14](#)) and the management of the commercial arrangements that support the programme.
- Ensuring that NRS has the specialist skills that we require to support organisational activities and deliver the key programmes, most notably those that are required to deliver the organisation's digital ambitions and the 2022 Census.
- Recognising the value and importance of the information assets we hold, both in terms of appropriately safeguarding them and of maximising the opportunities to use the information to benefit customers and stakeholders.
- Recognising the increased threat environment in terms of malicious cyber-attack or external data breach e.g. Ransomware, Phishing, Data Leakage, Hacking or Insider Threat; and NRS preparedness for such events.
- Ensuring that NRS successfully obtains the Digital Economy Act (DEA) Processor Accreditation. This enables NRS to become a trusted custodian of data with respect to key stakeholders and our ability to develop and share future Census outputs.

Performance Summary

Performance against NRS Key Performance Indicators (KPIs) has predominantly been maintained and or improved throughout 2021-2022. Where performance was impacted by the COVID 19 pandemic and services resumed in year performance is on track to return to pre COVID 19 levels.

During 2021-2022 we continued to deliver high quality public services to our customers through our online channels and managed the transition to re-open in person and other services in line with Scotland's response to

COVID-19. The timescales for this response have impacted on the KPI report for services delivered in person or from our buildings. We also refocused our delivery priorities to manage the implications of the COVID-19 outbreak, including new working arrangements and temporary service measures.

Performance Report – Analysis

The purpose of this section is to provide a detailed view of NRS performance over the period 1 April 2021 to 31 March 2022. The following analysis will demonstrate how NRS performed against priority outcomes.



Performance Measures

As part of the Scottish Administration, NRS contributes to the Scottish Government's purpose and key national outcomes however as a non-ministerial department, the organisation has developed its own strategy.

NRS published an evaluation of their strategic performance on the NRS website: <https://www.nrscotland.gov.uk/about-us/corporate-planning>

NRS has adopted a number of Key Performance Indicators (KPIs), which are measurable values that demonstrate how effectively the organisation is achieving its objectives.

Key Performance Indicators	2021-22	2020-21	2019-20
Online orders for certificates are dispatched within 15 days	100%	96.20%	99.90%
ScotlandsPeople customer enquiries are responded to within 3 working days	99.00%	99.68%	99.20%
Historical and legal search services enquiries are responded to within 20 working days	99.60%	99.60%	99.70%
Customer orders for records held on-site to be fulfilled within 30 minutes.	63.75%	Service not resumed	96.60%
Customer orders for records held off site to be fulfilled within 24 hours.	97.00%	Service not resumed	99.90%
Archive Accessions and Cataloguing Assessments in 5 days 2020-21	100%	100%	100%
All of our statistical publications are delivered on time in line with our published publication schedule	91.55%	91.00%	100%
Cataloguing will commence for 90% of records within 24 months of accession	100%	72.00%	82.00%
40-50k records will be catalogued per year	5,863	17,252	86,332
98% of invoices are paid within 10 working days of receipt	98.90%	99.50%	99.00%
95% of FOI requests are responded to within 20 working days of receipt	99.03%	98.17%	98.70%
Ministerial correspondence is responded to within 20 working days of receipt	92.00%	96.92%	95.00%
All formal complaints are responded to within either 5 days of receipt (Stage 1) or 20 working days (Stage 2)	80.15%	86.67%	98.00%
The systems and channels through which we deliver our services are reliable, responsive and secure	99.96%	99.00%	99.90%

Risk Performance

The Census programme made great progress through 2021, in partnership with a broad range of suppliers and stakeholders, to complete all the key preparatory work to enable the Census to go live with the public from February 2022. This included a huge effort to design, build, and test the wide range of systems and processes that underpin the census and ensure that the programme was operationally ready. NRS faced a number of risks and challenges in pulling together interdependent elements into a single live operational solution, not least in terms of a challenging delivery timeline, resourcing capacity and capability, and overall technical complexity. NRS's risk management controls were a crucial and integral element in helping to identify and mitigate risk across the programme. The organisation also benefitted from improvements in governance controls implemented towards the end of 2020-2021 which NRS reported on in last year's report.

The effectiveness of NRS risk management approaches were subject to scrutiny and review of independent external assurance, primarily through the Technology Assurance Framework (TAF) (administered by the Scottish Government's Digital Assurance Office) and an Independent Information Assurance Review (IIAR) carried out by a specialist cyber security and data privacy body certified by the National Cyber Security Centre (NCSC). The TAF reviews assessed the overall deliverability of the programme and readiness for live operations, the level of risk the programme carried and the effectiveness of our risk management controls to mitigate threats to the programme. This culminated in a delivery confidence assessment rating of Amber/Green which is that successful delivery appears probable.

The IIAR focussed on information governance and security risk controls and assessed the strength of NRS security measures. It found that NRS had a comprehensive security programme in place, that security measures had been designed to reduce the risk of compromise to the delivery of the Census, and to citizen data and that strong controls were in place to detect and respond to threats that may impact the census when it is in live operation.



Social, Community and Human Rights

NRS has a diverse community of stakeholders and plays a central role in the cultural, social and economic life of Scotland. NRS works in line with the Scottish Government's objective to commit to creating a modern, inclusive Scotland that protects, respects and realises human rights for people in Scotland and the UK. NRS respects all human rights and in conducting our business we regard these human rights most relevantly when dealing with our customers and stakeholders.

The registration of births, deaths and marriages will continue to be a key interaction with the state for generations to come.

Census and the demographic statistics NRS publishes, inform local and central government policies including service planning and equalities monitoring.

The organisation works with public bodies across Scotland to deliver trusted, reliable and authentic records of Scotland's public administration, underpinning citizen rights, and supports democratic accountability.

NRS has a zero-tolerance policy towards fraud, bribery and corruption.



Going Concern

NRS receives its funding from the Scottish Government and its annual operating budget is approved and published each year, as part of the Scottish Government's budget, by the Scottish Parliament. Funding requirements have been agreed with the Scottish Government that give our Board the reasonable expectation that NRS will have adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the Annual Report and Accounts.



Review of Financial Performance

The purpose of our Annual Report and Accounts is to provide detail of the organisations administration expenditure.

The budget approved by the Scottish Parliament for NRS operating costs was £59.090m (£51.876m 2020-21) revenue and £2.000m (£2.350m 2020-2021) capital.

The financial outturn for 2021-2022 is summarised in the table on [page 16](#).

The total resource Departmental Expenditure Limit (DEL) outturn, excluding depreciation, is £55.145m. The increase in resource DEL expenditure in 2021-2022 compared to 2020-2021 is as a result of expenditure on the Scotland's Census 2022 Programme.

Total operating costs for the year increased by 30.3% from 2020-2021. Overall, running costs were within budget by £54k or 0.09% and depreciation by £175k or 4.5% bringing total operating costs within budget by £229k or 0.42%.

Capital expenditure for the year was £2.334m (budget £2.000m) with 116.7% of the available budget being utilised. Capital expenditure increased by £473k from 2020-2021.

Table - Financial Performance

	Draft Budget 2021-2022 £000s	Budget adjustments during year £000s	Final Budget 2021-2022 £000s	Actual 2021-2022 £000s	Variance £000s	Actual 2020-2021 £000s
Operational Costs (excluding depreciation and impairment)	63,600	(1,409)	62,191	61,905	(286)	49,557
Less Retained Income	(5,800)	(1,192)	(6,992)	(6,760)	232	(7,243)
Total Resource DEL (excluding depreciation and impairment)	57,800	(2,601)	55,199	55,145	(54)	42,314
Depreciation and impairment	3,561	330	3,891	3,716	(175)	6,579
Net Resource	61,361	(2,271)	59,090	58,861	(229)	48,893
Capital DEL	3,000	(1,000)	2,000	2,334	334	1,861
Total Outturn	64,361	(3,271)	61,090	61,195	105	50,754



Sustainability Statement

The Scottish Government's target for net zero carbon emissions by 2045, as set in the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, requires NRS to increase its focus on sustainability to allow the Scottish Government to meet its ambitious target for the benefit of Scotland's environment, people and prosperity.

NRS continue to embed processes across the Organisation to plan for the delivery of the Scottish Government's [new targets](#).¹

Waste Management

NRS continue to divert almost all of its waste from landfill to recycling. Waste generation has reduced significantly with the support of hybrid and flexible working practices. As office requirements reduce, sustainable methods of disposing of surplus furniture and IT equipment will align with sustainable procurement and circular economy policies.

Energy Management

Maximising efficiency in the use of NRS estate is part of a key strategic review of the use of the estate. A phased approach to improving energy control and management tools will be implemented across buildings to ensure continuous monitoring and response.

NRS is a member of the [Sustainable Scotland Network](#),² (SSN), which supports public sector action on sustainable development.

¹ <https://www.gov.scot/policies/climate-change/reducing-emissions/>

² <https://sustainablesotlandnetwork.org>

Green Projects

Adaptation forms a critical outcome in the design criteria as part of the planning for the major roof overhaul of the Grade A listed New Register House. Programmed changes to emergency lighting to improve efficiency and reduce waste are planned alongside systems changes to energy management systems across the estate.

Detailed Analysis of Performance

The work of NRS is hugely varied, and touches the lives of everyone in Scotland. What links it all is our commitment to delivering public value and excellent customer service, and to our purpose; to collect, preserve and produce information about Scotland's people and history and make it available to inform current and future generations.



Statistical Services

The Statistics Directorate continued to deliver a wide range of high quality statistical products which provided our many stakeholders and users with accessible and important information about Scotland's population.

Through the work we did to maintain the NHS Central Register we ensured the efficient movement of patient's medical records as they moved between areas of Scotland and into and out of Scotland. Through our maintenance of Geography data we delivered a high quality address file which enabled the Census to engage with over 2.7 million households. Through our medical coding work we delivered accurate and timely analysis of death records supporting key COVID analyses. Our statistics continued to inform national and local Government, Parliament, the private and third sectors, and the public and society in general on matters of great significance. The continued delivery of trusted high quality evidence supported important debate and decision making on a wide range of key societal issues.

We delivered vital information on the levels and trends in COVID mortality through our weekly and monthly publications, and in response to large numbers of ad-hoc requests. This provided key evidence on how mortality was changing over time and how COVID continued to disproportionately affect different communities, age groups and populations across Scotland.

We produced analyses of significant importance on how Scotland's population continued to change in size and structure, on how mortality from suicide, alcohol and drugs continued to hit communities across Scotland, and statistics on the type of households in which we live. Our Registrar's General Annual Review drew together key headline evidence, presenting it in an impactful and accessible manner.

We continued to innovate through our statistical methodology providing a valuable data linkage service and the appropriate sharing of data, which

enabled new research and analyses to be performed by ourselves and other research and academic organisations and individuals. We continued to develop our work on administrative data based population estimates building up our knowledge of statistical methods and helping to drive increased public benefit and value from the valuable administrative data held across Scotland.

In our preparation for Scotland's Census 2022 we engaged with and supported further scrutiny including giving evidence to the Culture, Tourism, Europe and External Affairs Committee. The Census (Scotland) (Amendment) Order 2020 and Census (Scotland) (Amendment) Regulations 2020 were subsequently approved by Parliament.

We put in place a clear and tested question set for Scotland's Census 2022, with associated assessable guidance. We continued to work closely with census organisations across the rest of the UK and the global census community, sharing knowledge and experience on census design and delivery. We developed and launched a Census Outputs website providing key evidence about the Census 2022 and improved access to 2001 and 2011 census data in preparation for our delivery of Census 2022 outputs in 2023.



Information and Records Services

Information Governance and Security

We delivered [accreditation under the 2017 Digital Economy Act](#) for the NRS Data Sharing and Linkage Service (DSLS) in order to increase the public value of NRS datasets and those of our key partners within Scotland and the wider UK. We have continued to build strong information governance processes which support and enable NRS in its statutory functions around the selection, production, preservation, and making available of information and have ensured that Census underwent a successful [Independent Information Assurance Review](#) before going live.

We have met our KPI target for responding to Freedom of Information requests within 20 working days. However, limited access to our buildings during the pandemic has affected our ability to meet requests made under section 22 of the Act, which applies to closed physical archive material and has a target time of 30 working days. We have kept the Office of the Scottish Information Commissioner apprised of this situation. We will be tackling this backlog during 2022-23.

Archive Depositor Liaison

We were able to continue our statutory temporary retransmissions service on an 'emergency' basis during the pandemic and reinstated this on a more regular footing during 2021. Limited access to our buildings during the pandemic has prevented us transferring and cataloguing archive material for most of the year, other than some catalogue enhancement

which was possible working from home. We were able to select and transfer some born-digital material, including [Scottish Cabinet Records from 2006](#), which were catalogued and made available for online consultation. In March 2021 the transfer and cataloguing of physical records began again, starting with records from the Crown Office and Procurator Fiscal Service. We will be reinstating this service more fully during 2022-23.

Throughout the year, we supported public inquiries, notably the Scottish Child Abuse Inquiry and the UK Infected Blood Inquiry, by providing digital copies of relevant government information which has been transferred to the archives.

We have made several purchases during the year, most notably securing for the nation the Balfour papers (NRS ref: GD433), a collection of pre-eminent importance on a local, national and international level. It includes the papers of Arthur James Balfour, 1st Earl of Balfour, Prime Minister from 1902 to 1905, as well as wider papers of the family which was well-connected in scientific, artistic and political circles. The purchase reflects the diversity in our collections. NRS will be publicising features of the collection through the coming year.

Preservation Services

Limited access to our buildings during the pandemic has prevented us from undertaking active conservation work other than that required for pre-existing exhibition loan agreements. Archive stores have been checked regularly throughout the pandemic to ensure collections remain secure. NRS has continued to seal Letters Patent to Acts of the Scottish Parliament, enabling these Acts to pass into law. On-site conservation services will be gradually reinstated during 2022-2023.

In order to ensure that the public sector's response to Covid-19 is preserved for posterity, our [Web Continuity Service](#) continued to collect snapshots of websites and social media from organisations at the forefront of responding to the pandemic. We have undertaken discovery work to improve our management information about the space our holdings occupy, in order to inform forward planning for additional archive storage. As our depositors increasingly 'go digital' we are also exploring solutions for the mass transfer of born-digital records into the archive.

Records and Archives Engagement

The [Keeper's 2020-21 report on the Public Records \(Scotland\) Act 2011](#) was published and laid before parliament in December 2021.

Limited access to our buildings prevented us from providing our normal service to researchers wishing to consult privately held records in our search rooms for most of the year, but this was resumed in March 2021. We continued to engage with Museums Galleries Scotland on their work on [empire and slavery in museums](#), and to feed into wider NRS Equality, Diversity and Inclusion work. We developed our internal governance

processes to strengthen procedures in relation to our archive collections and have begun work to improve our management information about the different levels of detail to which our holdings are catalogued.



Operations and Customer Services

Registration

The pandemic continued to have an impact on registration services throughout Scotland. We supported local authority registration offices who, in addition to registering births, deaths and still-births, assisted the public with arrangements for an unprecedented number of weddings and civil partnerships which had to be delayed over the last two years.

We worked closely with family law colleagues, Home Office staff and local registration services to implement two new Acts:

From 1 June 2021 onwards, mixed sex couples were able to submit notice of their intention to enter into a civil partnership. This change meant that the option of both marriage and civil partnership is now open to both mixed sex and same sex couples.

From 1 July 2021 European Economic Area citizens fall within scope of the Home Office referral and investigation scheme, established to combat sham marriage and civil partnerships.

Positive feedback regarding the temporary introduction of remote death and still-birth registration led us to consider making this a permanent option, and extending it to birth registration. We are working with family law and legal colleagues to make remote registration of births, deaths and still-births a permanent option for the public, with the aim of introducing these provisions in September 2022.

We are exploring further digital options including a project to digitise much of the registration process which will have wide-ranging benefits to customers, local authorities and NRS. We are also identifying a range of other processes where we hope to provide a more digital approach for our customers and stakeholders.

ScotlandsPeople

During 2021-2022 our customers viewed almost 5 million images online through our [ScotlandsPeople.gov.uk](https://scotlandspeople.gov.uk) website

We have once again been able to add new records and improve our digital service offer this year. In 2022 we published our first set of historic Prison Registers online. We released the digitised images of Perth Prison Registers from 1867 to 1916 including the names of men, women and children held in HMP Perth which was Scotland's first general prison. We also published Scottish Cabinet Papers online for the first time. These papers from 2006 provide a fascinating insight into the inner workings of our democracy. We plan to regularly release more prison registers and

cabinet records in the coming years.

In January we added over 138,000 birth, marriage and death records, and also made available a further 5,000 new maps and plans last year. We continued to publish our popular newsletter, guides and articles covering a range of topics including the Kirk Session, witchcraft, Women's History Month, [Scottish Cabinet records](#); [Using Virtual Volumes](#); [The Radical Rising of 1820](#); and [Prison Registers](#).

Between April 2021 and March 2022 we completed almost 90,000 birth, death and marriage certificate orders and in the same period we handled around 77,000 enquires for help and support from our customers.

Search Rooms

We reopened our onsite search rooms on a limited basis for priority access from 27 April 2021. At the start of September 2021 we were able to open up access to all researchers - academic, commercial, professional and amateur - through a limited number of seats in our search rooms.

Search rooms are now open 5 days a week and we continue to operate a pre-booking system. In June 2022 the Historical search room successfully moved back to its original location affording wider access for customers to additional search room facilities. We continue to operate a seat booking system to ensure compliance with safe occupancy levels in the search rooms.

Scottish register of Tartans

The number of tartans registered on the Scottish Register of Tartans website during 2021-2022 was 357 designs compared to 304 the previous year. Notable registrations include 'The Royal Scottish Society of Arts' tartan, which was created to celebrate their bicentennial, and the 'Sir Sean Connery Commemorative' tartan.

We continued to review the information held on the Scottish Register of Tartans and we have now corrected over 570 legacy tartan entries (tartans recorded prior to the Register being set up).

Currently we have over 17,000 customers registered, an increase of 2,000 from last year. Personal named tartans continue to be the most popular category accounting for 181 (50.7%) of tartans registered in the last year.

Outreach and Learning

We have continued to produce and offer resources exploring our buildings, the material available in our archives, and to engage with key anniversaries and events throughout the year.

Throughout the year we published articles, features and blog posts across NRS websites, and externally. These articles marked annual events (Halloween, Christmas), notable anniversaries and highlighted different

record sets in the archive.

This work included; [‘A Tumult in the City’ for Black History Month; the 250th anniversary of Sir Walter Scott’s birth ‘250 Years On: Sir Walter Scott and Register House’; four new articles for Women’s History Month; and the addition of five new entries, and six amended ones on the WWI Register House Roll of Honour 1914-1918](#) for Remembrance.

We contributed and facilitated six articles for History Scotland and participated in several of their themed months. We launched NRS’ online talks programme. Four talks took place and have now been published on the [NRS YouTube channel](#). We also delivered talks and workshops remotely to a range of groups including community groups, local history groups and university students

We developed a [Video tour of New Register House](#) exploring its history and significance. This includes a BSL interpreted and audio described version.

We were a partner in the Scottish Council on Archives project: [‘Coming Home: Ancestral Journeys in Scotland’](#). The film highlights how Scotland’s rich collection of archives tells the stories of people who have emigrated and how those visiting can discover more about their ancestor’s lives.

Declaration of Arbroath (DOA)

To promote the 701st anniversary of the DoA, we released images of the document on the ScotlandsPeople Image Library for free download.

We also continued to collaborate with Historic Environment Scotland (HES) on our joint learning offer to promote the Declaration of Arbroath.

Over 450 print copies of the [‘Illustrated activity booklet’](#) and [teachers’ notes](#) were sent to primary schools in Arbroath and the Angus region in collaboration with HES. This included 240 copies to Hayshead Primary School in Arbroath to distribute to families from their school in order to address digital poverty issues.

[‘Investigating the Sealants of the Declaration of Arbroath’](#) was published online by HES and NRS based on original research provided by the University of Strathclyde’s genealogical postgraduate programme. It comprises: [background information for teachers about the Declaration](#), [teachers’ notes](#), [a set of sealants’ information sheets](#) and a student task sheet.



IT Services

Cyber Security

NRS is responsible for the storage and processing of large volumes of citizen data. The protection and security of that data is critical to the operation of NRS and to ensure trust in public services. The Covid pandemic and conflict in Ukraine have led to a significant increase in hostile cyber activity. Critical vulnerabilities like Log4shell and Spring4shell have also generated significant activity to strengthen controls and improve response capabilities.

NRS have continued to strengthen their security posture with improvements in Vulnerability Management, Security Event Monitoring & Alerting and Disaster Recovery capabilities. Our security standards have been updated to accommodate our ongoing adoption of Cloud Services. In 2021-2022 IT Services also supported the successful accreditation of NRS under the Digital Economy Act, Cyber Essentials Plus and PSN. The Census Independent Assurance Review also positively reflected the strong security controls and management in place.

Census IT

NRS Information Technology provides a number of cross functional services to the Census programme including Architecture & Design, Systems Integration, Business Analysis, Integrated Testing, IT Systems Management and Cyber Security. IT Services are also responsible for the design and build of the Census Data Ingestion platform, the Data Collection system, the Data Processing System and technical oversight of the Census Outputs system.

The Census programme has undergone significant technology and security assurance. This has demonstrated that the IT teams have supported and enabled the delivery of robust, well designed and secure services for Census 2022.

NRS IT Services

NRS IT Services have considered their ambitious programme of service simplification modernisation. To improve resilience we have migrated to a single SWAN network, moved critical IT services to Tier 3 data centres and replaced legacy storage services. We have rolled out and tested disaster recovery capabilities across our critical services.

To improve digital capabilities we have carried out accessibility improvements across our public websites. We have migrated a number of critical digital services to public cloud, taking advantage of enhanced operability and security. We have put in place a strategic procurement to support ongoing provision and support of cloud services.

IT have also carried out significant work to support the ongoing need for hybrid working in NRS with the issue of equipment to support remote

working and support for onsite service restarts. This has been extremely challenging with the global semiconductor shortage. To improve our service we have also introduced a first line service team to help with incident triage and response.



Corporate Services

Business Management Unit

Our Business Management Unit continued to manage and support the NRS Corporate Governance process for NRS, a key objective for 2021-2022. During the period activity also included support to further strands of governance for NRS. This included the NRS arrangements to manage the Covid 19 pandemic incident and related critical service restart decision making process. Additionally BMU supported the governance arrangements for Scotland's census 2022.

Human Resources

We continued to apply the Fair Work Principles and engaged staff through our Staff Engagement Network and gained further insights from the People Survey and from our HR reporting. This allowed us to mature our wellbeing offer to staff, all in support of our people based approaches. We completed a future ways of working survey in summer 2021, which gave all individuals a voice and helped us to facilitate appropriate flexible ways of working. We developed and implemented a Service Restart process to evaluate all return to the workplace requests, ensuring the health and wellbeing of our staff, when at work or travelling. This process also ensured the health of customers receiving our services was maintained. We also published our 2021 Equality Mainstreaming Duty report and our short-term equality outcomes for the year ahead.

Procurement

In accordance with the obligations under the Procurement Reform (Scotland) Act 2014 Section 18(2) NRS publishes an Annual Procurement Report of our procurement activities on regulated procurements. Information on individual regulated procurements completed (including procurements through collaborative framework contracts) are detailed in the Annual Procurement Report. The report also contains a forecast of planned regulated procurements. A copy of the reports can be found on the Procurement page on the NRS website³ or on the documents section of NRS buyers page on Public Contracts Scotland (PCS)⁴

We have continued to deliver projects to improve our estate and mature our commercial management practices, with a key focus on the Census Programme.

³ <https://www.nrscotland.gov.uk/about-us/procurement>

⁴ <https://www.publiccontractsscotland.gov.uk>

Health and Safety

A new Head of Health and Safety was appointed in November 2021 to provide the necessary level of assurance and support to the Executive Management Board on all health and safety matters. A key area of focus has been to build on progress in the previous year to implement recommendations from the independent health and safety review in 2020 - 2021, and strengthen existing controls for life safety risks where we have undertaken further more detailed independent reviews. New policies have been introduced for two key life safety risks: asbestos and water safety, with clarity on roles and responsibilities.

Ongoing support is being provided to Census to ensure the safety and wellbeing of staff undertaking this important work, in particular field staff who are at increased risk. Work is also underway to progress the health and safety training needs assessment to identify core/mandatory training for all staff, and role or activity specific health and safety training requirements. We undertook an Internal Audit review of progress to evaluate and report on the controls in place to manage the risk surrounding health and safety governance arrangements and implementation of recommendations from the independent health and safety review, and are implementing the findings. Additional ongoing assurance is provided by the Head of Health and Safety where the current focus is risk associated with COVID-19.



Delivery Directorate

Our newly created Delivery Directorate continued to develop the relevant skills and expertise to mature the project, programme and change capacity and capability in NRS. Core functions covering Delivery, Business Change and Portfolio Governance were established in order to enable and oversee delivery of NRS' strategic ambitions.

We undertook an Internal Audit review of NRS' project and programme management controls and governance and secured a substantial assurance rating.

The Delivery Directorate worked in collaborative partnership with service areas to deliver projects and change – including securing Digital Economy Act (DEA) accreditation, archive accreditation, various Storage, Data, Estates and IT initiatives.

The Delivery Directorate continued to manage the Digital and Strategy Board (DSB). This Board approved a number of formal project closures and assessed and approved new projects through project initiation and business cases. Further work is underway to embed a robust approach to initiating, managing and delivering change across the organisation. The intention is to deliver in a consistent, holistic way that allows us to maintain service levels, ensure best value, manage risk and deliver scalable, strategic growth opportunities.

During the 2021 - 2022 period Delivery support for broader corporate initiatives including the Covid 19 pandemic incident response, strategy development, Equality, Diversity and Inclusion (EDI) assurance, oversight and transition of Scotland's Census 2022 and Board engagement continued.

Work is ongoing to evolve the NRS delivery and change framework. Developing and implementing guidance and tools to drive consistency of reporting and decision making across all NRS projects will continue throughout 2022/23.



Scotland's Census 2022 Programme

The Programme through 2021/2022 very much focused on preparations for Live operations in early 2022. Working closely with the Digital Assurance Office (DAO) and making use of both a TAF Go Live Checklist as well as key reviews being undertaken at specific points in the Programme, the Programme focused activities on preparedness for go live, and ensuring that processes were in place to support a successful Census. This included the development and enhancement of a number of key programme artefacts including a detailed cutover plan and critical success criteria framework.

In preparing for Go Live, the Programme ran a series of desktop scenario Planning exercises followed by three full "war gaming" scenario exercises to test and challenge the planning and development of support arrangements and contingencies and in refining the communications and structures for handling a range of incidents. These worked well, and lessons learned were built into preparations, further supporting smooth operational running.

The Programme continued a high level of engagement with other census bodies. This involved the extensive sharing of lessons learned and experience including through their ongoing membership of the Census Programme Board and through their joint membership of the UK Census Committee and various subgroups. This also involved detailed sharing of the results of war gaming and other operational and statistical activity gained through their own Census efforts.

Throughout the Collect phase, there has continued to be a focus on transition and set up for Dissemination and Outputs, and we will consider appropriate assurance to support this as we learn from the Collect phase in mid 2022.

The TAF Review Team supported a Go Live decision in February 2022, supporting the Programme in moving forward with Census delivery.

The online portal stood up successfully as planned and the operations to support Census delivery all operated as expected, with 2.7m letters being delivered across households in Scotland. Live operations ran smoothly, and were operating as expected, supported by robust governance and a

Daily Stand Up covering key streams and processes. Collect was the priority through these sessions, with a robust process for tracking live operations on a daily morning meeting. Wider governance included the weekly Delivery Management Forum (DMF) to track and monitor delivery activities across the Programme, and weekly Executive Management Board (EMB) which managed more strategic activities across Census.

The delivery of the Census Collect phase across Scotland was on track and on budget at the end of March 2022, the period covered by this performance report. During April 2022, due to a range of factors, public responses reduced to below our targeted rate for the latter part of the Collect phase for the main Census response. In keeping with many other countries around the world, NRS invoked a contingency to extend Census Collect operations by one month to the end of May. This decision was approved and announced by the Scottish Government Cabinet Secretary for Constitution, External Affairs and Culture. The final performance outcomes and financial impact of the extension will be assessed and reported on during 2022-23.

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 2022

Accountability Report

Accountability Report for the Year Ended 31 March 2022

The Accountability Report is the second of the three elements which comprise the Annual Report and Accounts. Its purpose is to meet the requirements of NRS's accountability to the Scottish Parliament. It is composed of:

- A Corporate Governance Report, which explains the composition and organisation of NRSs governance structures and how they support the achievement of objectives.
- A Remuneration and Staff Report which describes the remuneration of NRS senior managers and how remuneration policy has been set and implemented. In addition it describes additional details of NRS remuneration and staff to support our accountability to the Scottish Parliament and the public.
- A Parliamentary Accountability and Audit Report which brings together further accountability disclosures, and contains the Independent Auditor's Report on the financial statements.

Corporate Governance Report

The Corporate Governance Report consists of:

- The Directors' Report, describing the management structure of NRS.
- The Statement of Responsibilities for NRSs Chief Executive and for the Accountable Officer.
- The Governance Statement, which describes NRSs system of internal control and its management of resources.

Directors' Report

NRS is a non-ministerial department of the Scottish Administration. The Chief Executive, Paul Lowe, is appointed in the role of two non-ministerial office holders, the Registrar General for Scotland and the Keeper of the Records of Scotland.

The Chief Executive reports to the Scottish Government's Director of Culture and Major Events and Scottish Ministers. NRS sits within the portfolio of the Cabinet Secretary for Constitution, External Affairs and Culture. During the year, this post was held by Angus Robertson MSP.

Linda Sinclair was appointed Accountable Officer of NRS on 21 November 2018. The Accountable Officer has responsibility for maintaining a sound system of internal controls which support the achievement of strategy, aims, objectives and policies as agreed by the Scottish Government. These responsibilities extend to personal accountability for the safeguarding of public funds administered by NRS and for the management and operation of the organisation.

NRS Board 2021-2022

**Paul Lowe – Chair**

Chief Executive, Registrar General for Scotland
and Keeper of the Records of Scotland

**Laura Mitchell**

Director of Information and Records Services,
and Deputy Keeper of the Records of Scotland

**Linda Sinclair**

Director of Corporate Services, and Accountable Officer

**Anne Slater**

Director of Operations and Customer Services

**Pete Whitehouse**

Director of Statistical Services

**Laura Lucas**

Director of IT Services

**Claire Gillespie**

Chief Finance Officer

**Carla McHendry**

Delivery Director

Non-Executive Directors

Non-executive directors provide support and advice on matters relating to strategy, performance, audit and risk. Seven non-executive directors served during 2021-2022. Each non-executive director has strategic leadership experience at board and/or audit committee levels.

During 2021-2022, the non-executive directors were:

Bill Matthews – Strategic Board, Census Programme Board and Audit and Risk Committee member

Catherine McFie – Strategic Board, Census Programme Board member

Colin Ledlie – Strategic Board member and Chair of the Audit and Risk Committee

Gordon Shipley – Strategic Board member

Mandy Gallacher – Strategic Board and Audit and Risk Committee member

Anne Moises – Census Programme Board member

Christine Martin – Audit and Risk Committee member

Maggie Waterston – Audit and Risk Committee member

Register of Interests

All executive and non-executive directors participated in a quarterly declaration of any directorships held and/or other significant interests which may conflict with their role or the conduct of NRS. A [Register of Interests](#)⁵ is held, and no conflicts were noted during the financial year.

Handling of Personal Data

We have had no personal data incidents that were reportable to the Information Commissioner during the year. Further detail on the control environment relating to personal data and information security can be found in our [Governance Statement](#).

⁵ <https://www.nrscotland.gov.uk/about-us/corporate-governance>

Independent Auditors

Responsibility for auditing our Annual Report and Accounts lies with the Auditor General for Scotland. Audit Scotland were appointed as our external auditors on behalf of the Auditor General for Scotland for the period 1 April 2020 to 31 March 2021. The appointment was extended for one year due to the impact of the COVID 19 pandemic.

The external auditors were remunerated in the sum of £69,570 in respect of statutory audit services for the financial year 2021-2022. The fees payable to the external auditors are shown in the Statement of Comprehensive Net Expenditure and in Note 3 to the accounts. There were no payments made for non-audit work during the year.

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 202

Statement of the Chief Executive's and Accountable Officer's responsibilities

In accordance with an accounts direction issued under article 19(4) of The Public Finance and Accountability (Scotland) Act 2000, NRS is required to prepare resource accounts for each financial year in the form and on the basis set out in the Accounts Direction reproduced on [page 86](#) of this document.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NRS and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts the Accountable Officer is required to comply with the Government Financial Reporting Manual and in particular to:

- observe the accounts direction, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, taking personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

Section 70 of the Scotland Act 1998 requires Scottish legislation to provide for members of staff of the Scottish Administration to be designated as answerable to the Scottish Parliament in respect of expenditure and receipts. Such members of staff are called Accountable Officers. The Registrar General for Scotland/Keeper of the Records of Scotland is a statutory office-holder who is a member of the Scottish Administration and not part of the staff of the Scottish Administration. A consequence of Section 70 is that the Registrar General/Keeper cannot be designated as Accountable Officer. The Registrar General/Keeper, as statutory office-holder, remains accountable to the Parliament for the performance of his duties.

The NRS Director of Corporate Services has been appointed by the Principal Accountable Officer as Accountable Officer for NRS. The responsibilities as the Accountable Officer for NRS include the propriety and regularity of the public finances for which she is responsible, keeping proper records and safeguarding NRS assets. These responsibilities are described in full in the 'Memorandum to Accountable Officers from the Principal Accountable Officer' published in the Scottish Public Finance Manual.

Accountable Officer's Declaration

As Accountable Officer, I confirm that the Annual Report and Accounts as a whole are fair, balanced and understandable. I take personal responsibility for the annual report and accounts and for the judgments required to determine that it is fair, balanced and understandable.

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

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 2022

Governance Statement

This governance statement outlines and evaluates the governance, risk management and internal control arrangements in place during the year. In summary, I am satisfied that, overall, NRS is operating in accordance with Scottish Government and HM Treasury guidance as regards to internal controls and risk management, and that the governance structure used within the organisation contributes substantially to the achievement of our overall objectives.

Scope of Responsibility

As Accountable Officer for NRS, I am personally answerable to the Scottish Parliament for the propriety and regularity of our finances and for the economical, efficient and effective use of the resources placed at its disposal.

My duties and those of the Keeper/Chief Executive Officer are set out in the statement of responsibilities on [page 33](#).

Corporate Governance Framework

The governance framework comprises the range of systems, processes, culture and values used to direct NRS. The NRS governance framework is designed to give assurance that the organisation carries out its duties and responsibilities using the highest standards of effective internal control and risk management. NRS complies with the requirements and best practice principles of the Scottish Public Finance Manual (SPFM).

I am provided with assurance in my role as Accountable Officer by our Executive Management Board, Strategic Board and Audit and Risk Committee and by independent non-executive directors. A system of internal controls and active risk management is in place, along with a programme of internal audit reviews.

I have detailed below our governance arrangements, including information about our Executive Management Board (EMB), Strategic Board (SB) and Audit and Risk Committee (ARC). It explains their activities in establishing strategic direction, delivering against objectives and managing risk. Our Corporate Governance Framework can be found at [Appendix A](#). I am satisfied that these forums represent, and deliver, effective corporate governance within NRS.

NRS Executive Management Board

NRS EMB is the overarching executive board for NRS, setting the strategic direction and organisation of NRS, with management and oversight of NRS key assets. EMB meets every six weeks and sets the strategic financial profile, building organisational capability and capacity through our people, overseeing use of and safeguarding information assets. The Board will also direct the management of business operations and oversee the change activity to achieve the NRS vision.

NRS Strategic Board

The Strategic Board acts in an advisory capacity to the Chief Executive to provide support and constructive challenge on the operations of NRS, with a particular focus on the strategic direction of the organisation, checking it is on track to deliver the purpose and vision. The Strategic Board meets quarterly and considers the balance between business and transformation activities and uses the experience of non-executive directors to identify opportunities and emerging issues that ought to be taken into consideration.

NRS Audit and Risk Committee

Through a process of constructive challenge, the Audit and Risk Committee supports the Chief Executive Officer and Accountable Officer in their responsibilities for issues of risk, control and governance and associated assurance. The Committee meets quarterly and is also attended by NRS Chief Financial Officer and Scottish Government Directorate of Internal Audit and Assurance and External Audit colleagues who have an independent advisory role.

Internal Controls Assessment

The system of internal control is designed to manage risk, rather than to eliminate all risks that the organisation might encounter. The system is subject to continuous review and it is modified as necessary to reflect changes in corporate aims and objectives and/or the assessment of risk as it applies to the organisation.

In my role as Accountable Officer, I am assisted by members of staff, including the Executive Directors. I secure considerable assurance from the controls they apply in the day-to-day execution of their duties.

Towards the end of each financial year, I also ask those Executive Directors to certify formally that the controls in their areas have operated properly and effectively for the entire period under review. Where appropriate, the Executive Directors will seek similar written assurance from their direct reports.

I can confirm that I have received appropriate certificates covering the

period 1 April 2021 to 31 March 2022 from all Executive Directors and their direct reports, which highlighted no material issues with regards to our system of internal controls.

Scottish Government Directorate of Internal Audit and Assurance (SGDIAA)

Internal Audit focus on key activities which are relevant to NRS business objectives and audits are designed to ensure an independent opinion on the adequacy of governance, risk management and internal control arrangements is provided.

The 2021-2022 audit plan comprised reviews of:

Audit Title	Outcome
Health and Safety Governance and Implementation of Amalgamate Recommendations	Reasonable Assurance Rating 4 Medium recommendations
Programme and Project Management	Substantial Assurance Rating 1 Medium recommendation 1 Low recommendation
Risk management and Horizon Scanning	Advisory
Workforce Planning & Recruitment	Substantial Assurance Rating 5 Medium recommendations

SGDIAA provided an overall internal audit 'Substantial Assurance' rating for the effectiveness of the systems of governance, risk management and internal control operating across NRS. All SGDIAA recommendations have been or are in the process of being implemented.

Risk Management

NRS manages risk as an integral part of our system of internal control using risk management principles set out in the SPFM, and our risk management framework.

We continue to review how we accurately record and manage our view of corporate risks and take appropriate action to ensure the relevant controls and mitigations are in place.

NRS corporate risk register is reviewed and approved by the Executive Management Board at their meetings through thematic risk reviews, and presented at our Audit and Risk Committee meetings. NRS Directors own

the corporate risks and associated mitigations and our Risk, Compliance and Assurance Lead is responsible for coordinating our risk management approach and the improvements we can make going forward to consolidate our corporate risks and further embed risk management across the organisation.

Our risks are identified and prioritised with reference to objectives and to the external and internal context in which they arise.

Programmes and Projects

All significant projects and programmes are overseen by a Project or Programme Board whose role is to oversee delivery and manage the associated risks.

Complementing this oversight, NRS manages risk and performance of projects and programmes as part of the overall portfolio of activities directed towards delivering its corporate plan. In particular, the Executive Management Board oversees the Census Programme and the Digital and Strategy Board receives regular reports on progress and risk across our major programmes and projects in our portfolio. The performance of the organisation's key programmes is also reported in the quarterly governance report, which is considered by the Audit and Risk Committee and sent to NRS Strategic Board for their wider information on progress.

Strategic Planning

NRS operates within the [National Performance Framework](#)⁶ set by Scottish Ministers. The organisation supports several of the Scottish Government's key National Outcomes. NRS has developed a strategy which explains its purpose and vision, and provides the strategic context that supports its corporate planning.

During 2016-2017, NRS put in place a corporate plan, covering the period 2016-2022, which describes its long-term objectives. The corporate plan is refreshed annually to include a business plan for the year ahead. The plan forms the basis of the annual planning exercise, which determines the immediate steps to be taken to deliver its objectives. During this planning exercise, NRS business areas and teams consider how they will contribute to the organisation's vision and objectives. This then informs local business area plans, from which teams and individual staff can identify team and personal objectives.

An update on progress towards delivering the annual plan was published in our [Annual Business Plan 2021-22](#).⁷

⁶ <https://nationalperformance.gov.scot>

⁷ <https://www.nrscotland.gov.uk/about-us/corporate-planning>

NRS [National Records of Scotland - Equality Mainstreaming Duty Report 2021 \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk/files/about-us/nrs-national-records-of-scotland-equality-mainstreaming-duty-report-2021.pdf) report sets out how NRS is mainstreaming equality into its work and summarises the progress towards fulfilling our equality outcomes. It demonstrates the progress the organisation is making towards embedding equality in all operations. It identifies areas where the organisation can improve to ensure these values are upheld and practised consistently across the business.

NRS [British Sign Language \(BSL\) Plan 2018-24](https://www.nrscotland.gov.uk/files/about-us/nrs-british-sign-language-plan-2018-2024.pdf)⁸ sets out how the organisation will promote and support BSL in accordance with the BSL (Scotland) Act 2015. The plan follows the Scottish Government's BSL National Plan, published in October 2017, which was developed through extensive engagement with Deaf and Deafblind BSL users and those who work with them. A [BSL video version](https://www.nrscotland.gov.uk/files/video/video.html)⁹ of this plan is also available.

Organisational Resilience and Business Continuity

Due to the widespread and continuing impact of COVID-19, we accelerated several elements of our business continuity improvement implementation plan. These improvements helped NRS respond more effectively to the crisis at all levels, from strategic through tactical to operational (Gold-Silver-Bronze).

As NRS built a clearer picture of the COVID-19 response and the lessons learned from it, the response command groups were and will continue to be used to improve the organisation's ability to respond to, and recover from, any future disruptive incident.

The business continuity programme going forward will include large-scale reviews of all key services across the organisation, relevant updates to all documentation and then a subsequent round of exercising and training to ensure all response teams are prepared for their response roles.

Financial Management

As Accountable Officer, I formally delegate responsibility for financial management to business area leads and budget managers. These named individuals are responsible for ensuring that expenditure is committed and recorded in line with the Scottish Public Finance Manual and with the principles of Value for Money. Furthermore, they are responsible for identifying and raising income as required. These delegations are recorded and are reviewed periodically to ensure they remain up to date.

⁸ <https://www.nrscotland.gov.uk/files/about-us/nrs-british-sign-language-plan-2018-2024.pdf>

⁹ <https://www.nrscotland.gov.uk/files/video/video.html>

Our budget is set in the context of the Scottish Government's annual budget process. Budget managers receive a periodic financial report detailing incurred income and expenditure, and are required to provide, with the advice and support of the Finance Team, updated forecasts. The Executive Management Board receive regular financial updates, highlighting performance in the year to date and the current forecast to the end of the year. In addition, we provide monthly financial monitoring information to Scottish Government Finance Directorate.

Whistleblowing

Our Whistleblowing And Raising a Concern Procedure outlines the process that employees should follow when reporting a perceived wrongdoing within our organisation, including something they believe goes against the core values in the Civil Service Code (the Code) i.e. integrity, honesty, objectivity and impartiality.

This procedure has been written in accordance with the process set out in the Code and in the Civil Service Management Code. Under the Code, civil servants have a right and a responsibility to speak up and report behaviour that contravenes the Code's values.

Both the procedure and the FAQs can be found on our [website](#).¹⁰

Asset Management and Counter-Fraud

We have an anti-fraud policy, which describes roles and responsibilities in relation to fraud. A Fraud Response Plan is in place to ensure that prompt and effective action is taken to investigate the circumstances of suspected frauds, minimise potential losses, and take the appropriate legal and disciplinary action.

An Asset Management Policy is in place that provides a framework within which our assets can be managed effectively. In implementing this policy, we have enhanced our physical asset controls by undertaking more robust asset verification to improve records and identify assets no longer in use.

Information Security

The core business of NRS is to collect, process, safeguard, and make available information about Scotland's people and history in an accessible, useful, responsible, and efficient way. NRS protects the information kept, using an information security governance and assurance structure and a suite of information security policies. Information security advice and guidance is provided by a team of qualified information security professionals.

¹⁰ <https://www.nrscotland.gov.uk/about-us/corporate-information#whistleblowing>

NRS follows the principles of the International Security Standard (ISO27001) and works within HM Government Security policies and guidance as well as following various relevant professional codes of conduct. All staff and contractors employed in NRS are required to undergo pre-employment checks carried out to the Baseline Personnel Security Standard (BPSS) which is outlined in the HMG Security Policy Framework. All staff undertake mandatory annual data protection training and all new staff complete security induction training and ongoing security awareness training.

NRS complies with the HM Government Minimum Standard for Cyber Security and is working towards a baseline implementation of the Scottish Government Cyber Resilience Framework. Compliance with and certification to Cyber Essentials Plus is in place, demonstrating the organisation's commitment to continuous security improvement and providing a level of external independent assurance.

NRS works in collaboration with its partners in government and other sectors to ensure that all of its processing operations are compliant with the General Data Protection Regulation and the Data Protection Act 2018. NRS Data Protection Officer is a member of the Executive Management Board. The organisation routinely uses data protection impact assessments to ensure that when we process personal data, it will benefit the public, and that any privacy issues are identified and addressed at the outset. NRS publishes privacy information explaining how it uses personal information, and the rights individuals have under data protection legislation and how they can exercise them, at the NRS [website](https://www.nrscotland.gov.uk/privacy).¹¹

¹¹ <https://www.nrscotland.gov.uk/privacy>

Review of Effectiveness

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- seeking assurances from the business leads across NRS, who have responsibility for the development and maintenance of the internal control framework;
- the work of the Scottish Government internal audit team, who submit to me and to the Audit and Risk Committee regular reports on the adequacy and effectiveness of our system of internal control, together with recommendations for improvement;
- the comments made by the external auditors, Audit Scotland, in their management letters and other reports;
- the results of Gateway Reviews and similar assurance processes; and
- any other specific reviews that are commissioned from time to time.

We rely on the Scottish Government for the provision of many important aspects of our corporate services. For example, most of our Human Resources-related support comes from the Scottish Government's 'One HR' service and the Scottish Government provide and support our finance and accounting system, as well as operating a range of key controls over transactions and balances within it. I receive assurances on the robustness of these services from the Scottish Government Directors who have responsibility for their delivery. In general, I am satisfied that these services meet our requirements and I recognise that economies of scale have been achieved from their use.

Based on these sources of information and assurance, and my own knowledge of internal control matters, I am satisfied that during the year the system of internal control was effective in helping us to meet our aims and objectives.

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 2022

Remuneration and Staff Report

The Remuneration and Staff Report consists of two elements:

- a Remuneration Report, describing the remuneration of NRS's senior management.
- a Staff Report, which discusses our people, our key policies and the numbers and costs of our staff.

Remuneration Report

The Registrar General/Keeper and their staff are part of the Scottish Administration under the Scotland Act 1998. Angus Robertson MSP, Cabinet Secretary for Constitution, External Affairs and Culture answers in the Scottish Parliament on matters relating to NRS, advised by the Registrar General/ Keeper. The First Minister is responsible for appointing the Registrar General/Keeper and for laying before the Scottish Parliament the Annual Report of the Registrar General.

Neither the Cabinet Secretary for Constitution, External Affairs and Culture, nor the First Minister, receives specific remuneration relating to their responsibilities for NRS.

The remuneration for the Registrar General/Keeper was set by the Scottish Government. For other senior officials remuneration was determined by pay arrangements covering the Senior Civil Service and other staff in the Scottish Government and associated departments.

For the purposes of disclosing remuneration, NRS considers its senior management, responsible for directing the activities of NRS as a whole, to be the membership of the Executive Management Board.

Salaries of Senior Management

The salary and pension entitlements of our senior management, including the Chief Executive and Registrar General/Keeper were as follows.

Single total figures of remuneration 2021-2022: ¹, ², ³

Board Members	Salary (£'000)	Bonus payments (£'000)	Benefits in kind (to nearest £100)	Pension benefits (£'000)	Total (£'000)
Paul Lowe Chief Executive	80-85	-	-	20	100-105
Pete Whitehouse Director of Statistical Services	75-80	-	-	30	105-110
Laura Mitchell ⁴ Director of Information and Records Services	60-65	-	-	13	70-75
Anne Slater Director of Operations and Customer Services	75-80	-	-	15	90-95
Laura Lucas Director of IT Services	80-85	-	-	31	110-115
Carla McHendry ⁵ Delivery Director	65-70	-	-	26	90-95
Linda Sinclair ⁶ Director of Corporate Services and Accountable Officer	75-80	-	-	21	95-100
Claire Gillespie (joined NRS 19 April 2021) Chief Finance Officer ⁷	60-65	-	-	74	130-135
Bill Matthews Non-executive	0-5	-	-	-	0-5
Catherine McFie Non-executive	0-5	-	-	-	0-5
Colin Ledlie Non-executive	0-5	-	-	-	0-5
Gordon Shipley Non-executive	0-5	-	-	-	0-5
Mandy Gallacher Non-executive	0-5	-	-	-	0-5
Christine Martin Non-executive	0-5	-	-	-	0-5
Maggie Waterston Non executive (Joined March 2022)	0-5	-	-	-	0-5
Anne Moises Non-executive	0-5	-	-	-	0-5

(1) ¹ Calculations for determining the pension figures are produced by MYCSP on behalf of the Scottish Government for NRS.

(2) ² In line with Scottish Government pay policy arrangements, no performance-related awards apply for 2020-2021.

(3) ³ During the year non-executive directors earned £242 per Strategic Management Board meeting attended.

(4) ⁴ Part-time member, full-time equivalent salary band 75-80.

(5) ⁵ Part-time member, full-time equivalent salary band 75-80.

(6) ⁶ Part-time member, full-time equivalent salary band 75-80.

(7) ⁷ Full year equivalent salary band is 65-70

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increases exclude increases due to inflation or any increases or decreases due to a transfer of pension rights.

Single total figures of remuneration 2020-2021: (1), (2), (3)					
Board Members	Salary (£'000)	Bonus payments (£'000)	Benefits in kind (to nearest £100)	Pension benefits (£'000)	Total (£'000)
Paul Lowe Chief Executive	80-85	-	-	52	130-135
Pete Whitehouse Director of Statistical Services	70-75	-	-	41	110-115
Laura Mitchell ⁽⁴⁾ Director of Information and Records Services	60-65	-	-	38	100-105
Anne Slater Director of Operations and Customer Services	75-80	-	-	56	130-135
Laura Lucas Director of IT Services	75-80	-	-	30	105-110
Carla McHendry ⁽⁵⁾ Delivery Director	60-65	-	-	25	85-90
Linda Sinclair ⁽⁶⁾ Director of Corporate Services and Accountable Officer	70-75	-	-	38	110-115
Steven Hanlon ⁽⁷⁾ – left NRS 15 January 2021 Chief Finance Officer	40-45	-	-	17	60-65
Bill Matthews ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Catherine McFie ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Colin Ledlie ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Gordon Shipley ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Mandy Gallacher ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Christine Martin ⁽³⁾ Non-executive	0-5	-	-	-	0-5
Anne Moises ⁽³⁾ Non-executive	0-5	-	-	-	0-5

- (1) Calculations for determining the pension figures are produced by MYCSP on behalf of the Scottish Government for NRS.
- (2) In line with Scottish Government pay policy arrangements, no performance-related awards apply for 2020-2021.
- (3) During the year non-executive directors earned £225 per Strategic Management Board attended, this increased to £242 from November onwards.
- (4) Part-time member, full-time equivalent salary band 75-80.
- (5) Part-time member, full-time equivalent salary band 70-75.
- (6) Part-time member, full-time equivalent salary band 75-80.
- (7) Part-time member, full time equivalent salary band 65-70. Full year equivalent salary band is 50-55.

Civil Service Pensions

The pension entitlements of Management Board members are set out in the tables below.

Single total figures of pensions 2021-2022:

Board Members	Accrued pension at pension age as at 31/3/22 and related lump sum	Real increase in pension and related lump sum at pension age at 31/3/22	CETV at 31/3/22	CETV at 31/3/21	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £'000
Paul Lowe Chief Executive	25-30 plus a lump sum of 50-55	0-2.5 plus a lump sum of 0	468	435	7	-
Pete Whitehouse Director of Statistical Services	30-35 plus a lump sum of 65-70	0-2.5 plus a lump sum of 0	607	558	16	-
Laura Mitchell Director of Information and Records Services	30-35 plus a lump sum of 75-80	0-2.5 plus a lump sum of 0	690	648	4	-
Anne Slater Director of Operations and Customer Services	40-45 plus a lump sum of 95-100	0-2.5 plus a lump sum of 0	850	799	4	-
Claire Gillespie (joined NRS 19 April 2021) Chief Finance Officer	20-25 plus a lump sum of 35-40	2.5-5 plus a lump sum of 5-7.5	289	228	45	-
Laura Lucas Director of IT Services	5-10	0-2.5	71	47	16	-
Carla McHendry Delivery Director	0-5	0-2.5	38	20	13	-
Linda Sinclair Director of Corporate Services	25-30 plus a lump sum of 50-55	0-2.5 plus a lump sum of 0	468	434	8	-

Single total figures of pensions 2020-2021:

Board Members	Accrued pension at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age at 31/3/21	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £'000
Paul Lowe Chief Executive	25-30 plus a lump sum of 50-55	2.5-5 plus a lump sum of 2.5-5	435	386	32	-
Pete Whitehouse Director of Statistical Services	30-35 plus a lump sum of 65-70	0-2.5 plus a lump sum of 0-2.5	558	511	26	-
Laura Mitchell Director of Information and Records Services	30-35 plus a lump sum of 70-75	0-2.5 plus a lump sum of 0-2.5	648	598	28	-
Anne Slater Director of Operations and Customer Services	35-40 plus a lump sum of 95-100	2.5-5 plus a lump sum of 2.5-5	799	729	43	-
Steven Hanlon – left NRS on 15 January 2021 Chief Finance Officer	10-15	0-2.5	133	119	7	-
Laura Lucas Director of IT Services	0-5	0-2.5	47	26	15	-
Carla McHendry Delivery Director	0-5	0-2.5	20	3	12	-
Linda Sinclair Director of Corporate Services	20-25 plus a lump sum of 50-55	0-2.5 plus a lump sum of 0-2.5	434	395	22	-

Pension Benefits

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015, a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: Three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos, a member builds up a pension based on his pensionable earnings during their period of scheme

membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pension Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website can be found at the [Civil Service Pension Scheme website](http://www.civilservicepensionscheme.org.uk).¹²

Further details of pensions costs and contributions during 2021-2022 can be found under '[Staff Numbers and Related Costs](#)' and '[Pension Costs](#)'.

Cash Equivalent Transfer Values

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 accrued in their former scheme.

¹² <http://www.civilservicepensionscheme.org.uk>

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. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. 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.

Real Increase in CETV

This reflects the increase in CETV that is 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) uses common market valuation factors for the start and end of the year.

Compensation for Loss of Office

No members of the Board were compensated for loss of office in 2021-2022 or 2020-2021.

Fair pay Disclosure

In accordance with the Financial Reporting Manual, 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 banded remuneration of the highest-paid director in NRS in the financial year 2021-2022 was £80-85k (2020-2021: £80k-85k). This is 2.5 times the median remuneration of the workforce, which was £33,071 (2020-2021: 2.6 times, median £32,138). The range between the lowest and highest remuneration bands was £20-25k to £80-85k (2020-2021: £20-25k to £80-85k). The remuneration percentage change from 2020-2021 to 2021-2022 in relation to the highest paid director was 0%, and the average percentage change in respect of NRS employees was 3%.

The median remuneration calculation includes permanent staff and fixed-term appointments, it does not include contractors and agency staff.

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. As no non-consolidated performance related pay

or benefits in kind were paid to NRS employees in year the remuneration figure reflects salaries paid. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The reduction in the median pay ratio for 2021-2022 is consistent with the pay, reward and progression policies for NRS employees.

Pay Ratio

2021-2022	25 th Percentile Pay Ratio	Median Pay Ratio	75 th Percentile Pay Ratio
Ratio	3.6:1	2.5:1	2.1:1
Remuneration	£23,233	£33,071	£40,129

Staff Report

Staff Numbers and Costs

As at 31 March 2022 NRS had 573 members of staff. Only the Chief Executive is in the Senior Civil Service.

We follow Scottish Government Pay Policy for Staff Pay Remits regarding pay increases.

The aggregate payroll costs for all staff employed by NRS were as follows:

	2021-2022			2020-2021		
	Permanent Staff £'000	Temporary Staff £'000	Total Staff £'000	Permanent Staff £'000	Temporary Staff £'000	Total Staff £'000
Wages and Salaries	14,742	14,268	29,010	13,761	11,878	25,639
Social Security Costs	1,492	94	1,586	1,372	49	1,421
Pension Costs	3,936	253	4,189	3,647	125	3,772
Other Staff Costs	18	-	18	439	-	439
Total	20,188	14,615	34,803	19,219	12,052	31,271

Pension costs

The PCSPS and alpha schemes are unable to identify individual employers' shares of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2016. Details can be found in the separate scheme statement for the PCSPS at the [Civil Service Pensions Scheme website](#).¹³

For 2021-2022, employers' contributions of £4,189k (2020-2021: £3,772k) were payable to PCSPS at one of five rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews

employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2021-2022 to be paid when the member retires, and not the benefits paid during this year to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions are paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8 to 14.75 per cent of pensionable pay. Employers also match employee contributions up to 3% of pensionable earnings. For 2021-2022, the value of Employers' Contributions relating to the partnership pension account was £38,885.13 (2020-2021: £34,399.29).

Staff Composition

Staff Information	2021-2022	2020-2021
Staff (whole-time equivalent)	573	552
Staff turnover	7.29%	12.7%
Sick absence/person	7.2 days	5.4 days
Male/Female staff %	49/51	40/60
Male/Female Board members % (Strategic Board)	58/42	42/58
Male/Female senior management % (Chief Executive and directors)	29/71	25/75

Staff numbers for 2021-2022 can be broken down into 426 permanent staff and 147 temporary staff (2020-2021: 424 and 128 respectively).

Civil Service Employee Survey 2021

During September to November 2022, our staff were asked to participate in the annual Civil Service wide People Survey which measures the extent of employee engagement within the organisation. Permanent and temporary staff are invited to complete the survey. A total of 62% of staff participated and we achieved an overall engagement score of 61%.

Equal Opportunities and Diversity

All NRS staff have Scottish Government terms and conditions of employment .

We recruit permanent staff within Bands A - C in line with Scottish Government Recruitment Policy and the Civil Service Recruitment Code. NRS is committed to building a more inclusive and diverse workforce.

¹³ <http://www.civilservicepensionscheme.org.uk>

We do not regard sex, marital status, age, race, ethnic origin, sexual orientation, disability, religion or belief, working patterns, employment status, gender identity (transgender), caring responsibility or trade union membership as a bar to employment, training or advancement. We recruit staff solely on their ability to do the job.

We are part of the wider Scottish Government commitment to the Disability Confident Employer Scheme and guarantee interviews to all disabled candidates who meet the minimum criteria for a post.

Managers, new to recruitment, are required to complete Inclusive Recruitment training before participating in interviews.

All NRS staff can access a variety of staff networks which includes Age, Neurodiversity, Race, Faith & Belief, LGBTI+, and EU Nationals.

Trade Union Relationships

At the quarterly Joint Partnership Board, NRS management consults with the Trade Union Side (TUS) at the formative stages of NRS organisational policy development, both at strategic and operational level. The TUS represents, promotes and protects their members' interests. The trade unions represented at the meeting are Public and Commercial Services Union (PCS), FDA and Prospect.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The data is required to be published on the NRS website before the 31st of July each year. This data is published on the [NRS website](https://www.nrscotland.gov.uk/about-us/corporate-governance).¹⁴

NRS had five (FTE equivalent: 4.8) employees who were trade union officials during the year to 31 March 2022. All four employees spent between 1-50% of working hours on facility time. The percentage of NRSs total pay bill spent on paying employees who were relevant trade union officials for facility time during the relevant period was 0.03%. Time spent on paid trade union activities as a percentage of total paid facility time hours was 64.7%.

Employability

NRS staff have Scottish Government terms and conditions of employment. We follow and apply Scottish Government HR policy and procedures.

¹⁴ <https://www.nrscotland.gov.uk/about-us/corporate-governance>

Flexible Working Hours

Under the Flexible Working Policy any member of staff can apply to work flexibly, either formally or informally. Formal flexible working would be part-time hours. Informal arrangements could be alternative working patterns, including working compressed hours, working from home or term-time working. As at 31 March 2022, 15% of staff had a part-time formal working contract.

Employment Opportunities

NRS offers opportunities for people to obtain work experience, including paid 42-week Student Placements and placements for Graduate Trainee Archivists. We work with Midlothian Council to provide Secondary School pupils with a week's work experience to help them experience life in the workplace through direct observation and hands-on experience.

Health and Safety

All staff undertake annual fire evacuation training and desk assessments to reinforce staff wellbeing while attending their workplace. NRS has commenced a review of the overarching governance and management of health and safety within NRS to address any gaps in Health and Safety policy, procedure, practice and resources. To take forward this review, the Executive Management Board appointed a Health & Safety Committee, which consists of representatives of NRS business areas and the TUS.

Exit Packages

There were no exit packages incurred during the year (2020-2021: Nil).

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 2022

Parliamentary Accountability and Audit Report

The Parliamentary Accountability and Audit Report consists of:

- the Parliamentary Accountability Report; and
- the independent auditor's report to NRS, the Auditor General for Scotland and the Scottish Parliament.

Parliamentary Accountability Report

Regularity of Expenditure

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, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

NRS incurred no losses or special payments above the £250k reporting threshold.

Fees and Charges

Details of income gathered by NRS through fees and charges can be found in [Note 4](#) to the financial statements. This note also gives details of the financial objectives of the fees and charges and performance against these objectives.

Remote Contingent Liabilities

The Financial Reporting Manual states that where information about contingent liabilities is not required to be disclosed because the likelihood of a transfer of economic benefits is considered too remote, they should be disclosed separately for parliamentary reporting and accountability purposes. NRS does not have any remote contingent liabilities at 31 March 2022.

Accounts Direction

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual, which follows generally accepted accounting practice

as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The accounts direction is reproduced at [page 86](#) of these accounts.

The information in this report is subject to audit.

Linda Sinclair

Linda Sinclair
Accountable Officer
15 September 2022

Independent auditor's report to National Records of Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of National Records of Scotland for the year ended 31 March 2022 under the Public Finance and Accountability (Scotland) Act 2000. 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 notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 18 July 2016. The period of total uninterrupted appointment is 6 years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the

body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

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, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and

- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

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 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Asif A Haseeb

*Asif A Haseeb OBE
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The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT*

15 September 2022

Financial Statements for the Year Ended 31 March 2022

Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021-22 £'000	2020-21 £'000
INCOME			
Operating Income	4	(6,761)	(7,304)
Fees and charges for records and services	4	(6,553)	(7,034)
Property rental income	4	(208)	(209)
Capital grant	4	(0)	(61)
EXPENDITURE			
Staff Costs	2	34,803	31,271
Operating Expenditure	3	30,819	24,865
Depreciation, amortisation and impairment	6	3,716	6,579
Grants	3	190	170
Other operating expenditure	3	26,913	18,116
Net Operating Costs for the Year		58,861	48,832
Other Comprehensive Income		(1,180)	(645)
Revaluation gain	6	(1,180)	(645)
Total Comprehensive (Income)/Expenditure for the Year		57,681	48,187

The notes on pages 67 to 85 form part of these financial statements.

Statement of Financial Position as at 31 March 2022

	Note	2021-22 £'000	2020-21 £'000
Non-Current Assets			
Property, plant and equipment	6	17,909	16,968
Intangible assets	6	8,705	9,848
Trade and other receivables	7	-	153
		26,614	26,969
Current Assets			
Trade and other receivables	7	1,738	976
Cash and cash equivalents	8	1	1
		1,739	977
Total Assets		28,353	27,946
Current Liabilities			
Trade and other payables	9	12,580	6,090
Non-Current Assets Less Net Current Liabilities		15,773	21,856
Non-Current Liabilities			
Creditors (falling due after more than one year)	9	213	376
Net Assets		15,560	21,480
Taxpayers' Equity			
General Fund	SoCTE	7,768	14,266
Revaluation Reserve	SoCTE	7,792	7,214
Total Equity		15,560	21,480

The notes on pages 67 to 85 form part of these financial statements.

Linda Sinclair

Linda Sinclair

Accountable Officer.

15 September 2022

Statement of Cash Flows for the year ended 31 March 2022

	Note	2021-22 £'000	2020-21 £'000
Cash flows from operating activities			
Net operating cost	SoCNE	(58,861)	(48,832)
Adjustments for non-cash transactions			
– depreciation	3	3,716	4,669
– loss on disposal of non-current assets	3	–	–
– audit fee	3	70	68
– impairments	3	–	1,910
Movements in working capital			
– (increase)/decrease in receivables	7	(609)	(60)
– (decrease)/increase in payables	9	6,327	22
– (decrease)/increase in provisions	10	–	–
Net cash outflow from operating activities		(49,357)	(42,223)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(1,315)	(954)
Purchase of intangible assets	6	(1,019)	(968)
Proceeds from disposal of property, plant and equipment	6	–	–
Net cash flow from investing activities		(2,334)	(1,922)
Cash flows from financing activities			
Funding	SoCTE	51,691	44,145
Cash flows from financing activities		51,691	44,145
Net movement in cash and cash equivalents	8	–	–
Cash and cash equivalents at beginning of year	8	1	1
Cash and cash equivalents at end of year	8	1	1

The exact sum of Parliamentary net funding drawn during the 2021-2022 financial year was £51,690,681.21.

The notes on pages [67](#) to [85](#) form part of these financial statements.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	Note	General Fund £'000	Revaluation Reserve £'000	Total Equity £'000
Balance at 1 April 2021		14,266	7,214	21,480
Net operating costs for the year ended 31 March 2020	SoCNE	(58,861)	-	(58,861)
Revaluation adjustment	6	-	1,180	1,180
Transfers between reserves	6	602	(602)	-
Notional auditors' remuneration	3	70	-	70
Net funding		51,691	-	51,691
Balance at 31 March 2022		7,768	7,792	15,560

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

	Note	General Fund £'000	Revaluation Reserve £'000	Total Equity £'000
Balance at 1 April 2020		18,382	7,072	25,454
Net operating costs for the year ended 31 March 2019	SoCNE	(48,832)	-	(48,832)
Revaluation adjustment	6	-	645	645
Transfers between reserves	6	503	(503)	-
Notional auditors' remuneration	3	68	-	68
Net funding		44,145	-	44,145
Balance at 31 March 2021		14,266	7,214	21,480

Explanation of Reserves:

General Fund – the General Fund represents the total assets less liabilities of NRS, to the extent that they are not represented by the revaluation reserve and financing items.

Revaluation Reserve – the Revaluation Reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments (excluding donated assets).

The notes on pages 67 to 85 form part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2022

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the principles and disclosure requirements set out in the Financial Reporting Manual (FReM) for 2021-2022, published by HM Treasury. The financial statements have been prepared on a going concern basis. The FReM interprets and applies International Financial Reporting Standards (IFRS) to the central government context. Where the FReM and IFRS permit a choice of accounting policy, the policy judged most appropriate to the circumstances of National Records for Scotland (NRS) has been selected. The accounting policies described below have been applied consistently to all material items within the financial statements.

1.1 Key Estimates

The preparation of financial statements requires the use of estimates and judgements. The key estimates within these financial statements are described below:

Property, Plant and Equipment

Valuations and useful life estimates in respect of NRS buildings have been supplied by District Valuer Services (DVS), a division of the Valuation Office Agency. The valuation has been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury Financial Reporting Manual (FReM). The valuation has been prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book. UK VPGA 5 addresses the valuation of central government assets for accounting purposes.

The DVS report included the following information on market conditions: ‘The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, “lockdowns” have been applied to varying degrees and to reflect further “waves” of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction

volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value.

Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. For the avoidance of doubt, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

Intangible Assets

Following a review of asset life, management is satisfied that NRS should retain existing estimated life for website images for the purposes of 2021-2022 financial statements. Management is also satisfied, based on sensitivity analysis, that there are sufficient future income streams in excess of the website images asset category to support the existing valuation. This will be reviewed annually. As there is no active market for our website images asset, the cost model has been applied and therefore no revaluations are possible.

1.2 Accounting Convention

These financial statements have been prepared under the historical cost convention modified to account for the revaluation of tangible and intangible non-current assets at their value to the business by reference to their current costs or perceived market value. Other classes of assets are carried at depreciated or amortised historic cost.

1.3 Non-Current Assets: Property, Plant and Equipment

Title to the freehold land and buildings shown in the financial statements is held as follows:

- property on the departmental estate, title to which is held by Scottish Ministers; and
- property, not being part of the departmental estate, held by NRS in the name of the Scottish Ministers.

Freehold land and buildings are shown at fair value less subsequent depreciation, valued using a rolling programme of professional valuations covering each building every five years, supplemented with interim desktop valuations. For 2021-2022 all valuations were completed as a desktop exercise due to COVID-19 building restrictions. Other non-current assets are shown at historic cost net of depreciation as a proxy for fair value.

The minimum levels for capitalisation of a non-current asset across asset

categories are as follows:

Property, Plant and Equipment	£'000
Freehold Land and Buildings	20
Office Equipment (including Fixtures and Fittings)	5
Vehicles	5
Plant and Equipment	10
ICT Systems	1
Specialised Shelving	10
Heritage Assets – Papers and Journals	20

Information and Communications Technology (ICT) systems are capitalised where the pooled value exceeds £1,000 – pooling of assets is in line with Scottish Government Policy.

Costs for Property, Plant and Equipment include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Freehold land and assets held for sale are not depreciated.

Depreciation is provided on property, plant and equipment on a straight- line basis at rates sufficient to write down their cost or re-valued amounts to their residual values over their estimated useful lives. The depreciation rates for the principal categories of assets are as follows:

Property, Plant and Equipment	Years
Buildings	2-50 (as per valuation)
Office Equipment (including Fixtures and Fittings)	5
Vehicles	5
Plant and Equipment	5-10
ICT Systems	3-5
Specialised Shelving	10-20
Heritage Assets – Papers and Journals	25-30

1.4 Non-Current Assets: Intangible Assets

Intangible assets are shown at historic cost net of amortisation as a proxy for fair value.

The minimum levels for capitalisation of a non-current asset across asset categories are as follows:

Intangible Assets	£'000
Website Images	5
Computer Software and Computer Licences	1

Costs for intangible assets include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

All non-current (intangible) assets disclosed within the asset classes are owned by NRS. The Website Images asset category includes both digital images and the software infrastructure used to present them to the public.

Amortisation

Amortisation is provided on intangible assets on a straight-line basis at rates sufficient to write down their costs over their estimated useful lives. The amortisation rates for the principal categories of assets are as follows:

Intangible Assets	Years
Website Images	60
Computer Software and Computer Licences	3-5

1.5 Third Party Assets

NRS holds, as custodian or trustee, certain assets belonging to third parties. These are not recognised in the financial statements since neither NRS nor government, more generally, has a direct financial beneficial interest in them.

1.6 Heritage Assets

Heritage Assets are defined as tangible items with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

NRS is responsible for holding and maintaining a wide range of historical records, documents and current data in the care of Scottish Ministers. The

majority of these assets are acquired or generated in the course of NRSs ongoing activities.

Given the nature of these assets it is not possible to obtain a reliable valuation for them. Accordingly they have not been capitalised. On occasion, NRS will purchase additional records and documents. Where assets are acquired in exchange for consideration in this way, they are recognised as an asset and valued at cost.

Details of NRSs policies and practices with regard to the management of our records, and of our preservation and conservation work, can be found on our [website](#).

1.7 Operating Income

Operating income is income that relates directly to the operating activities of NRS. It includes fees and charges for services provided to external customers. It includes both income applied without limit and income applied with limit. For income categorised as being applied with limit any excess income over that approved, is surrendered to the Scottish Consolidated Fund.

NRS recognises the full income received from our ScotlandsPeople website at the time the income is paid as the service is recognised as being delivered when full access to view and purchase all documents is granted.

Where contractually any income is paid in arrears, income will be recognised up to the year-end and a provision created to accrue, where necessary.

NRS recognises subscription payments for ScotlandsPeople website by apportioning them across the time period to which they relate.

Trade Receivables

Trade receivables are recognised at fair value. NRS holds no provision for impairment of receivables as the majority of transactions are with other government departments and of low value, not considered to be a risk to the organisation. During the year £1k has been written off (zero in 2020-2021).

1.8 Staff Costs and Operating Expenditure

The Statement of Comprehensive Expenditure analyses expenditure between Staff Costs and Operating Expenditure. Staff Costs includes the cost of permanent and temporary employees, as well as temporary agency and contract staff engaged in NRSs objectives. Operating Expenditure includes all other costs of NRSs operations, including goods and services, grants made, and depreciation and amortisation of non-current assets.

Trade Payables

Trade payables are recognised at fair value and calculated on an accruals basis. All operations of NRS are deemed to be continuing operations.

1.9 Grants

Grants payable are recorded as expenditure in the period that the underlying activity giving entitlement to the grant occurs. Where necessary, obligations in respect of grant schemes are recognised as liabilities.

1.10 Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used.

1.11 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a defined benefit scheme and is unfunded and non-contributory. Portfolios, Agencies and other bodies covered by the PCSPS recognise the expected cost of providing pensions for their employees, on a systematic and rational basis over the period during which they benefit from their services. Liability for payment of future benefits is a charge to the PCSPS. Separate scheme statements for the PCSPS as a whole are published.

1.12 VAT

VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.13 Leases

With one exception, the leases entered into by NRS were classified as operating leases in 2021-2022 and, as such, the rentals are charged to the Operating Cost Statement. The remaining lease, covering one of NRSs buildings, grants NRS the right to occupy the building for 100 years to 2064 in exchange for a peppercorn rent. There is therefore no annual cost or lease liability. The building is recognised as an asset following the policies for non-current assets.

1.14 IFRS updates issued but not yet effective

One IFRS standard in issue will have a material impact on NRSs accounts when it becomes effective:

IFRS 16 Leases

IFRS 16 replaces IAS 17 and largely removes the distinction between operating and finance leases for lessees, by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months.

NRS will apply IFRS 16 to its 2022-2023 reporting in line with deferred implementation of the reporting standard to 1 April 2022.

NRS holds two of its buildings under leases which are currently accounted for as operating leases. Under IFRS 16 a right of use asset would be capitalised and a corresponding liability would be recognised.

NRS holds one building under a 100-year lease (which terminates in 2064), paying peppercorn rent each year. This is currently accounted for as a finance lease with no outstanding lease liability. Applying the transition guidance for IFRS 16, it is expected that the asset value will be unchanged on transition, and that the liability will remain nil.

NRS has leased office equipment. The majority of this is expected to fall under the low-value assets exemption of IFRS 16. The value and term of these leases is such that this will not materially affect the accounts.

1.15 Going Concern

The accounts are prepared on the going concern basis, which provides that the entity will continue in operational existence for the foreseeable future.

2. Staff Costs

Please refer to Remuneration and Staff Report on [page 43](#).

3. Operating Expenditure

3.1 Analysis of Operating Expenditure

	2021-2022 £'000	2020-2021 £'000
Accommodation	3,372	3,791
ICT maintenance and supplies	1,651	1,496
Support services from other public bodies	766	855
Specialist service contracts	4,078	2,260
Communications services	630	224
ScotlandsPeople web hosting	426	410
Website development and running costs	6	19
Stationery	29	47
Marketing	242	253
Training	110	112
Transport and travel	6	8
Census 2022 services	14,888	7,949
Other supplies and services	638	618
Losses and special payments	1	6
Non-cash items:		
Movement on provisions	-	-
Depreciation and amortisation	3,716	4,669
Impairments	-	1,835
AME impairment	-	75
Audit fee	70	68
Programme expenditure:		
Grant to Scottish Council on Archives	190	170
Total	30,819	24,865

3.2 Other Operating Expenditure

There is £740k of expenditure relating to operating lease arrangements for properties recorded within Other Operating Expenditure (2020-2021: £881k).

4. Operating Income

4.1 Analysis of Operating Income

	2021-2022 £'000	2020-2021 £'000
Income from contract to operate NHS Central Register	(933)	(933)
Charges for access to records and associated services	(1,339)	(681)
Income from the ScotlandsPeople website	(3,840)	(5,070)
Other fees and charges	(440)	(350)
Property rental income from other public bodies	(208)	(209)
Income from capital grant	-	(61)
Total Administration Income	(6,761)	(7,304)

Receipts from fees and charges arise from a range of services provided to customers, including income from the sale of extracts through both our ScotlandsPeople Centre and ScotlandsPeople Website, contracted income from the Scottish Government to maintain the National Health Service Central Register, fees for the statutory services we provide to the public, and rental income from other public bodies who are minor occupiers in the buildings we operate.

4.2 Operating Income received from External and Public Sector Customers analysed by services provided is as follows:

	Income Received £'000	Full Cost £'000	Surplus/ (Deficit) £'000
Service Provided:			
Delivery of ScotlandsPeople online	5,118	4,515	603
Maintenance of the National Health Service Central Register (NHSCR) of patients and associated research data sales	936	935	1

5. Reconciliation of Net Operating Cost to Net Resource Outturn and Resource Budget Outturn

	2021-2022 £'000	2020-2021 £'000
Net Operating Cost	58,861	48,832
Net Resource Outturn	58,861	48,832
of which:		
Departmental Expenditure in DEL	58,861	48,757
Departmental Expenditure in AME	-	75

Budgets for Departmental Expenditure Limits (DEL) are set as part of the Scottish Spending Review and annual Budget Bills. These are allocated for running costs associated with the delivery of NRSs functions and services.

6. Non-Current Assets – Property, Plant and Equipment 2021-2022

	Freehold Land £'000	Buildings £'000	Office Equipment £'000	Vehicles £'000	Plant and Equipment £'000	ICT Systems £'000	Specialised Shelving £'000	Heritage Assets – Papers and Journals £'000	Assets under Construction £'000	Assets Held for Sale £'000	Total £'000
Cost or valuation											
At 1 April 2021	2,271	10,583	469	89	1,325	4,349	2,918	3,116	7	–	25,127
Additions	–	55	–	–	15	743	–	502	–	–	1,315
Disposals	–	–	–	–	–	–	–	–	–	–	–
Transfers	–	–	–	–	–	–	7	–	(7)	–	–
Transfer – capital grant asset	–	–	–	–	–	–	–	–	–	–	–
Revaluation	54	304	–	–	–	–	–	–	–	–	358
Impairment and revaluation to outturn	–	–	–	–	–	–	–	–	–	–	–
At 31 March 2022	2,325	10,942	469	89	1,340	5,092	2,925	3,618	–	–	26,800
Accumulated Depreciation											
At 1 April 2021	–	–	467	74	881	3,279	2,123	1,335	–	–	8,159
Charged in year	–	823	1	9	86	404	117	115	–	–	1,555
Disposals	–	–	–	–	–	–	–	–	–	–	–
Revaluation	–	(823)	–	–	–	–	–	–	–	–	(823)
At 31 March 2022	–	–	468	83	967	3,683	2,240	1,450	–	–	8,891
Net book value current year	2,325	10,942	1	6	373	1,409	685	2,168	–	–	17,909
Net book value prior year	2,271	10,583	2	15	444	1,070	795	1,781	7	–	16,968

6. Non-Current Assets – Property, Plant and Equipment 2020-2021

	Freehold Land £'000	Buildings £'000	Office Equipment £'000	Vehicles £'000	Plant and Equipment £'000	ICT Systems £'000	Specialised Shelving £'000	Heritage Assets – Papers and Journals £'000	Assets under Construction £'000	Assets Held for Sale £'000	Total £'000
Cost or valuation											
At 1 April 2020	2,295	10,705	469	89	1,325	4,257	2,918	3,085	1,010	–	26,153
Additions	–	824	–	–	–	92	–	31	7	–	954
Disposals	–	–	–	–	–	–	–	–	–	–	–
Transfers	–	949	–	–	–	–	–	–	(1,010)	–	(61)
Transfer – capital grant asset	–	61	–	–	–	–	–	–	–	–	61
Revaluation	(24)	(46)	–	–	–	–	–	–	–	–	(70)
Impairment and revaluation to outturn	–	(1,910)	–	–	–	–	–	–	–	–	(1,910)
At 31 March 2021	2,271	10,583	469	89	1,325	4,349	2,918	3,116	7	–	25,127
Accumulated Depreciation											
At 1 April 2020	–	–	466	66	770	2,874	2,006	1,221	–	–	7,403
Charged in year	–	715	1	8	111	405	117	114	–	–	1,471
Disposals	–	–	–	–	–	–	–	–	–	–	–
Revaluation	–	(715)	–	–	–	–	–	–	–	–	(715)
At 31 March 2021	–	–	467	74	881	3,279	2,123	1,335	–	–	8,159
Net book value current year	2,271	10,583	2	15	444	1,070	795	1,781	7	–	16,968
Net book value prior year	2,295	10,705	3	23	555	1,383	912	1,864	1,010	–	18,750

6. Non-Current Assets – Intangible Assets 2021-2022

	Computer Licenses £'000	Website Images £'000	Computer Software £'000	Assets under Development £'000	Total £'000
Cost or Valuation					
At 1 April 2021	1,651	10,076	5,472	829	18,028
Additions	530	–	43	446	1,019
Disposals	–	–	–	–	–
Transfers	–	–	829	(829)	–
At 31 March 2022	2,181	10,076	6,344	446	19,047
Accumulated Amortisation					
At 1 April 2021	1,105	3,592	3,484	–	8,181
Charged in year	446	311	1,404	–	2,161
Disposals	–	–	–	–	–
At 31 March 2022	1,551	3,903	4,888	–	10,342
Net book value current year	630	6,173	1,456	446	8,705
Net book value prior year	547	6,484	1,988	829	9,848

Assets under development consists of development activities related to the 1921 Census Transcription project and a key legacy system replacement.

6. Non-Current Assets – Intangible Assets 2020-2021

	Computer Licenses £'000	Website Images £'000	Computer Software £'000	Assets under Development £'000	Total £'000
Cost or Valuation					
At 1 April 2020	1,512	10,076	5,472	-	17,060
Additions	139	-	-	829	968
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
At 31 March 2021	1,651	10,076	5,472	829	18,028
Accumulated Amortisation					
At 1 April 2020	512	3,019	1,451	-	4,982
Charged in year	592	573	2,033	-	3,198
Disposals	-	-	-	-	-
At 31 March 2021	1,104	3,592	3,484	-	8,180
Net book value current year	547	6,484	1,988	829	9,848
Net book value prior year	1,000	7,057	4,021	-	12,078

7. Trade and Other Receivables

	2021-2022 £'000	2020-2021 £'000
Amounts falling due within one year		
Trade receivables	291	47
VAT	-	-
Prepayments and accrued income	1,441	927
Other receivables – sundry debtors	6	2
Total receivables falling within one year	1,738	976
Amounts falling due after one year		
Prepayments and accrued income	-	153
Total receivables falling after one year	-	153
Total Receivables	1,738	1,129
Movement	609	60
Analysis by category of counterparty		
Other Central Government Bodies	90	1
Local Authorities	-	-
NHS Bodies	-	-
Bodies External to Government	1,648	1,128
Total Receivables	1,738	1,129

8. Cash and Cash Equivalents

	2021-2022 £'000	2020-2021 £'000
At 1 April	1	1
Movement	-	-
At 31 March	1	1
Commercial banks and cash in hand	1	1
Total Cash	1	1

9. Trade and Other Payables: amounts falling due within one year

	2021-2022 £'000	2020-2021 £'000
Trade payables	1,166	2,229
Deferred income	4	8
Employee benefits	1,239	1,227
Accrued expenditure	9,145	1,663
Capital accruals	-	93
Income tax, social security and pensions	910	754
Lease incentive	116	116
Total Payables	12,580	6,090
Lease incentive	213	330
Retention	-	46
Total payables falling after one year	213	376
Total Payables	12,793	6,466
Movement	6,327	22
Analysis by category of counterparty		
Other Central Government Bodies	123	-
Local Authorities	-	1
NHS Bodies	-	104
Bodies External to Government	12,670	6,361
Total Payables	12,793	6,466

10. Provisions for Liabilities and Charges

During the year there were no provisions made for liabilities and charges (2020-2021: Nil). During financial year 2021-2022, no NRS employees were awarded early retirement.

11. Commitments under Leases

Total future minimum lease payment under operating leases are given in the table below for each of the following periods.

	2021-2022 £'000	2020-2021 £'000
Obligations under operating leases comprise:		
Land and Buildings		
– Within one year	858	881
– Between two and five years	3,240	3,250
– After five years	2,288	3,100
Total	6,386	7,231
Other		
– Within one year	96	20
– Between two and five years	50	33
– After five years	-	-
Total	146	53
Total obligations under operating leases	6,532	7,284

The operating leases are in respect of rent for Ladywell House and Cairnsmore House. Current annual rental fees for these buildings are £810k and £71k respectively.

The Ladywell House lease expires in January 2030, with options to break in 2023 and 2025. The Cairnsmore House lease expires in June 2022, in which a six month extension has been agreed.

In 2022-2023 these leases will be carried as a finance lease under IFRS 16 should a new lease be agreed for Cairnsmore House and the lease break option not exercised for Ladywell House.

12. Capital Commitments

Capital commitments as at 31 March 2022 for which no provision has been made £115k (£397k 2020-2021)

13. Related party transactions

NRS maintains the National Health Service Central Register of patients on behalf of the Scottish Government. The Scottish Government is regarded as a related party with which NRS has had various material transactions during the year.

In addition, NRS has had a number of transactions with other government departments and other central government bodies.

During the year there were no material transactions by board members, key managerial staff or other related parties.

14. Contingent Liabilities

Three of NRSs buildings, Ladywell House, Cairnsmore House and West Register House, are leased. The leases for these buildings require NRS to maintain them and specify the condition they should be in when they are returned to the landlords on the termination of the leases. There is therefore a possible obligation on NRS to undertake works or make payments to the landlords of these buildings at the conclusion of the lease term. It is not possible to quantify this obligation at this stage.

15. Financial Instruments

As the cash requirements of NRS are met through the Scottish Parliament's Budget Act process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with NRSs expected purchase and usage requirements and NRS is therefore exposed to little credit, liquidity or market risk.

16. Segmental Analysis as at 31 March 2022

NRS is structured into six key business areas. The structure and portfolio of responsibility under each business area is outlined at page 9 under NRS structure.

The following table outlines the current NRS directorate structure with the addition of the Delivery Directorate which is a new directorate for this financial year.

Segmental Reporting of 2021-2022 Outturn

	Staff Costs £'000	Grants, Goods and Services £'000	Total Expenditure £'000	Operating Income £'000	Total Net Operating Costs £'000
Information and Records Services	3,323	434	3,757	(6)	3,751
IT Services	9,463	4,073	13,536	0	13,536
Operations and Customer Services	5,008	939	5,947	(5,600)	347
Statistical and Registration Services	12,954	17,590	30,544	(946)	29,598
Corporate Services	3,872	4,066	7,938	(209)	7,729
Delivery	183	0	183	0	183
	34,803	27,102	61,905	(6,761)	55,144
Adjust for items not allocated by segment:					
Depreciation				3	3,716
Impairment				3	0
Total Net Operating Costs per Statement of Comprehensive Net Expenditure					58,861

Segmental Reporting of 2020-2021 Outturn

	Staff Costs £'000	Grants, Goods and Services £'000	Total Expenditure £'000	Operating Income £'000	Total Net Operating Costs £'000
Information and Records Services	2,511	521	3,032	(4)	3,028
IT Services	8,325	4,448	12,773	-	12,773
Operations and Customer Services	4,776	1,177	5,953	(6,077)	(124)
Statistical and Registration Services	12,330	7,607	19,937	(948)	18,989
Corporate Services	3,328	4,533	7,861	(274)	7,587
	31,270	18,286	49,556	(7,303)	42,253
Adjust for items not allocated by segment:					
Depreciation				3	4,669
Impairment				3	1,910
Total Net Operating Costs per Statement of Comprehensive Net Expenditure					48,832

Accounts Direction



Scottish Government
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NATIONAL RECORDS OF SCOTLAND

Direction by the Scottish Ministers in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

- 1. The statement of accounts for the financial year ended 31 March 2012 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts is prepared.*
- 2. The accounts shall be prepared so as to give a true and fair view of the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the financial year, and of the state of affairs as at the end of the financial year.*
- 3. This direction shall be reproduced as an appendix to the statement of accounts.*

*Signed by the authority of the Scottish Ministers
Dated 6 June 2012*

Appendix A – Corporate Governance Framework

A summary of our Corporate Governance framework through 2021-2022 is as follows.

