

Meeting	SPA Resources Committee
Date	6 February 2020
Location	Pacific Quay, Glasgow
Title of Paper	Spending Review 2020
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 details of the SPA's response to the Scottish Government's spending review.

Members are invited to discuss the content of the paper.

1. BACKGROUND

- 1.1 In June 2019 the Chief Financial Officer presented to the SPA Resources Committee and Board the Spending Review 2020 proposed high level business case for multi-year investment in the service.
- 1.2 Following approval by the SPA this document has been discussed with the Scottish Government, including senior civil servants in the Justice and Finance directorates as well as the Cabinet Secretaries for Justice and Finance.

2 FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 Following discussions with the Scottish Government, the service has continued to develop this work, incorporating the feedback provided.
- 2.2 This work has included modelling various scenarios that show the impact on the revenue deficit of differing assumptions over the next five years which has been prepared with guidance from the SPA Chief Executive.
- 2.3 This work finds that policing in Scotland is financially unsustainable. The May 2018 financial strategy outlined a route to balancing the budget in 2020/21 that required officer and staff reductions. To achieve a balanced budget will require a combination of:
 - workforce reductions,
 - structural funding correction, and
 - ongoing funding increases.
- 2.4 Workforce reductions will impact on operational capacity that will be challenging at this time of unprecedented events i.e Brexit and COP26.

3. FINANCIAL IMPLICATIONS

- 3.1 The spending review exercise will have far reaching financial implications on the SPA which will be considered during this work.

4. PERSONNEL IMPLICATIONS

- 4.1 There are no direct personnel implications associated with this paper, with any consequent impact on workforce size and mix to be considered as part of the overall strategic workforce plan.

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 the outcome of this work.

7. SOCIAL IMPLICATIONS

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

8. COMMUNITY IMPACT

- 8.1 There are community impacts associated with the proposed investment, as the SPA modernises how policing is delivered in Scotland.

9. EQUALITIES IMPLICATIONS

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

10. ENVIRONMENT IMPLICATIONS

- 10.1 Transitioning to an electric fleet and right-sizing/modernising the service's property footprint would both have a significant, positive environmental impact.

RECOMMENDATIONS

Members are invited to discuss the update on the spending review.