



Resources Committee

15 December 2022

Minutes of the Resources Committee held on 10 November 2022 via MS Teams

Board Members present:	Grant Macrae (Chair) Alasdair Hay Catriona Stewart Caroline Stuart
Board Member apologies:	Tom Halpin
In attendance:	SPA Chris Brown, Deputy Chief Executive John McNellis, Head of Finance, Audit and Risk Deborah Christie, Governance Support Officer Police Scotland Lynn Brown, Head of Corporate Finance Alasdair Corfield, Financial Controller James Gray, Chief Financial Officer Andrew Hendry, Chief Digital and Information Officer Yvonne Johnston, Estates Transformation and Portfolio Lead Colin Maciver, Programme Manager Kerri Maciver, Head of Portfolio Management Iain MacLelland, Superintendent Iain McKie, Head of Strategic Procurement ACC Mark Williams, ACC Operational Support HMICS Alan Wright

1.1 WELCOME

Grant Macrae welcomed everyone to the MS Teams meeting. Attendees heard that the Chair of the ARAC would join the meeting to participate in the discussion for item 6.1, Internal Audit Contract Award.

1.2 APOLOGIES

Apologies were noted from Committee Member Tom Halpin and DCO Page.

1.3 DECLARATIONS OF INTEREST OR CONNECTIONS

There were no declarations of interest or connections.

1.4 DECISIONS ON TAKING BUSINESS IN PRIVATE (ITEMS 5 - 10)

In accordance with paragraph 20 of the SPA Standing Orders, the Committee AGREED to consider items 5 - 10 on the agenda in private.

2.1 RESOURCES COMMITTEE MINUTE FROM MEETING HELD ON 09 AUGUST 2022 FOR APPROVAL

Members AGREED the Minute from the Resources Committee held on held on 09 August 2022 was an accurate record of the meeting.

2.2 ROLLING ACTION LOG AND MATTERS ARISING

Members noted the actions and updates and agreed to close the actions that were proposed for closure.

2.3 DECISIONS SINCE LAST MEETING

The Chair reminded attendees that Section 11 of the Authority's Standing Orders confirms the provision to consider matters by correspondence when it is not practicable to convene a meeting of the committee and explained that this was the case in respect of a recent contract award. He confirmed that Members of the committee agreed, by correspondence, to recommend to the Board the award of a contract in respect of the Provision of Forensics Toxicology Casework Analysis. The Board then considered this at its meeting on the 25th August.

Members noted this update.

3.1 FINANCIAL MONITORING REPORT Q2 2022/23 REPORT – James Gray/Lynn Brown

Members considered the paper which had been submitted to provide the Committee with an update on the financial position of the SPA and Police Scotland for quarter two of the financial year 2022/23. Members were also asked to approve the following 2022/23 budget revisions:

- £37.0m increase in the revenue budget for pay award uplift in line with additional funding available;
- £4.6m reduction in the revenue budget to reflect the impact of IFRS 16 Leases effective from 1 April 2022; and
- £5.2m increase in the capital budget to reflect the impact of IFRS 16 Leases effective from 1 April 2022.

During discussion and in addition to the written report the following points were raised and discussed;

- James Gray explained to the Committee that it was not normal practice to request budget adjustments in year however due to the exceptional circumstances the 3 adjustments as detailed in the papers were being proposed.
- It was noted final costs in respect of Operation Unicorn were still being collated and it was anticipated a final position would be clear by the end of this calendar year. The Committee welcomed the update that experience and learnings from the recent financial management of COP26 had assisted with the management and capture of Operation Unicorn financial impacts.
- The Committee discussed at length the year to date budget and forecast position. An area of focus was the police officer overtime overspend considering the financial and wellbeing impacts. The Chief Financial Officer explained that this had been agreed internally as not being a sustainable model and lower levels of overtime assumptions were being factored into 2023/24 budget planning. Members sought assurance steps were being taken to mitigate any negative impacts on officer wellbeing that may be being seen from unsustainable high levels of overtime. Recognising the importance of officer wellbeing, a request was made for information to be provided to the People Committee which will provide assurances in respect of officer wellbeing and the impacts of high levels of officer overtime being carried out. It was also requested that as part of this work, details of any divisional trends were to be provided in the reporting to the People Committee.
- Members asked what impacts were being seen as a result of increased costs from in-year inflation and heard that this was being seen across different budgets and especially in the estates budget

as costs have been significantly higher than anticipated and money is not going as far as it once did. The Chief Financial Officer confirmed that cost pressures will continue to be closely monitored and reported to this Committee.

- The Committee discussed a key risk that was highlighted in respect of the ongoing review, by Scottish Government, of reform funding and heard that the window for this to be progressed was narrowing. Members expressed concern that any reduction will have a significant impact on the deliverability of reform projects currently underway. Concern was also expressed by Police Scotland finance colleagues and Members about the negative impact of delays in approval by Scottish Government for specific projects. The Committee Chair urged colleagues to continue to urge Scottish Government colleagues to provide definitive answers in this area as it was a significant risk to being able to progress very important work – for example the Police Scotland Your Leadership Matters Phase 2 activity.

Members noted the year to date position and forecast position within the finance report and agreed to approve the budget revisions detailed in appendix B. The following action was also agreed;

RES-20221110-001: Further analysis to be provided to the People Committee which will provide information in respect of officer wellbeing and the impacts of high levels of officer overtime being carried out. Details of any divisional trends to be provided.

4. TRANSFORMATION PROGRAMME BENEFITS REPORT Q2 – Andrew Hendry/ Kerri Maciver

Members considered the report which sought to provide the Committee with an update in relation to the ongoing Benefits Management and tracking within the Police Scotland Change Programme. During discussion and in addition to the written report the following points were raised and discussed;

- Members considered a summary of the report which had been submitted in a refreshed format.
- One specific area that was highlighted to committee members was a reduction of 379 FTE to CAM Planned Officer Efficiency values and it was explained this had been as a result of the recent report approved at Change Board in August 2022. Members questioned the decision to make this reduction and it was explained there was no doubt the benefits had been achieved but the challenge had been in validating the data. Going forward, work would be done

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with the Analysis and Performance and Demand and Productivity units to develop more robust baselines.

Members noted the paper.

*The following items were taken in private.
End.*

Approved