

Meeting	SPA Resources Committee
Date	6 February 2020
Location	Pacific Quay, Glasgow
Title of Paper	COP26 Resource Implications
Presented By	James Gray, Chief Financial Officer
Recommendation to Members	For Discussion
Appendix Attached	No

PURPOSE

The purpose of this report is to provide Members with an update on Financial matters arising from the policing of the United Nations Framework Convention on Climate Change (UNFCCC) 26th Conference of the Parties (COP26).

Members are invited to discuss the content of this paper.

1. BACKGROUND

- 1.1 The UK Government will host the United Nations Framework Convention on Climate Change (UNFCCC) 26th Conference of the Parties (COP26) from Monday 9 November to Friday 20 November 2020, at the Scottish Event Campus (SEC), Glasgow.
- 1.2 This is an event of unprecedented scale, necessitating a major police operation at significant cost. Work has commenced to build an accurate cost forecast of COP26 and establish the protocols for securing the necessary funding from the UK Government.

2 FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 As of November 2019, work is underway to build a detailed and robust cost forecast for COP26. Financial modelling to date has been, as far as possible, aligned with both the overall Gold Strategy and the set of planning assumptions that continue to evolve as specific policing requirements are confirmed.
- 2.2 Ongoing dialogue with the UK Government will continue to crystallise the operational planning assumptions which will, in turn, determine the incremental cost to the organisation of policing COP26. In the meantime, current cost estimates remain highly indicative and are subject to change.
- 2.3 External governance arrangements are now being stood up by UK Government departments and the SPA/Police Scotland have submitted into the relevant for a set of proposed finance 'business principles'. Once formally agreed by all parties, these principles will clearly define the costs that can be fully recovered via funding from the UK Government.
- 2.4 The central tenet underpinning these principles is that COP26 will result in no net financial gain or detriment to the SPA/Police Scotland. On that basis, costs are being captured in such a way as to enable identification of both **marginal** costs (that can be recovered) and **opportunity** costs (that are not incremental to the organisation and hence cannot be recovered).
- 2.5 The internal validation of all costing information, along with independent security and financial assurance work, will take place between now and early March 2020. The outcome of this detailed work will be subject to review and challenge by the UK Government and will inform the overall annual budget for the SPA/Police Scotland.

- 2.6 Any draft financial information shared with UK Government stakeholders prior to this point (for example in support of the 11 March UK budget) will be highly indicative (per 2.2 above) and subject to further refinement.
- 2.7 At the SPA Board meeting of 25 March 2020, Authority members will be asked to approve the COP26 budget alongside the overall 2020/21 annual budget.

3. FINANCIAL IMPLICATIONS

- 3.1 Financial implications are set out in this paper

4. PERSONNEL IMPLICATIONS

- 4.1 There are no direct personnel implications associated with this update, although the significant and unprecedented resourcing requirements of COP26 will be the primary driver of cost.

5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications associated with this paper.

6. REPUTATIONAL IMPLICATIONS

- 6.1 There may be reputational implications associated with this paper, for example should there be any failure to accurately capture or recover the costs of COP26

7. SOCIAL IMPLICATIONS.

- 7.1 There are no social implications associated with this paper.

8. COMMUNITY IMPACT

- 8.1 There is no community impact associated with this paper.

9. EQUALITIES IMPLICATIONS

- 9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

- 10.1 There are no environmental implications associated with this paper.

RECOMMENDATIONS

Members are invited to discuss the content of this report.