



## Resources Committee

Minutes of the Resources Committee held on 19 November 2024 on Webex

Authority Members present	Grant Macrae (Chair) Tom Halpin Alasdair Hay Pauline Howie Angela Leitch Caroline Stuart
Authority Member apologies	Nil
In attendance	<b>SPA</b> Chris Brown, Deputy Chief Executive John McNellis, Head of Finance, Audit and Risk Scott Ross, Head of Change & Operational Scrutiny  Colette Craig, Governance Support Officer  <b>Police Scotland</b> ACC Emma Bond, Assistant Chief Constable Lynn Brown, Head of Corporate Finance Patrick Brown, Head of Finance DCC Jane Connors, Deputy Chief Constable James Gray, Chief Financial Officer Andrew Hendry, Chief Digital & Information Officer ACC Stuart Houston, Assistant Chief Constable Brian Kyle, Strategic Procurement Manager

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	<p>ACC Tim Mairs, Assistant Chief Constable Colin Maciver, Head of Portfolio Delivery - Change Alan Sommerville, Superintendent Chief Superintendent Conrad Trickett, Specialist Crime Division</p> <p><b>Scottish Government</b> Beatriz Sanchez</p> <p><b>HMICS</b> Alan Wright</p>
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**1.1 WELCOME**

Grant Macrae, Committee Chair welcomed attendees from the Authority, Police Scotland, Scottish Government, and HMICS.

**1.2 APOLOGIES**

There were no Member apologies.

**1.3 DECLARATIONS OF INTREST AND CONNECTIONS**

There were no declarations of interest or connections.

**1.4 DECISIONS ON TAKING BUSINESS IN PRIVATE (ITEMS 6 - 9)**

In accordance with paragraph 20 of the SPA Standing Orders, the Committee agreed to consider items 6 - 9 on the agenda in private.

**1.5 DECISIONS TAKEN SINCE LAST MEETING OF THE COMMITTEE**

Members noted the Committee took a decision to approve the Contract Award for a Business Internet Solution by correspondence. This was considered between meetings to allow the important work to progress at without delay.

**2.1 RESOURCES COMMITTEE MINUTE FROM MEETING HELD ON 13 AUGUST 2024 FOR APPROVAL**

Members agreed the Minute from the Resources Committee held on held on 13 August 2024 was an accurate record of the meeting.

**2.2 RESOURCES COMMITTEE ACTION LOG AND MATTERS ARISING**

Members agreed the Action Log and approved the actions that were proposed for closure but the following actions were not closed.

**RES-20240813-001** - Members agreed the need for a briefing before this action could be closed. This will allow the opportunity to be assured that the proposed reporting will meet Committee expectations in respect of benefits reporting (as detailed in the original action).

**RES-20240813-003** - Members agreed that this action should remain ongoing until March 2024 by which time the work will have been carried out.

There were no matters arising.

### **3.1 FINANCIAL MONITORING REPORT Q2 2024/25 – LYNN BROWN**

Members considered the report which presented an update on the financial position of the SPA and Police Scotland for quarter two (Q2) of the financial year 2024-25. During discussion and in addition to the written report the following points were noted and discussed.

- The committee considered an overview of Appendix A and the updates provided on revenue, capital and reform budgets. Despite the breakeven forecast, Members were told there remain significant challenges and risks to deliver the budget.
- A balanced revenue outturn was forecast however, it was noted there remain significant risks and challenges to achieving this.
- The headline pay award offered (4.75%) is higher than budget and it was explained that this has been possible due to reduced costs from lower officer numbers at the beginning of the current year.
- Recognising the pay award that has been offered is higher than originally budgeted, Members asked what was being done to manage this both in year and any impacts in future years. Members were assured that Police Scotland have been very clear to Scottish Government that this is not affordable within the ongoing funding allocation being requested for 2025/26.
- The Scottish Government budget announcement in early December will bring some clarity to this matter and an update will be provided at the 18 December Resources Committee.
- Members sought and received an assurance that finance colleagues will be working with all relevant business area project teams to improve the approach to financial planning so that all interdependencies are identified and prioritised. Attendees agreed this was key to the successful delivery of the strategic outcomes of the 2030 vision.
- The Chief Financial Officer explained that sessions will be held in the coming weeks to consider investment prioritisation and ensure that it is in line with the 3-year Business Plan.
- Challenges of an annual budget setting were recognised by attendees as an ongoing difficulty for Police Scotland. It was explained there will be ongoing support for each business area to align their project delivery with capital bids to deliver against the business plans.
- Committee frustration was expressed about the time that has passed without having developed better capital planning. Members

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urged Police Scotland to reflect on why this has not yet been seen and urged that leaders use the learning from past years to inform the ongoing work to develop better and more robust capital planning. It was explained that significant work has been done internally to improve the approach to capital planning and some progress had been made. Challenges across supply chains were cited as an example of an external factor that can impact capital planning. Police Scotland finance colleagues will continue to work with procurement to mitigate issues.

- Members heard that almost half of VR/VER releases had been progressed however ongoing pay negotiations are likely to impact on further workforce modernisation activity. The Committee asked that future releases are completed earlier in the year so that savings are maximised.
- In response to a question about how the work of the Police Scotland Revenue and Investment Group holds projects SROs to account and how it supports scrutiny, it was explained that this short life working group is made up of senior attendees with the purpose of reviewing projects to understand reasons for slippage and to explore what actions are required to address delays. An assurance was provided by the Head of Finance that this group provides robust oversight and challenge across all portfolios.
- Members heard of other arrangements through which robust monitoring of projects takes place. These include the Capital Investment Group and Overtime Management Group which are examples of arrangements that allow scrutiny, reallocation of resources and sharing of best practice across business areas. It also allows opportunity to understand the challenges. DCC Connors assured Members the current arrangements provide a range of opportunities to discuss both in year and beyond.
- The Chief Financial Officer provided some context for the supply chain issues that had been raised by Members as an area of concern. He explained that due to the increases in capital budget over past years, Police Scotland has struggled to keep pace with the procurement. This will be considered as part of the planning for future years to ensure a better capacity to deliver. It was recognised that additional work is required to ensure arrangements are in place to effectively procure and that the supply chain is in place to allow projects to deliver on time.
- The controls described were welcomed by Members. Police Scotland were encouraged to consider the skills mix for these project teams and to not solely focus on procurement as there were many other skills which would support delivery.
- The work of the Overtime Management group was noted however, given the overspend in officer overtime, Members were keen to understand what is being done to understand if, in areas where overtime is regularly used, is the resource allocation is correct. A

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further question was asked about what was being done to make ensure appropriate focus on officer wellbeing where overtime has been a factor.

- DCC Connors explained that the use of overtime is closely monitored and managed to effectively resource specific areas of demand and that officer wellbeing is a priority. It was explained that effort is made to ensure the outcomes from the use of overtime are then identified and reported. Any learning from this will then be used for future resource planning. Members recognised there will always be an operational necessity for overtime however welcomed the work being done to reduce overtime spend wherever possible.
- In conclusion, the Chair expressed frustration and concern about the lack of pace and progress with the capital spend. Attendees noted that this has been a priority area of scrutiny for this committee who have been consistent in raising concerns about the ability to spend the full capital budget in year. The Committee expect future reports to show a more positive direction in Q3.

### **Members noted the report.**

#### **4.1 Q2 TRANSFORMATIONAL BENEFITS TRACKER – ANDREW HENDRY**

Members considered the report which provided 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 noted and discussed.

- The Chief Digital & Information Officer updated attendees that work continues to develop benefits reporting which meets the committee's expectations and which provides robust benefits data.
- Recognising the refreshed committee report remains under development, it was agreed that there should be a workshop session at which Police Scotland can share with Members, details of the refreshed reporting template so that feedback can be discussed and to ensure the direction of travel for future committee reporting will meet Committee expectations. It was agreed that this would be of mutual benefit and it was agreed this should be scheduled for early 2025.
- It was suggested that reporting for individual projects should be more focused on business outcomes which would allow an assessment of whether the deliverables had been achieved along with a clear articulation of the benefit to the delivery of policing in Scotland. The intention to become outcome focused will be achieved through the reorganisation of the portfolio and a simplified approach to reporting the impact being made to the organisation.
- An update on the National Integrated Communications Control Systems (NICCS) project will be provided at item 8.2.1.

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- Members heard that 7 month delay is being forecast for the UCCP Project and a update on the planned work would be provided to Members by correspondence.
- The Committee will seek assurances that those who manage the service are clear on the need for ownership of the projects to deliver efficiencies and asked that the approach to ensuring this is understood and promoted organisationally be discussed at the workshop session in the new year.
- The Committee requested a better understanding of how Police Scotland identify and capture cashable and non-cashable savings and how they are being used. It was explained that there was close working between Change Teams and Finance colleagues to manage cashable and non-cashable savings and this work continues to develop. Members agreed that this committee need greater clarity about the approach being taken.

### **Members noted the report and agreed the following action.**

RES-20241911-001: Workshop session to be arranged so that Members can understand the approach and share feedback with PS colleagues so that final product meets with Committee expectations in terms of what is required as highlighted in ongoing action RES-20240813-001.

RES-20241911-002: Profile of planned work for remainder of the project to be circulated to Members. Information to provide clarity on areas of delay.

RES-20241911-003: Committee to consider a paper on the approach to identification of and management of cashable and non-cashable savings.

### **4.2 Q2 CHANGE PORTFOLIO OVERSIGHT REPORT – ANDREW HENDRY**

Members considered the report which provided an update on the with an update in relation to the ongoing Police Scotland Change Programme. During discussion and in addition to the written report the following points were noted and discussed.

- Members heard that the Change Management function experiences a high turnover which is where most of the reported vacancies lie.
- Members welcomed an update on the developing report which was continuing to evolve with the support and input of SPA colleagues. Future reports will provide improved clarity on the change programmes listed and this is an area that improvement work continues.
- Members asked for an update on the Local Policing Service Delivery Review and the National Integrated Communications Control

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Systems and DCC Connors committed to bring a report to a future meeting of the Resources Committee.

- Members noted the complexity of the report and asked that consideration was given to the suitability for public understand and the use of non-executives. Members would like to be able to see at glance the end to end delivery and what has been achieved/what progress has been made in priority areas since the previous report. In addition, Members would like to see the information more clearly linked to outcomes. It was explained this was the direction of travel and would be discussed at the workshop in the early new year.

**Members are noted the report and agreed the following actions.**

RES-20241911-004: Updates to be provided to Committee on Local Policing Service Delivery Review and National Integrated Communications Control Systems.

**5. FINANCIAL REGULATIONS REVIEW – JOHN MCNELLIS**

Members were provided with the report which provided details of the periodic review of the financial regulations including recommended updates.

- Members were advised that it was a light touch review and PS had been consulted during this process.

**Members noted the report and agreed to recommend the updated financial regulations to the Authority for approval.**

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