



SCOTTISH POLICE
AUTHORITY
ÙGH DARRAS POILIS NA H-ALBA

Annual Report and Accounts 2021-22



Our Report: Key Sections



p.5
Performance Report



p.88
Accountability Report



p.148
Financial Statements of the Scottish Police Authority

Contents

- 06 Chair's Foreword
- 10 Chief Executive's Statement
- 12 Part 1** Overview
- 14 Policing Principles, Purpose and Key Policing Activities
- 21 Performance Summary
- 28 Looking Back
- 33 Policing Performance Conclusion
- 34 Going Concern
- 36 Part 2** Performance Analysis
- 38 Police Scotland Performance
- 64 Local Authority Perspectives on Policing Performance
- 66 SPA Corporate Performance
- 70 Forensic Services Performance
- 75 Financial Performance
- 84 Non-Financial Information
- 86 Environmental Matters

- 90 Part 1** Corporate Governance Report
- 91 Overview
- 92 Directors' Report
- 94 Statement of Accountable Officer's Responsibilities
- 95 Governance Statement
- 114 Part 2** Remuneration and Staff Report
- 115 Overview
- 116 Remuneration Report
- 127 Staff Report
- 138 Part 3** Parliamentary Accountability and Audit Report
- 139 Overview
- 140 Statement of Resource Outturn
- 145 Independent Auditor's Report

- 149 Statement of Comprehensive Net Expenditure
- 150 Statement of Financial Position
- 151 Statement of Cash Flows
- 152 Statement of Changes in Taxpayers' Equity
- 158 Notes to the Accounts
- 215 Direction by the Scottish Ministers**



Performance Report Foreword

This section provides an introductory overview from the Authority Chair and Chief Executive. This provides an outline of the key challenges and successes over the last financial year.



Chair's Foreword

Police Scotland has delivered a very good service to the Scottish public during 2021-22 and continued to strengthen and improve throughout the year. This assessment is based on the Board's four levels of assurance; detailed Committee oversight; regular and detailed data driven performance reporting; and insights from independent groups and key stakeholders as well as the views of the public from the Authority's independent polling. The quality of our police service is a great credit to all police officers and staff. You will find within this Annual Report and Accounts the detailed assessment of Police Scotland's performance during the 2021-22 reporting year.

It has been another remarkable period for policing in Scotland. As we emerged from the exceptional circumstances that the pandemic brought in 2020, the challenges for individuals and policing have evolved. As restrictions began to ease, movement increased, 'new normal' ways of working were rolled out and policing activity began to return to pre-pandemic levels. Throughout this, policing has continued to support, encourage, and enforce compliance, where required, with stringent public health laws. The extension of the Chief Constable's position for an additional three years from May 2022, the maximum term the Board could offer, will ensure stability and strong leadership during the return to pre-pandemic provision. We are delighted to see the Chief Constable's contribution to policing in Scotland recognised through the Knighthood awarded to him in the recent Queen's Birthday Honours.

Throughout the year, the Authority continued to have the benefit of additional insight and assurance on Police Scotland's use of coronavirus powers from the Independent Advisory Group (IAG). An independent review of the IAG underlined the additional assurance and increased confidence provided by the Group that decisions taken during the pandemic were consistent with human rights and the values of policing by consent. The Authority valued the Group's input which has informed and deepened the assurance we can give on the effectiveness of policing during this period of extraordinary restrictions on all our civil liberties. We are grateful to John Scott QC, now Lord Scott, and every member of the IAG who gave their time to support this approach and informing policing.

Balancing the challenges of emerging from a pandemic with the return to the usual day-to-day demands is notable in itself. However, policing has done so whilst also planning for, and policing, the largest international event requiring policing in Scotland's, and indeed the UK's, history – the 26th Conference of the Parties (COP26) held in Glasgow in November 2021. The planning, preparation and engagement with stakeholders and the public in advance of, and throughout, COP26 was extensive. There were over 120 world leaders in attendance, 40,000 registered participants and 4,000 media representatives. By some estimates there were 100,000 protestors in the city. Police Scotland communicated clearly and followed



through on its commitment to ensure the rights of individuals and groups to peaceful protest were upheld and effectively facilitated.

It was a substantial achievement that the conference passed without any significant disorder, arrests or injury. Policing with the consent and trust of the public is the bedrock of confidence in policing in Scotland and the Authority commends that these values were so apparent throughout the conference. Data from our independent polling of Glasgow citizens shows over 60% of respondents supported Police Scotland's approach while 63% felt that Police Scotland had performed well in making sure marches and protests were well organised.

The work of the Authority's Forensic Services over the last year has again delivered across a range of key priority areas. The service has faced significant increases in demand for toxicology services alongside planning the transition of post mortem toxicology into Forensic Services; which will remain a focus in the year ahead. A revised [Forensic Strategy](#) was developed and published in September 2021 that sets out how Forensic Services will deliver effective and efficient forensic capabilities to meet the needs and expectations of our criminal justice partners and the public.

Other key developments for Forensic Services in year included the appointment of Fiona Douglas as Director, following the retirement of Tom Nelson, and consultation with staff and Unions on a new organisational structure. As we look ahead, 2022-23 will be a period of further change and improvement within Forensic Services which the Authority will continue to support and oversee.

The Authority itself made improvement on a number of areas during 2021-22. External recommendations on the Authority were progressed and discharged, including all those made by HM Chief Inspectorate of Constabulary in Scotland (HMICS) in its Thematic Inspection of the Authority, and the majority of those made by Dame Elish Angiolini in her Review of Complaint Handling from 2020. We remain committed to, and will continue to work closely with, all stakeholders in the year ahead, strengthening and improving the police complaints landscape.

Our Governance Framework was reviewed during 2021-22 and improvements made to simplify arrangements, reduce duplication, increase clarity and increase delegations where appropriate. These enhancements were followed by updates to the Authority's Financial Regulations, delegations and protocols in August 2022. Formal governance was also strengthened with the introduction of a Joint Memorandum of Understanding to ensure early visibility and oversight of any new technology, or deployment under consideration,

by Police Scotland. The agreement provides appropriate opportunities for public discussion, local engagement and formal oversight and review.

The Authority's Independent Custody Visiting Scheme has also continued to deliver independent assurance to the Authority that the human rights of those detained by Police Scotland are being maintained. The Authority is very grateful to the volunteers who we rely on across the country to maintain this important service. A management review of the Scheme has been undertaken which highlights a number of areas for improvement in the coming year.

In early 2021, I committed to strengthening the Authority's relations with local authorities this has been achieved through the introduction of regular communication, engagement and discussions. A tripartite review of Local Police Plans by the Authority, COSLA and Police Scotland, a key piece of work, demonstrates our commitment to continuous improvement and engagement between policing and the communities it serves. Additionally, the Authority developed a series of public focused and user-friendly factsheets to provide an overview of key areas of policing which are of public interest. Looking ahead, there are a number of pieces of work already underway involving COSLA and individual local authorities that will further strengthen our links between national and local policing in the year ahead.

Within the Board itself, six Board Members took up their appointments with the Authority on 1 April 2021. We were deeply saddened by the death of one of our new members, Robert Black CBE, in October 2021 following a short illness. Bob made a positive impact as an Authority member immediately. He was an outstanding public servant who made a significant contribution to public life over a long and dedicated career.

Four members were also reappointed during the year for a further 4-year term, bringing a degree of stability to the Board's membership for the years ahead. The Authority's members bring a wealth of experience in public sector governance and leadership as well as a broad range of perspectives spanning local, national and third sectors. Changes to committee membership were approved in May 2022 which will broaden members' experience of different aspects of oversight in the year ahead and transfer skills and insights to different committees to strengthen our overall resilience. I repeat the Board's very sincere appreciation of the professionalism and dedication of the officers and staff who work across policing. Through their commitment and public service ethos, individuals and communities in Scotland are kept safe and all our wellbeing is actively promoted.

Looking ahead, continuous improvement across policing will remain a key area of focus. This will be informed by the Authority's continued oversight, support and scrutiny and any findings or recommendations of internal or external reviews or inquiries.

Finally, policing is facing significant financial challenges in the year ahead. At the time of writing, the Scottish Government has indicated that the real terms protection promised to policing for the current parliamentary term will not be delivered. This translates to a substantial real terms reduction in the policing budget and will have implications for the service in the period ahead.

Martyn Evans
Chair
29 September 2022



Chief Executive's Statement

This year was the first full financial year since the introduction of a new organisational structure for the Authority. The skills, experience and capacity of our corporate team has strengthened considerably the Authority's support and oversight of policing. We have enhanced our engagement and collaboration with stakeholders, developed our governance policies, procedures and professional standards and importantly embedded an outward looking approach to everything we do to better reflect the public interest. The Authority's contribution to policing is set out in our Corporate Plan and annual areas for priority activity in our supporting business plan. I am delighted to report that 93% of the milestones underpinning the Authority's business plan for 2021-22 were delivered with anything outstanding carried over into 2022-23.

The impact of the pandemic continued across policing during the year. Despite this, I am pleased to report that the Authority's support and oversight of policing was maintained without interruption. Many of the benefits of virtual and hybrid working became more routine despite restrictions having been lifted – lower carbon footprint, greater flexibility, increased accessibility and transparency, more effective use of resources and best value. However, policing is a people business, and as we look ahead, the Authority should aspire for a balance of the benefits of virtual and hybrid governance with the benefits of in person meetings where stronger connections can be forged and focus enhanced.

I am also pleased to report that the Authority's internal auditors provided a clean annual internal audit opinion across all areas of the Authority (SPA Corporate, Police Scotland and Forensic Services) for the 2021-22 financial year. The opinion of internal audit is 'reasonable assurance' over the Authority's: governance framework, internal controls, effective and efficient achievement of objectives and the management of key risks during 2021-22. This independent review continues to demonstrate that there are robust controls in place across the service.

I am also pleased to report that our financial outturn for the year was as budgeted and reported throughout the year. Achieving and maintaining financial sustainability was a

priority during 2021-22 and this was achieved. The Authority is committed to maintaining this in the years ahead. I can also provide assurance about the regularity, propriety and value for money of decisions taken which affect the budget.

The preparation and policing of COP26 during 2021-22 has been a significant undertaking worthy of special mention. The eyes of the world were on Scotland and the policing approach throughout 2021. The Authority's governance and oversight focused on three key areas; the delivery of an effective security and policing operation with full cost recovery for additional policing element; the health, safety and wellbeing of all officers and staff involved in policing the conference, and; how the needs of local communities across Scotland were considered, tested and balanced alongside the delivery of a secure and successful global event of this nature. I can confirm that the additional costs associated with policing COP26 were fully recovered.

The Authority's COP26 Oversight Group met for the final time in June to consider reflections and lessons learned from the conference from Police Scotland and the Independent Advisory Group chaired by John Scott QC. In providing detailed oversight and assurance around the operational planning, maintenance of local policing, and the wellbeing of officers, staff, the Group's work has been recognised by the First Minister, Police Scotland and HMICS. It is clear that

"The preparation and policing of COP26 during 2021-22 has been a significant undertaking worthy of special mention."

collective efforts assisted Police Scotland in delivering a human rights-based, safe and secure event – the largest of its kind ever undertaken in this country.

I was appointed permanent Chief Executive and Accountable Officer of the Scottish Police Authority following an interim period in March 2021. The year was personally challenging due to a period of ill-health requiring treatment and recovery. I am grateful to the Chair, Board members, my Deputy Chief Executives, Barry Sillers and Chris Brown, and the Authority's corporate team for their support and exceptional efforts during my absence.

While this annual report details progress on a number of fronts, there is no doubt that there are further improvements across policing to be progressed in the period ahead. It continues to be my privilege to work with Members, officials, police officers, staff and our many stakeholders. I look forward to continuing to work collaboratively to support policing and to build trust and confidence in the policing system as a whole.

Lynn Brown OBE
Chief Executive
29 September 2022

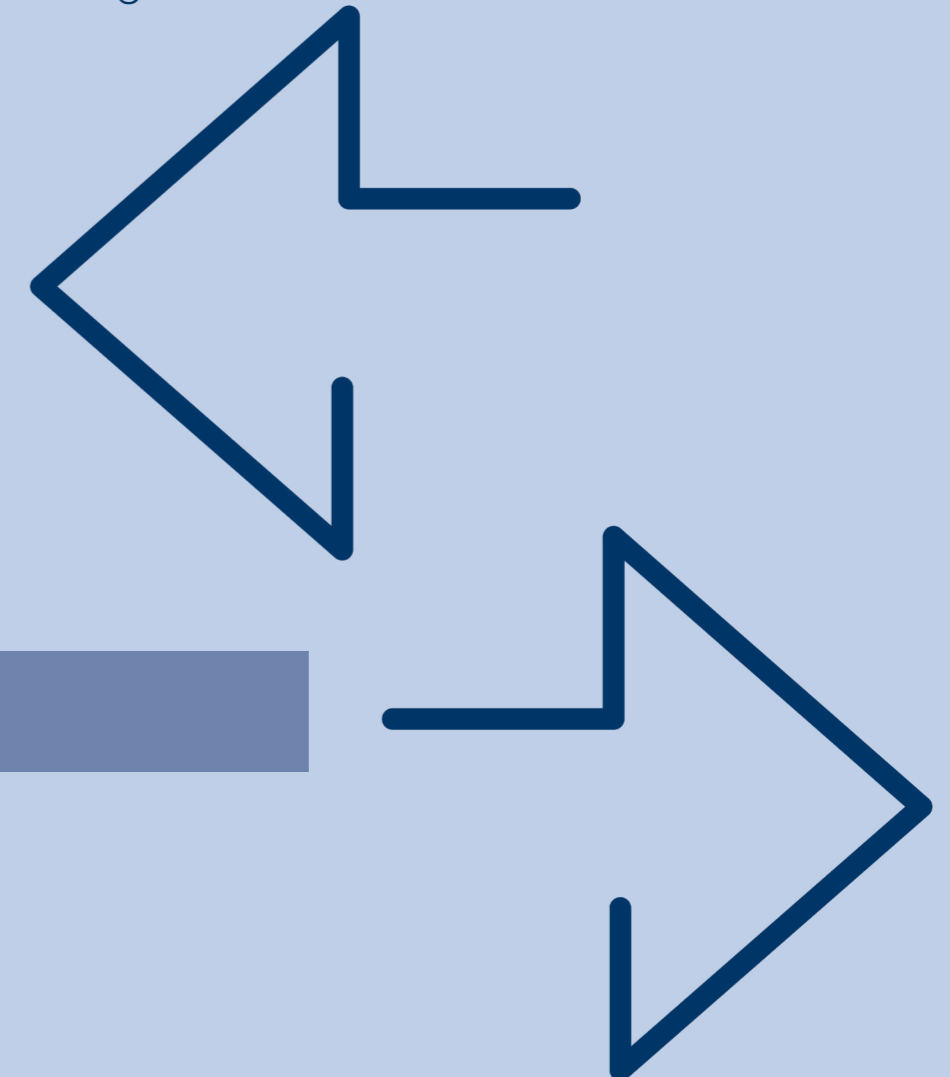


Part 1 Overview



Policing System Strategic Context

This section provides an overview of the strategic context and legislative arrangements for the policing of Scotland; describing the respective roles of the Scottish Police Authority (the Authority/ SPA) and Police Scotland. It also provides a summary of what has been achieved in the period 2021-22; the financial and organisational performance across the system; the key risks to strategic and operational delivery and the recently reviewed plans to address future challenges.



Policing Principles, Purpose and Key Policing Activities

The Policing of Scotland

The Police and Fire Reform (Scotland) Act 2012 (the Act) created a new structure for the provision of police services for Scotland. The Act brought together eight police forces, the Scottish Police Services Authority (SPSA) and the Scottish Crime and Drug Enforcement Agency (SCDEA) into two new national bodies - the Scottish Police Authority (The Authority) and the Police Service of Scotland (Police Scotland). The new structures became operational on 1 April 2013; delivering one of the largest and most complex reforms of the Scottish public sector since devolution and the most significant change in policing for more than 40 years.



The current structure has now been in place for nine years. The Authority and Police Scotland are relatively young organisations with many aspects of the 'post police reform' landscape still evolving and developing. It is clear, however, that the creation of a single police service for Scotland has delivered real benefits to the people and communities of Scotland, aligned to the three objectives for police reform set by Scottish Government:

To protect and improve local services by stopping duplication of support services and without cutting the frontline.

To create more equal access to specialist support and national capacity – like murder investigation teams and firearms teams – where and when they are needed.

To strengthen the connection between police services and communities by:

- creating a new formal relationship with all 32 councils.
- creating opportunities for many more locally elected members to have a formal say in police services in their areas.
- better integrating with community planning partnerships.

The Act also introduced new policing principles to replace the previous principles of 'guard, patrol and watch' from the Police (Scotland) Act 1967. The policing principles are:

The main purpose of policing is to improve the safety and wellbeing of persons, localities and communities in Scotland.

The Police Service, working in collaboration with others where appropriate, should seek to achieve that main purpose by policing in a way which is accessible to, and engaged with, local communities, and promotes measures to prevent crime, harm and disorder.

The Scottish Police Authority

The Authority is a national public body, consisting of a Chair and between 10 and 14 Members who are appointed by Scottish Ministers in accordance with the Scottish Public Appointments process. The Board is supported by an executive staff led by the Chief Executive, who, as Accountable Officer, holds responsibility for all funds allocated by the Scottish Government for the policing service. This includes the constituent budgets allocated to SPA Corporate, Forensic Services and Police Scotland.

The overarching role of the Authority, as set out in the Policy Memorandum to the Act, is to:-

Provide strong governance and clear accountability for the police service.

Provide a clear separation between Scottish Ministers and the Police Service.

Ensure that the Chief Constable is free from undue political influence in making decisions about the investigation of crime.

The Act specifies that the Authority:

Maintain the police service.

Promote the policing principles and continuous improvement of policing.

Keep policing of Scotland under review.

Hold the chief constable to account for the policing of Scotland.

It also requires the Authority to:

Provide Forensic Services, independently of Police Scotland, to support operational policing and the justice system in Scotland.

Make arrangements for independent custody visiting.

Be the employer of police staff and to recruit, and assess complaints and conduct issues, related to senior officers (Assistant Chief Constable and above).

Police Scotland

Police Scotland is the second largest police service in the UK and has a workforce of more than 22,000 people. It delivers a police service across the length and breadth of Scotland, some 28,168 square miles of urban, rural and remote communities.

The Act requires the Chief Constable to:

Be responsible and accountable to the Authority for the policing of Scotland.

Have direction and control of the police service.

Be responsible for the day to day administration of the police service.

Prepare an annual police plan.

Seek to secure continuous improvement in the policing of Scotland.

Ensure adequate arrangements are in place for the policing of each local authority area.

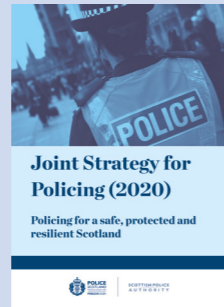
The Strategic Police Priorities

The Act specifies that the Scottish Ministers set strategic police priorities for the policing of Scotland. During 2019-20 the Scottish Government reviewed and revised these priorities, in consultation with the public, and a wide range of stakeholders including the Authority and Police Scotland.

The published strategic police priorities for the period 2020-2026 are:

- Crime and Security** – prioritises prevention, detection, investigation, equality and human rights to support positive criminal justice outcomes; responds to threats, and maintains public order, both locally and nationally.
- Confidence** – continues to inspire public trust by being ethical, open and transparent; maintains relationships and engages with local communities, to build a positive reputation at a local, national and international level.
- Partnerships** – works collaboratively to keep communities safe, sharing a collective responsibility to deliver preventative services that improve outcomes for individuals, increase resilience and address vulnerability.
- Sustainability** – adapts resources and plans for both current and future social, economic and financial circumstances, considering the environmental impact of policing and its operations.
- People** – values, supports, engages and empowers a diverse workforce to lead and deliver high quality services, with a focus on workforce development and overall wellbeing.
- Evidence** – uses evidence to innovate and develop services which address the current and emerging needs of individuals and local communities, and ensure that resources, capacity and skills are in the right place to deliver outcomes.

The Strategic Police Plan – Policing for a safe, protected and resilient Scotland



Strategic Police Plan Outcomes

- 1 – Threats to public safety and wellbeing are resolved by a proactive and responsive police service.
- 2 – The needs of local communities are addressed through effective service delivery.
- 3 – The public, communities and partners are engaged, involved and have confidence in policing.
- 4 – Our people are supported through a positive working environment, enabling them to serve the public.
- 5 – Police Scotland is sustainable, adaptable and prepared for future challenges.

The [Joint Strategy for Policing \(2020\)](#) was approved by the Authority in March 2020 following a formal public consultation process. This Strategic Police Plan takes an outcome based approach, which has a clear alignment to the Policing Principles laid down in the 2012 Act. This enables an articulation of the contribution policing makes to the wider justice system and national performance framework; and how that links with, and enhances, outcomes for citizens and partner agencies. Overall, there was a high level of public and stakeholder support for the five strategic outcomes during the public consultation.

The current Strategic Police Plan, covering the period 2020-2023, provides a focus on the key strategic challenges and opportunities facing policing and the wider public sector. It presents a clear vision to navigate the changing landscape within which policing is delivered and sets out an ambitious programme of change and transformation. This enables the police service to adapt to meet both the current and future needs, so that it has the capacity, technology and capability to police effectively in the public, private and virtual space.

Annual Police Plan 2021-22

The [Annual Police Plan](#) (APP) sets out the activities that Police Scotland will focus on in the year ahead and aligns to the Strategic Police Plan's outcomes.

Police Scotland has continued to work collaboratively with the Authority to maintain a performance framework that aligns to the strategic and annual police plans.

Police Scotland reports on the agreed Performance Framework via two products;

- The Annual Police Plan performance report - describing progress made towards the activities within the Annual Police Plan.
- The Quarterly Performance Report - providing both qualitative and quantitative data to demonstrate progress towards the strategic outcomes.

The Performance Analysis section of this report is aligned to the five strategic outcomes, providing a high level overview of a selection of policing activity and insights that demonstrate progress towards the strategic outcomes, with reference to examples and measures of progress from the performance framework.

Forensic Strategy – Delivering Excellence in forensic science for a safe and resilient Scotland

The Authority's Forensic Services provide a unique 'crime-scene-to-court' model which serves Scottish policing and the wider justice system, employing around 500 people based across Scotland. A refreshed [Forensic Strategy](#) was published in 2021-22. It provides a clear vision as to how Forensic Services will continue to provide high quality and sustainable forensic services that remain at the cutting edge of scientific and technological advances providing value for money as a public service, maintaining public trust and confidence, and building on a successful operating model.



Forensics strategy strategic outcomes

- The refreshed strategy is framed around four strategic outcomes:
- 1 – Our people are supported through a positive working environment, enabling them to provide excellent forensic services.
 - 2 – We are sustainable, adaptable and prepared for future challenges.
 - 3 – We deliver high quality, ethical services; and lead in order to advance forensic science.
 - 4 – We work collaboratively with partners to serve the needs of the public and criminal justice in Scotland.

SPA Corporate Plan - Policing in the Public Interest

The Authority's [Corporate Plan 2020-23](#), articulates the role, purpose and responsibilities of the Authority as the governance body for policing in Scotland. It describes the context within which the Authority operates and outlines the six strategic outcomes and supporting activities that the Authority will work towards achieving during the lifecycle of the Plan.

It aligns to the Strategic Police Priorities and should be read alongside the Strategic Police Plan and the Forensic Strategy as the strategic framework, context and direction for policing in Scotland. Delivery of the Corporate Plan is underpinned by an [Annual Business Plan](#) which sets out the Authority's priorities for the year and is the basis on which the Authority will measure its performance going forward.



SPA corporate plan strategic outcomes

1 – Communities and partners have an informed understanding of crime and safety issues and the responsibilities and effectiveness of the police and forensic services in addressing them.

2 – The public are confident in policing with issues of public interest being addressed transparently, and the voices of communities taken into account in decision-making.

3 – Effective collaboration with partners improves services and outcomes for individuals and communities.

4 – Resourcing requirements are based on evidence of demand, the needs of communities and securing Best Value.

5 – A valued and engaged workforce that represents the communities it serves, and has the confidence and skills to deliver excellent services and adapt to changing demands.

6 – Decision making, scrutiny and reporting is based on robust evidence and analysis of current and emerging policing issues.

Policing System: Key Strategic and Operational Risks 2021-22

Risk management during 2021-22 has operated in line with the overarching risk framework for the policing system implemented in February 2020. Using this stratified approach to risk management has continued to enable and foster a robust approach to risk management across the complex structure of Scottish policing including Police Scotland, SPA Corporate and Forensic Services. The risk management structure in place facilitates the articulation, management and reporting of interdependent risks across all elements of policing.

Risks are managed and maintained across the tiered approach, aligning to strategic risks owned by the Authority. The roll out of the framework and ongoing risk management has contributed towards robust control and governance.

Strategic and operational risks were regularly reported to the Authority Audit, Risk and Assurance Committee throughout the year supporting the role of the committee in respect to risk management. Risks relating to Forensic Services were reported to the Authority Forensic Services Committee.

The impact of COVID-19 and associated risks for policing continued to be considered, recorded and mitigated during 2021-22. These risks generally reduced during 2021-22 and in some cases were fully mitigated. This reflects the robust mitigation, differing stages of the pandemic and resultant societal changes over the year.

Significant risks considered during 2021-22 included:

- The financial sustainability of Scottish policing
- Aligning capacity to the changing demands of policing
- COP26 climate change conference
- Data retention and management
- Cyber resilience
- Emerging technologies

Risk Management and Control

The Authority defines and owns strategic risks for the organisation. Strategic risks are reviewed by the Audit, Risk and Assurance Committee (ARAC) quarterly with Authority members conducting an annual review of strategic risk in December 2021 in a Members' Seminar.

The Authority's strategic risks are the highest level of risk in the stratified approach to risk management outlined in the Authority's Risk Framework. The ARAC has responsibilities for risk, control assurance, audit quality and governance. It also recommends the appointment of our internal auditors, receives the annual accounts and internal and external audit reports.

The Risk Management Framework outlines the stratified (tiered) approach to risk management across Scottish policing. The framework provides a structure to support identification of key risks facing the organisation, analyse the likelihood and impact of the risk materialising and capture the controls in place. Risks are aligned to plan objectives with some mitigating actions also aligning with improvement recommendations from internal and external audit.

Risks are regularly reviewed by management using the tiered approach, and escalated or de-escalated through levels of management and/or committee review depending on severity of risk. The strategic risks owned by the Authority comprise a singular over-arching risk and six supporting risks with alignment through the tiered approach to operational/corporate risks across Police Scotland, SPA Corporate and Forensic Services.

The over-arching risk identified by the Authority is loss of public confidence in policing. This is underpinned by supporting risks across the Authority and Police Scotland that consider leadership, accountability, finance and governance. The Authority assessed that five of the supporting risks had reduced during 2021-22 with the addition of a new risk being noted relating to jointly owned strategic outcomes.

Risks relating to COP26 and the impact of leaving the European Union have been fully discharged. Financial sustainability and aligning capacity to demand remain key risks for Scottish policing which will require robust mitigation and management in the years ahead.

Reflecting the changing environment in which policing operates, risks relating to ICT, cyber resilience and emerging technologies were recorded, reported and managed during 2021-22. These are significant risks for policing in Scotland, and beyond, prevalent during 2021-22.

Within Forensic Services, risks relating to demand and capacity continue to be reviewed and where possible mitigated. Significant risks remain regarding ability to meet partner demand in relation to drug driving following new legislation introduced in 2019. Forensic Services are engaging with partners to mitigate this risk.



Crime Audit Controls and National Crime Recording Standard Compliance

Following the [HMICS Crime Audit](#) (undertaken in 2020 and published in 2021), Police Scotland put in place, in discussion with the Authority, a range of measures and approaches which ensure data quality, integrity and compliance with the National Crime Recording Standard and associated practices. A programme led by detailed data scrutiny, with specific data field deep dive activity, has been put in place for each division, to be undertaken in advance of the roll out of the Core Operational Solutions programme (COS).

Longer term, a programme of Crime Data Integrity Audits have been established under the Professionalism and Assurance portfolio led by ACC Alan Speirs, creating a rolling 12-month audit of Scottish Crime Reporting Standard compliance at a divisional, and organisational, level.

The outcomes, and resultant improvement activity, from this audit programme will be reported consistently through the crime audit improvement group ensuring coordinated lifetime management of audit findings and themes.



Performance Summary

The Act requires the Chief Constable to make an annual assessment of the policing of Scotland and to submit this assessment to the Authority; this was presented to the Policing Performance Committee on [7 June 2022](#) and included as part of the Chief Constable's regular report to the Authority at its full board meeting on [23 June 2022](#). The Authority uses this assessment along with other sources of evidence from key partners and stakeholders to produce and publish information on the state of policing in Scotland as part of this annual report. This report does not seek to duplicate the level of detail found in the Chief Constable's annual assessment of policing or other sources of evidence such as what has been reported to the Authority and its committees over the course of the 2021-22 year.

"2021-22 transpired to be a second year of considerable uncertainty following the initial declaration of the COVID-19 pandemic in the spring of 2020"

Policing the Pandemic

2021-22 transpired to be a second year of considerable uncertainty following the initial declaration of the COVID-19 pandemic in the spring of 2020, with variants of the virus emerging over the course of the year; leading to continuation of the Scottish Government's use of mitigation measures to limit the effects of the virus on public health, and society and the economy more generally.

Operation TALLA, Police Scotland's response to COVID-19, continued throughout the year as a result. Operation TALLA set out nine strategic objectives, focused on operational activity associated with maintaining critical policing functions, serving the changing public needs and supporting staff to provide an effective service to Scotland's communities. In collaboration with Police Scotland, Forensic Services also established a series of strategic objectives and command groups to coordinate an appropriate response to the impact of the pandemic.

Police Scotland has continued to respond and plan in a dynamic fashion to protect officers and staff carrying out their duties, whilst also co-ordinating the response to legislative changes that gave policing additional and untested powers. Police Scotland approached the new legislation with caution; the approach taken with the public was to engage, explain, encourage and, as a last resort, enforce (the 4E approach). Levels of enforcement activity and public complaints data relating to the policing of COVID-19 legislation have both reduced considerably as 2021-22 unfolded. Police Scotland has carried out more than 148,000 interventions with the public and businesses since the pandemic began, with almost 85% of these taking place during 2020-21. Only a small proportion of interventions resulted in enforcement action (12%), demonstrating the public's overwhelming adherence to the guidance. As the country began to emerge from the pandemic in the latter quarter of 2021-22, the move away from the use of legislative measures (e.g. mandatory wearing of face coverings in public places) to the promotion of individuals taking personal and collective responsibility has meant that the police's enforcement role in the national response to the pandemic has largely diminished.

Given the extraordinary nature of the policing powers, Police Scotland and the Authority agreed in 2020 that it was appropriate to establish additional measures for scrutiny of the approach to 'public health policing'; to examine and maintain public confidence in policing during the use of these powers. The Chief Constable established an Independent Advisory Group (IAG) in 2020, and insights have been provided via regular reports to the Authority from the IAG and in the form of a full, [substantive report](#) to the Authority in the summer of 2021. These contributions have helped to enhance the Authority's oversight of policing in Scotland during a prolonged and challenging time for the people of Scotland and their police service. The group, chaired by John Scott QC, reported directly to the Authority, as the governance and oversight body for Police Scotland, adding an additional layer of independent assurance on policing during the pandemic. During the summer of 2021 the Authority, Police Scotland and the Scottish Institute for Policing Research (SIPR) hosted an online public RoundTable event on the subject of [Policing during the Pandemic](#) and heard a range of evidence and opinion relating to Police Scotland's operational and organisational response, the relationship between the police and the public, and experiences from elsewhere within the United Kingdom and beyond.



"The Chief Constable established an Independent Advisory Group (IAG) in 2020, and insights have been provided via regular reports to the Authority from the IAG and in the form of a full, substantive report to the Authority in the summer of 2021."

Policing of COP26

The COP26 conference in Glasgow put policing in Scotland on an international stage in November 2021; the successful planning and policing of the event demonstrated Police Scotland's established expertise at policing major events. During the conference period, there were over 40,000 visitors and more than 12,000 officers deployed. In addition to dealing with daily policing operations, officers secured 62 key venues, protected and patrolled four miles of waterway and engaged with 66 partner organisations. Despite the scale of the conference and potential for unrest and disorder, the policing operation led to only 97 arrests being made.

Police Scotland successfully implemented its COP26 Delivery Model in a way that saw planning units working effectively with partners to balance support to COP26 with business as usual policing activity across Scotland. The provision of officers on secondment and via mutual aid was facilitated, whilst at the same time sufficient resources were maintained across the organisation to ensure service delivery.

Police Scotland's Armed Policing officers began operational deployments equipped with body worn video (BWV) on 4th October 2021, in preparation for use at COP26. The use of BWV technology provides an additional level of transparency and accountability at incidents, ensuring the gathering of best evidence, and supporting the maintenance of public trust and confidence in policing. On the theme of BWV, Police Scotland invested significant effort in consulting and engaging the public and stakeholders on the wider use of BWV in policing; levels of support were found to be extremely high, with more than 80% of people saying that its use would strengthen their trust and confidence in Police Scotland.



The Authority established an [Oversight Group](#) for COP26 in 2020 and this continued to run throughout 2021-22. The Oversight Group met frequently to seek assurances on a number of key issues, including:

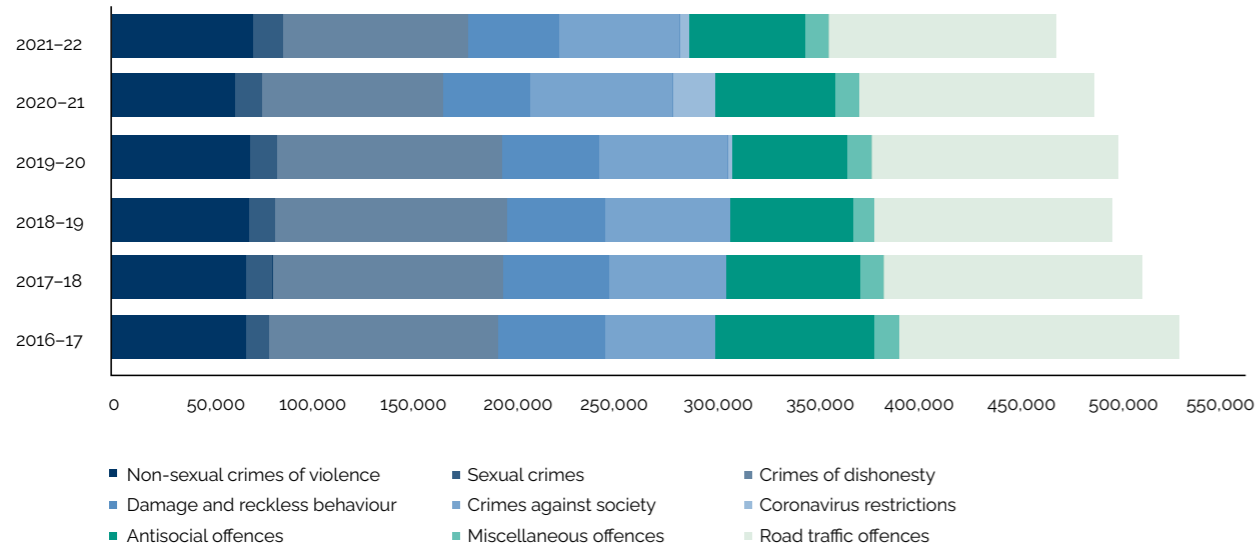
- Recovering the full costs for Scottish policing, so there is no detriment to the policing budget.
- That the impact on day to day policing for communities is mitigated.
- That staff and officer health, safety and wellbeing are fully considered.

In September 2021 the Authority hosted an online RoundTable event on [Policing the Protests](#) to engage with expert opinion and inform the policing approach as the event approached; which had a strong ethics and human rights focus.

Crime Levels and Public Confidence in Policing

COVID-19, and the resulting impact on criminal behaviours, has had a significant effect on crime and offence levels over the last two years; and its legacy remains to be fully understood in terms of its long term effect on crime and criminal behaviour, the delivery of policing and society as a whole.

Crime and Offences by Group and Financial Year

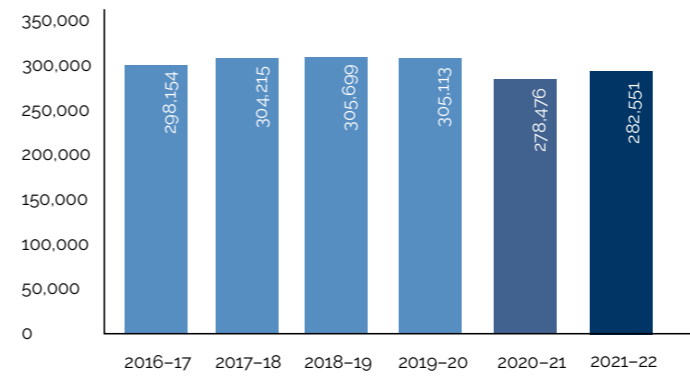


What we have seen clearly in 2021-22 is the re-emergence of some forms of criminality and offence that were suppressed during the early part of the pandemic as a consequence of the 'stay-at-home' expectation and the closure/restriction of many forms of business, including licensed premises and the night-time economy. Meanwhile some forms of criminality, primarily fraud/cyber and less visible often 'hidden' crime within domestic settings, accelerated considerably during the pandemic, as did neighbour disputes and noise complaints. The inclusion of coronavirus restrictions crimes within recorded crime statistics also affects our understanding of the time-series for crime levels. It is expected that a clearer picture on the state of crime post-pandemic will become

more evident in 2022-23. It is therefore with a high degree of caution that crime and incident trend comparisons are made for 2021-22 against previous years.

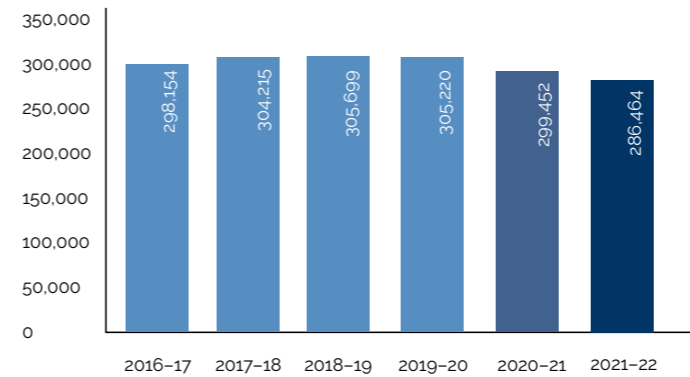
In terms of the overall volume of crime, the latest [Scottish Government Recorded Crime Statistics](#) show that the total number of crimes (excluding Coronavirus Restrictions crimes) have remained relatively low in 2021-22, with a 1.5% increase from the previous year and a 5.3% decrease on the previous five year average for crime groups 1-5. When crimes related to Coronavirus Restrictions are included 2021-22 saw a 4.3% reduction compared with 2020-21 and a 5.3% reduction compared with the previous five year average.

Total Crimes (excluding Coronavirus Restrictions Crimes)



2021-22 change from 2020-21: up 1.5%.
2021-22 change from previous five year average 2016-17 to 2020-21: down 5.3%.

Total Crimes (including Coronavirus Restrictions Crimes)



2021-22 change from 2020-21: down 4.3%.
2021-22 change from previous five year average 2016-17 to 2020-21: down 5.3%.



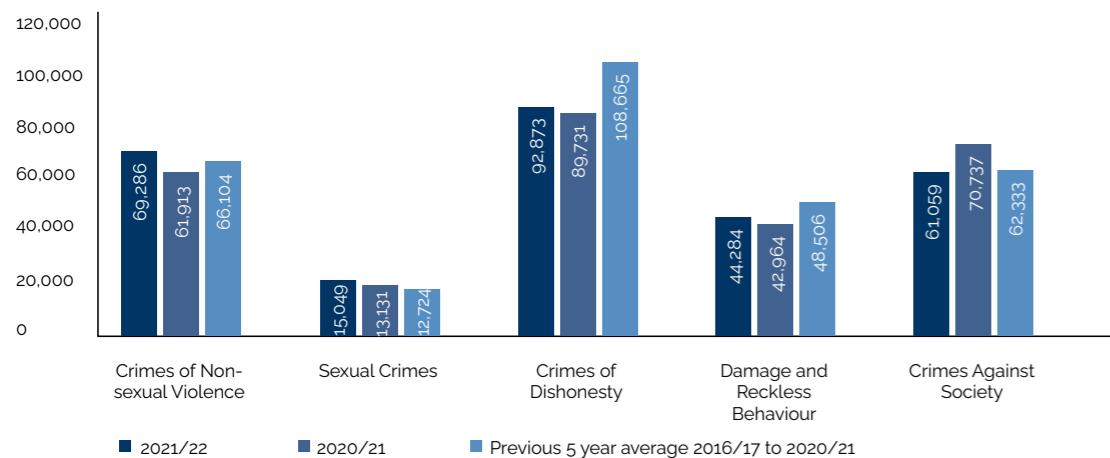
Detection Rates

Crime detection rates fell from 59.3% in 2020-21 to 54% in 2021-22. The reduction applies to all categories of crime and offence.

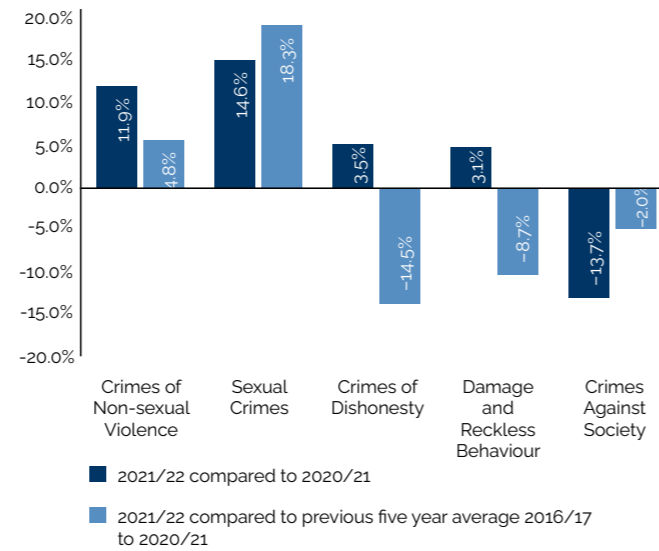
Detection Rate by Crime Group	2020-21	2021-22	% Point Change
Total Crimes	59.3%	54.0%	Down 5.3%
Crimes of non-sexual violence	72.1%	67.1%	Down 5.0%
Sexual crimes	58.4%	53.5%	Down 4.9%
Crimes of dishonesty	37.9%	31.6%	Down 6.3%
Damage and reckless behaviour	31.5%	28.8%	Down 2.7%
Crimes against society	92.2%	91.6%	Down 0.6%
Antisocial offences	84.9%	82.3%	Down 2.6%

The profile of crime continues to change, however, with some categories recording pronounced decreases (notably drugs supply and possession) and others recording increases (notably fraud).

Crime Trend by Type



Change in Crime Type



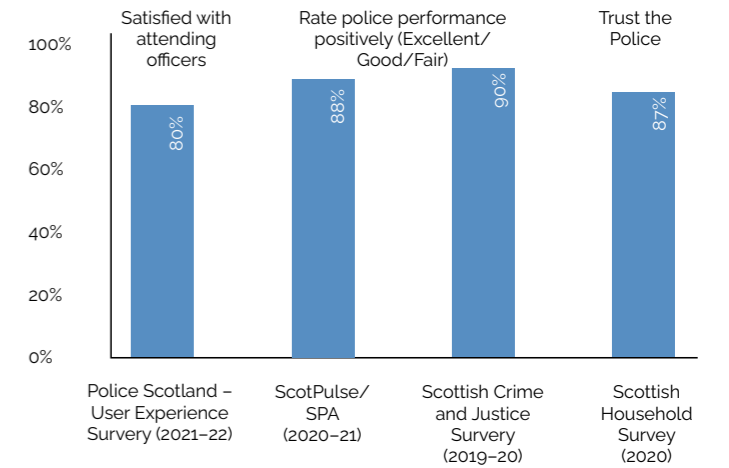
In terms of measures of public confidence, the pandemic has interrupted long-established mechanisms for measurement. The [Scottish Crime and Justice Survey](#) was postponed in 2020-21 and is currently being re-designed as part of a Scottish Government-led procurement process, with the next available results expected from 2024. A [telephone survey](#) (Scottish Victimisation Telephone Survey – SVTS) was conducted by Scottish Government in the autumn of 2020, which provided valuable independent evidence on public confidence in policing during the pandemic. The Authority and Police Scotland have also been carrying out public opinion surveys during this transitional period, although it should be noted that since methodologies vary between survey approaches, triangulating findings with a high degree of certainty is complex, as is making comparisons to data gathered prior to 2020. However the range of survey work undertaken, and the methodologies used, help build a comprehensive and robust picture of public confidence across population groups.

What can be seen from the range of available data is that there has been little discernible change to public confidence and trust in policing over the period from 2020 to 2022. Police Scotland User Experience Survey data shows that satisfaction remains very high among people who have had direct contact with Police Scotland’s services.

As a baseline position, the most recent Scottish Crime and Justice Survey (SCJS) 2019-20 suggested that 90% of people, who gave an answer, believed that the police in their local area were performing well (ranging for an assessment through fair (33%), good (47%) to excellent (9%). In September 2020 the SVTS asked the same question of respondents and put this confidence figure at 93%. The Authority commissioned four independent [ScotPulse](#) surveys during 2020-21, asking the public the same question as in the SCJS and SVTS, and observed values ranging between 84-89% across the year, and 88% as an overall average. In early 2022 the results from the 2020 [Scottish Household Survey](#) (SHS) were released. This survey asked respondents about their level of trust in various institutions: 87% of respondents expressed trust in policing, placing trust

in Police Scotland as an institution higher than a range of other public service sectors such as the education system, local government, the civil service, the Scottish Government and the wider Justice System. Only the Health System was rated higher than policing at 93%.

Measures of Trust, Confidence and Satisfaction with Policing



The most recent data available on confidence in policing in Scotland comes from Police Scotland’s own survey of the public (the online [Your Police](#) survey). Although the data from this survey is not taken from a controlled, nationally representative sample and therefore cannot be compared with the SCJS, SVTS, SHS or the SPA surveys, it acts as a valuable source of intelligence and, for 2021-22 data as a whole, 57% of people said that they have confidence in the police in the local area. This compares with 80% of service users saying that they are satisfied with the performance of Police Scotland’s attending officers, based on User Experience Survey data gathered by an independent provider on behalf of Police Scotland.

Looking Back

Senior Leadership Change

The leadership team at the Authority has been stable during 2021-22, following the appointments in 2020-21 of a new permanent Chair (Martyn Evans) and a permanent Chief Executive Officer (Lynn Brown). During a period of absence for the Chief Executive, leadership and accountable officer duties were provided by the two Deputy Chief Executives.

The leadership team of Police Scotland was strengthened and enhanced by the three-year extension to the term of the Chief Constable, and Deputy Chief Constables Fiona Taylor and Will Kerr as well as the appointment of three Assistant Chief Constables at the beginning of 2022: Emma Bond, Bex Smith and Andy Freeburn.

In Forensic Services, Fiona Douglas was appointed to the role of Director of Forensic Services following the retirement of Tom Nelson.

The continuation of experienced and strengthened leadership for both bodies has enhanced resilience and supported a continued focus on performance improvement and service delivery during a second successive year of considerable challenge.

"The Policing Performance Committee has applied scrutiny of policing performance through the measures of progress, strengthening the statutory role of the Authority to hold the Chief Constable to account for policing."

Strengthening Governance, Oversight, Capacity and Capability

The Authority's established system of governance has continued to function on its planned cycle, with each of the committees adding specific consideration of the COVID-19 response to their agendas as relevant. The Authority also has responsibility for the delivery of Forensic Services and for the operation of the Independent Custody Visiting Scheme (ICVS). Both services have had to adjust rapidly and substantially to COVID-19, and the Authority has continued to monitor their resources, planning and operation. Details of the required amendments to the operation of ICVS were published on the Authority's website throughout the course of the year with the [Annual Report for 2021-22](#) considered by the Policing Performance Committee in June 2022.

The Authority established two Oversight Groups during 2020-21, which continued to operate in 2021-22. The Contact Assessment Model (CAM) oversight group concluded its work during 2021-22 following the project's rollout and subsequent closure. The COP26 oversight group has remained active throughout the year, providing oversight and scrutiny pre- and post-event, with a final summary from the Independent Advisory Group (IAG) provided by its chair, John Scott QC, being reported to the Authority in [June 2022](#) (see page 22 onward).

Collaborative working between the Authority and Police Scotland resulted in a refresh of the Performance Framework aligned to the Strategic Police Plan, incorporating both equality outcomes and initial elements of a benchmarking framework. The Performance Framework provides a suite of key measures of progress towards Strategic Outcomes. The Policing Performance Committee has applied scrutiny of policing performance through the measures of progress, strengthening the statutory role of the Authority to hold the Chief Constable to account for policing.

Implementing Transformational Change

An ethos of early supportive engagement, to ensure both transparent implementation and increased public confidence, has been formalised through a new [Memorandum of Understanding](#) (MoU) signed by the Chief Constable and Authority Chair. This MoU commits to ensuring early collaboration on the development of public facing activity, focused on explaining the context of the challenge and response proposed via new and emerging strategy, policy or practice under consideration. This has underpinned the progress made during the year on many key transformation portfolio elements of the Joint Strategy for Policing 2020.

This MoU has been fundamental to:

- The successful delivery of body worn video roll out for armed policing after significant public engagement by Police Scotland.
- The agreed implementation plan for the cyber strategy to tackle digital crime .
- The carriage of Naloxone by Officers, which is already saving lives.
- The ongoing development of a platform to share evidence across criminal justice partners, on which the authority has provided supportive engagement and oversight.

In partnership with Forensic Services, the Authority has supported the drive towards a unique 'crime-scene-to-court' model of Forensics, which aims to increase scientific excellence to continue to prevent, detect, and investigate crime. Within policing technology, and in support of a modernised public contact and engagement model, the Authority has supported the delivery of business cases and looks forward to continuous improvement in this area.



Benefit Realisation and Assurance

The Authority continues to provide a public forum for the consideration of transformational benefits, and the progress towards realisation in three key areas:

Return on investment in transformational change, and demonstration of best value - against individual Business Case cost and benefits, as approved by the Authority.

Promoting and supporting the positive impact on the operational policing of Scotland that can be evidenced as a result of investment.

A clear aim of demonstrating the reliable ability to produce positive impact from investment in order to support the continued investment in policing.

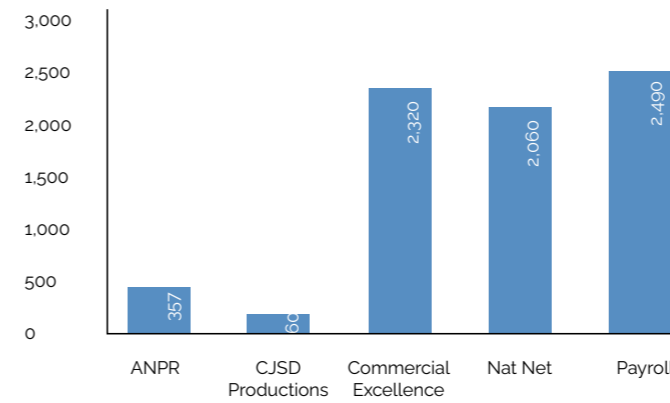
In line with recent HMICS recommendations, the Authority has been considering the fundamental requirement for ongoing assurance of the benefits framework, and adherence to this by individual programmes and projects. The Authority will continue to monitor future development of Police Scotland's approach to benefits management and realisation, and how this links to, and impacts on, performance of the organisation and delivery of strategic outcomes.

In the year to [May 2022](#), Police Scotland have reported to the Authority that the annual non-cashable officer efficiencies in FTE is 154 officers – this is an equivalent amount of time that has been made available, through the introduction of new technology, processes or procedures, for officers to spend on meeting policing demand across Scotland and that 13 FTE staff efficiencies has been delivered.

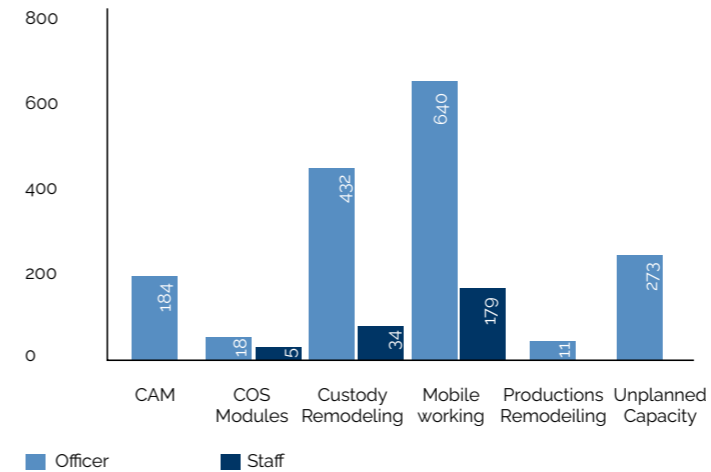
Cumulative benefits since 2018, as reported to the Authority by Police Scotland up to May 2022, are summarised below. FTE savings realised have largely been redeployed in existing areas to address emergent demand.



Cashable benefits realised (2018 - 2022, £'000)



Cumulative benefits realised (2018 - 2022, FTE's)



"FTE savings realised have largely been redeployed in existing areas to address emergent demand."

Project Descriptions:

ANPR – Overhaul Police Scotland's Automatic Number Plate Recognition (ANPR) capability and make use of digital cameras, replacing ageing legacy estate. The Project will also increase the number of mobile units equipped with ANPR cameras, allowing increased coverage across Scotland. The Project will implement a Vehicle Intelligence Unit (VIU) to ensure analytical capabilities are fully enhanced and available.

CJSD Productions – Criminal Justice Services Division Productions. Develop a single, consistent process for managing productions. The project will rationalise the existing Police Scotland productions estates by removing legacy items which no longer require to be stored. The project will also use the COS Productions module to deliver the new electronic production management, replacing the disparate legacy approaches to productions.

Commercial Excellence – Deliver a range of savings initiatives focusing on non-staff (third party) spend across operational and corporate areas, supporting future financial sustainability. The programme also aimed to establish a culture of excellence across all commercial activity by driving best practice, enhancing the capability of the procurement function, adopting more innovative ways of procuring, and increasing collaboration with officers and staff; as well as delivering cumulative savings over a five year period.

Nat Net – National ICT Network. Consolidate the eleven, currently separate physical networks with a single national network that is flexible, has appropriate levels of encryption (IL2 & IL3 only) and allows SPA and Police Scotland to operate in the model required to support the delivery of the Police Scotland operational and organisational priorities.

Payroll – Migrate and consolidate legacy payroll and introduce a single pay date.

CAM – Contact Assessment Model – Update to the way that members of the public contact Police Scotland enabling the adoption of the 'THRIVE' model, a means of assessing threat, vulnerability and harm and managing appropriate response.

COS Modules – Core Operational Solutions. Deliver a national integrated and modular Core Operational Solution to replace the disparate information management legacy systems currently utilised in Police Scotland by front line officers.

Custody Remodelling – Define and deliver a clear vision for CJSD aligned to the Policing 2026 strategy, such as the roll out of custody hubs across Scotland. The current resource and estate for the provision of custody arrangements are insufficient and represent a significant organisational risk. It is neither financially or operationally efficient to sustain the current operating model. This includes transformation of London Road station to provide custody hub and additional capacity for relation of resource.

Mobile Working – Mobile devices have rolled out to 10,000 front line officers, on a division by division basis. This is fundamentally transforming how officers engage with the public, enabling greater local policing by managing capabilities through the mobile device, and less time spent in stations using traditional IT devices (laptops/desktops) to perform tasks.

Productions Remodelling – Develop a single, consistent process for managing productions. The project will rationalise the existing Police Scotland productions estates by removing legacy items which no longer require to be stored. The project will also use the COS Productions module to deliver the new electronic production management, replacing the disparate legacy approaches to productions.

Unplanned Capacity – Refers to any productivity improvement delivered by the change function not linked to a larger project.

Policing Performance Conclusion

Although 2021-22 has seen Scotland emerge from what is believed to be the worst of the pandemic, the year as a whole has tested Police Scotland's resilience, capacity and capability considerably. The Authority assesses that performance levels have been maintained, with Police Scotland demonstrating that it has continued to deliver its core services to the public, maintain public trust and confidence, progress transformational change and other continuous improvement activity, and at the same time support its workforce to ensure that duties can be carried out safely and effectively.

Police Scotland has demonstrated clear progress in working towards the strategic outcomes as described in the Strategic Police Plan. Evidence provided is wide-ranging and supports Police Scotland's purpose to improve the safety and wellbeing of people, places and communities in Scotland.

The Authority considers that the approach by Police Scotland to reporting performance information is now more directly aligned to the Joint Strategy for Policing (2020) with practice becoming embedded. This has enabled the Authority's Policing Performance Committee to provide challenge and support to Police Scotland throughout the year, with an emphasis placed on delivering sustainable, continuous improvement and making the best of use of resources.

Forensic Services has demonstrated delivery against its strategic outcomes and progress towards transformational change. Despite the ongoing pressures faced during 2021-22, which have continued to make service delivery challenging, the service has continued to meet most service expectations whilst improving scientific expertise and capabilities. A refreshed [Forensic Strategy](#) has been approved by the Authority, with delivery overseen by the Authority's Forensic Services Committee.

The SPA Corporate team has continued to make progress in delivering against its Annual Business Plan and providing support to the Authority. The organisational re-design that took place in 2020-21 has resulted in a strengthened and more resilient staffing structure. This has helped to provide focus and certainty to the Authority's actions, acting as a stable platform for Authority members and staff to build and deliver upon.

The next 12 months will continue to present challenges for policing due to the unpredictable nature of post-pandemic recovery, economic instability and a high degree of uncertainty regarding post-pandemic criminality and demand on services. The Authority must continue to mature its approach to oversight of policing in order to maintain public confidence in the policing system and promote policing that is in the public interest.



Going Concern

These financial statements have been prepared on a going concern basis in accordance with the requirement of the Government Financial Reporting Manual: 2021-22.

The going concern basis of accounting is driven by the requirement of the financial reporting framework on the presumption of the continuation of the Authority's services rather than the financial sustainability of the Authority. The Scottish Government is committed to continuing the service in line with the Police and Fire Reform (Scotland) Act 2012.

The Authority has significant net liabilities at the year end. This is driven by total pension liabilities of £24.5 billion (31 March 2021: £22.2bn) which is almost entirely (99%) attributable to the Police Officers' pension scheme. Scottish Government fund all ongoing employer pension contributions and the Police Officers' pension scheme liability will not be met directly from the Authority's sources of funding. Excluding pension liabilities, the Authority has an underlying net asset position which further demonstrates that the operating model justifies treatment as a going concern.

As a consequence of the public restrictions to control COVID-19 the Authority has seen an ongoing large reduction to some external income sources in 2021-22, as was the case in 2020-21. There has also been additional expenditure to address the response to the pandemic. However, external income and the level of additional spend represent a relatively small proportion of the Authority's funding position and Scottish Government has provided funding during 2020-21 and 2021-22 to mitigate the impact of these shortfalls.

In light of the Scottish Government's continued support and increased funding, the Authority has determined that it can continue to meet its obligations as they fall due and it is therefore appropriate to prepare its financial statements on a going concern basis.



Future Performance and the Planning Cycle

The financial year 2022-23 marks the end of the current strategic planning cycle, and new strategic plans for policing are expected to be published in April 2023 spanning 2023/24 and beyond.

The Authority will renew its Corporate Strategy in 2023, setting out the main strategic outcomes and objectives for the next three years, and will use this to provide direction and focus for annual business planning and performance review.

The Authority and Police Scotland are currently undertaking work to review and renew the existing [Strategic Police Plan](#). The review of the existing Plan commenced in early 2022 and has consisted of strategic assessment activity, horizon scanning, and a review of progress made to date. A draft of a renewed Strategic Police Plan is expected to be consulted upon widely in the autumn of 2022 and a number of issues are expected to be given greater emphasis in the next iteration of the Plan, including: equality, diversity and inclusion; strategic workforce planning and demand; fraud, cyber crime and the 'policing in a digital world' programme; violence against women and girls; rights-based policing; and person-centred and trauma-informed policing (aligned with the [Scottish Government Vision for Justice in Scotland](#)).

Police Scotland will prepare a new set of Local Police Plans in 2023 in conjunction with the 32 Local Authorities in Scotland. These Local Police Plans will be shaped by the renewed Strategic Police Plan's overarching outcomes and objectives yet the detail will be tailored to meet local requirements and circumstances. Police Scotland will also produce a new Annual Police Plan for 2023-24, aligned to the renewed Strategic Police Plan.

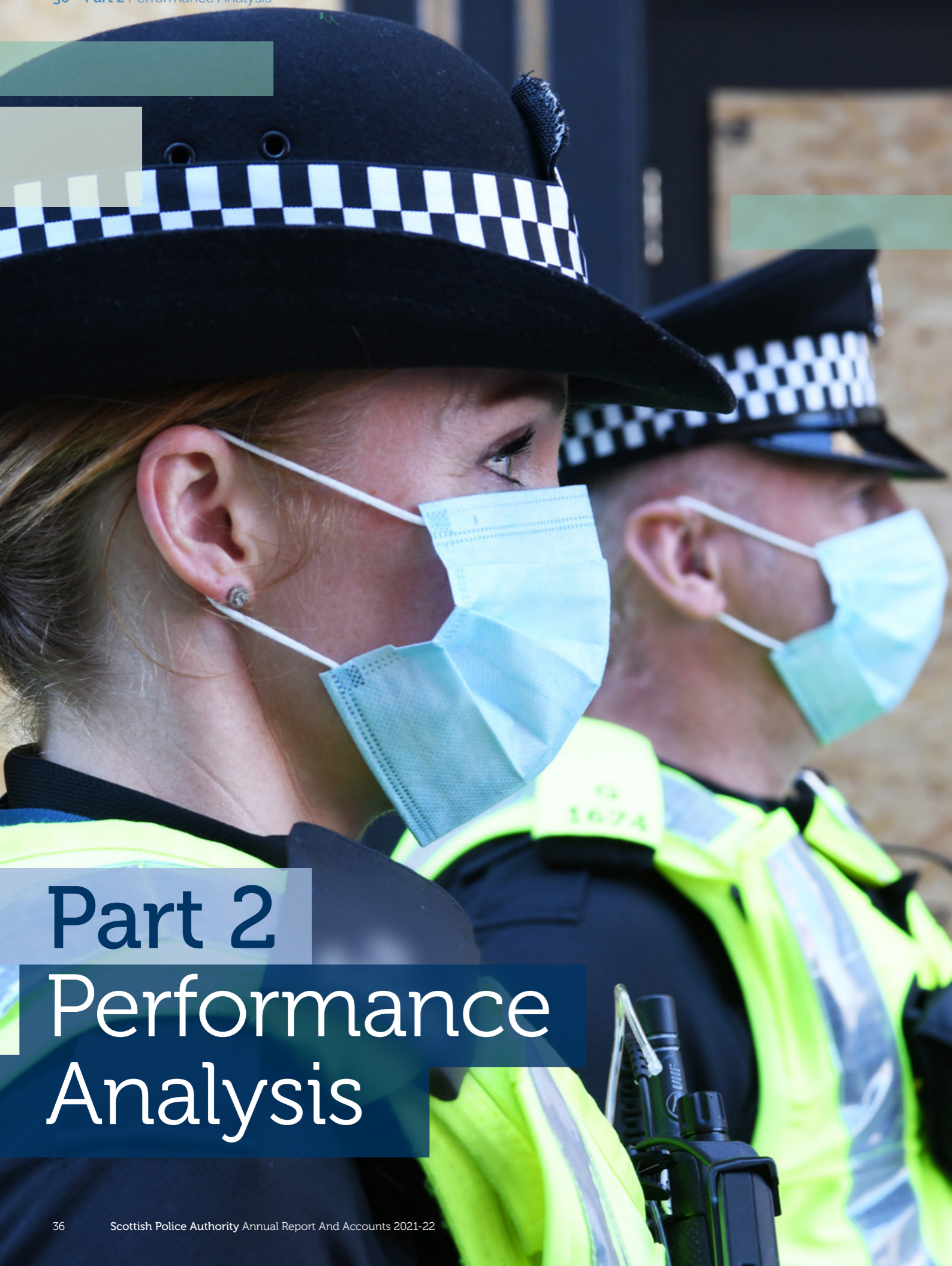
Additional strategies are expected to be produced or updated in the coming year, including the production of a new Equality, Diversity and Inclusion Strategy and Violence Against Women and Girls Strategy, a refresh of the People Strategy, the production of a Cybercrime Implementation Plan to support the Cybercrime Strategy, and a renewal of the Strategic Workforce Plan and Target Operating Model.

The authority welcomed the publication of the HMICS [assurance review of Police Scotland's Strategic Workforce Planning](#) and resultant recommendations. Response to these recommendations will be monitored over the coming year, as work progresses on developing capacity and capability to maximise public safety and wellbeing. The Authority's continued focus in relation to workforce planning will be ensuring that Police Scotland has the right skills, shape and mix, and is delivering effective and responsive policing.

A key recommendation arising from a recent [internal audit of strategic planning](#) will also be taken forward as strategies and plans take place. The Authority's internal auditors identified a control weakness arising from an absence of, or lack of detail, when defining responsibilities and timescales/milestones in the implementation/delivery plans for strategies. Additionally the policing performance framework will be adapted to take account of these expected near-future changes to the strategic planning landscape.

"Local Police Plans will be shaped by the renewed Strategic Police Plan's overarching outcomes and objectives, yet the detail will be tailored to meet local requirements and circumstances."

A number of positive developments are taking place regarding Forensic Services which, going forward, will be expected to address performance issues relating to capacity and the timeliness of drug-driving toxicology testing. A newly strengthened senior management team is assembling, additional posts are being created within Forensic Services, HMICS is carrying out an Assurance Review on behalf of the Authority, and the new Forensic Services Committee chair will be bringing a renewed focus to improving the quality and focus of performance information reports provided to the Committee.



Part 2 Performance Analysis

A range of sources of information and evidence have been reviewed to arrive at this assessment of policing performance, much of which has been the subject of ongoing scrutiny, challenge and support through the Authority's various governance mechanisms throughout the year. Evidence relates to Police Scotland, SPA Corporate and Forensic Services. The approach helps to build a comprehensive assessment of the performance of the broader policing system as a whole in Scotland. The Authority has considered the Chief Constable's Annual Assessment of policing, the Chief Executive's assessment of SPA corporate performance and the Director of Forensic Services' Assessment of Forensic Services, covering the period 2021-22. These detailed papers are available in full on the Authority website.

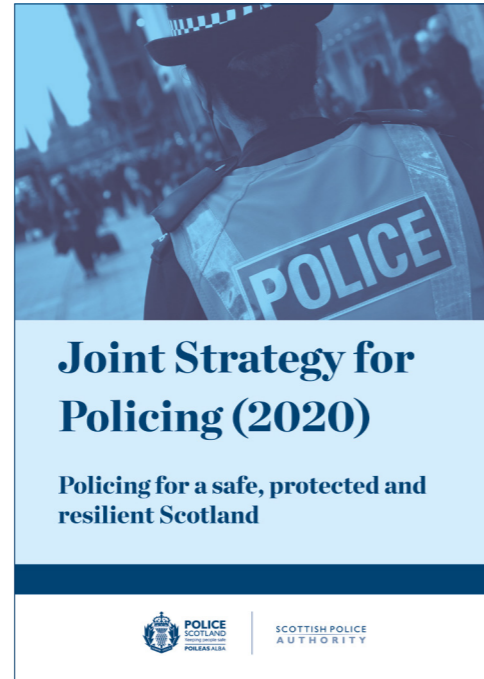
In terms of operational policing performance specifically, this has been assessed against the strategic outcomes as set out in the Strategic Police Plan and the aligned activities described within the Annual Police Plan 2021-22. Forensic Services performance has been assessed against the objectives set out in the Forensic Strategy. Performance evidence relating to SPA Corporate comprises progress against the SPA's Corporate Plan 2020-23, Annual Business Plan 2021-22 and a range of activities undertaken in response to external scrutiny and subsequent improvement recommendations.

The Authority also engaged with Local Authority scrutiny partners at a number of junctures throughout 2021-22 in both a formal and informal capacity, establishing views on a range of matters relevant to this assessment, including local policing performance, local policing service provision, and local police plan development, the latter point being the subject of an in-depth tripartite review by the Authority, Police Scotland and COSLA during the course of the year.

Available information from surveys internal and external to the Authority, dealing with questions of public trust and confidence in policing in Scotland have also been consulted and compared, where possible, with pre-pandemic information of a similar nature, enabling an overall position to be reached regarding the public's current views on Scottish policing and its performance.

Police Scotland Performance

This section reviews Police Scotland's progress in delivering against the Strategic Police Plan and the Annual Police Plan. It also includes an analysis of key crime and policing statistics referencing, wherever possible, 2021-22 statistics in relation to the trend over the previous five years (2016-17 to 2020-21) although caution is applied when considering trend data due to the unprecedented effects of the COVID-19 pandemic and its influence on criminality and policing demand. Feedback on local policing has been provided to the Authority by Local Authorities at various points during the course of the year, and has been summarised as part of the assessment.



Five strategic outcomes

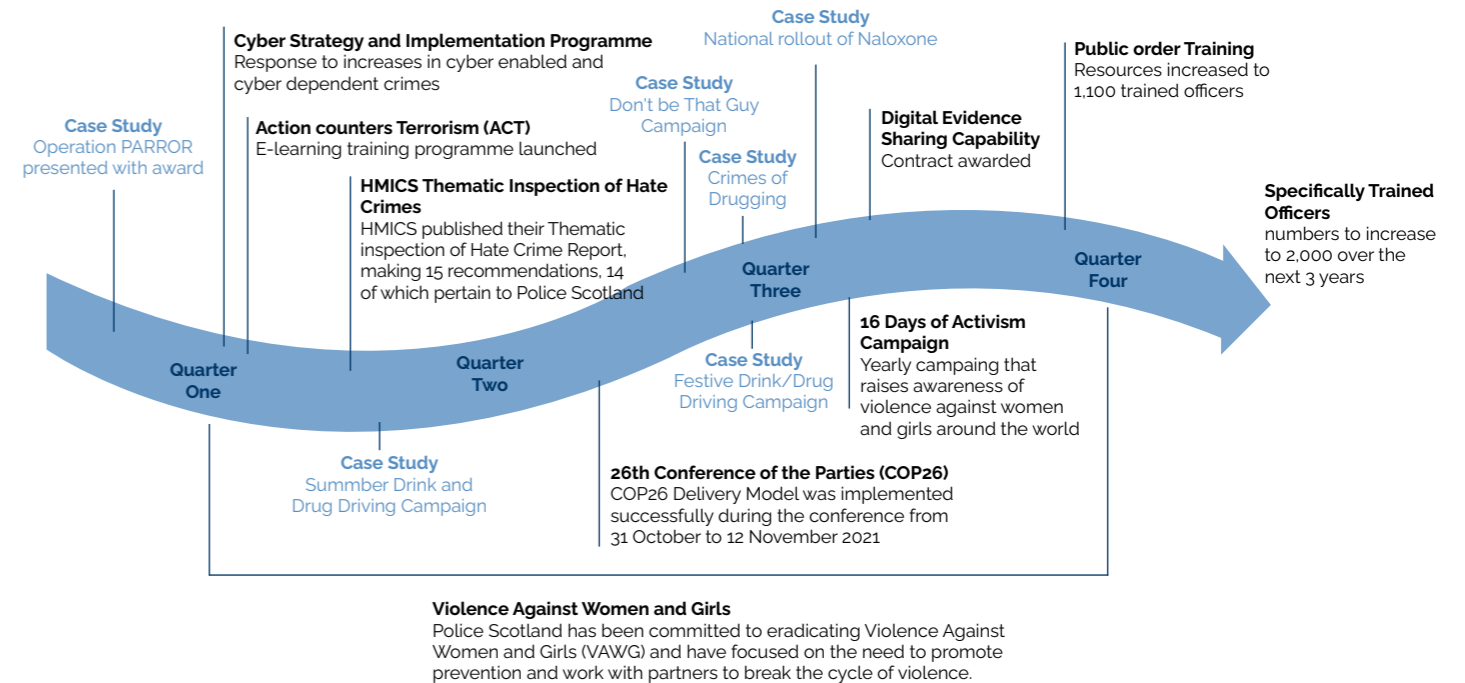
1. Threats to public safety and wellbeing are resolved by a proactive and responsive police service.
2. The needs of local communities are addressed through effective service delivery.
3. The public, communities and partners are engaged, involved and have confidence in policing.
4. Our people are supported through a positive working environment, enabling them to serve the public.
5. Police Scotland is sustainable, adaptable and prepared for future challenges.

It should be noted that this is an overall assessment of policing performance and does not seek to reproduce the detailed performance information for 2021-22 that is set out in either the [Chief Constable's assessment of performance](#) or the [end-of-year quarterly performance report](#) to the Authority's Policing Performance Committee.

In 2020 the Authority agreed a new Strategic Police Plan - 'Joint Strategy for Policing, Policing for a safe, protected and resilient Scotland' - developed in partnership between the Authority and Police Scotland. The Strategic Police Plan is framed around five long-term strategic outcomes and supported by underpinning objectives that describe the impact and difference Police Scotland aims to make to the lives of the people across Scotland.

Strategic Outcome 1

Threats to public safety and wellbeing are resolved by a proactive and responsive police service



Police Scotland has a number of objectives in place to deliver this outcome, including keeping people safe in the physical and digital world, designing services jointly with partners to provide a more effective means to tackle complex public safety and wellbeing challenges, and supporting policing through proactive prevention.

Further progress has been made by Police Scotland during the year, especially in high risk areas such as cybercrime, violence and sexual crime, mental health, drug-related harm. Key highlights of work completed or in progress are summarised below. Note that unless otherwise stated, statistics are taken from the [Scottish Government's Recorded Crime Statistics](#) published in June 2022. Note that published crime figures in previous editions of the Annual Report and Accounts are superseded by these latest figures and may have changed due to a number of reasons, principally in cases where investigations cause a crime to be 'no-crimed' or reclassified.

"Further progress has been made by Police Scotland during the year, especially in high risk areas such as cybercrime, violence and sexual crime, mental health, drug-related harm."

Cybercrime

The steep rise in fraud crimes in recent years, exacerbated by the pandemic, has given greater urgency to the need to ensure that people and businesses are safe online. Fraud crimes rose by 10% to 16,536 crimes in 2021-22 compared with the previous year, and are 55.8% higher than the average across the previous five years. 9.3% of violent, sexual and acquisitive crime (Groups 1-3) now relate to fraud. The detection rate for fraud is also low, at 16.6% and has been falling over the last five years. The challenges that Police Scotland faces around keeping pace with rising, cyber-enabled fraud crime and falling detections is not unique to Scottish policing.

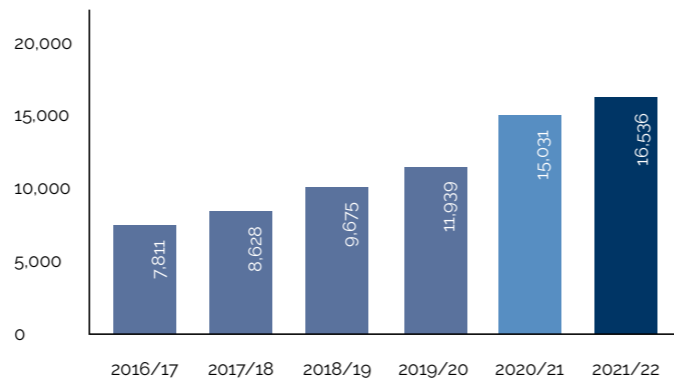
Proportionately, cybercrime now accounts for more reported crime than in previous years. It is estimated that one in three sexual crimes in 2021-22 and around one in ten crimes of dishonesty were cyber enabled in some way.



Against this backdrop a [Cyber Strategy for Policing](#) was initially approved by the Authority in September 2020 and this has been developed further by Police Scotland through the creation of an Implementation Plan and the establishment of a Programme Team (Policing in a Digital World). Police Scotland has adopted a 4Ps approach when dealing with cyber related threats (Pursue,

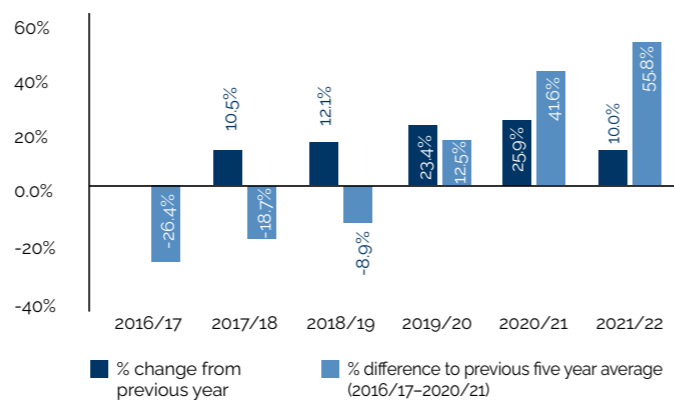
Protect, Prepare and Prevent). Meanwhile Police Scotland has continued to build and strengthen relationships with key partners across the cyber ecosystem as a key partner in the Cyber Scotland Partnership. Police Scotland is also a member of the Scottish Cyber Co-ordination Centre project (SC3), which has a workstream centred on Cybercrime Harm Prevention.

Fraud



Fraud	2020-21	2021-22	% Change from previous Year	Previous 5 Year Average 2016-17 to 2020-21	% Change from Previous 5 Year Average 2016-17 to 2020-21
Number of crimes	15,031	16,536	+10.0%	10,617	+55.8%
Detection rate	22.6%	16.6%	-6% points	-	-

Change in Fraud Crimes



Violence and Sexual Crime

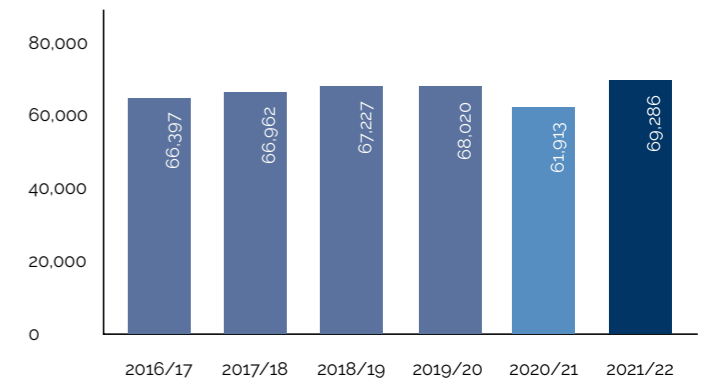
Sexual crimes and crimes of non-sexual violence have both increased during 2021-22 and detection rates have fallen. Crimes of non-sexual violence rose by 11.9% compared with last year, and are 4.8% higher than the previous five year average. Overall sexual crimes (group two crimes) increased by 14.6% compared with the previous year and are 18.3% higher than the previous five year average. The rise in sexual crime has been driven more by 'recent' offending than has been the case over much of the previous decade, with the inclusion of the Domestic Abuse Scotland Act also having an impact on volume during the 5 year period.

Addressing violent and sexual crime remains a top priority for Police Scotland and a range of prevention focused measures are being undertaken. Police Scotland has continued to work with partners in order to respond effectively to domestic abuse by dealing with perpetrators and supporting victims. Regular meetings are being held with the National Police Chief's Council, the Scottish Government Violence Against Women and Girls COVID-19 group, and victims' organisations to share information on trend and issues, respond to emerging issues and share guidance, good practice and research and Police Scotland is a committed partner in delivering the Scottish Government's 'Equally Safe' strategy.

Police Scotland has commissioned a review of the national policing response to Public Protection and it has been agreed that the work should be broader than a review of demand, resources and structures. A Public Protection Development Programme Board has been established to ensure appropriate governance and work is commencing on internal and external engagement and communication.

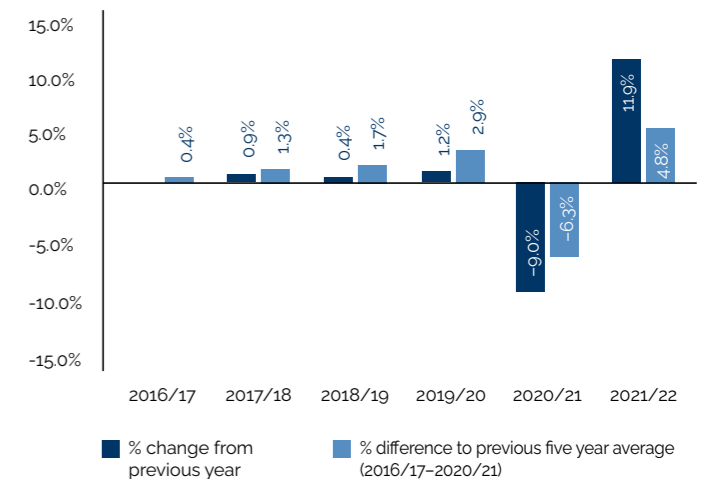
Police Scotland also launched a sexual crime prevention campaign, 'That Guy', during the year which emphasises the responsibility that men must take collectively for ending sexual violence towards women by challenging behaviours and attitudes. The campaign consisted of a short film and social media promotion using 'influencers' and had the highest reach of any Police Scotland campaign to date. The campaign was nominated in two categories of the Drum Digital Advertising Awards and won Best Public Sector Campaign.

Crimes of Non-Sexual Violence

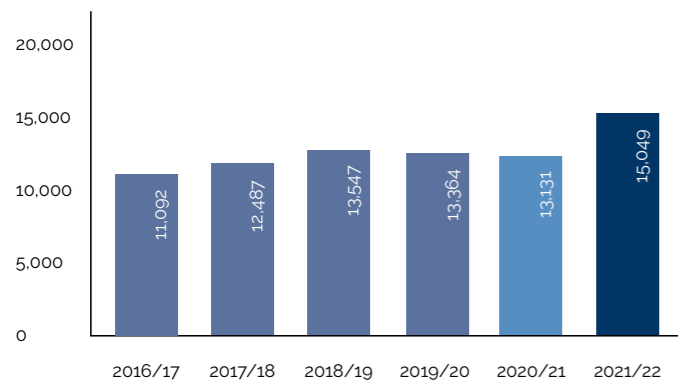


Non sexual crimes of violence	2020-21	2021-22	% Change from previous Year	Previous 5 Year Average 2016-17 to 2020-21	% Change from Previous 5 Year Average 2016-17 to 2020-21
Number of crimes	61,913	69,286	+11.9%	66,104	+4.8%
Detection rate	72.1%	67.1%	-5% points	-	-

Change in Crimes of Non-Sexual Violence

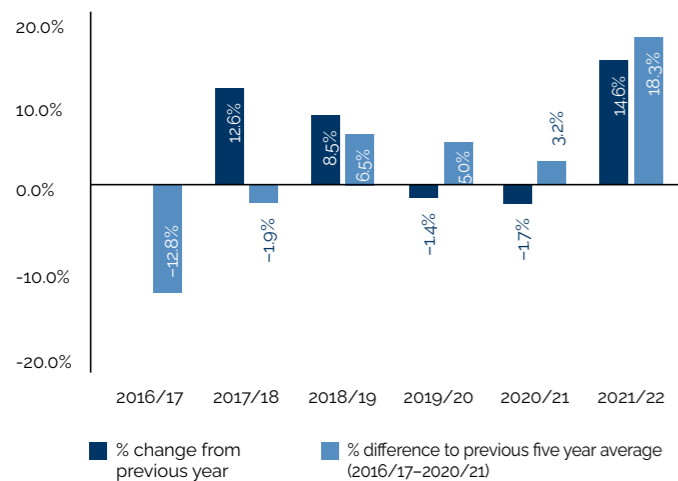


Sexual Crimes



Sexual Crimes	2020-21 YTD	2021-22 YTD	% Change from previous Year	Previous 5 Year Average 2016-17 to 2020-21	% Change from Previous 5 Year Average 2016-17 to 2020-21
Number of crimes	13,131	15,049	+14.6%	12,724	+18.3%
Detection rate	58.4%	53.5%	-4.9 points	-	-

Change in Crimes of Non-Sexual Violence



The issue of spiking by injection also came to prominence during the latter half of the year. In response, Police Scotland implemented a command structure to ensure effective coordination of policing activity and links with appropriate partners. This topical issue was subject to scrutiny and focus through discussion at the Authority Board and the Policing Performance Committee.

In an effort to tackle the rise in violent crime in 2021-22, as Scotland began to emerge from the pandemic and the night-time economy began to operate more normally, Police Scotland ran a Bystander Awareness initiative in July 2021 which involved Divisional Police Licensing departments delivering training to staff of licensed premises. The training had a focus on identifying vulnerability at an early stage and intervening where necessary to help prevent people using licensed premises from becoming victims of crime.

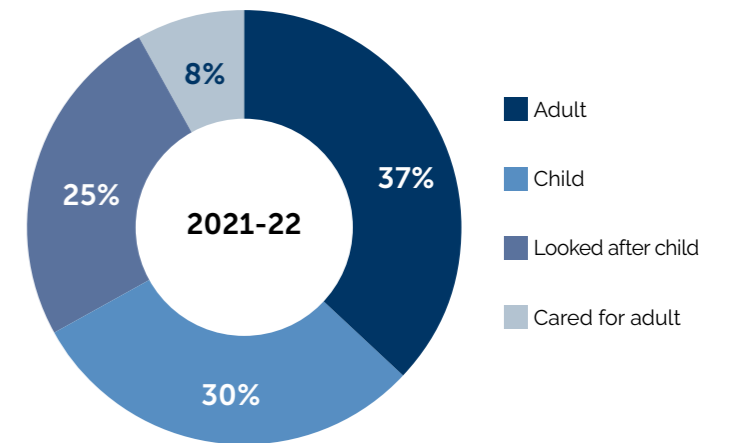
Police Scotland has also continued to respond proactively with respect to child sexual abuse (including online) by re-establishing its Tackling Online Child Sexual Abuse strategic and tactical groups and continuing to progress with investigative reform put in place through Operation PARROR, which is taking demand away from local policing divisions through the work of the National Child Abuse Investigation Unit. This continued reform has led to the execution of 1,311 NOCAP Investigation enquiries since September 2020 and 48% of these enforcements have led to the recovery of relevant material. A total of 1,170 children have been protected through this work and 667 people arrested. During this period, 61 Archived Registered Sex Offenders (RSO) and 72 RSOs have been targeted.

Vulnerability and Mental Health Demand

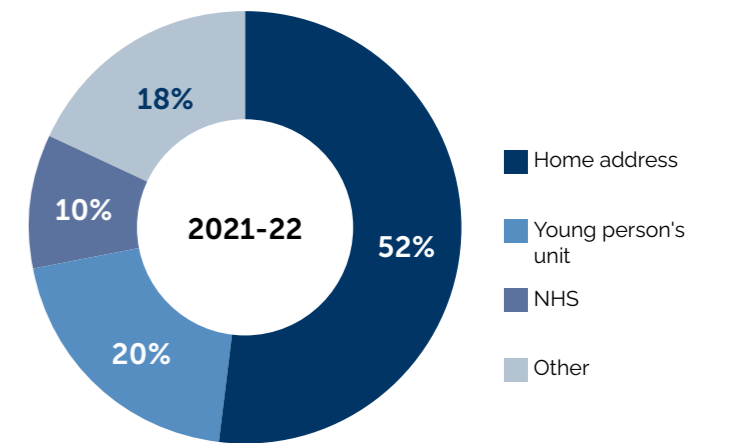
Mental health demand on public services, including policing, remains considerable. As an example, the number of 'concern for person' incidents was 3.7% higher than the previous year according to [Police Scotland's Quarter 4 Performance Report](#). Missing persons investigations often have a mental health focus, and in 2021-22 the number of missing person investigations was 19.9% higher than the previous year, and the proportion of cases involving 'high risk' missing persons has also been increasing over the last five years. 55% of people who go missing are children and 33% of missing people are either cared for children or looked after adults, and almost a half of people who go missing do so from an establishment other than their home address.

Police Scotland has continued to make progress to address mental health demand appropriately in collaboration with NHS24 and the Scottish Ambulance Service using a Mental Health Pathway. The Pathway assesses individuals and refers them to appropriate support and treatment. Initially delivered as part of the Contact Assessment Model (CAM) in 2020 and developed in partnership with NHS24 and the Scottish Ambulance Service, the Pathway aims to improve access to the most appropriate support for those in need of urgent mental health assistance. In May 2021, an evaluation of the first six months was undertaken jointly by all three partners, which included recommendations for improvement. In recognition of the significant work between partners, the Pathway was recognised as a finalist for the Innovation Prize for Mental Health Collaboration in the Scottish Health Awards.

Profile of Missing Persons



Place Missing From



Source: [Police Scotland 2021-22 Q4 Performance Report](#)

Missing persons	2020-21 YTD	2021-22 YTD	% Change from previous Year
Number of missing persons investigations	14,383	17,239	+19.9%
Number of people who have gone missing previously	2,796	2,917	+4.3%
Percentage of people who have gone missing previously	34.0%	29.6%	-4.4 points
Average length of time missing (hrs)	20.1	17.4	n/a
Total number of missing persons from NHS, YPU and Foster Care	4,921	5,609	+14.0%
Percentage of overall missing persons that go missing from NHS, YPU and Foster Care	34.2%	32.5%	-1.7 points
Number of concern for persons incidents (code 75)	140,938	146,084	+3.7%
Number of missing people incidents (code 25)	35,675	41,275	+15.7%

Source: [Police Scotland 2021-22 Q4 Performance Report](#)

Drug-Related Deaths and Harm

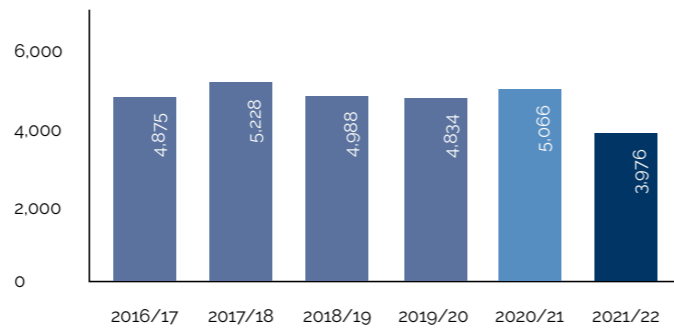
The number of drugs supply and possession offences decreased in Scotland during 2021-22 and it is assessed by Police Scotland that two main drivers of these falls were (1) the effectiveness of operations against serious and organised crime groups and (2) reduced capacity to conduct possessions searches due to the COP26 event in Glasgow in November. Drugs supply crimes fell by 21.5% compared with 2020-21 and possession crimes by 21.7%.

Prevention and harm-reduction is a key strategic focus for Police Scotland, and work has continued in support of the Scottish Drug Deaths Taskforce by undertaking its role in identifying measures to improve health by preventing and reducing drug use, harm and related deaths. The Substance Harm Prevention Team leads on Police Scotland's approach at a national level to monitor and reduce drug related deaths and prevent substance harm. The team also records drug-related deaths nationally via the Drug Deaths database and works closely with local policing Divisions and external partners, including Public Health Scotland (PHS), NHS Scotland, Alcohol and Drug Partnerships and third sector support services, in order to identify any emerging Substance related threats and/or trends.

The [latest information](#) regarding drug-related deaths in Scotland published by the National Records of Scotland indicates that for the first time since 2013 there has been a fall in the number of deaths attributable to the misuse of drugs (nine fewer deaths in 2021 compared with 2020).

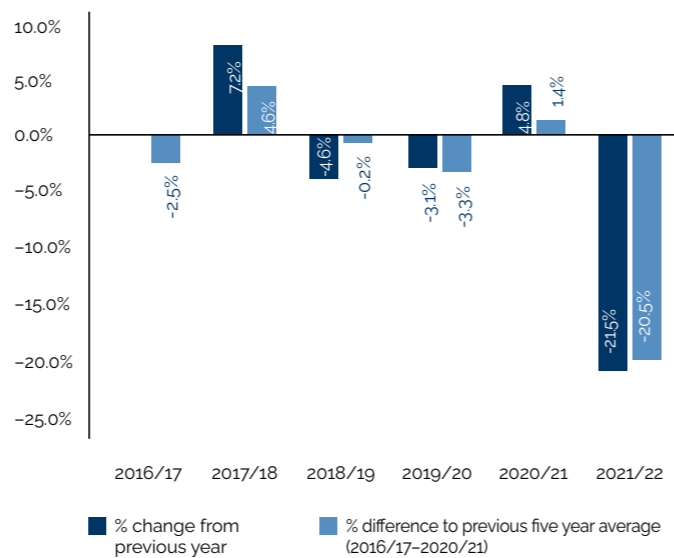
A Drug Strategy Board (DSB) has also been established within the Partnerships, Prevention and Community Wellbeing Division. This is multi-agency in nature and, whilst the demands of the pandemic have impacted on the work of the Board, it has drafted a new Drug Strategy with a strong focus on harm prevention. The Strategy and the work of the Board will shape Police Scotland's approach to dealing with drug use and the harm it causes in the future.

Drugs Supply

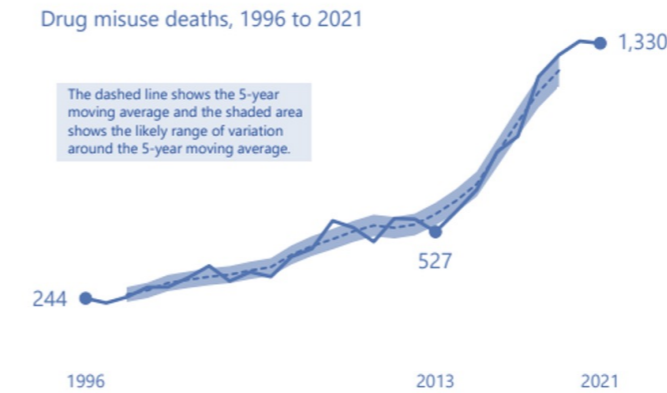


Drugs Supply	2020-21 YTD	2021-22 YTD	% Change from Previous Year	Previous 5 Year Average 2016-17 to 2020-21	% Change from Previous 5 Year Average 2016-17 to 2020-21
Number of crimes	5,066	3,976	-21.5%	4,998	-20.5%
Detection rate	82.9%	89.4%	+6.5% points	-	-

Change in Drug Supply Crimes



Drugs Misuse Deaths 1996 to 2021



Reproduced from the [National Records of Scotland Report](#)

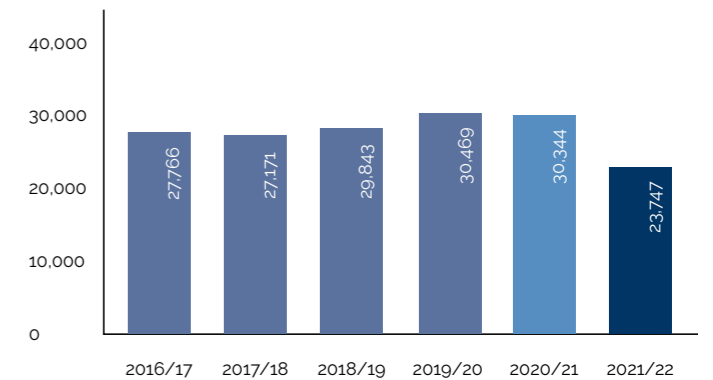
Police Scotland has been innovating considerably by implementing substantive tests of change to help reduce and prevent drug-related harm. Two important tests of change have been instigated: a Pathfinder Pilot and the carrying of Naloxone.

The Pathfinder pilot, which started in July 2021, involves a referral process to a local peer mentor/Navigator (Medics Against Violence) at initial contact for individuals subject to specific drug possession charges, as well as those who have an addiction-associated vulnerability that could benefit from a referral. The key aim of this project is to reduce drug-related criminality, harms and deaths through a whole-system, multi-agency approach.

During the year Police Scotland successfully completed a Test of Change involving over 800 officers participating in carrying Naloxone, a substance which can be administered to drug users who are at risk of overdosing. An evaluation of the Test of Change was reported to the Authority in March 2022, stating that it was deployed 51 times during the test of change and 64 times after it completed, with all individuals administered Naloxone surviving.

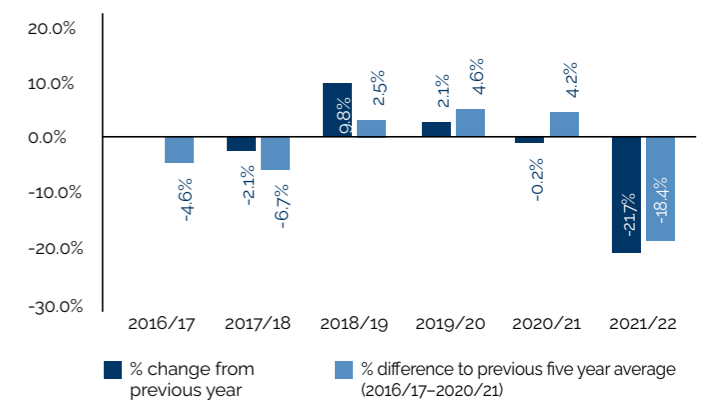
The evaluation, conducted by the Scottish Institute for Policing Research, recommended a full roll out of Naloxone. Police Scotland is taking a preventative approach by working in partnership with the charity 'Scottish Families Affected by Drugs', to provide Naloxone Awareness Cards to officers and staff working in the custody setting, and operational officers who currently carry Naloxone.

Drugs Possession



Drugs Possession	2020-21 YTD	2021-22 YTD	% Change from Previous Year	Previous 5 Year Average 2016-17 to 2020-21	% Change from Previous 5 Year Average 2016-17 to 2020-21
Number of crimes	30,344	23,747	-21.7%	29,119	-18.4%
Detection rate	94.5%	94.6%	+0.1% points	-	-

Change in Drugs Possession Crimes

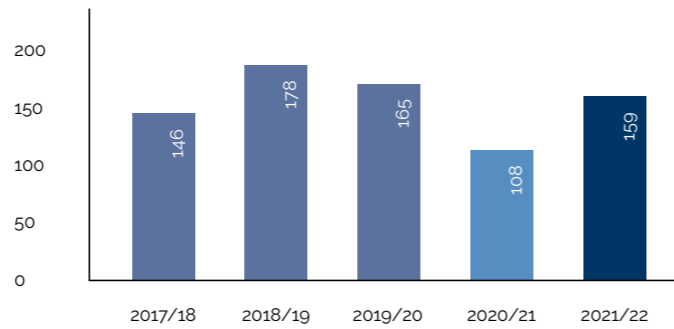


Road Safety

The last year has seen a 47% rise in the number of people killed on the roads, up from 108 in 2020-21 to 159 in 2021-22, and increases in the number of people seriously injured on the roads, the number of children killed on the roads and the number of children seriously injured on the roads. Comparisons with 2020-21 are difficult because of the restrictions in place on travel. This factor, combined with home working and home schooling practices, meant that an increase in road casualty statistics was expected to occur in 2021-22. Nevertheless the 2021-22 figures are higher than the five year average for the number of people killed or seriously injured on the roads.

Police Scotland has been implementing prevention and enforcement-based mitigation activity during 2021-22, including the roll-out of the New Driver Early Intervention Scheme in conjunction with the Scottish Fire and Rescue Service. Road Policing's National Calendar of Road Safety Activity has also been implemented across the year, focusing on speeding, seatbelt wearing, the safe passing of cyclists, and drink-drug driving. The timing of phases within the calendar continue to be led by intelligence and seasonal trends.

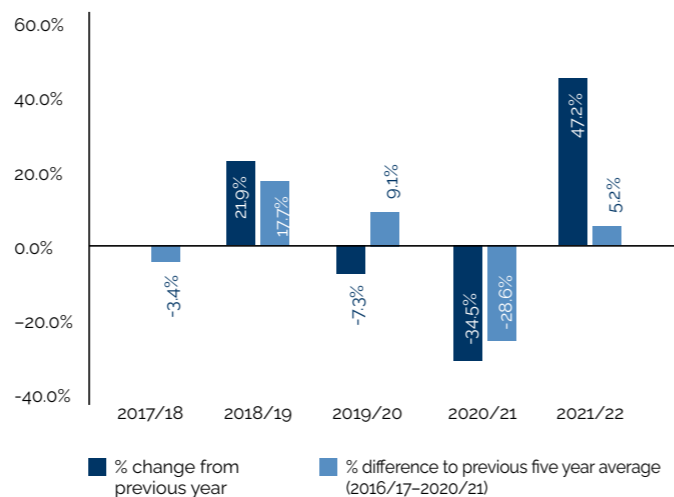
People Killed on the Roads



Source: Police Scotland 2021-22 Q4 Performance Report

Road casualties	2020-21 YTD	2021-22 YTD	% Change from Previous Year	5 Year Mean	% Change from 5 Year Mean
People killed	108	159	+47.2%	152	+4.6%
People seriously injured	1,372	1,643	+19.8%	1,625.8	+1.1%
Children (aged <16) killed	2	6	+200.0%	4.8	+25.0%
Children (aged <16) seriously injured	121	147	+21.5%	152.4	-3.5%

Change in People Killed on the Roads

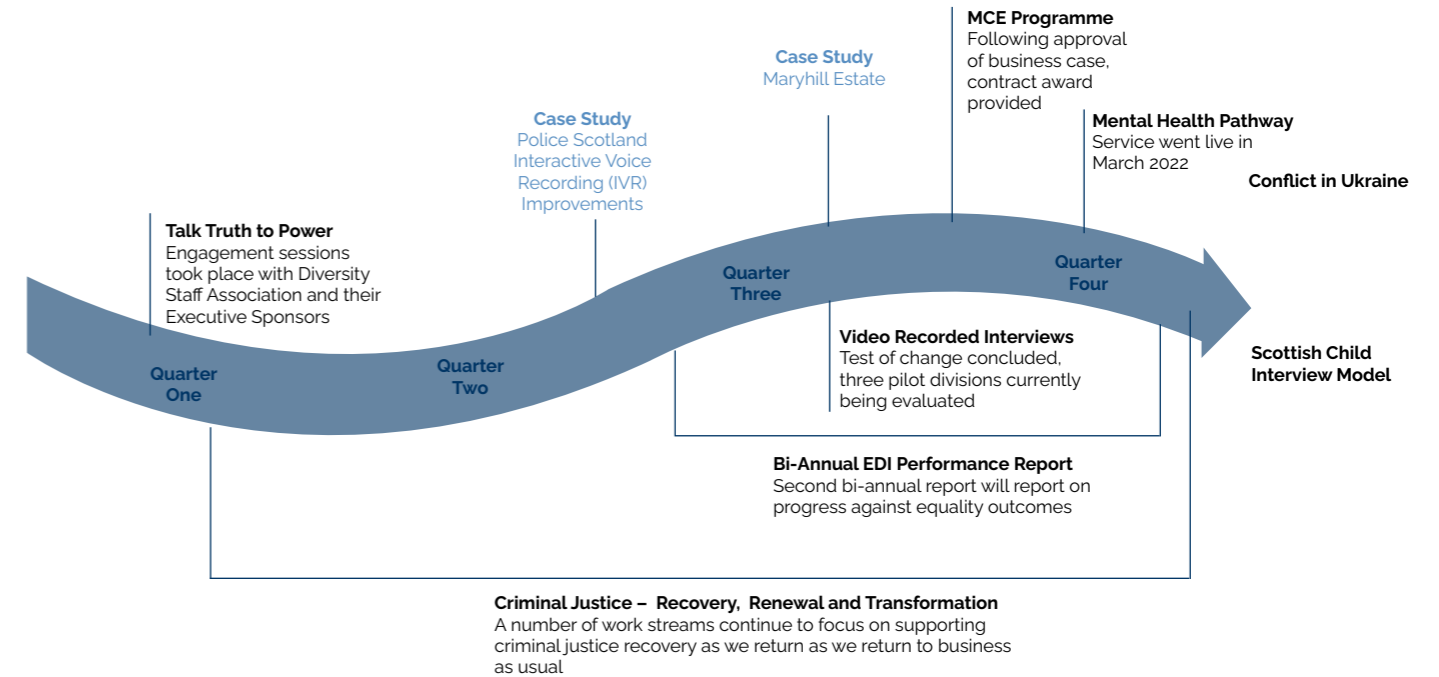


Source: Police Scotland 2021-22 Q4 Performance Report



Strategic Outcome 2

The needs of local communities are addressed through effective service delivery



Police Scotland has committed to understanding and supporting Scotland's diverse and changing local communities to better deliver the right mix of services to meet needs, and will retain a focus on supporting communities using a blend of local and national expertise.

Further progress has been made to advance these aims during the course of the last year, with innovative approaches being developed and trialled to improve call handling and public contact, enhance community engagement activity, restore aspects of criminal justice procedures that were disrupted due to the pandemic, and improve the experiences of victims and witnesses. 2021-22 has been a year in which the resilience, needs and make-up of communities has been in flux, as a consequence of the pandemic and recovery from it, as well as the development of the conflict between Russia and Ukraine.

"Police Scotland has committed to understanding and supporting Scotland's diverse and changing local communities."

Call Handling and Public Contact

During 2021-22 Police Scotland has continued to maintain and improve vital contact services to communities during especially challenging times for C3 Division. Demands have been increasingly varied, absence levels have been high due to COVID-19 illness and isolation requirements, and social distancing requirements in the workplace have continued to pose difficult operational challenges regarding the deployment of staff and the prioritisation of call types and speed of answer.

999 emergency call services have been protected and, as a result, performance in this area throughout the pandemic, and through the policing of COP26, has been exceptionally strong despite a significant rise in call volumes and displacement of demand to policing from other public services. More than 700,000 calls were made to 999 in 2021-22, up by 17.8% compared with 2020-21, with an average speed of answer of 7 seconds, which is faster than the previous year.

101 non-emergency call handling times have increased, in part due to the pressures on available call-handling resourcing because of the pandemic, but also as an anticipated result of rolling out the Contact Assessment Model (CAM). More than 1.7 million calls were made to 101 during 2021-22, with average call answering times increasing by 46 seconds. The summer months of 2021 saw call answering times extend more than usual, a product of both seasonality combined with the relaxation of coronavirus-related restrictions. 38.4% of calls made to either 999 or 101 do not result in an incident or crime being recorded.

It is not possible to assess conclusively policing performance regarding pre-pandemic and post-pandemic call handling answering times. This is due to the CAM's substantive reform to 101-call-handling practices, with CAM rolling out in 2020. The CAM places a greater emphasis on the quality of call-handling experience and delivering the most appropriate service response and resolution for the person making contact with the police. Nevertheless there is evidence showing that 101 call-handling times were increasing throughout 2019/20 (i.e. prior to the pandemic and during the beginning of CAM's rollout).

Call Handling	2020-21 YTD	2021-22 YTD	Change from Previous Year
Total number of 999 calls	594,346	700,262	+17.8%
Total number of 101 calls	1,971,656	1,713,638	-13.1%
Average call answer time for 999 calls	8 seconds	7 seconds	-1 second
Average call answer time for 101 calls	2 mins 31 seconds	3 mins 17 seconds	+46 seconds
Number & percentage of 999/101 calls that do not result in an incident/crime	1,046,942	928,213	-11.3%
	40.8%	38.4%	-2.4% point

Note: Following the nationwide rollout of CAM, new call gradings are being used. These were updated again during August 2020, this is reflected in the table above. A small percentage of incidents are still being categorised under the old grading and are therefore not included in the above figures. Comparison data is not available.

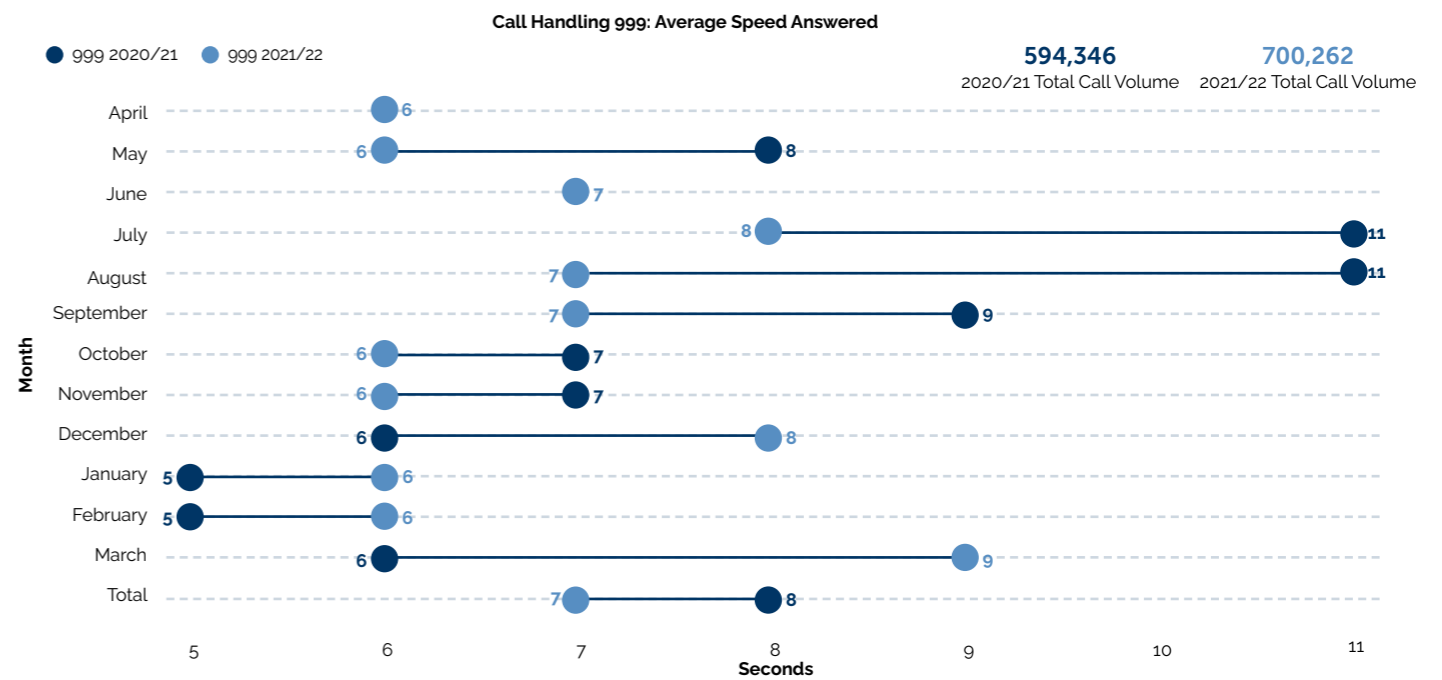
Source: [Police Scotland 2021-22 Q4 Performance Report](#)

101 Call handling statistics 2018-19 to 2021-22	2018-19 YTD	2019-20 YTD	2020-21 YTD	2021-22 YTD
Total number of 101 calls	1,909,016	1,945,042	1,971,656	1,713,638
Average call answer time for 101 calls	20 seconds	1 min 16 seconds	2 mins 31 seconds	3 mins 17 seconds
Longest waiting time for 101 calls	22 minutes	1hr 27 minutes	1hr 29 minutes	1hr 39 minutes

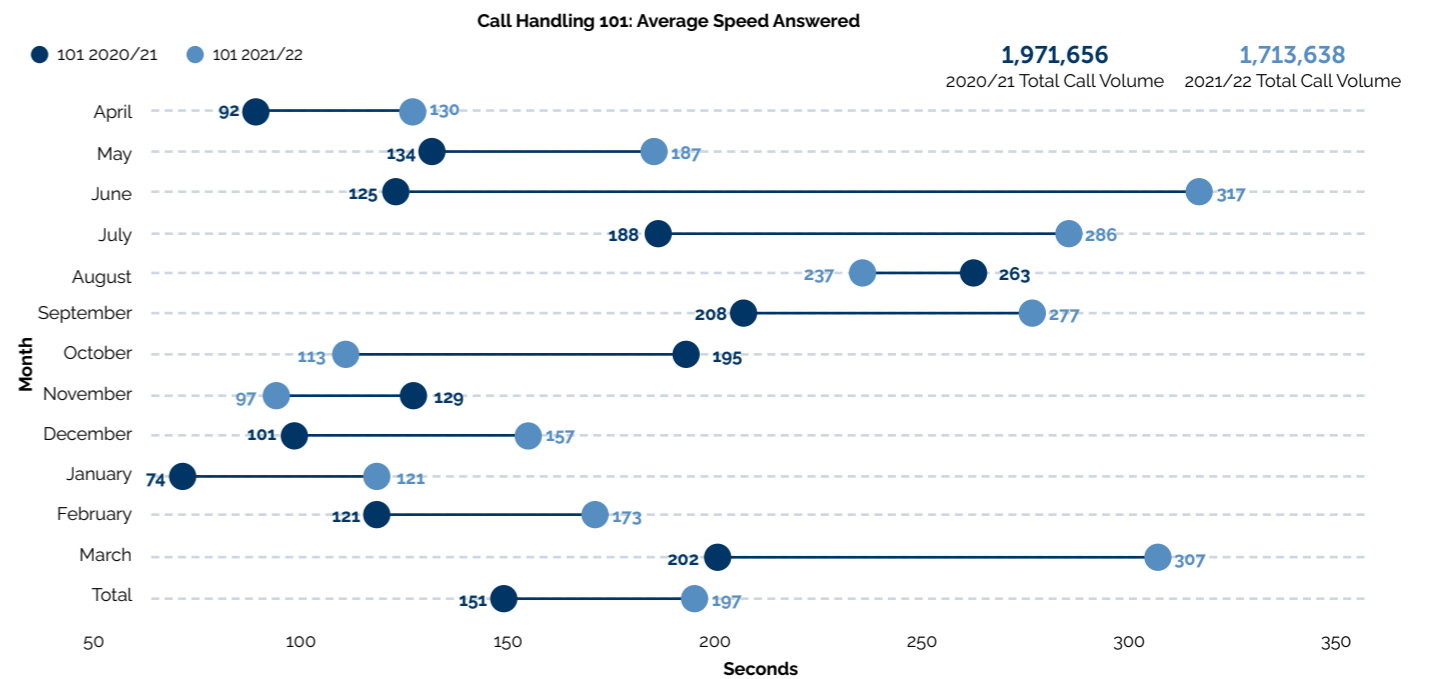
Source: [Police Scotland's Management Information Reports](#)

"More than 700,000 calls were made to 999 in 2021-22, up by 17.8% compared with 2020-21, with an average speed of answer of 7 seconds, which is faster than the previous year."

999 Calls



101 Calls



Source: [Police Scotland Chief Constable's End of Year Assessment](#)

The CAM prioritises threat, risk and vulnerability-based assessment of individual calls and individual caller needs and promotes the better use of response and community police officers so that they attend the calls that genuinely require a physical police response. Put simply, non-emergency calls now take longer to complete as more emphasis is being placed on the quality of the call and the outcome for the caller, rather than the speed with which non-emergency calls are dealt with.

Increased waiting times for non-emergency calls are nevertheless a frustration for callers – a point raised with the Authority through engagement with local authorities during the course of the year - and something the Authority's Policing Performance Committee has scrutinised very closely during 2021-22, picking up the oversight role as business-as-usual following the standing down of the Authority's CAM Oversight Group. Police Scotland has provided assurance that sustainable mitigation measures are being implemented, with further, more substantive, work in train to deliver improvements for non-emergency users of the service. Immediate improvements have been made by Police Scotland to the Interactive Voice Recording (IVR) system so that callers now receive notification of the anticipated wait time, and therefore caller expectations are better managed at first point of contact. Greater effort is also being made to signpost callers to the Police Scotland website, and social media is being used to broadcast messages to the public at times of exceptional demand on call handling services.

More substantively Police Scotland has been progressing (albeit more slowly than initially expected) with the implementation of its [Public Contact and Engagement Strategy](#) and established a Modernised Contact and Engagement Programme (MCE) in June 2021. The MCE Programme sets out to maximise the impact of enabling communication technologies, for example, providing solutions for public contact through social media, video image transfer or direct data input. This will increase the options available to the public to better enable the way Police Scotland responds based on vulnerability and need. Progress has been made regarding key ICT projects within this Programme, including the delivery of the National Integrated Communications Control System (NICCS) and the replacement for the Police Scotland telephony system, namely the Unified Communications Client Platform project (UCCP). The delivery of the NICCS is behind schedule and over-budget (nine months behind by March 2022 and £2.4 million over budget). Work also continues to progress on the development of a Target Operating Model for C3 Division. Research and Steering Groups have been established and work is ongoing to design a future operating model.



The Conflict in Ukraine

Police Scotland has been playing an active role to help people in Scotland who have been affected by the ongoing conflict taking place in Ukraine, including the welcoming of asylum seekers fleeing the conflict. Work is ongoing to further develop processes for signposting individuals to partner agencies who can provide welfare support and Police Scotland's dedicated Asylum Seeker Liaison Officers are working with partners and across local policing to build and maintain good relations with people impacted by the situation. Local policing divisions already have established links to homelessness teams, humanitarian projects and Diversity and Equality and BME groups.

Community Engagement Initiatives

Police Scotland has made progress in developing its approach to community engagement throughout the year, with a number of examples of initiatives in train. Local Policing divisions and Partnerships, Prevention and Community Wellbeing division have been leading on this work, supported by corporate teams.

Community officers have engaged in discussions with young people through schools to better understand the impact of the pandemic on young people, concerns around gender-based violence, and issues about police-youth relations.

Outreach Officer posts have also been created within Partnerships, Prevention and Community Wellbeing Division; these officers will lead on engagement work in deprived communities across Scotland and support small-scale but innovative changes to policing practice that will be designed and tested with communities. These Outreach Officers will also support the Authority's action research project on deprivation and public confidence and trust in policing.



Criminal Justice – Recovery, Renewal and Transformation

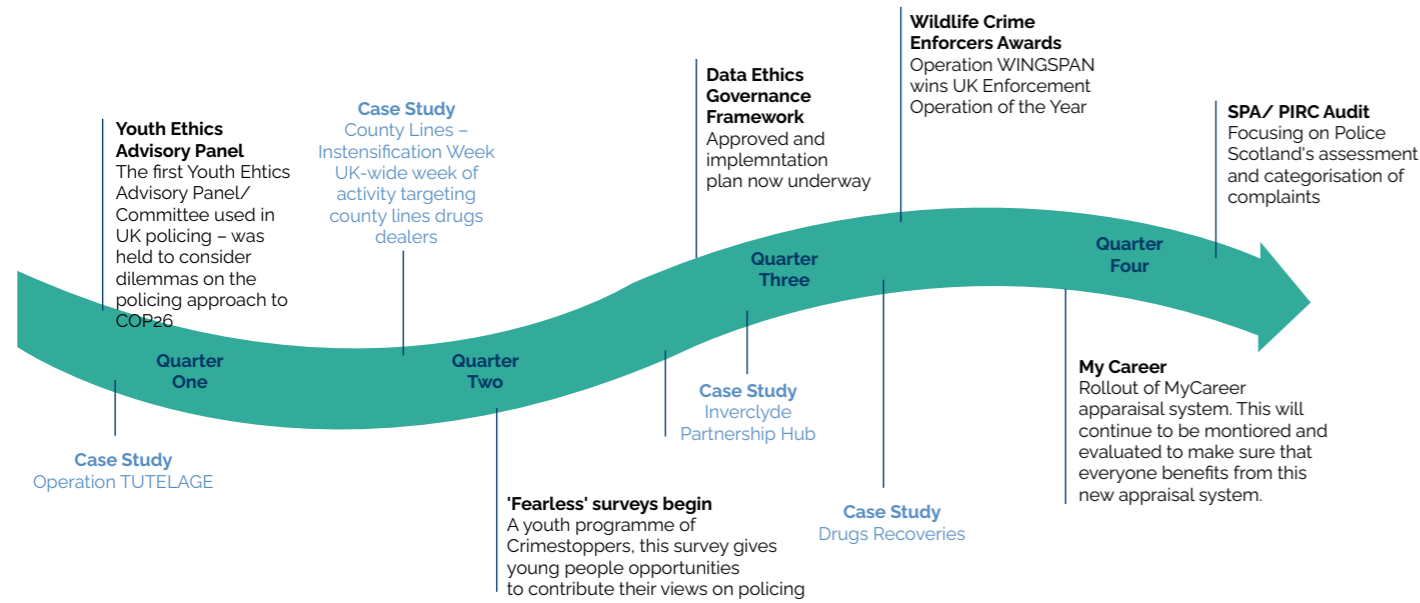
Police Scotland has been actively involved in the recovery of the wider criminal justice system as a consequence of disruption caused by the pandemic. The Recovery, Renewal and Transformation team (RRT) has been monitoring the impact and risks arising from backlogs within the system caused by lockdown periods, to ensure that public safety and public confidence in criminal justice processes is maintained. Work being progressed has both a recovery focus and a transformation focus, with measures introduced to mitigate risk during the pandemic e.g. reduced physical attendance at court events and increasing the use of virtual technology being examined for their potential to deliver long term benefits and efficiencies across the system.

Improved Services for Victims and Witnesses

Police Scotland has continued to make progress in implementing improved means by which vulnerable witnesses give evidence, namely through the introduction of Visually Recorded Interviews. Police Scotland is a key participant, alongside other stakeholders, in the Scottish Government led Implementation Group for the Vulnerable Witnesses (Criminal Evidence) (Scotland) Act 2019. The pandemic has delayed progress but the removal of restrictions is expected to see progress being made in due course, especially in relation to child victims and witnesses as a priority.

Strategic Outcome 3

The public, communities and partners are engaged, involved and have confidence in policing



Police Scotland has committed to embedding ethical and privacy considerations that are integral to policing and protection, in recognition that the principle of policing by consent is what gives policing its legitimacy. To further the overall aim, a commitment has been made to provide services that are relevant, accessible and effective and which are grounded in partnership working with local groups and the public, private and third sectors.

There have been a range of developments taken forward by Police Scotland in 2021-22, especially in relation to enhancing the organisation's approach to, and focus on, ethics. Partnership working continues to be strong for tackling many different forms of crime and harm in Scotland, and Police Scotland has demonstrated good progress in areas such as Road Safety, Serious and Organised Crime and Fraud. Additionally Police Scotland has strengthened its approach to communication and engagement with communities through a range of different channels, with a focus on widening accessibility and the reach of engagement activity.

Ethics, Privacy and Legitimacy

Police Scotland has continued to strengthen its approach to understanding the ethical dimensions to operational policing and related transformational change. Police Scotland uses Independent Ethics Advisory Panels to capture the views of the public and communities in respect of ongoing work in the organisation that poses particular dilemmas. The panels can be geographically based, depending on the panel subject, but are also inclusive of children and young people through the use of Youth Advisory Panels.

Early in 2021-22, Police Scotland's Professional Standards Department's Ethics and Preventions Team, working in partnership with the Scottish Youth Parliament (SYP), established Youth Ethics Advisory Panels (YEAP) to engage the voice of Scotland's young people in police decision making. These sit as a tier of advisory panels alongside regional, national and independent. On 22 April 2021, the first YEAP – believed to be the first Youth Ethics Advisory Panel/ Committee used in UK policing – was held to consider dilemmas on the policing approach to COP26.

A YEAP was also held in February 2022 which focused on the issue of Patient Transport and the development of a policy, led by Criminal Justice Services Division (CJSD), which supports Police Scotland's involvement in the transportation of patients in the absence of ambulance availability.

The focus on ethics has also extended to the important public interest subject of ethical data capture and processing within policing. A Data Ethics Governance Framework has been approved by Police Scotland during the course of the year, and an implementation plan is now in preparation.

Complaint Handling

Annual complaints handling performance reports for both [the Authority](#) and [Police Scotland](#) were presented to the Complaints & Conduct Committee, which has responsibility for oversight of the arrangements for handling complaints by the Authority and Police Scotland, in May 2022 along with an annual report on Police Investigations and Review Commissioner ([PIRC Complaint Handling Reviews](#)).

[The Independent Review of Complaints Handling, Investigations and Misconduct Issues in Relation to Policing](#) led by Dame Elish Angiolini recommended that the Committee's scrutiny function be reported annually drawing out particular trends; highlighting improvements or concerns; and using complaints data as an indicator of communities' satisfaction or dissatisfaction with policing services. The Committee annual report for 2021-22 will again be published in due course (expected by end of September 2022), expanding on the summary information set out below. Any reference to complaints below means "[relevant complaints](#)" as per the Police and Fire Reform Act (Scotland) 2012 at Section 60, and defined in [further detail](#) in the Police, Public Order and Criminal Justice (Scotland) Act 2006 at Section 34.

Complaints	2020-21 YTD	2021-22 YTD	% Change from Previous Year	5 Year Mean	% Change from 5 Year Mean
Total number of complaints from members of the public (Police Scotland)	6,958	6,503	-6.5%	6,483	+0.3%
Total number of complaints from members of the public (SPA, including Forensic Services)	15	16	+6.7%	20	-20%

The number of complaints regarding Police Scotland received from members of the public in 2021-22 decreased by 6.5% (455 complaints) compared to the previous year; 47.8% of complaints were dealt with by frontline resolution.

In respect of the Authority, 16 relevant complaints were received during the year (up by 1 on the previous year, but lower than the 5 year average of 20). The majority of complaints received by the Authority continue to be out with its remit, with most of these being more appropriately directed towards Police Scotland. To address this, improvements were made, in late 2021, to the Authority website to provide clear signposting for individuals on the appropriate recipient for complaints. The Authority will continue to monitor the impact of this improvement.

The Independent Review further recommended that the Authority should confirm each year, based on an informed assessment by the Committee and evidence from relevant audits, its view as to the suitability of Police Scotland complaint handling arrangements. In respect of 2021-22:

- 25 of 36 recommendations directed singly or jointly at Police Scotland from the Review have been discharged following initial assessment of evidence by HMICS and consideration by multi-agency national governance arrangements. These represent significant developments across audit & review; efficiency & effectiveness; equality, diversity & inclusion; governance & accountability; rights & ethics; training & HR; and transparency & accessibility. Further detail is available via the Scottish Government website where triannual thematic progress reports are being published (the [latest edition](#) dates to June 2022).
- In May 2021, following a successful pilot, Police Scotland implemented a new national complaint handling operating model, whereby all non-criminal complaints are recorded, assessed and managed within the Professional Standards Department, including those which would previously have been managed within local and specialist Divisions.
- Since introduction of this new model there have been further improvements in the proportion of complaints received which are Frontline Resolved through explanation, assurance or apology and overall average closure times for complaints have improved.
- 3% of complaints received in 2021-22 were subject to a Complaints Handling Review (CHR) – 198 CHRs in total for 2021-22. 68% of the CHRs considered by PIRC during 2021-22 were assessed as being reasonably handled and, of those not considered reasonably handled, there has been further reduction in the number of recommendations and unsupervised reconsideration directions compared with 2020-21. Further data regarding CHRs can be found in the [end-of-year report](#).

An initial joint audit of the new complaint handling model, by the Authority and the PIRC, is expected to report its findings to the Authority's Complaints and Conduct Committee in Quarter 3 of 2022/23 and be published by the end of 2022/23. Additionally, there is ongoing engagement with Police

Scotland in respect of the developing content of Committee assurance reports. As such, it is expected that the Authority will be able to provide a more informed assessment as to the suitability of Police Scotland complaints handling arrangements next year. Nevertheless, based on the above, there is [evidence of progress](#) during 2021-22.

Strengthening Services through Partnership and collaboration

Strategic and tactical partnerships play a part in almost all areas of contemporary policing in Scotland and beyond. There are particular areas of operational activity that are delivered by Police Scotland as part of a collaboration with other agencies and, in this regard, significant partnership activity has taken place in the spheres of road safety, serious and organised crime, and fraud.

Promoting Road Safety through Collaboration

Police Scotland, in collaboration with a range of road safety partners has taken additional steps in 2021-22 to deliver the Road Safety Framework (RSF) to 2030. In partnership with Transport Scotland, an in-depth fatality study has been commissioned to analyse the causation factors of fatal collisions. Also in partnership with Transport Scotland, Police Scotland is piloting a third-party reporting Dash/Helmet Cam Portal which will allow members of the public to directly upload video images of inappropriate or dangerous driving behaviour. Police Scotland is working closely with Cycling Scotland, Cycling UK and other interested parties to develop this initiative.

The Police Scotland approach to road safety is increasingly preventative in emphasis and during 2021-22 Police Scotland has increased the use of diversionary courses to educate those drivers who put others at risk by driving in a careless manner. Where appropriate, a referral to a diversionary course is the preferred disposal for such offences, engaging with and educating drivers to improve their driving behaviour. Police Scotland has also joined Operation TUTELAGE, which is a UK-wide road safety initiative aimed at using Automatic Number Plate Recognition (ANPR) to identify the registered keepers of vehicles with no insurance, who are then given the opportunity to take immediate remedial action. As of February 2022 more than 15,000 letters have been issued in Scotland with a compliance rate of more than 70%.

Disrupting Serious and Organised Crime and Fraud in Partnership

Progress has been made by Police Scotland to disrupt the activities of Serious and Organised Crime Groups (SOCGs). Following successful operational activity across the year, and an assessed reduction in the risk posed by SOCGs, 2021-22 saw more than one-third of SOCGs removed from the intelligence map of SOCGs. Disruption has taken place throughout the different regions of Scotland and disrupted groups were known through intelligence to be active in a range of serious criminality, including the supply of firearms, violence, extortion, human trafficking, fraud, money laundering and environmental crime.

Collaborative work with other agencies is a feature of Police Scotland's approach to tackling Serious and Organised Crime. During 2021-22 Scotland benefitted from a joined up UK approach under the name of Operation VENETIC, which saw Police Scotland work closely with the National Crime Agency and other police forces across the UK to take down an encrypted global communication service called Encrochat, which was being used internationally by criminals.

Participation in the Banking Protocol

Police Scotland has continued to secure excellent results for individuals and communities through its participation in the Banking Protocol. Police Scotland has continued to work with branch staff at banks, building societies and Post Offices to stop more than £6.46 million of fraudulent transactions taking place during the 2021-22 year. The Banking Protocol is a UK-wide scheme launched by UK Finance, National Trading Standards and local police forces in 2016. It involves trained branch staff calling the police when they spot early warning signs regarding customer vulnerability and the potential for a scam to be taking place. Between January and June 2021, branch staff invoked the protocol 526 times in Scotland, saving potential victims an average of more than £5,000 each.



Website and Social Media

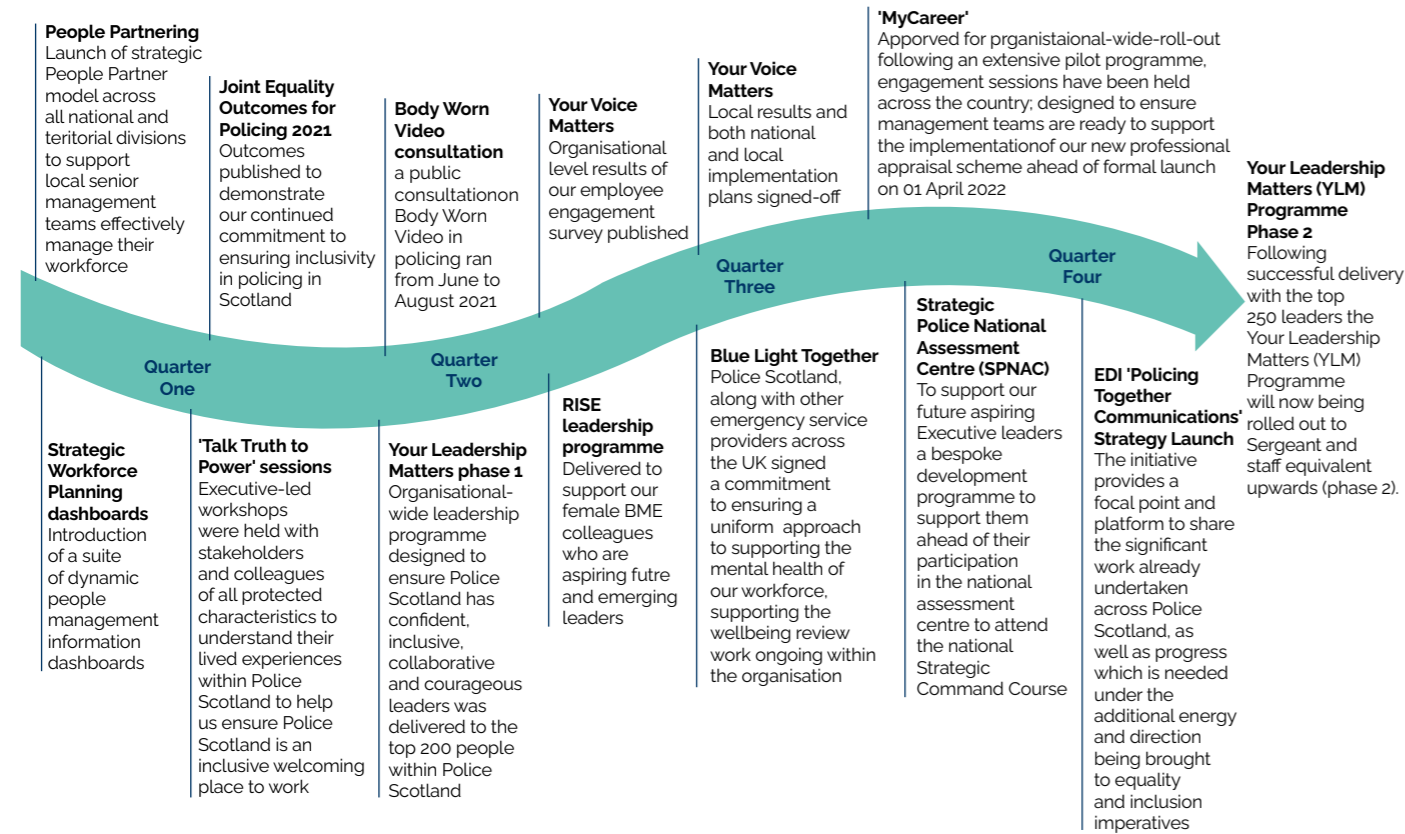
Police Scotland's website acts as an important source of information for the public and continues to be utilised and developed extensively by Police Scotland.

A QR Code was launched during the year, enabling users with smartphones to gain quick and easy access to make a complaint or comment regarding the police. Social media is also used extensively by Police Scotland as an engagement tool and in 2021-22 Police Scotland participated in a social media survey led by the National Police Chief's Council. Insights from the survey findings will be used by Police Scotland to shape its social media strategy and be used as research to inform the development of modern contact and engagement.



Strategic Outcome 4

Our people are supported through a positive working environment, enabling them to serve the public



"A commitment has been made to support officers and staff to be confident leaders, innovative, active contributors and influencers."

Police Scotland has put into effect a series of commitments in its planning arrangements to prioritise the wellbeing and safety of officers and staff and ensure that they are well-equipped and protected. A commitment has been made to support officers and staff to be confident leaders, innovative, active contributors and influencers. Police Scotland has also committed to support its workforce to identify with, and demonstrate, Police Scotland values and have a strong sense of belonging.

During the course of 2021-22 significant progress has been achieved by Police Scotland in relation to looking after and developing its officers and staff during a second year of extraordinary circumstances impacting on people's working arrangements, health and wellbeing, and personal lives. There have been important developments across the organisation in areas such as officer safety, the introduction of body worn video, equality, diversity and inclusion (and the creation of refreshed Equality Outcomes), health and wellbeing, and workforce engagement.

Health, Wellbeing and Safety

There has been a focus in 2021-22 by Police Scotland on reviewing its existing approaches to promoting the health and wellbeing of its officers and staff. The People, Health and Wellbeing function is being refreshed, a Statement of Intent has been agreed which will shape the next iteration of the Health and Wellbeing Programme, and a review has commenced in relation to the existing Programme in terms of what has been achieved against the expected objectives. The review is focusing on four key elements of the existing wellbeing programme, namely: Trauma Risk Management (TriM), Wellbeing Champions, Employee Assistance Programme and Occupational Health.

2021-22 has been challenging from a staff/officer absence perspective, with the COVID-19 pandemic playing a part. The emergence of more transmissible variants and sub-variants of the virus meant that the effect of COVID-19 on absence levels was more acute in 2021-22 compared with 2020-21, especially during the winter and spring of 2022 when the omicron sub-variant of the virus was at its peak. In 2021-22 8.3% of working days for police officers were lost due to absence, with 8.1% of working days lost for police staff.

Officer and staff health, safety and wellbeing are also affected by injuries sustained whilst at work, including intentional harm caused by physical and verbal aggression. Police Scotland has continued to progress work relating to violence and abusive behaviour prevention through its Your Safety Matters Diamond Group.

Assaults against officers/staff have decreased by 3.4% (251 fewer) in 2021-22 compared to the previous year. However, assaults against officers/staff are up 8.6% above the five year average.

Equality, Diversity and Inclusion

There is a significant amount of work for Police Scotland to take forward to address issues relating to Equalities, Diversity and Inclusion. In October 2021 an Employment Tribunal upheld claims made by former Police Constable Rhona Malone relating to a culture of sexism affecting Police Scotland's Armed Policing Unit. The Chief Constable commissioned an independent review of the Employment Tribunal decision with a view to putting into action recommendations relating to performance, conduct and culture. The Police Service of Northern Ireland (PSNI) carried out the [independent review](#) and Police Scotland has published an action plan in response. Progress in implementing the [action plan](#) will be overseen by the Authority.

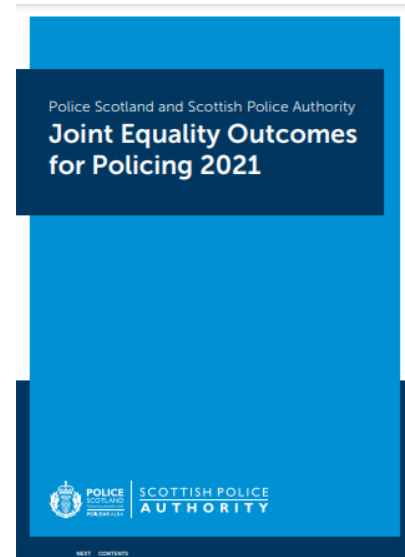
In addition to cultural issues relating to sexism raised at the Rhona Malone tribunal, racism is a subject under consideration at the ongoing Fatal Accident Inquiry (FAI) into the death of Sheku Bayou in police custody in May 2015. The Chief Constable has publically stated in connection with his appearance at the FAI that Police Scotland needs to progress from being a non-racist organisation to a much more proactive anti-racist organisation.

In parallel with these high profile developments in 2021-22, Police Scotland has been making progress in engaging on and developing a new Equality, Diversity and Inclusion (EDI) Strategy, expected to launch later in 2022-23. An overarching EDI programme "Policing Together" will support the launch of the EDI Strategy and will be delivered in three phases.



A refreshed set of [Joint Equality Outcomes for Policing 2021](#) and an [Equality and Diversity Mainstreaming and Equality Outcomes Progress Report \(2019-2021\)](#) were both published on 30 April 2021. The first EDI Performance Report (covering April to September 2021) was reported through [People Committee](#) in November 2021 and as part of routine performance reporting to [Policing Performance Committee](#) in December 2021. Initial lessons learned from this first report have been identified and shared with key stakeholders to help to further develop a shared understanding and ambition in relation to EDI performance reporting as well as reiterating the collective ownership and responsibility. Work is also being progressed by Police Scotland to develop a performance benchmarking approach with regard to Equality, Diversity and Inclusion matters.

Police Scotland also worked throughout the year to raise awareness around making better use of Equality and Human Rights Impact Assessments (EqHRIAs), with activity overseen by an EqHRIA Improvement Group.



Leaderships and Skills Development

Police Scotland has continued to advance its leadership programme during 2021-22 with the aim of developing a positive shift in culture across the service. During the first half of 2021 the programme was delivered to 200 senior leaders within Police Scotland, with the intention to extend this in 2022 to first-line and middle leadership tiers across the organisation. Delivery of leadership development has been impacted by the COVID-19 pandemic. This has necessitated some development opportunities to be paused, but also created the opportunity for Police Scotland to think afresh about how development programmes are delivered.

An HMICS Thematic Inspection of Police Scotland Training and Development was conducted during 2020-21 and reported [Phase 2 findings](#) in October 2021. All recommendations from Phase One of the inspection have now been actioned by Police Scotland or are on target for imminent completion. An [improvement plan](#) for addressing Phase 2 was presented to the Authority's People Committee for endorsement in June 2022.

Non-essential training was suspended by Police Scotland as a consequence of the COVID-19 pandemic and associated restrictions. As an interim measure, the Digital Skills Academy has been providing distance support and engagement with both current and future students from Police Scotland.



Body Worn Video

In November 2020, the Dame Elish Angiolini Independent Review into complaints handling, investigation and misconduct issues made a number of recommendations including that Police Scotland accelerate its plans to expand the use of body worn video technology. In January 2021 the body worn video (BWV) project for Armed Policing was approved as part of the Digitally Enabled Policing Programme, to be implemented in time for the Conference of the Parties (COP26) Climate Change Conference in November 2021.

Any significant change such as the introduction of new technology requires public understanding, engagement and support from local communities. For that reason on 3 February 2021, Police Scotland launched their Use of Body Worn Video survey to inform the deployment of BWV for Armed Policing Officers across Scotland. The strength of the survey response about the deployment of BWV to Armed Policing encouraged Police Scotland to continue to develop this conversation with communities and national partners; exploring the rollout of BWV nationally to police officers and staff in other roles across Scotland. On 1 June 2021 Police Scotland launched a formal national public consultation on BWV ahead of consideration of a national roll-out. The second survey captured the views of 9,310 respondents making it one of the largest surveys carried out by Police Scotland and indicative of the significant public interest in this area of policing.

The response was overwhelmingly positive with 18,000 people in total responding to questions about Police Scotland's use of BWV. In total, 82% said it would increase trust in Police Scotland and 81% said it would increase their confidence in policing. In addition, a number of engagement sessions have been run including a range of national stakeholders as well as internal and external Ethics Panels. The Scottish Police Federation and Association of Scottish Police Superintendents has confirmed support for BWV, as have the Crown Office and Procurator Fiscal Service (COPFS) and PIRC. Further engagement is currently being finalised before analysis of the responses is carried out by Strategy and Innovation. BWV for armed policing is moving into project closure stage. Funding has been approved to progress the Initial Business Case for the National BWV project.

**SCOTTISH POLICE
AUTHORITY**

Fact Sheet 5

BODY WORN VIDEO

What is Body Worn Video?

Body Worn Video (BWV) is a wearable device that can record audio and video. BWV devices come in a range of physical and technical designs, but ultimately perform the same basic functions. It is most commonly worn across the chest or mounted on a helmet.

Although BWV is best known for its use in policing, it is also used in sports and recreation, firefighting and retail and is increasingly applied in a healthcare setting.

Why use Body Worn Video for policing?

Police Services have, for several decades, utilised video evidence through local CCTV, police vehicle 5/stems and hand-held devices employed during specific operations. In the UK, the police use of BWV commenced with small-scale tests of a head-mounted video system in Plymouth (Devon and Cornwall Constabulary) in 2006. The system was recognised to significantly improve the quality of the evidence provided by

BWV trialled in North East Division

What is Body Worn Video?

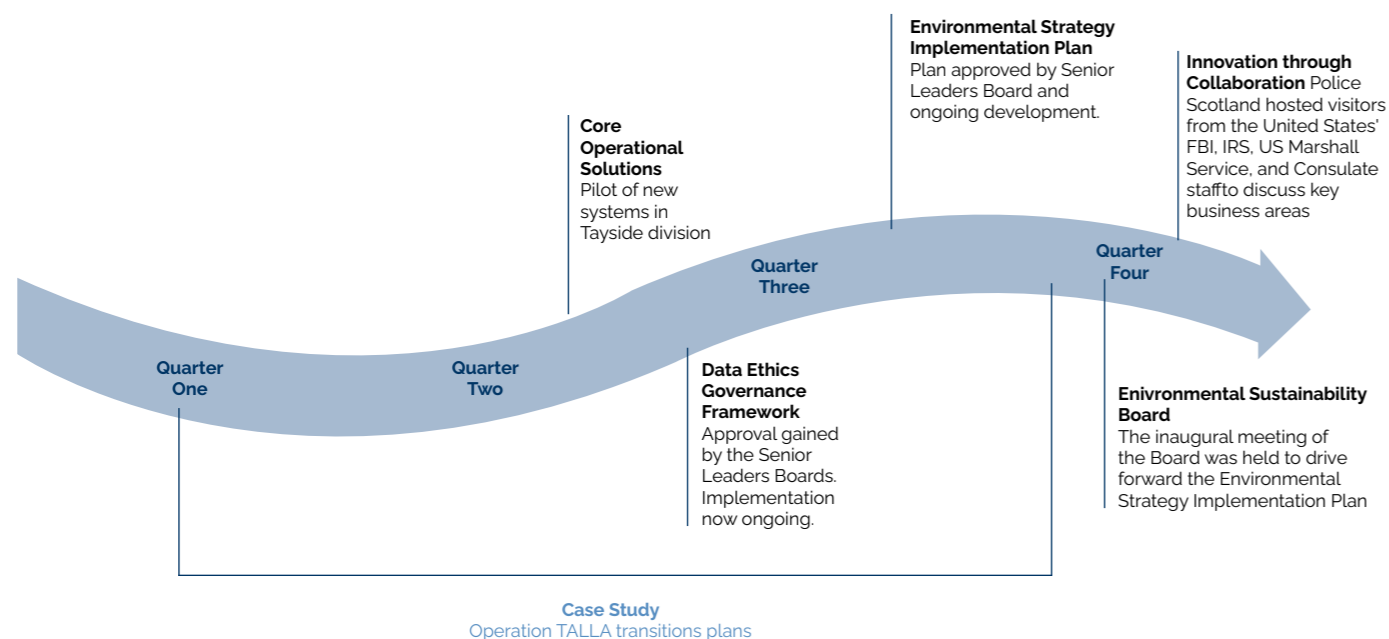
The Strategic Police Plan commits to the provision of Policing for a safe, protected and resilient Scotland. This requires designing and maintaining services which meet rising and evolving demands in a constantly changing environment. To meet these demands now and in the future Scotland's police service must adapt and proportionately adopt the necessary technologies which will enable them to protect the safety and wellbeing of our communities (as outlined in the Policing Principles - Section 32 of Police and Fire Reform Act 2012). This series of public focused and user-friendly factsheets has been developed to provide an overview of the benefits of emerging technology and upcoming developments within policing, the policies that will govern them, and the ethical, privacy and human rights implications.

21 October 2021

The Authority and Police Scotland published a [Fact Sheet](#) on BWV in October 2021 to promote informed engagement on the use of BWV in policing.

Strategic Outcome 5

Police Scotland is sustainable, adaptable and prepared for future challenges



Police Scotland has several planning objectives in place to promote the sustainability of the service, including the use of innovative approaches to accelerate capacity and capability across the organisation; and has also committed to making a positive impact through outstanding levels of environmental sustainability. Plans are in place to ensure that operational policing is being supported through the use of appropriate digital tools and the delivery of continuous improvement (best value).

Further progress has been made to build resilience and prepare for future challenges, with the experience of running Operation TALLA throughout the last two years providing a significant amount of learning in terms of business continuity and resource flexing. Additional progress on resilience and adaptability is evidenced by Police Scotland remaining sufficiently connected to relevant partner agencies so that it can horizon scan, plan and prepare effectively. Within the organisation, there have been developments in providing analysis and insights information more quickly to those who can act. Police Scotland has also continued to take advantage of its growing partnership reach to enable best practice and innovation opportunities to be explored. This progress is helping build in as much

resilience and adaptability as possible into the organisations' operational practices. There has also been further progress made with respect to the implementation of the Environmental Strategy, with positive developments taking place regarding Police Scotland's Fleet and Estates. The roll out of new technology is also progressing, principally through Police Scotland's Digitally Enabled Policing Programme (DEPP) and Core Operational Solutions (COS) sub-programme, although progress has been slower than originally anticipated.

Operation TALLA Transition

Police Scotland has developed detailed transition plans regarding its response to the policing of the pandemic under Operation TALLA. 2021-22 saw Police Scotland making changes to Operation TALLA arrangements due to the changing nature of the pandemic response and its effect on staffing levels, restrictions at various points, and competing priorities and demands such as policing COP26.

Detailed transition plans have been developed for each of the Operation TALLA cells. Detailed re-escalation plans have been created for each of the cells including the Logistics Cell, the Business Continuity Cell, the Information Cell, and the Local Policing Coordination Cell. Re-instating these cells may need to be done at short notice in the future and require the ability to mass mobilise and protect front line service delivery whilst building in appropriate welfare and financial safeguards. Monitoring the need to re-escalate these cells, in part or full, will remain the responsibility of the Operation TALLA Tactical Command at present. Moving forward beyond Operation TALLA, the dedicated plan will be held by Emergency, Events and Resilience Planning (EERP) for future use.

Improved Demand Forecasting

With the removal of most COVID-19 restrictions in 2021-22, many events and activities are now resuming across Scotland, especially those that attract large crowds and gatherings. To keep people safe, Police Scotland has been introducing new ways of monitoring future activities and preparing for any challenges which may emerge as a result. One example is the introduction of a new horizon scan document compiled by the Protest Demonstration Coordination Unit (PDCU) which seeks to foresee future protest/event activity that may prove to be a challenge to the organisation.

Police Scotland has been improving the way it monitors and forecasts the effects on resource capacity and capability by taking account of officer/staff absence and other resourcing strains. This is helping Police Scotland to prepare for potential requirements in altering strategies as well as countering any short-notice, high impact incidents which are difficult to foresee. Police Scotland holds meetings with the Scottish Resilience Partnership, Regional Resilience Partnerships and Local Resilience Partnerships to allow for any expected challenges to be discussed and escalated where necessary.

Innovating through Collaboration

Collaborative innovation is helping Police Scotland to become more resilient and adaptable, and further progress has been made during 2021-22. Police Scotland has been working with the Police Investigations and Review Commissioner (PIRC) on training and feedback sessions with new members of staff as well as making arrangements to allow PIRC investigators to take part in Operational Safety Training in order to strengthen their understanding of officer tactics and training when conducting their investigations.

Police Scotland also recently attended a debrief workshop run by Scottish Multi-Agency Resilience Training and Exercise Unit (SMARTEU), which examined Police Scotland's activity during the COP26 climate conference, particularly focusing on Post Incident Procedures (PIP). It has been agreed in principle that SMARTEU will run annual workshops based on PIP to contribute to the overarching programme of information and training to ensure Post Incident Managers (PIM) are as informed as possible, despite potentially long periods between deployments.

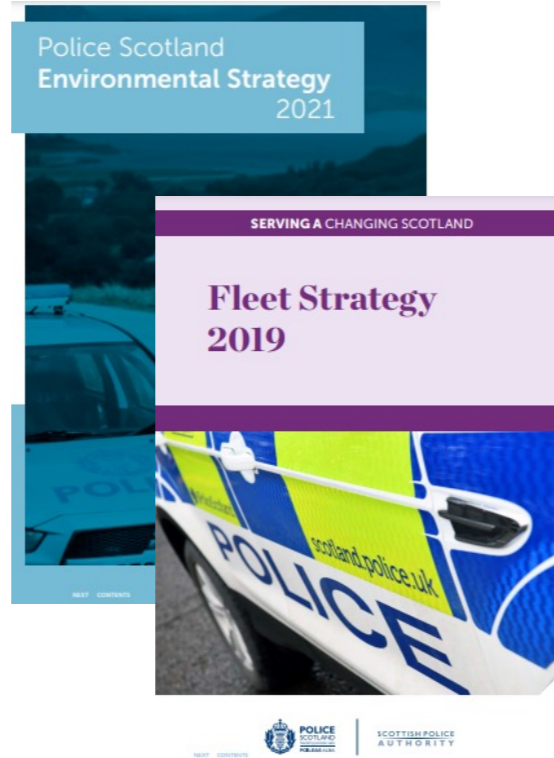
"Collaborative innovation is helping Police Scotland to become more resilient and adaptable, and further progress has been made during 2021-22."

Responsibilities towards the Environment

An Implementation Plan for Police Scotland's [Environmental Strategy](#) was approved by its Senior Leaders Board in December 2021. The plan provides rationale and quantification of a series of projects and programmes that will be implemented in order to achieve the stated carbon and environmental impact reductions in the strategy. Continuing to be developed, the plan will be expanded in a continual cycle of learning and environmental improvement. Some aspects of the plan include using the Scottish Government procurement framework to implement a variety of energy saving technologies across our estate, ranging from zero carbon heat to lighting.

Work has been progressing on modernising Police Scotland's estate from an environmental perspective, 10% of which is now shared with co-located partners. Analysis of emissions data shows that Police Scotland achieved a 7.1% reduction in 2021-22 compared with the previous year.

Police Scotland is working towards implementing the move to an Ultra-Low Emission Fleet (ULEV) as part of its [Fleet Strategy](#). ULEV vehicles currently make up 16% of Police Scotland's overall fleet with 25% of these being marked vehicles. The average age of the fleet is 5.12 years.



Developments in Technology

Police Scotland has continued to make progress in implementing technology solutions regarding crime, productions, and warrants. These solutions will reduce duplication, support mobile working, and allow for the decommissioning of legacy systems. This is part of Police Scotland's Digitally Enabled Policing Programme (DEPP) and Core Operational Solutions (COS) sub-programme. The implementation of the Productions Remodelling Project is behind schedule, having been initially expected to be completed by June 2020 based on the approved Full Business Case dating to June 2018. Although wider than technology, the Custody Remodelling Project is also running behind schedule to similar timescales and has no definitive end point for delivery. Capital funding requirements for Custody Remodelling have also increased significantly to £9.3million (from £4 million).

The Core Operational Solutions (COS) Project is developing a suite of applications in support of developing a national information management system. A productions aspect was implemented nationally in 2020, whilst a warrants module was implemented into the Tayside Division in March 2021. In September 2021 Tayside Division piloted Crime with Mobile (Pronto) integration (including case management, a workbasket capability, insight searching and a dashboard facility). Rollout will continue during 2022, commencing in Highland and Islands Division.



Local Authority Perspectives on Policing Performance

Local Authorities have a key role to play in the policing system in Scotland, primarily through their involvement in developing and approving Local Police Plans and by holding scrutiny committees or similar fora for scrutinising local police performance.

The Authority regularly seeks to obtain feedback from Local Authorities on how these arrangements are working as part of its oversight of the policing system and to identify areas of good practice, learning or improvement.

The Authority Chair has established meetings at a regional level to discuss strategic policing issues and how these relate to local areas, with the first set of meetings taking place in February and March 2022. The three regional Assistant Chief Constables attended these meetings and outlined policing issues and priorities from their perspective, however the meetings themselves are very much listening events and are conversational in nature. Additionally, as in previous years, the Authority's Chief Executive has written to Local Authorities to seek their feedback on local policing performance.

Finally, the Authority, Police Scotland and COSLA undertook a tri-partite review of Local Police Plan development during 2021-22, publishing its [findings](#) in March 2022. The review was informed by high levels of engagement with local authority representatives in the form of questionnaires and workshops.

Key areas of feedback:

Local partnership approaches remain strong, effective, and responsive.

Alignment between local police plans and the wider community planning landscape is improved.

Excellent working relationships between local authorities and local police commanders.

Reporting more localised performance information (e.g. at ward level) would strengthen performance reporting and scrutiny.

Reporting on the results of transformational change that impacts on local communities will be of benefit for communicating with local communities.

Praise given for Police Scotland's efforts at helping communities and local authorities deal with significant disruption and acute incidents connected to the 2021/22 winter storm season.

Concerns about the implications of cost-of-living increases on communities and the changing nature of crime.

Concerns about 101 call handling services.

Concerns about road safety in rural areas as Scotland emerges from the pandemic and travel and tourism increases.

Her Majesty's Chief Inspector of Constabulary views on Policing Performance

Her Majesty's Chief Inspector of Constabulary in Scotland, Craig Naylor, published in June 2022 his [Annual Report for 2021-22 on the state of policing in Scotland](#).

A number of planned inspection activities scheduled for 2021-22 were paused by HMICS in recognition of the challenges facing the police service due to the ongoing COVID-19 pandemic and the planning, preparation and delivery of policing operations associated with the postponed COP26 event Glasgow in the autumn of 2021. Nevertheless HMICS made a number of key observations about the state of policing in their Annual Report:

Key Observations:

Police Scotland continued to deliver services during the second year of the pandemic, despite working with new and emerging restrictions and government guidance and legislation.

The creation and maintenance of an Independent Advisory Group chaired by John Scott QC provided a wide range of perspectives to be considered and exchanging of insights and views on policing events relating to the pandemic.

In response to the murder of Sarah Everard by a serving police officer with the Metropolitan Police, Police Scotland were proactive in introducing verification processes should officers approach members of the public in plain clothes.

HMICS has published a three-year [Scrutiny Plan for 2022-25](#), carrying forward paused inspection activity.



SPA Corporate Performance

During 2021-22 the Authority maintained and enhanced its comprehensive approach to the oversight of policing whilst supporting Police Scotland's proportionate and common sense approach in the continuing pandemic, i.e. upholding the regulations whilst protecting the principle of policing by consent.

The Authority commissioned, jointly with Police Scotland, a review of the Independent Advisory Group (IAG), set up to provide additional scrutiny of Police Scotland's use of coronavirus powers. The review, which reported in June 2021, found that the IAG provided additional assurance and increased confidence that decisions taken during the pandemic were consistent with human rights and the values of policing by consent. When the report was considered by the Authority, Chair Martyn Evans confirmed that the IAG had informed and enhanced the Authority's oversight of policing during the period.

The IAG on Police Scotland's use of coronavirus powers continued to meet and report to the Authority regularly up until August 2021, with its work tailing off as regulation and additional police powers related to COVID-19 reduced. The work of the IAG, in addition to providing additional assurance on the proportionality and human rights based approach of Police Scotland's policing of the pandemic, reported on the range of evidence which highlighted the inequity of the pandemic's impact on particular areas of society already experiencing poverty and disadvantage.

This rights-based approach was also evident in the policing of the 26th Conference of the Parties (COP26) held in Glasgow in November 2021. The Authority built on the lessons learned from its scrutiny of policing of the pandemic, introducing regular scrutiny of the planning and delivery of the policing operation through a specific oversight group; which delivered a robust approach to consideration of human rights, ethics, data privacy, and equalities.

The Authority tested the approach by commissioning independent public polling of over 1000 citizens in the Greater Glasgow area to provide additional evidence on views, attitudes and insights into what residents thought of their police service's approach over this period of visible and intense policing. This polling showed that 60% of respondents supported the policing approach of Police Scotland during COP26 and 63% felt that Police Scotland had performed well in making sure marches and protests were well organised.

At the end of 2021 the Authority published its Annual Review of the work of the volunteer-delivered Independent Custody Visiting Scheme. In her foreword, Vice Chair Jane Ryder recognised the continued commitment of staff and volunteers during the pandemic; expressing the Authority's gratitude to visitors and the Authority's own ICVS team for their resilience, determination, flexibility and commitment to ensuring continued assurance in respect of the welfare and rights of Police Scotland's detainees. A feature of the custody visiting scheme was the way it adapted to continue its work during the pandemic, using technology to enable virtual visiting, for example.

SCOTTISH POLICE AUTHORITY

COP26
policing the protests

A live virtual roundtable
on Thursday 9th
September, 2pm - 4pm

SCOTTISH POLICE AUTHORITY POLICE SCOTLAND



The Authority developed and began to implement a two-year engagement strategy with an accompanying Local Authority engagement plan, setting out the purpose and principles that underpin the Authority's engagement and relationships with stakeholders. In addition to ongoing engagement by the Chair and Executive team with third sector partners and across wider civic Scotland, the principal focus of engagement for the Authority in 2021-22 was local government.

Key engagement events with local government leaders included meetings between the Chair and COSLA (Convention of Scottish Local Authorities) presidential team, regular contributions to the COSLA Police Scrutiny Conveners' Forum, and the first Authority Chair/Chief Constable joint contribution to the COSLA Leaders' meeting. For the first time, the Authority offered 3 regional meetings for the Chair, Assistant Chief Constables for Local Policing, and local scrutiny conveners in North, East and West respectively, which allowed for more locally focused discussion related to strategic issues.

The Authority, COSLA and Police Scotland jointly committed to identifying ways to improve public confidence in policing, and address the significantly lower levels of confidence in the service in areas experiencing the greatest levels of deprivation. Key themes from this engagement with local government included the critical role of partnerships in supporting a strong pandemic response across policing and local government, building effective local relationships between policing and local government, the impact of very local issues in supporting public confidence in policing, and the importance to communities of sustaining high levels of service in call handling and response.

The Authority undertook a tripartite review of local police planning in partnership with Police Scotland and COSLA with a view to identifying good practice and areas for development. Review findings were approved by the COSLA Community Well Being Board, and reported in public at the Authority Meeting 23 March 2022. The review engaged directly with those involved in local police scrutiny at a local authority level through a survey and series of workshops, to inform a series of recommendations for delivery over 2022-23.

During the year, Authority focus was also directed at improving both the quality and accessibility of information, research and evidence used to support its strategic decision-making. This included work to mature the Authority's approach to strategic oversight of transformational change, seeking to assess the impact of change activity and related investment to deliver best value. A memorandum of understanding was put in place to ensure early engagement and oversight of new and emerging technologies and areas of change, policy and practice at the earliest possible stage.

Following extensive internal and external engagement, including an online survey open to the public, a new set of joint Equality Outcomes for the Authority and Police Scotland were published, providing a refreshed focus for the work which both organisations already have underway in this area. The Authority's new People Committee, along with the Policing Performance Committee played a key role in ensuring a human rights and equalities-based approach to workforce and service delivery issues, contributing to a whole organisation approach to mainstreaming equalities into everything the Authority does.

Leadership and Governance

Strategic leadership in the Authority was strengthened by the appointment of six new Board members in April 2021, bringing a variety of experience in public sector governance and leadership as well as a broad range of perspectives spanning local, national and third sector. New and existing members received a comprehensive induction and development programme with input from key stakeholders including the Scottish Government, HMICS, PIRC and Audit Scotland. In October it was announced with sadness that one of these new members, Robert Black CBE, had died. The Authority and its staff were also sad to hear of the death of Vic Emery, the first Chair of the Scottish Police Authority recognised as making a significant and lasting contribution in the early years of police reform.

Due to a planned period of medical leave by SPA Chief Executive Lynn Brown OBE, Accountable Officer responsibilities were transferred for a six-month period (September 2021 to March 2022) to Deputy Chief Executive Chris Brown, with Deputy Chief Executive Barry Sillers also taking responsibility for a range of Chief Executive duties.

Following an extensive recruitment and selection process, the Authority appointed a new Director of Forensic Services, Fiona Douglas on the occasion of the retirement of Tom Nelson.

Supporting the Chief Constable to maintain his leadership team following several retirements, the Authority conducted a process of assessment, interview and selection leading to the appointment of three new Assistant Chief Constables in March 2022.

The Authority's governance and engagement systems continued to improve and financial controls and management systems are robust and comparable with those across the public sector. The Authority published its 2020-21 Annual Report and Accounts in October 2021, confirming that policing managed its finances during 2020-21 within the budget set by the Authority. In its annual audit report 2020-21, Audit Scotland confirmed that the information provided to support the accounts were of a "good standard" and the Authority had made "good progress in implementing" recommendations from last year's audit.

Delivering on the Business Plan

The 2021-22 SPA Corporate Business Plan was an ambitious one, reflecting four key areas of focus and attitude; localism, social justice, technology and evidence that by definition include a wide range of views and perspectives. Set against a challenging list of milestones and in the context of ongoing COVID-19 disruption, [93% achievement of the plan](#) (117 out of 126 milestones) represents excellent progress during 2021-22.

Highlights from delivery of the plan include:

Joint work with Police Scotland to refresh the policing performance framework including the development of benchmarking measures.

Agreement on a joint Memorandum of Understanding with Police Scotland on engagement and communication relating to new and emerging strategy, policy and practice in areas of significant public interest.

Good progress on implementing recommendations from the Independent Review of Complaints Handling, Investigations and Misconduct Issues in Relation to Policing through development of an SPA Ethical Framework and a number of other improvements.

Delivery of a series of inclusive roundtable sessions, supported by public polling exercises on topics of public interest in policing; policing of COP26 protests; changes in public confidence in policing in Scotland; policing during the pandemic; and public confidence in the use of technology for policing.

Increased participation by the Authority in Scottish Institute of Policing Research (SIPR) networks resulting in agreement on joint funding of five projects during 2022 that will support policing to improve engagement with seldom heard communities as well as supporting innovation and learning to maintain policing in the public interest.

Development and implementation of the Authority's approach to securing and demonstrating Best Value alongside progress in the Authority's approach to assurance mapping, now providing a clear overview of sources of assurance available to the Authority.

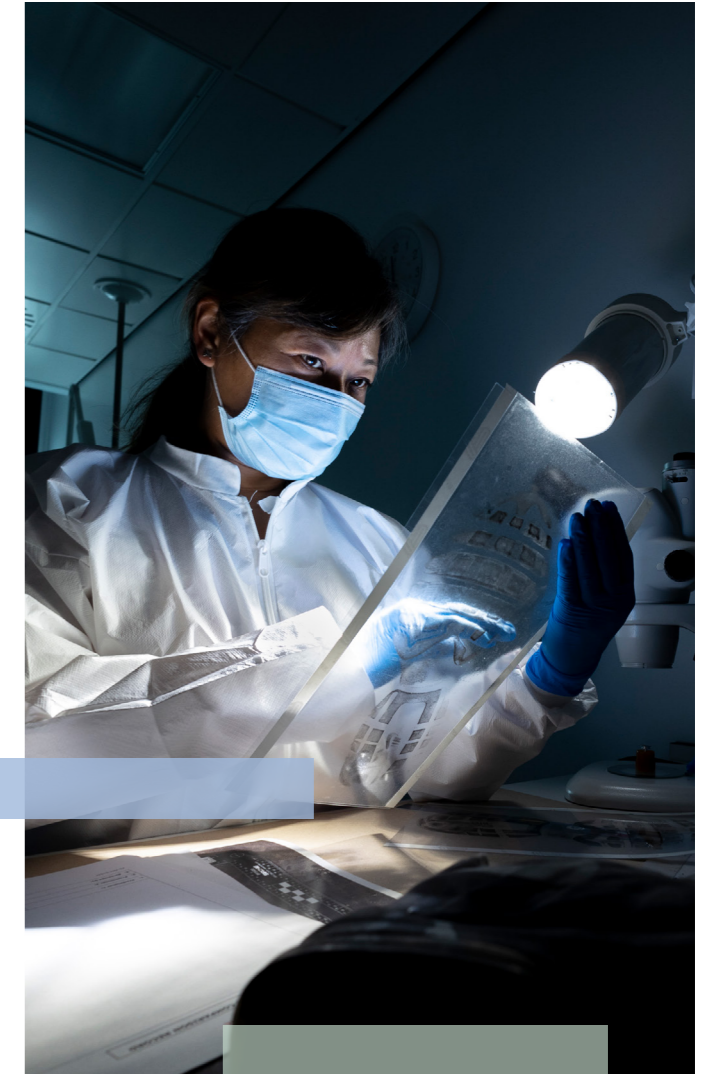
Agreement by the Authority of six-monthly change updates, thus maturing the approach to the Authority's strategic oversight of transformational change and the impact of change activity and related investment across the policing system to Best Value. A new approach to internal analysis of Business Cases was also developed which is now used to provide analysis and assurance to members.

Work by officials to evaluate the effectiveness of Police Scotland's current People Strategy, informing development of the new strategy later in 2022.

Development of a corporate SharePoint evidence and information hub to enable SPA officials' research and briefing in support of the Board's decision-making, oversight and scrutiny responsibilities.

Detailed evidence on the delivery of all SPA business plan objectives can be found in the full [SPA Corporate Performance Assessment 2021-22](#), which was submitted to the Authority's Audit, Risk and Assurance Committee in July 2022. Milestones not achieved in 2021-22 (7% of the Business Plan) are detailed in this report to the Committee, with the work being carried forward into the 2022-23 Business Plan. This delayed work includes the launch of the Authority's refreshed website and digital content offering, an internal review of SharePoint usage within the Corporate team, the creation of impact assessment framework, and the Corporate team's involvement in shaping the new Police Scotland People Strategy.

"Set against a challenging list of milestones and in the context of ongoing COVID-19 disruption, 93% achievement of the plan represents excellent progress during 2021-22."



Forensic Services Performance

During 2021-22 Forensic Services has continued to make progress delivering against agreed strategic objectives and outcomes although there has been a challenge relating to the timely processing of drug driving toxicology tests.

Forensic Services [reported](#) on its assessment of performance during 2021-22 to the Authority's Forensic Services Committee in April 2022. An updated [Forensic Strategy](#) was also approved by the Authority in September 2021 setting the direction of travel for Forensic Services in the years to come and building on progress made to date.

The following summary highlights key areas of progress made in 2021-22 and assesses aspects of performance relating to service delivery across core functional areas such as biology, physical sciences (including toxicology) and scene examination.

One of the most significant challenges during the year has been demand, particularly in the growing area of toxicology analysis arising from drug-driving cases. Forensic Services report performance quarterly to the Authority's Forensic Services Committee. Graphs and charts illustrating throughput, output, demand and capacity across the various service areas are provided in these reports, the latest reporting being for [Quarter 1 2022-23](#). Efforts are being made in 2022-23 to strengthen performance reporting approaches to the Committee under its new Chair, Paul Edie.

Work to Develop a New Toxicology Laboratory

In July 2021 the Scottish Government announced a new £6m toxicology laboratory for Scotland to test for a wide range of substances, including drugs and alcohol which will be run by Forensic Services. This investment will enable the transition of post mortem toxicology service from the University of Glasgow to Forensic Services with specialist staff transferring to support a sustainable business. Forensic Services, supported by Police Scotland, continues to work closely with COPFS and the Scottish Government to deliver this new laboratory.

"In July 2021 the Scottish Government announced a new £6m toxicology laboratory for Scotland to test for a wide range of substances."

Progress on Biometrics

Forensic Services established a Biometrics Working Group to provide strategic direction and oversight of all matters relating to biometric data that will impact on the service. This group will ensure that Forensic Services complies with the law and upholds transparently the rights of all citizens in Scotland.

The focus of the developing Forensic Services [Biometrics Strategy](#) will rest with Fingerprints and DNA, and particularly how Forensic Services will manage data exchange relationships with the UK and other international databases. Close working with Police Scotland, the Home Office Biometric Programme and the newly appointed Scottish Biometrics Commissioner will drive delivery.

Progression towards a New Operating Model

During 2021-22 Forensic Services progressed plans to implement a new Operating Model to strengthen the delivery of Forensic Services to the justice sector. Consultation with staff was initiated in November 2021, following meetings with the Joint Negotiating Consultative Committee. Consultation with staff will continue into 2022-23 due to the impact of the COVID-19 pandemic on staff absence and limiting the pace of progress in 2021-22. Progress has also been slower than anticipated in filling vacancies across the organisation due to extended vetting times. Capacity is expected to increase in the coming year as staff return to regular duties from absences (including secondments to the Operating Model Project) and absences diminish.

Improvements in Performance Management

Management information and performance data continue to improve in quality, with all managers having access to a suite of data dashboards. Confidence in the accuracy of data has improved and data irregularities are becoming easier to investigate and rectify.

For 2021-22 internally-driven key performance indicators (KPIs) have been in place to measure performance. Managers have been working closely together to make the required improvements to increase output and improve working practices. In addition managers are looking to reduce unnecessary examinations and plan unit resourcing to flex better with demand. The Memorandum of Understanding KPIs are under discussion and will be finalised in due course. Information sharing with partners has allowed for greater understanding as we start the next phase of Forensic Services transition.

United Kingdom Accreditation Service (UKAS)

The majority of the work of Forensic Services has been accredited by United Kingdom Accreditation Service (UKAS) for more than 20 years – this provides third-party quality assurance on the technical and managerial standards in place. Forensic Services hold accreditation to ISO 17025 and is currently seeking accreditation to ISO 17020.



Core Service Delivery Performance

Biology

Within the Biology unit, the use of advanced mark enhancement techniques ensures that DNA and Fingerprint evidence can be recovered to best advantage. While these techniques are complementary in most situations, expert knowledge of the characteristics of substrate surface materials and awareness of available techniques helps to determine the appropriate recovery to deploy.

As well as a fast-throughput volume crime unit, Forensic Services has serious and acquisitive sections which provide evidence in all manner of body fluid examinations, blood pattern distribution and DNA analysis - including complex mixture interpretation which can involve multiple individuals.

Scientists attend scenes of crime where necessary to assist scene examiners in niche expert areas. A significant achievement in 2021-22 involves examination of sexual offences, where a new technique was introduced to improve the detect rates from intimate samples. In addition, for the past five years Forensic Services has participated by supporting and providing expert guidance for the Forensic Medical Services (Victims of Sexual Offences) (Scotland) Act 2021. This was unanimously approved by the Scottish Parliament and received Royal Assent on 20 January 2021. Forensic Services will continue to provide DNA testing services to support this legislation.

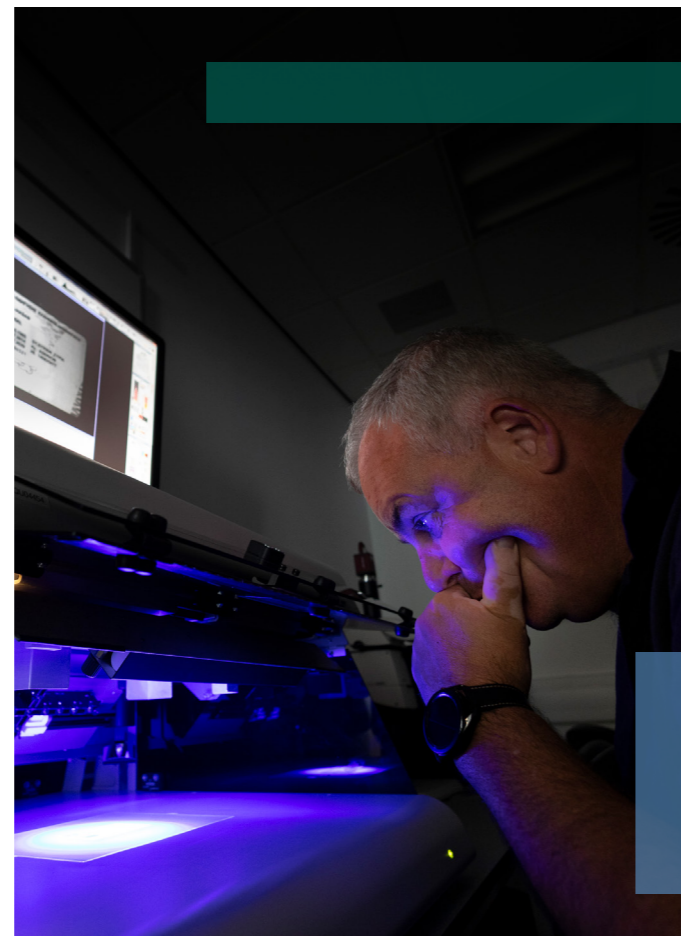
Demand and output in the Biology function have both increased in line with each other while the past residual caseload has remained static. This has been achieved in spite of a range of staffing issues which have reduced capacity. The overall ageing of the cases - the length of time a case has been in the unit - has decreased to the required level.

The introduction of standardised summary reports has been positive and has improved Forensic Services' professional output to partners as well as efficiency in the sites. Once seconded staff return to posts it is expected there will be an output gain over demand which will reduce the current case loadings.

The volume crime unit (VCU) in Biology has seen a fairly static demand trend over the year. In 2020 there was an overall correlation between Scene Examination activity and that of VCU and Fingerprints, however, a fall in VCU activity in the second half of 2021-22 has not been reflected in scene

examination activity (Group 3 crime activity in particular), nor has this resulted in a reduction in scene examination collection over the same period. In both February and March 2022 demand returned to more typical levels. A recent increase in backlog was due largely to Operation HATPIN, looking at high value frauds involving elderly people, and other operations which have required a faster delivery of results, which has led to a reduction in the unit's efficiency.

The Mark Enhancement Lab has seen a linear trend of decreasing demand with an increase in output. Some of this increase was as a direct result of COVID-19 distancing restrictions being lifted. Staff were able to return to normal working patterns as they occupy a smaller laboratory environment than elsewhere. The residual case load remains high and improvement measures are in place to tackle this. Given that current case ageing is high, there has been a focus on a few cases which date back almost a year.



Physical Sciences

Toxicology plays a significant role in sexual offence and traffic offence cases. Toxicology remains the one area of business where demand is out of step with service output, with demand for drug-driving toxicology analysis far outstripping what was estimated when changes to the Road Traffic Act 1988 were enacted in Scotland in 2019.

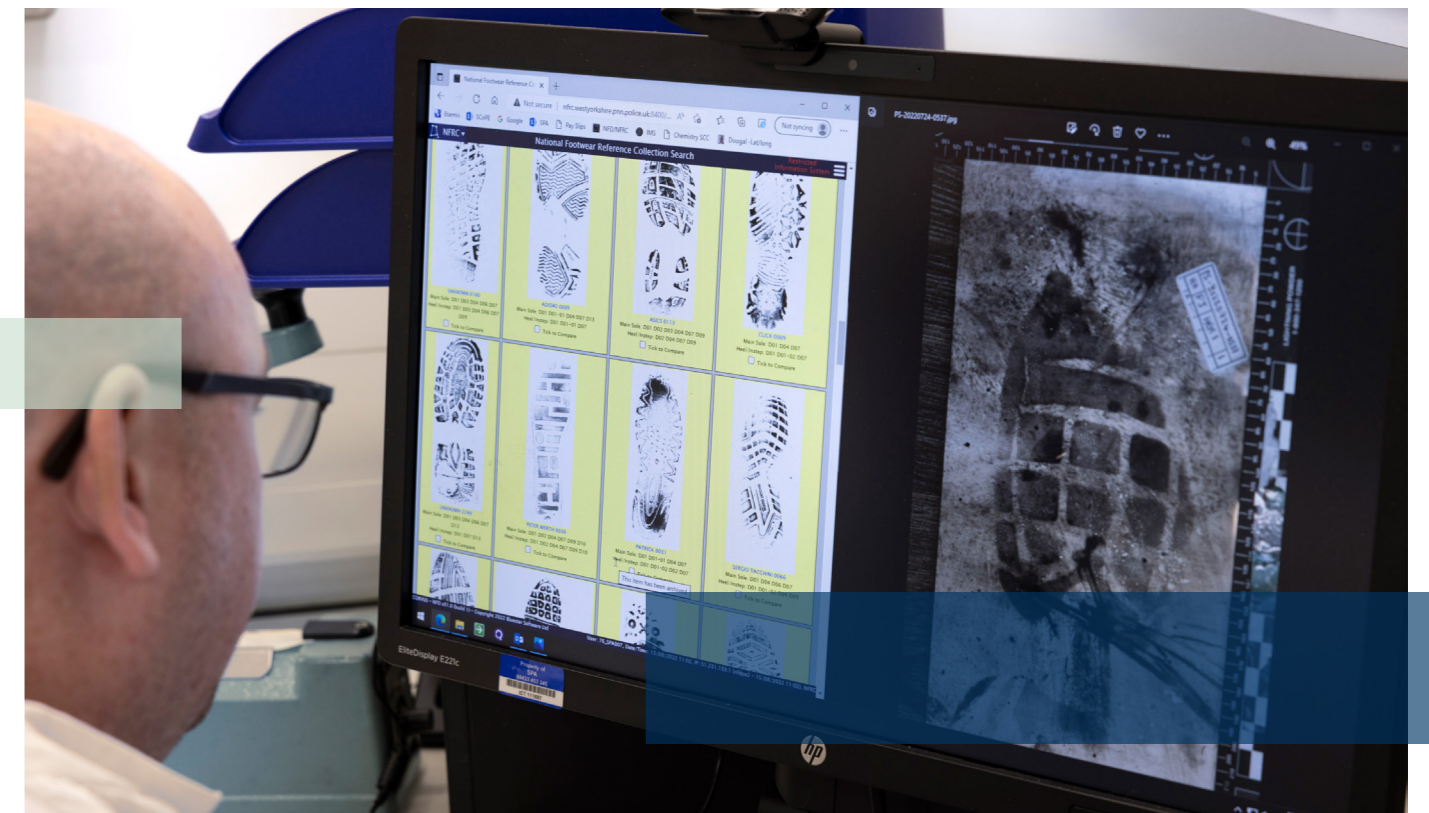
Toxicology analysis has seen the greatest increase in demand for its services. More than 5,600 blood samples have been tested since October 2019, however it was [reported](#) to the Authority in June 2022 that 386 cases (as of 20th May 2022) could not be taken forward for prosecution due to delays in forensic testing and having reached the 12-month time limit. Forensic Services are working with partners across the Justice Sector including Police Scotland, COPFS, and Scottish Government to try to understand the expected future demand and shape the drug-driving toxicology service accordingly.

Toxicology cases as a whole remain at an all-time high, although demand stabilised throughout the year. Output,

residual case load and case ageing continued to increase compared with the corresponding position last year. Some of that output was due to outsourcing of cases to an external private forensic service provider to mitigate issues associated with the high demand.

Refurbishment work in the Toxicology area was also completed in 2021-22 and this will support the drive for improvement actions around increased efficiency and output to be realised in the next financial year. The Toxicology team also provided support and priority analysis for spiking cases during the year, and Forensic Services also attended Scottish Government Roundtable discussions on spiking.

Aside from challenging demands in toxicology, chemistry and documents analysis has seen demand levels stabilise across the year accompanied by an increase in output. There has been an increase in all performance measures in fingerprint cases throughout the year as a consequence of providing enhanced support to mark enhancement (and imaging) to ensure the timely case progression of drugs cases. Firearms case work has remained static throughout the year for demand and output.



Scene Examination

Scene examination includes an imaging unit, which is a niche area of business in Forensic Services for illustrative and comparative image-based casework. This includes conversion of digital evidence into digital formats and e-books for court and use at strategy meetings. In addition, the unit provides two and three-dimensional reconstruction/animations, body-mapping, cell-site analysis and court presentation packages.

Scene Examination staff cover the whole of Scotland and are called out to volume crime incidents to recover any evidence which could be useful in crime detection and identification. They are also called out to any suspicious death and any major investigations and they play an integral role with Police Scotland to bring fit-for-purpose evidence into the laboratories to be examined and analysed.

Imaging services has recently moved to the same performance management system as the other departments and are in a phase of understanding their business demands and outputs and the setting and monitoring of KPIs.

Scene examination saw an 11% increase in requested attendance from 2020-21 to 2021-22. This was a return to more typical levels but still below pre COVID-19 numbers. Timeliness figures were relatively static across all areas of the business, routinely achieving the 90% target for attendance within 24hrs of request for serious crimes, and just short of 90% for all crime categories combined.

"Scene examination saw an 11% increase in requested attendance from 2020-21 to 2021-22."

High Impact Case Studies

Among the many examples of strong case-level performance in Forensic Services in 2021-22, two high-profile cases in particular stand out, illustrating effective working and professionalism in line with Forensic Services' Crime Scene to Court model.

In April 2021, a 59-year old man was convicted of murdering a 58-year old woman in her Glasgow flat on 26 September 1984. The conviction, after more than 30 years, followed a cold case review which revealed opportunities using DNA 24 technology brought into Forensic Services in the past few years. The Forensic Services Cold Case Review Team carried out a full forensic review of this case which identified a number of items for further DNA analysis which resulted in finding DNA attributable to the male perpetrator on several items.

A former Greek serviceman aged 35 was jailed for eight years in February after he admitted leaving a potentially explosive device in Princes Street Gardens, Edinburgh, which was found on 11 January 2018. The High Court in Edinburgh heard how his DNA had been found on adhesive tape in the device. He claimed to be a member of the International Terrorist Mafia - a Mexican eco-terror group and pleaded guilty to being in possession of items for a terrorist purpose.

Financial Performance

Since 2013, Policing in Scotland has undergone significant change. By bringing together legacy organisations to create Police Scotland, the focus was on breaking down historic boundaries, delivering equal access to services and improving the safety and wellbeing of people and communities within Scotland.

Despite achieving significant savings and having a commitment from Scottish Government to protect the budget in real terms, the service continued to operate with a significant revenue deficit until 2020-21, as agreed with Scottish Government. Financial sustainability was therefore the primary objective of various financial strategies developed over the past number of years and these highlighted that without a structural revenue funding correction, significant workforce reductions would be required to close the budget gap.

The Scottish Government's 2021-22 budget confirmed a significant revenue funding uplift for policing, providing the funding correction necessary for the Authority to address the structural deficit without the requirement for significant workforce reductions.

Since 2016-2017, the Authority has secured additional core revenue funding of £242.4m, from £1,003.4m in 2016-17 to £1,245.8m in 2022-23 (£1,228.5m in 2021-22). Core revenue budgets have increased by 24.2% over that period. This funding is in line with our interpretation of Real Terms Protection which allowed the Authority to maintain officer numbers at 17,234 whilst funding pay award. Staff Pay and Rewards Modernisation (SPRM) and other unavoidable pay pressures. It also provided the required uplift in non-pay budgets to improve the quality of our estate and equipment.

It is recognised that a balanced budget, along with Scottish Government's manifesto commitment to real terms protection, would have provided policing with a stable platform and a route to maintaining financial sustainability over the longer term, whilst maintaining current levels of policing. However, the Scottish Government's multi-year Resource Spending Review published on 31 May 2022 indicates a flat cash settlement over the remainder of the parliament which will have significant implications for the organisation.



Revenue

The Scottish Government provided a £60m uplift in core revenue funding, as well as an additional £15m of one-off funding to support the impact of COVID-19. When combined, the total funding allowed the Authority to set a balanced revenue budget of £1,205.3m with no operating deficit. The Board approved the 2021-22 annual budget on 24 March 2021.

As part of the Spring Budget Revision (SBR) process, Scottish Government provided additional funding of £10.9m to support the 2021-22 pay deal for police officers and staff and a number of specific initiatives.

At the time of the SBR process, all indications were that the Police Authority would not utilise all of the £15m in-year COVID-19 funding. This was discussed with Scottish Government, and as a result, a technical adjustment was made through the SBR to remove £6.2m of the COVID-19 funding from the overall budget allocation.

However, the emergence of the Omicron variant of COVID-19, and the additional restrictions that were put in place in December 2021, had significant consequences for the operational policing response. Scottish Government therefore authorised the Police Authority to spend up to an additional £6.2m on COVID-19 related expenditure, effectively reinstating the full £15m COVID-19 funding for 2021-22. Table 1 sets out the final revenue outturn position against budget for 2021-22.

The table shows that core revenue budget has broken even on a fully funded recurring basis. Overall net expenditure is £10.9m higher than budget primarily due to pay deals and specific initiatives, all fully funded by Scottish Government. There are also a number of other offsetting variances that have been managed across the year as part of the quarterly reforecasting process, which broadly nets to zero.

As mentioned previously, due to the emergence of the Omicron variant of COVID-19, Scottish Government authorised the Police Authority to spend up to an additional £6.2m on COVID-19 related expenditure, effectively reinstating the full £15m COVID funding for 2021-22. The Police Authority ultimately only required to spend £3.5m of this additional authorised spend. As a result of timing, the £3.5m is presented as an approved (technical) overspend

Table 1

Revenue Outturn (excluding COP26 costs)	Budget £m	Outturn £m	Variance £m
Police Officer Costs	827.3	843.9	(16.6)
Police Staff Costs	215.0	214.0	1.0
Non-pay Costs	165.9	166.5	(0.6)
Income	-29.4	-35.7	6.3
Total Police Scotland	1,178.8	1,188.7	(9.9)
Forensic Services	36.6	35.6	1.0
SPA Corporate	4.9	4.2	0.7
Net Expenditure	1,220.3	1,228.5	(8.2)
Categorised as:			
Net Expenditure core revenue budget	1,205.3	1,216.2	(10.9)
Net Expenditure COVID-19	15.0	12.3	2.7
Total Net Expenditure	1,220.3	1,228.5	(8.2)
Funding core revenue grant	1,205.3	1,216.2	(10.9)
Funding COVID-19	15.0	8.8	6.2
Funding Total	1,220.3	1,225.0	(4.7)
Core revenue budget	0.0	0.0	0.0
COVID-19	0.0	3.5	(3.5)
Approved overspend	0.0	3.5	(3.5)

above, however, as noted, all spend is in line with the approved Scottish Government funding position. As shown in the table 1, COVID-19 related expenditure amounted to £12.3m, which comprised loss of income £5.9m, cost of personal protective equipment £2.1m, delayed leave £2.0m, overtime £1.8m and other items £0.5m. This additional funding was provided by Scottish Government and was deployed in support of the continuity of an effective operational policing function.

The Scottish Government also provided additional cash resources of £27.0m to cover the approved overspend and working capital requirements.

Capital

Table 2 sets out the capital expenditure and the capital funding for 2021-22 which resulted in an underspend of £0.1m against funding.

Table 2

Capital Outturn	Budget £m	Outturn £m	Variance £m
Expenditure			
Estates	11.4	11.4	0.0
Fleet	8.5	14.6	(6.1)
Digital Division	7.0	7.9	(0.9)
Specialist Policing Equipment	3.6	3.5	0.1
Weaponry & officer safety	3.2	2.2	1.0
Forensics Services	1.6	1.5	0.1
Business as Usual Capital Expenditure	35.3	41.1	(5.8)
Criminal Justice Service Programme (CJSP)	3.6	1.9	1.7
Data Drives Digital (DDD)	3.1	1.8	1.3
Digitally Enabled Policing Programme (DEPP)	3.5	4.7	(1.2)
Digital Division	0.0	0.5	(0.5)
Modern Contact & Engagement (MC&E)	3.1	1.6	1.5
Local Policing Programme (LPP) - NEDIP	1.5	1.5	0.0
Estates Transformation	2.5	0.8	1.7
Rights & Justice Legislative Programme (RJLP)	1.1	0.1	1.0
Technical Surveillance	1.8	0.7	1.1
Cyber Capabilities	0.4	0.0	0.4
Project Weaver	0.0	3.4	(3.4)
Other projects	0.2	0.0	0.2
Transformation Capital Expenditure	20.8	17.0	3.8
Slippage Management*	(2.4)	-	(2.4)
Total Expenditure	53.7	58.1	(4.4)
Funding			
Grant in Aid	45.5	50.1	(4.6)
Reform Funding	4.6	4.6	0.0
Receipts from sale of assets	3.6	2.4	1.2
Other grants	0.0	1.1	(1.1)
Total Funding	(53.7)	(58.2)	(4.5)

*Excludes COP26 costs ** Slippage management relates to anticipated actual implementation of spending plans and phasing of spend over the financial year.

A number of transformation programmes saw a delay in delivery in 2021-22, namely Criminal Justice Service Programme (CJSP), Estates Transformation, Data Drives Digital (DDD), Modern Contact & Engagement (MC&E), Rights & Justice Legislative Programme and Technical Surveillance offset by an acceleration of the Digitally Enabled Policing Programme (DEPP) and Digital Division transformation. A new project regarding the transfer of post mortem toxicology services from Glasgow University, was

initiated in 2021-22 and was allocated full funding by the Scottish Government. All underspent funding allocated to these programmes, was redirected to areas of strategic importance such as Fleet and Digital Division.

Reform

The Authority's revenue budget has included an element of non-recurring police change (reform) funding since 2013-14, the purpose of which has been to support the change and transformation of policing in Scotland.

Originally in 2021-22, a total of £29.6m was made available by Scottish Government (£25m of revenue reform funding as set out in the table below, and £4.6m of capital reform funding as noted in the capital section). The funding could only be drawn down once the Authority and Scottish Government were satisfied that there were robust business cases in place that demonstrated best value in the use of reform funding. As part of the Spring Budget Revision (SBR) process, £1.9m of revenue funding was returned to the Scottish Government as a result of robust in-year forecasting processes.

Similar to prior years, the greatest element of reform expenditure related to resources to support transformation projects, staff pay and reward modernisation (SPRM), voluntary redundancy programme and departmental reorganisations.

The full year outturn is £2.1m under budget, mainly driven by lower levels of spend associated within transformation resource, delays and programme amendments within Enabling Policing for the Future (EPF), Estates Transformation and People & Development (P&D) programmes.

Table 3 sets out the reform expenditure and the reform funding for 2021-22 which resulted in an underspend of £0.2m:

Table 3

Revenue Reform Outturn	Budget £m	Outturn £m	Variance £m
Transformation resource	12.1	9.7	2.4
Staff Pay and Rewards Modernisation (SPRM)	2.2	2.4	(0.2)
Data Drives Digital (DDD)	0.9	0.7	0.2
Digitally Enabled Policing Programme (DEPP)	1.2	0.9	0.3
Enabling Policing for the Future (EPF including Change)	3.8	1.4	2.4
Estates Transformation	2.6	0.2	2.4
Modern Contact & Engagement (MC&E)	0.1	0.0	0.1
NE Integration Project (NEDIP)	1.1	1.2	(0.1)
Criminal Justice Service Programme (CJSP)	0.3	0.1	0.2
People & Development Programme (P&D)	1.4	0.7	0.7
Rights & Justice Legislative Programme (RJLP)	0.4	0.0	0.4
VR/VER	2.8	3.7	(0.9)
Cyber Capabilities & Strategy	0.5	0.5	0.0
Other Projects	0.3	1.4	(1.1)
Slippage management*	(4.7)	-	(4.7)
Total expenditure	25.0	22.9	2.1
Reform funding	(25.0)	(23.1)	1.9

* Slippage management relates to anticipated actual implementation of spending plans and phasing of spend over the financial year.

Statement of Financial Position

The Statement of Financial Position continues to feature a very significant pension liability of £24.5bn (2020-21: £22.2bn), which represents the total value of current and future pension costs. Of this, 99% is attributable to the Police Officers' Pension Scheme which is an unfunded, defined benefit scheme and the costs of providing pension benefits, due under this scheme, are met by the Scottish Government on an ongoing basis. Consequently, although these costs are significant, they do not directly impact the Authority's spending or prioritisation decisions and in turn, do not directly impact upon operational policing. The increase in the police scheme's liability during the year was £2.3bn (2020-21: £2.1bn), which is primarily attributable to increases in the expectations for future pension increases (CPI inflation).

The Authority continued to monitor cash levels throughout the year, to ensure cash balances were held, sufficient to meet outgoings in year and payments due to be made in the first few

days of April 2022. Cash holdings at 31 March 2022 amounted to £46.9m (2020-21: £11.3m). Additional cash of £27.0m (2020-21: £36.0m) was received from Scottish Government to cover working capital movements and the approved outturn overspend of £3.5m which was not funded by Grant in Aid.

Reconciliation to Statement of Comprehensive Net Expenditure (SOCNE)

The Statement of Comprehensive Net Expenditure (SOCNE) position is presented in the Financial Statements section of the 2021-22 Annual Report and Accounts (p149). The Comprehensive Net Expenditure indicated within the SOCNE is £3,644.9m. The table below shows the reconciling items from the Financial Performance revenue outturn position stated at Tables 1 and 3, leading to the Comprehensive Net Expenditure total. These further items are mostly non-cash costs applied to the SOCNE, and actuarial movements on pensions chargeable to expenditure.

Table 4

Financial Performance Outturn	Reference	£m	£m
Revenue Outturn (Core funding)	Table 1, p76	1,228.5	
Revenue Outturn (Reform funding)	Table 3, p78	22.9	
COP26 Outturn (GiA Revenue Spend)	(p140)		1,251.4
			49.0
Total Revenue Resource Outturn	Statement of Resource Outturn (p140)		1,300.4
Reconciliation to Statement of Comprehensive Net Expenditure (SOCNE)			
Non-cash costs			
IAS adjustments (pensions)		575.5	
Depreciation and Impairment	Reconciliation of Statement of Resource Outturn to Statement of Comprehensive Net Income (p141)	60.5	
Movement in provisions		(2.0)	
Other		(1.1)	632.9
Net Expenditure	SOCNE (p149)		1,933.3
Net gain on revaluations	SOCNE (p149)	(6.0)	
IAS19 (pension) actuarial loss	SOCNE (p149)	1,717.6	
Other Comprehensive Expenditure	SOCNE (p149)		1,711.6
TOTAL Comprehensive Net Expenditure	SOCNE (p149)		3,644.9

Further information on this position, including funding streams for the items above, is provided in the Statement of Resource Outturn (p140).

Forward Financial Outlook

2022-23 Budget

The Board approved the 2022-23 annual budget on 23 March 2022. This budget sets out the spending plans for Police Scotland, Forensic Services and SPA Corporate regarding revenue, capital and reform for the coming financial year.

The Authority's core revenue funding has increased by £40.5m (3.4%) in 2022-23. The budget also includes £6.6m of one-off additional funding to support the in-year impact of COVID – mainly to fund lost income and recovery of the Justice system.

In addition to the above, revenue funding is provided in-year to support the transfer of post mortem toxicology services to the Authority and to support drug driving legislation. When combined with the core revenue funding and additional COVID support, this allows a balanced revenue budget to be set for financial year 2022-23.

Despite setting a balanced budget, there are a number of significant challenges facing the Authority for financial year 2022-23 and beyond, including:

The cost of living increase is on track to be at its highest in over 30 years. The most significant revenue impact will be seen across non-pay costs, including utilities, fuel and supplies & services. Although some provision is included in the 2022-23 revenue budget, inflation is running significantly higher than anticipated.

Officer attrition is anticipated to be significantly higher in 2022-23 due to changes in the Police pensions regulations. This is on top of a reduced probationer intake in Q4 2021-22 due to COP26/COVID and so has significant operational and financial consequences for the organisation that require careful management throughout the year.

In addition to the above, there are also a number of material threats that have not been budgeted for, some of which may crystallise during the year, including the possibility of unbudgeted legal claims, the budgeted level of income and achieving specific savings that have been built into the revenue budget.

Capital and reform funding allocations have been proposed as flat cash for 2022-23. Given the current impact of inflation, this represents a real terms reduction in funding. When combined with capital receipts, the capital allocation is £52.6m for 2022-23 which has been eroded by inflation and will now pay for significantly less. The Scottish Government continues to provide reform funding of £25m to support change and the transformation of policing.



Financial Sustainability – Longer Term Financial Planning

Financial sustainability has been the primary objective of the medium/long term financial strategies developed since 2016, all of which highlighted the significant funding challenges facing the service.

Multi-year financial plans were developed, which focus on the sustainable elimination of the Authority's structural deficit by way of a combination of workforce reductions or a correction to revenue funding. Scottish Government's 2021-22 budget confirmed a significant core revenue uplift for policing, providing the funding correction necessary for the Authority to address the historical structural deficit.

A balanced budget, along with Scottish Government's original manifesto commitment to protect the police resource budget in real terms over the lifetime of the current parliament, would have provided policing with a stable platform and a route to maintaining financial balance whilst maintaining current levels of policing.

Given that circa 87% of the revenue cost base relates to pay, the Authority's interpretation of real terms protection is that funding will keep pace with unavoidable pay pressures including wage inflation, Staff Pay and Rewards Modernisation (SPRM) and national insurance changes, and that additional funding will be provided to support key changes in legislation or service changes. However, the Scottish Government's multi-year Resource Spending Review published on 31 May 2022 indicates a flat cash settlement for the Police Authority over the remainder of the current parliament. Given the current impact of inflation and the expectation around future pay awards, a flat cash settlement actually represents a real terms reduction for policing which will have significant and severe implications for the organisation, both in terms of strategic workforce planning and in ensuring that operational and financial objectives can continue to be achieved.

A financial planning framework was approved in March 2022 alongside the 2022-23 annual budget. The key objective of this framework is to ensure that current resources are used as efficiently and effectively as possible, and that an evidence-based approach can be developed to inform future funding discussions.

The Scottish Government capital spending review was published in February 2021 which noted funding of c. £52.6m (including anticipated capital receipts) per annum for the Authority over the next five years. This level of funding is significantly short of the £463m capital required over the 5 years, to deliver a policing service for the 21st century.

Rising inflation is already reducing the spending power of our capital and revenue budgets.

To meet the complex and increasing demands on policing and to ensure a safe, protected and resilient Scotland, Scottish Government's commitment to investment in policing over the coming 5 years needs to go significantly beyond real terms protection or flat cash to allow the organisation to keep pace with the rising cost of change, service transformation and the introduction of new technology.

In line with the principles outlined in the financial planning framework, the organisation will continue to demonstrate where new emerging threats and risks, and changing demand, cannot be accommodated within the existing size and capabilities of the workforce, and will continue to make a strong case for additional funding to Scottish Government, including the proposal of additional funding routes such as up-front funding in advance of long term disposal income (i.e. bridging finance).

"Scottish Government's 2021-22 budget confirmed a significant core revenue uplift for policing, providing the funding correction necessary for the Authority to address the historical structural deficit."

Financial Strategy Refresh

The Scottish Government's Resource Spending Review was published on 31 May 2022. This sets out a multi-year resource plan covering the lifetime of the current Parliament (2022-23 – 2026-27). When considered alongside the Capital Spending Review that was published in 2021, these two outputs provide a comprehensive picture of the likely funding available to policing over the next 5 year period. As noted above, the spending review for both capital and revenue indicates a flat cash settlement for the remainder of the current parliament which will have severe implications for the organisation.

The organisation's medium term financial plan will be updated in Autumn 2022 in line with the spending review outcomes and the financial planning framework principles.

Development of a robust longer term financial strategy is highly dependent on a number of key enabling strategies, including the strategic workforce plan, the target operating model and the transformation roadmap. This strategy will be prepared in line with the strategic business planning cycle.

Conference of the Parties (COP26)

The UK Government hosted the United Nations Framework Convention on Climate Change (UNFCCC) 26th Conference of the Parties (COP26) from 31 October - 13 November 2021 in the host city of Glasgow at the Scottish Event Campus (SEC) as the island site venue.

The policing operation to support the delivery of a safe and secure event was one of the largest and most complex in the history of UK policing. Almost every policing division and department within Police Scotland was involved in the planning and delivery of the policing operation, as well as critical support from many other UK police forces.

The policing operation required funding from HM Government, incremental to the Authority's 'business as usual' budget. The interaction of the logistics planning team with procurement, finance and business support underpinned the successful delivery of over 150 contracts. This approach meant that all requirements for contracts were clear and ensured Police Scotland was equipped to police the event.

Overall, £66.8m was approved by the COP26 Unit's Spend Approval Board (SAB) to fund Police Scotland's directly incurred expenditure. The SAB also noted the final cost estimates for the mutual aid support from other UK police forces (£55m – actual outturn £48m) and associated accommodation costs (£37m), both of which were funded directly by HM Government.

Type of spend	COP26 Spend Approval £m	Programme Spend £m	Variance £m	Variance %
2019-20	0.4	0.4	0.0	0%
2020-21	3.8	3.8	0.0	0%
2021-22 (see table below)	62.4	55.7	6.7	11%
2022-23	0.2	0.2 (est)	0.0	0%
Total marginal cost	66.8	60.1	6.7	10%

COP26 2021-22 (Only)	Revenue £m	Capital £m	Total £m
Spend (as above)	53.2	2.5	55.7
Income (additional funding due from UKG)	(4.2)	-	(4.2)
Total expenditure	49.0	2.5	51.5
GiA funding	49.1	2.4	51.5

The full incremental cost to the Authority, of policing COP26 has been recovered from HM Government in line with the agreed principle of "no financial gain or detriment" to the Authority as a result of policing the event. COP26 costs have therefore been excluded from the outturn figures reported in table 1 and 2. Actual spend was lower than approved due to contingency funds not being required and some costs being borne directly by HM Government.

Conclusion

The Authority has been subject to significant challenges and unprecedented demand during the financial year, mainly as a result of delivering the policing operation for COP26 and dealing with the operational impact of COVID-19. In addition, a unique combination of internal and external factors impacted on the deliverability of capital expenditure, including; the impact of COP26, time taken to on-board new resource and dealing with supply chain issues. Despite these challenges, the outturn for the year ended 31 March 2022, is in line with the approved funding position.

As we move into the new financial year, the organisation is facing a set of new challenges including; the impact of rising inflation, longer delivery lead times, supply chain issues and increasing officer attrition.

Financial plans will continue to be reviewed and refined to ensure that they reflect the most up to date information, and will be used as a framework for annual budget development. The Authority will continue to engage with Scottish Government to make a strong case for additional funding in line with the Financial Planning Framework principles approved in March 2022.



"As we move into the new financial year, the organisation is facing a set of new challenges including; the impact of rising inflation, longer delivery lead times, supply chain issues and increasing officer attrition."

Non-Financial Information

Modern Apprenticeships

The Modern Apprenticeship programme has continued to be fully supported during this year.

Police Scotland went live with the Modern Apprenticeship (MA) in Policing programme (SCQF Level 7) on 1 April 2021. Over three intake cohorts, 615 probationers commenced on the programme.

The programme involves progress review meetings every 13 weeks which provides structured support for learners, with trends and patterns in learning experiences being analysed by Police Scotland to continually improving the learning journey. External audits undertaken by Skills Development Scotland have found participants to be generally positive about the programme, with the formal qualification awarded at the end of the programme being viewed as a valuable objective.

Police Scotland drawdown approximately £390k from the Apprenticeship Levy to support the costs of the programme, with draw down values being based on achievement of key milestones throughout the training programme.

For the MA in Policing, this means that one sixth of the drawdown value is paid at each milestone event. These occur at weeks 12, 44 and 66 of the full programme. The remaining half of the funding value is paid on completion of the MA programme, at week 92. Drawdown values vary for each individual on the programme are based on a range of criteria:

Age
Whether or not the individual has a disability
Whether they are care experienced
Where the individual comes from in Scotland with reference to the Scottish Multiple Deprivation Index

In addition, there has been initial expenditure of £5k to Skills for Justice for the development of a set of National Occupational Standards. These are the foundation of a formal qualification which will be worked on with a view to further professionalising the Criminal Justice Police Custody & Security Officer role within the Criminal Justice Services Division.

Anti-Corruption Unit

Officers and staff of Police Scotland, the Authority and Forensic Services should demonstrate the highest standards of professional behaviour, honesty and integrity. Police officers are bound by conduct regulations and the standards of professional behaviour which reflect the expectations of its officers, whether on or off duty.

The Anti-Corruption Unit (ACU), which comes under the banner of Professional Standards, is a stand-alone national unit empowered to conduct intelligence led investigations into the minority who engage in corrupt activity. The ACU also carries responsibility for investigating reports of corruption across the wider organisations within the criminal justice system, for example, Crown Office and Procurator Fiscal Service (COPFS), Scottish Courts and Tribunals (SCTS), and the Scottish Prison Service (SPS).

The ACU will, amongst other matters, also support members of the organisation in identifying, taking ownership of, and proactively managing any identified personal vulnerabilities.

In support of potential areas of vulnerability, Police Scotland operates a register of gifts and gratuities to ensure a transparent notification and recording process, with the general position being that gifts and gratuities will not be accepted.

The Notifiable Associations Standard Operating Procedure (SOP); along with the Business Interest and Secondary Employment SOP, provide clear definitions and guidelines to ensure formal reporting of any associations and any business interests or secondary employment. Subsequent assessment of any potential for compromise to the member or the organisation as a result of such declarations is made, with relevant mitigation and management strategies thereafter being put in place.

A whistleblowing policy and an anonymous integrity reporting mechanism is also in place to further support staff in raising any concerns.

Fraud

The Fraud and Economic Crime Standard Operating Procedure (SOP), issued by the Specialist Crime Division, details examples of common areas subject to fraudulent activity.

It details the processes for reporting and addressing potential cases of fraud and related activity, whether internal or external. This also includes any cases of bribery, meeting the requirements of the Bribery Act 2010.

Independent Custody Visiting Scheme (ICVS)

Since 1 April 2013, the Authority has had a statutory duty to maintain and manage an Independent Custody Visiting Scheme (ICVS) to monitor the welfare of people detained in police custody facilities throughout Scotland. Additionally, the legislation details the Authority's responsibility for both reporting on the scheme and keeping the scheme under review and revising as required. In line with this the Authority produces an [annual review](#) of ICVS activities.

The ICVS helps to ensure that the Authority is meeting its obligations on equality, diversity and that we are protecting human rights. It also helps to ensure that, in the wider context, Scotland is doing everything it can in its public services to meet international standards set by the United Nations in its Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

During 2021-22 the Authority conducted a proactive management review of ICVS arrangements, with a focus on continuous improvement. The review included gathering the views of independent custody visitors, the volunteers who deliver the service. These views have influenced the outcome of the review, which identified 5 key considerations for the scheme.

Next steps involve creating a vision, which will describe the future aspirations for the scheme based on findings from the view, and development of an ICVS implementation plan which will include commitments such as digitalisation of the scheme. Work will also be taken forward on targeting recruitment of volunteers for key areas and reaching out to diverse groups within local communities.



"Work will also be taken forward on targeting recruitment of volunteers for key areas and reaching out to diverse groups within local communities."

Environmental Matters

Sustainability

In reference to the Climate Change (Scotland) Act 2009; as a public body, Police Scotland has a responsibility to act in as sustainable a way as possible. This means making all practical efforts to reduce direct and indirect impacts on the environment. The Service is also required to report on this work in the Public Bodies Duties Climate Change Report to Government each November and the triennial [Biodiversity Report \(2020\)](#).

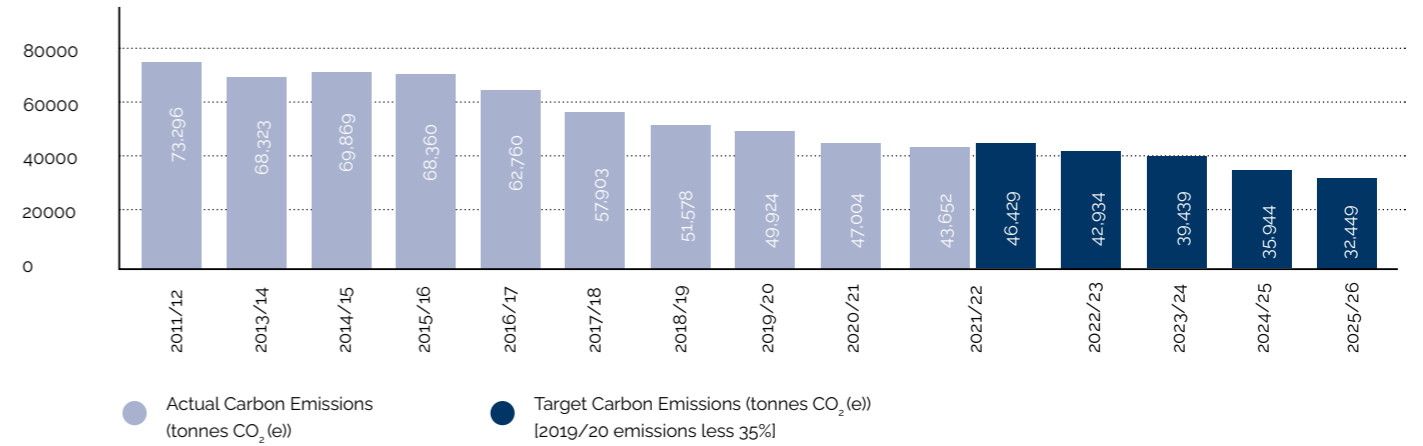
Progress is being made in delivery of the [2021 Environmental Strategy](#). This targets a reduction of 35% from 2019-20 CO2e emission levels by 2026; building on reductions of 25% already achieved since 2013-14, as reported in prior years. The current reduction is on track and is expected to be achieved through electrification of the motor fleet, energy efficiency, building rationalisation, implementation of renewable energy

generation and a reduction in carbon generation sources for grid electricity. There may be an offsetting increase in indirect emissions due to, for example, changes in working practice since the pandemic (with more staff working from their own homes), but this is challenging to quantify.

Police Scotland has also broadened its aims to include biodiversity, behaviour change and community action as well as traditional carbon reduction activities, and is in the process of establishing a list of projects that will begin in 2022/23. Some projects will be focused on environmental impact reduction whilst others will be based on evidence and data gathering in order to maximise impact of subsequent activities. The service intends to establish a network of Green Leaders across the organisation to assist with project implementation and behaviour change.

Sustainability Performance Scorecard 2021/22						
Direct Carbon Emissions (Tonnes of CO ₂)						
Indicator	19/20	20/21	21/22	Trend (21/22 vs 20/21)	Overall Trend	
Estates	32,600	30,434	27,357	▼	▼	
Fuel	16,620	16,255	14,722	▼	▼	
Business Mileage	704	315	317	▲	▼	
Car Hire	N/A	N/A	1,247	—	—	
Electric Vehicles	N/A	N/A	9	—	—	
Total	49,924	47,004	43,652	▼	▼	
Units of Energy Consumed (Kilowatts/hour kWh)						
Electricity	57,095,453	54,272,696	52,275,663	▼	▼	
Electric Vehicles	N/A	N/A	105,995	—	—	
Gas	84,161,698	84,782,872	78,431,809	▼	▼	
Units of Fuel Consumed (Litres)						
Fuel	6,279,912	6,185,507	5,621,148	▼	▼	
Waste and Renewable Energy (kWh Generated/Tonnes Produced)						
Renewable (kWh)	127,937	133,311	187,747	▲	▲	
Waste (tonnes)	2,433	2,090	2,073	▼	▼	

Carbon Emissions (tonnes CO₂ (e))



Biodiversity

Part 1 of the Nature Conservation (Scotland) Act 2004 and Part 5 of the Wildlife and Natural Environment (Scotland) Act 2011 require public bodies to provide a report every three years on the action they have taken to further the conservation of biodiversity in Scotland. The Authority and Police Scotland's joint [Biodiversity Report \(2020\)](#) has detail on actions taken, both operationally, such as work by Police Scotland to combat rural and wildlife crime, and organisationally, such as how the Authority and Police Scotland encourage and monitor biodiversity and seek to raise awareness among staff and officers.

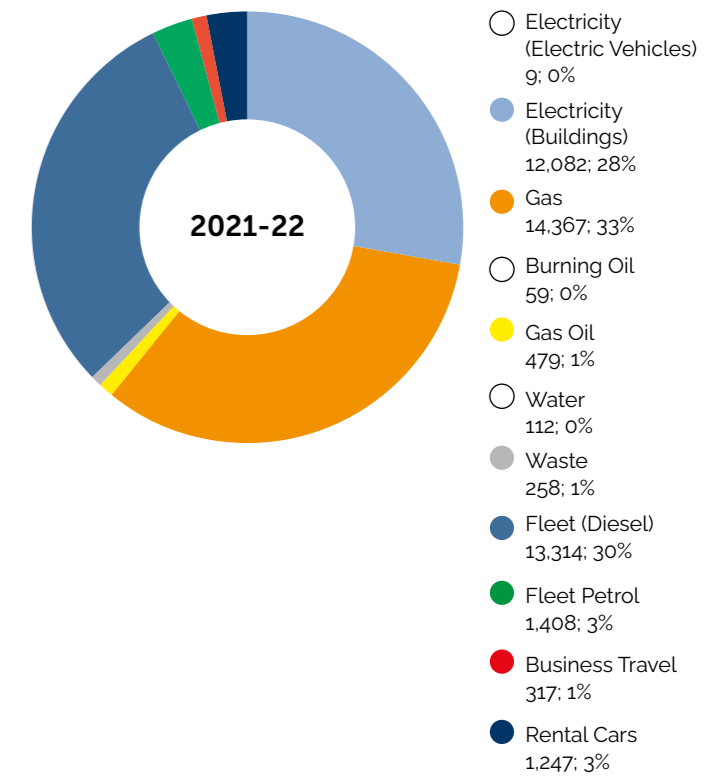
As part of the Environment Strategy within 2022-23 Police Scotland and the Authority will undertake a biodiversity review of the estate to identify suitable sites for habitat support and enhancement for a diverse range of species. It is envisaged that the Green Leader network will support this work; with consultation currently ongoing with Nature Scotland on the best approach to this work.

Renewables

As reported last year, Police Scotland have now completed a technical review of the estate to assess the potential for wider roll out of renewable technology (primarily photovoltaic (PV) or solar panels). As a result, 20 sites have been identified as suitable for solar PV that will go ahead over a 2-year installation programme.

Not only will this reduce use of grid electricity but additionally help to mitigate the uplift in electricity consumption due the increased use of electric vehicles.

Sources of Carbon Emissions 2021-22 (in tonnes CO₂(e))



Police Scotland aim to have 50% of their unmarked fleet as electric vehicles by the end of 2022/23; an important step towards having a fully electric fleet by 2030.

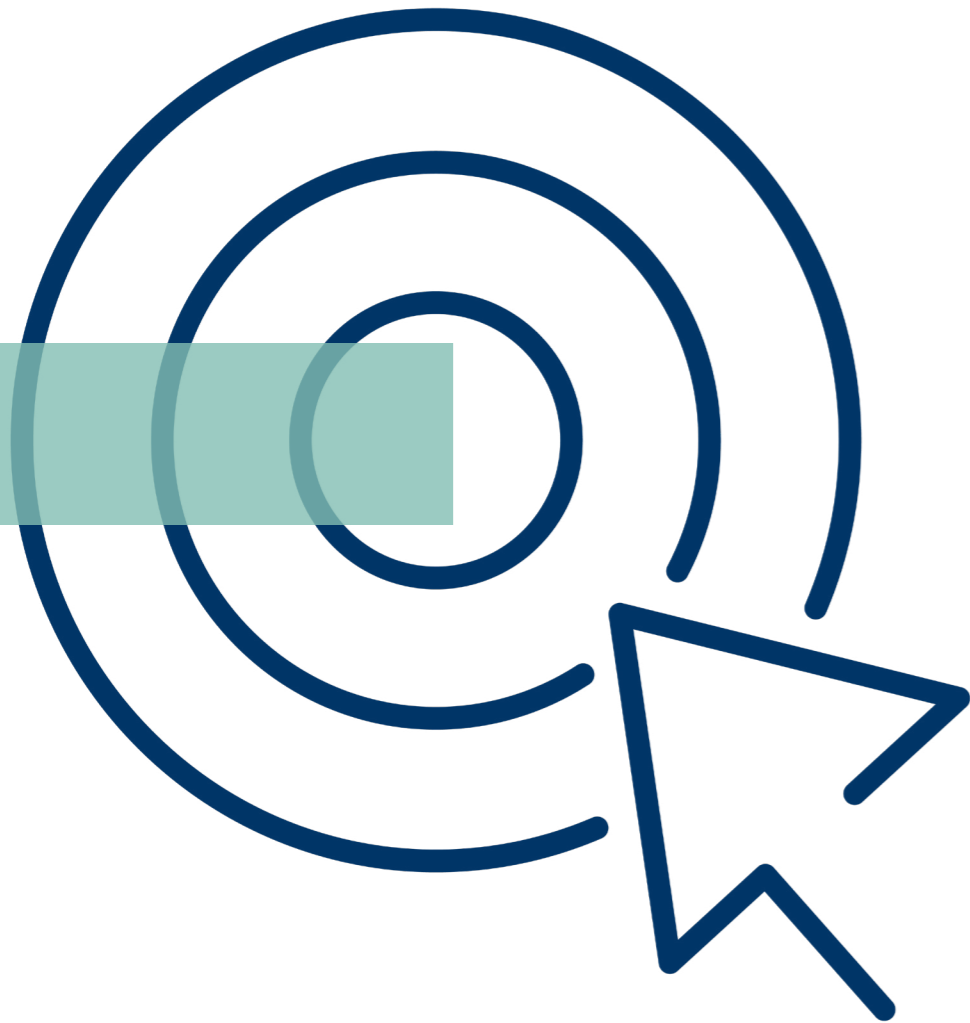
13 sites, an increase of 2 on the previous year, have active solar PV generation that generated 187,747 kWh of electricity in 2021-22 (2020-21: 133,311 kWh), equating to a carbon emissions saving of approximately 43 tonnes of CO₂e (2020-21: 34 tonnes CO₂e).

Lynn Brown
Chief Executive
29 September 2022

Accountability Report

This section is divided into three parts:

- Part 1** Corporate Governance Report p.90
- Part 2** Remuneration and Staff Report p.114
- Part 3** Parliamentary Accountability and Audit Report p.138



Part 1

Corporate Governance Report



Overview

The Authority has a key role in planning the strategic direction for policing in Scotland and ensuring that there is effective scrutiny and oversight of Police Scotland. The aim is to ensure public accountability, confidence and trust.

It is categorised by the Scottish Government as a National Public Body in Scotland (specifically, an Other Significant National Public Body). The Chief Executive is accountable to the Authority. The Chief Executive is also the designated Accountable Officer, enabling accountability to the Scottish Parliament for the whole of the policing budget.

General and specific responsibilities of the Accountable Officer are fully laid out in the relevant section of the Scottish Public Finance Manual.

The SPFM is issued by Scottish Ministers to provide guidance to relevant public bodies, on the proper handling of public funds. It is designed to ensure:

- Compliance with statutory and parliamentary requirements
- Value for money
- High standards of propriety
- Effective accountability and robust systems of internal control

The Authority publishes its own [Governance Framework](#) which was updated during the year. This document describes how the Authority works to deliver good corporate governance.

Chairs of committees, as well as any oversight groups, submit reports to the Board setting out business that has progressed through each committee or group. These reports include details of discussions that took place, decisions taken and areas for the Board to note.

Directors' Report

Introduction

The Authority is required to approve its Annual Report and Accounts for the year to 31 March 2022.



Martyn Evans



Jane Ryder OBE



Grant Macrae



Paul Edie



Caroline Stuart



Professor Fiona McQueen CBE



Michelle Miller



Tom Halpin QPM



Alasdair Hay



Dr Catriona Stewart OBE



Katharina Kasper



Mary Pitcaithly OBE

SPA Board

Members of the Authority are appointed by Scottish Ministers for a period set out in their terms and conditions which must not exceed four years. Individual members may be reappointed but may not serve for a total period exceeding eight years. In the event of early termination there is no contractual provision for compensation.

Further details of Authority meetings are available on the Authority's website.

Member appointments are made in accordance with guidelines issued by the Commissioner for Ethical Standards in Public Life in Scotland. These require appointments to be made on merit after a fair and open competition. On 1 April 2021, six new Authority members took up appointments with the Authority filling a number of vacancies. It was with great sadness that Authority Members were informed of Dr Robert Black's death in October 2021 following a short period of illness.

Name	Appointment Dates	
	From	To
Martyn Evans ¹ (Chair)	1 August 2018	31 January 2025
Jane Ryder ² OBE (Vice Chair)	1 April 2018	31 March 2026
Dr Robert Black ³ CBE FRSE	1 April 2021	15 October 2021
Paul Edie	1 April 2021	31 March 2025
Tom Halpin ⁴ QPM	28 March 2018	27 March 2026
Alasdair Hay	1 April 2021	31 March 2025
Katharina Kasper	1 April 2021	31 March 2025
Grant Macrae ⁵	1 April 2017	31 March 2023
Professor Fiona McQueen CBE	1 April 2021	31 March 2025
Michelle Miller ⁶	1 June 2018	31 May 2026
Mary Pitcaithly ⁷ OBE	1 May 2018	30 April 2026
Dr Catriona Stewart	1 April 2021	31 March 2025
Caroline Stuart ⁵	1 April 2017	31 March 2023

¹ In January 2021, Martyn Evans was appointed as Chair of the Scottish Police Authority, with the appointment date for that role confirmed as 1 February 2021 to 31 January 2025.

² In May 2021, Jane Ryder was appointed as Vice Chair of the Scottish Police Authority, with the appointment date for that role confirmed as 26 May 2021. In January 2022, this appointment was extended for a further four year term from 1 April 2022 to 31 March 2026.

³ Dr Robert Black, was appointed to the Authority for a four year term. He died on 15 October 2021.

⁴ In January 2022, Tom Halpin was reappointed for a further four year term from 28 March 2022 to 27 March 2026.

⁵ In March 2021, Grant Macrae and Caroline Stuart were reappointed for a further two year term, from 1 April 2021 to 31 March 2023.

⁶ In January 2022, Michelle Miller was reappointed for a further four year term from 1 June 2022 to 31 May 2026.

⁷ In January 2022, Mary Pitcaithly was reappointed for a further four year terms from 1 May 2022 to 30 April 2026.

Register of Interests

A current list of Authority members, their biographies and Registers of Interest are published on the [Authority's website](#).

Information about the Authority's [Senior Management Team \(SMT\)](#) and the Director of Forensic Services, including Registers of Interests, is also available on the Authority's website.

SPA Senior Management Team

Name	Position
Lynn Brown ¹ OBE	Chief Executive and Accountable Officer
Chris Brown ²	Deputy Chief Executive (Resources) Acting Chief Executive (Resources) and Accountable Officer from 1 October 2021 – 31 March 2022
Barry Sillers ³	Deputy Chief Executive (Strategy and Performance) Acting Chief Executive (Strategy and Performance) from 1 October 2021 – 31 March 2022
Fiona Douglas	Director of Forensic Services (appointment effective 1 October 2021)
Tom Nelson	Director of Forensic Services (retired 30 September 2021)

¹ In March 2021, Lynn Brown was appointed as permanent Chief Executive, with a starting date of 1 April 2021.

² Chris Brown was temporarily assigned the responsibilities of Acting Chief Executive (Resources) and Accountable Officer 1 October 2021 – 31 March 2022, during the absence of CEO and Accountable Officer Lynn Brown for planned medical leave.

³ Barry Sillers was temporarily assigned the responsibility of Acting Chief Executive (Strategy and Performance) 1 October 2021 – 31 March 2022 during the absence of CEO Lynn Brown for planned medical leave.

Police Scotland Force Executive

Name	Position
Iain Livingstone QPM	Chief Constable
Fiona Taylor QPM	Deputy Chief Constable, Professionalism, Digital and Transformation
Will Kerr OBE	Deputy Chief Constable, Local Policing
Malcolm Graham	Deputy Chief Constable, Crime and Operational Support
David Page	Deputy Chief Officer - Corporate Services, People and Strategy
James Gray	Chief Financial Officer
Tom McMahon	Director of Strategy and Analysis
Judith Helliker	Director of People and Development
Andrew Hendry	Chief Digital and Information Officer - Digital and Transformation

A Register of Interests for the Police Scotland Force Executive can be supplied on request to: Executive Support, Police Scotland, Tulliallan Castle, Kincardine, FK10 4BE.

A [Register of Gifts and Hospitality](#) for the Police Scotland Force Executive is held on the Police Scotland website.

Personal Data-related Incidents

The Authority is required to disclose the following: during the year there were two personal data related incidents (2020-21: one) deemed sensitive enough to provide a report to the Information Commissioner's Office.

Statement of Accountable Officer's Responsibilities

Under the Police and Fire Reform (Scotland) Act 2012, Scottish Ministers have directed the Authority to prepare, for each financial year, a statement of accounts in the form and on the basis set out in their Accounts Direction, which is reproduced on the final page of this report. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Authority, Forensic Services and Police Scotland and of its net expenditure; changes in taxpayers' equity; and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the 2021-22 Financial Reporting Manual (FRm) and in particular to:

Observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.

Make judgements and estimates on a reasonable basis.

State whether applicable accounting standards as set out in the 2021-22 FRm have been followed, and disclose and explain any material departures in the financial statements.

Prepare the financial statements on a going concern basis.

The responsibilities of the Accountable Officer are set out in the Memorandum to Accountable Officers of Other Public Bodies issued by the Scottish Government and published as part of the Scottish Public Finance Manual (SPFM). These include:

Personal responsibility for the propriety and regularity for the public finances for which the Accountable Officer is answerable.

Keeping proper records and for safeguarding the Authority's assets.

Confirming that, as far as she is aware, there is no relevant audit information of which the Authority's auditors are unaware, and the Accountable Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the Authority's auditors are aware of that information.

Confirming that the Annual Report and Accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

As Accountable Officer, I can confirm that these responsibilities have been discharged.

Governance Statement

Scope of responsibility

As Accountable Officer of the Authority, I have overall responsibility for maintaining sound systems of internal control which support the achievement of the organisation's policies, aims and objectives. This responsibility was assigned to me by Scottish Ministers. These systems of internal control provide reasonable assurance regarding the reliability of financial information used by the business, whilst safeguarding the public funds and assets, for which I am personally responsible in accordance with the responsibilities assigned to me. I have also been granted delegated powers to approve routine operational property transactions, ill health retirements, and non-competitive actions (NCAs).

The systems of internal control as outlined in this statement have been in place for the financial year and up to the date of approval of the annual report and accounts.

Governance framework of the organisation

The Scottish Public Finance Manual (SPFM) is issued by Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

The SPA Corporate Governance Framework is the overarching reference document that sets out the roles, responsibilities and procedures for the effective and efficient conduct of the Authority's business.

There are clear lines of delegated responsibility for both financial and operational management in the respective organisational structures of:

SPA Corporate

Police Scotland

Forensic Services

There is a budgeting and reporting system in place, with monthly management accounts being reported, including to the Resources Committee. Significant variances from budget are investigated, and financial forecasts are revised throughout the year in order to meet the requirements of the SPFM and to report cash flow requirements to Scottish Ministers.

Functions of the Scottish Police Authority

In addition to the considerable scope of responsibilities for the Authority set out in the overview section at the beginning of this report, the Authority also has oversight of both local and specialist policing and forensic services. It has an annual budget of £1.3 billion, and a workforce of more than 23,000 police officers and staff.

The Police and Fire Reform (Scotland) Act 2012 set out the key functions of the Authority as follows:

- To maintain the Police Service.
- To promote the policing principles.
- To promote and support continuous improvement in the policing of Scotland.
- To keep under review the policing of Scotland.
- To hold the Chief Constable to account for the policing of Scotland.

In addition to the five main functions, the Authority fulfils several other significant duties including:

- Provision of forensic services.
- Management of an independent custody visiting scheme.
- Preparation and review of strategic police plans and performance.

The Authority is required to set the strategic direction for policing through a Strategic Police Plan. Following the Scottish Government revision of the Strategic Police Priorities in December 2019, the Authority in collaboration with Police Scotland, revised the Strategic Police Plan, approved in March 2020.

The review of the Strategic Police Plan has since led to a more collaborative approach to the oversight of change within the Authority, Forensic Services and Police Scotland, which has been sustained and developed with the full implementation of the new structure within the Authority as set out in SPA 2020.



Assessment of corporate governance and improvements made

The Authority applies the principles of good governance as set out in the Scottish Public Finance Manual including On Board: A Guide for Members of Public Bodies in Scotland and the Memorandum to Accountable Officers for Other Public Bodies.

The Authority is committed to the ongoing development, review and improvement of its governance arrangements. In 2021-22, full implementation of the recommendations of a substantive Governance Review in 2020 was completed, and a new People Committee considering workforce matters met regularly from 27 May 2021 onwards.

The Authority's governance processes are reviewed on an ongoing basis, and further revisions to the Corporate Governance Framework were agreed [23 March 2022](#), as Phase One of the 2021-22 review.

Phase One comprised a review of the Authority's Standing Orders, Committee Terms of Reference, Scheme of Delegation, and updated provisions for Matters Reserved for the Board. The Review focused on simplification and reducing duplication; increasing clarity and increasing delegation where appropriate; and resolving any outstanding business from the 2020-21 review.

Additional delegations to committees were agreed such that:

- The Audit and Risk Committee has delegated authority to approve the Internal Audit Plan, previously a matter reserved for the board.
- The People Committee has delegated authority to approve HR policies.
- The Policing Performance Committee has delegated authority to agree enhancements to the agreed Performance Framework.
- The Resources Committee terms of reference were updated, to include the authority to approve business cases and contracts, in line with provisions and limits set out in the Authority's Financial Regulations.

Minor updates were made to matters reserved for the Board, to take account of additional delegation to committees, and to include the approval of key enabler strategies.

The scheme of delegation was updated:

- To allow the Director of Forensic Services to instruct SPA Legal to undertake work on their behalf.

And include the existing delegated authority to the Chief Executive:

- To approve applications from police officers for ill health retirement and injury on duty awards.

- Remove reference to delegated authority to the Chief Executive with regard to Reform Funding, as this Accountable Officer responsibility is set out in the Financial Regulations.

Authority to the Chief Executive was included to carry out the Authority's functions under section 87(3) of the Police and Fire Reform (Scotland) Act 2012, for example arranging with the consent of the Chief Constable international development deployments.

Other changes include the removal of a maximum number of committee members, and the facility to allow for substitute committee members.

Language was updated to increase clarity and reduce duplication, and to set out more clearly the requirement for decision making to take account of the Authority's Financial Regulations and delegations, any relevant guidance issued by the Scottish Government, and all governance guidelines approved by the Authority.

Phase Two of the Review will be completed in 2022, and will focus on updates to the Authority's Financial Regulations, delegations and protocols.

In addition, to the governance improvements, the Chair recommended changes to committee membership and groups effective from 13 June 2022. The changes seek to broaden Board members experience of different aspects of oversight, transfer skills and insights to different committees and strengthen the Board's overall resilience. A series of transition and induction arrangements for members to support the changes took place supported by training for new Audit, Risk and Assurance Committee members.

A new [code of conduct](#) for members was agreed by the Authority in May 2022.

SPA Corporate Plan and Annual Business Plan

The [Authority's Corporate Plan 2020-23](#) details the role, purpose and responsibilities of the Authority. It describes the context within which the Authority operates and outlines the key strategic outcomes and supporting activities that the Authority will work towards achieving during the lifecycle of the plan.

The Corporate Plan aligns to the [Strategic Police Priorities](#) and should be read alongside the Authority's [Joint Strategy for Policing](#) and the [Forensic Strategy](#), which were developed collaboratively with the Services and relate to the delivery of the police and forensic services that are overseen by the Authority.

The three year Corporate Plan is underpinned by an [Annual Business Plan](#) which sets out the Authority's priorities for the year and explains how the Authority will measure its own performance.

The 2021-22 Business Plan set ambitious targets for the Authority, with 126 milestones towards the delivery of six agreed priorities. 117 of the 126 milestones, or 93%, were achieved in year, with 9 outstanding actions reviewed and where relevant incorporated into the Business Plan for 2022-23. [Progress against delivery of the Business Plan](#) is publicly reported to the Audit Risk and Assurance Committee on a quarterly basis.

Personal data related incidents

The Authority is required to disclose the following: during the year there were two personal data related incidents (2020-21: one) deemed sensitive enough to provide a report to the Information Commissioner's Office.

HMICS thematic review

In September 2019, HMICS published their Thematic Inspection of the Authority, which made a total of 14 recommendations. In response, the Authority developed a plan outlining the actions required to discharge the recommendations, and progress is reported quarterly to the Audit, Risk and Assurance Committee.

All recommendations from the HMICS Thematic Inspection, either fully or partially owned by Authority, have now been fully discharged as complete by HMICS.

The 2020 HMICS crime audit recommended that the Authority and Police Scotland ensure that results of internal and external crime recording audits are publicly recorded and a statement of compliance with the National Crime Recording Standard and associated practices be included in the Annual Report & Accounts. This recommendation has been discharged and the statement of compliance is included in the Performance Section of the Authority's Annual Report and Accounts for 2021-22 (see earlier section on **Crime Audit Controls and National Crime Recording Standard Compliance**).

Oversight of policing COVID-19

In response to the COVID-19 pandemic in March 2020, the Authority committed to providing effective and transparent governance and oversight of Police Scotland's response to the pandemic. The Authority published its strategic approach to the oversight of policing COVID-19 in Scotland.

Throughout 2021-22, the Authority's oversight of the policing of COVID-19 Regulations and its impact on policing, continued through formal governance meetings streamed live for the public and stakeholders to observe. Papers and briefings were published on the dedicated COVID-19 section of the Authority's website to aid transparency, with reports reflecting the impact of varying and then decreasing regulation during the period. More information on [SPA Oversight of Policing of the Pandemic](#) is available on the Authority's website.

The Independent Advisory Group on Police Use of Temporary Powers related to the Coronavirus, set up in April 2020 to provide additional independent assurance, continued to meet and report to the Authority throughout 2021, and publish a record of its work on the Authority's website. The group met and reported with reducing frequency from August 2021 onwards as the temporary powers diminished and restrictions eased, and the work of the group has now been completed.

Authority Oversight of Change

As the Police Scotland change portfolio expands and matures, so has the Authority's robust approach to the oversight of the content, progress, pace and benefits of change. The Authority's approach over the past year has focused on the widest possible interpretation of change across infrastructure, technology, people, practice and operational policy; and continues to be delivered and developed in partnership with Police Scotland and Forensic Services.

The approved approach to oversight of change is now in place. The approach is being coordinated across relevant committees; Audit, Risk and Assurance (ARAC) Committee will seek assurance across overall progress of the portfolio, with a focus on risk to the coordinated delivery of the Strategic Police Plan outcomes, whilst the Resources Committee will provide an enhanced focus on the return on investment, delivery of benefits and coherence with approved business cases; and the Board to deliver a comprehensive oversight structure to enable the Authority to meet the requirements of the Corporate Governance Framework in respect of the assurance of the oversight of change.

SPA Board

The Scottish Police Authority is a national public body. The 2012 Act specifies how it is to be constituted and to operate:

The Authority is to consist of a chairing member and between 10 and 14 members.

Scottish Ministers are responsible for appointing the Chair of the Authority and members of the Authority may elect one of their number to act as deputy for the chairing member.

Members are appointed by Scottish Ministers on the basis of expertise relevant to the functions of the Authority.

It is for the Authority to appoint staff and to second police officers to assist in carrying out its functions.

The Authority may appoint committees and sub-committees to carry out its functions.

Authority meetings are to be held in public.

The Board met 10 times during 2021-22 (2020-21: 11). Due to the national restrictions resulting from measures in relation to the COVID-19 pandemic, all meetings were conducted by videoconference, and streamed live for public viewing via the Authority's dedicated Livestream channel. Board meeting agendas, minutes and papers (of public sessions) are routinely made available on the website in advance of a scheduled meeting.

During the course of 2021-22, changes in the composition and operation of the Authority were as follows:

At the start of 2021-22, the Board consisted of 13 members, including the Chair.

This number included six new members who commenced their roles 1 April 2021.

During the course of the year, one member died during their appointment, Dr Robert Black, CBE, who died in October 2021.

The SPA Corporate Governance Framework was reviewed and revised, and approved in March 2022.

Some key elements of business considered by the Board during 2021-22 were:

Ongoing oversight of policing COVID-19.

Ongoing oversight of the preparation and delivery of policing of COP 26.

Regular review and scrutiny of the overall financial position across Police Scotland, Forensic Services and SPA Corporate.

Regular review and scrutiny of policing performance.

Approval of Forensic Services Strategy.

Approval of the refreshed Police Scotland Performance Framework.

Approval of the 2020-21 Annual Report and Accounts.

Approval of the 2022-23 Budget for the SPA Corporate, Police Scotland and Forensic Services.

Scottish Police Authority Board

Number of meetings in 2021-22 : 10	Board Meetings Attended ^a	Committee Membership ^b
Martyn Evans (Chair)	10	EC
Dr Robert Black CBE	3 /4	PP/RC
Paul Edie	10/10	CC/FS/LC
Tom Halpin QPM	9/10	EC/ FS/PP
Alasdair Hay	9/10	CC/PC/PP/ RC
Katharina Kasper	9/10	AC/LC/RC
Grant Macrae	9/10	AC/CC/RC
Professor Fiona McQueen CBE	8/10	CC/ PC
Michelle Miller	10/10	LC/PP
Mary Pitcaithly OBE	10/10	PC/EC
Jane Ryder OBE	10/10	AC/EC/ FS
Dr Catriona Stewart	10/10	AC/PC/PP
Caroline Stuart	9/10	FS/LC/RC

Notes

- a. Number of Board meetings attended/number of Board meetings available to the Board member (allowing for dates of tenure).
- b. Membership of committees at any point during 2021-22. Attendance details included later in this section.

Committees in place as at 31 March 2022:

- AC: Audit, Risk and Assurance
- CC: Complaints and Conduct
- EC: Exceptional Circumstances
- FS: Forensic Services
- LC: Legal
- PC: People
- PP: Policing Performance
- RC: Resources

Note the succession planning and appointments committee has been subsumed within the newly created People Committee.

Committees of the Board

The Board is supported by the eight committees listed above. A summary of the business conducted by these committees is provided below.

The Terms of Reference for each committee are outlined in the [SPA's Corporate Governance Framework](#).

Audit, Risk and Assurance Committee

During the year, the Audit, Risk and Assurance Committee met formally on five occasions. The main focus of the committee has been:

Monitoring, reviewing and/or recommending various reports, including:

- Annual report and accounts.
- Audit Scotland's annual audit report.
- Internal audit annual statement of assurance.
- Delivery of the internal audit plan.
- Internal audit plan.
- Monitoring organisational risk, data loss, recent ICT incidents, fraud and theft reporting.
- Considering a series of internal audit or HMICS reports and assuring their implementation.
- Monitoring the progress of external audit recommendations and reviewing the external audit plan.
- Reviewing whistleblowing procedures.
- Best Value updates.

Complaints and Conduct Committee

During the year the Complaints and Conduct Committee met formally on eleven occasions. Public minutes are made available for private sessions of this committee. The main work the Committee has undertaken, in line with the Committee Terms of Reference, is as follows::

- Approving, and reviewing progress on, the Authority's Action Plan related to recommendations contained in the Dame Elish Angiolini Report on the "Independent Review of Complaints Handling, Investigations and Misconduct Issues in Relation to Policing".
- Overseeing the progress made by Police Scotland in relation to the Police Scotland-specific recommendations contained within the Dame Elish Angiolini Report.
- Monitoring and review of Police Scotland and Authority's quarterly complaints performance reports.
- Examining the results of the Authority audit process of Police Scotland complaints handling.
- Reviewing a trend analysis of Complaint Handling Reviews issued by the Police Investigations and Review Commissioner (PIRC) into complaints handled by Police Scotland.
- Consideration of a number of complaints received by the Authority and maintaining oversight of further actions requested by PIRC.
- Oversight of the service response to the COVID-19 pandemic and COP26 as applicable to the committee.

Exceptional Circumstances Committee

The purpose of this committee is to deal with urgent business of the Board when, in exceptional circumstances, it is not practicable for an ordinary meeting or special meeting of the Board to be convened, or for the business to be dealt with by all members of the Board by correspondence. The committee is authorised to perform on behalf of the Board, all of the Authority's functions.

The committee met once during 2021-22, and considered and approved a non-operational overseas policing deployment, in line with arrangements for Police Scotland's international development activity. This was publicly reported to the Authority meeting 23 March 2022.



Forensic Services Committee

During the year the Forensic Services Committee met formally on four occasions. The main work the Committee has undertaken, in line with the Committee Terms of Reference, is as follows:

- Monitoring service performance against agreed Forensics 2026 outcomes and business objectives.
- Maintaining oversight of the implementation of recommendations from HMICS.
- Oversight of Forensics 2026 Strategy Refresh, including staff and stakeholder engagement.
- Consideration of the developing Biometrics Strategy.
- Oversight of Forensic Services' contribution to Environmental Strategy outcomes.
- Project Weaver, including progress updates and assurance on arrangements for the Post-Mortem Toxicology Transfer.
- Consideration of the budget and capital investment programme for Forensic Services, and relevant business cases.
- Assurance on preparation and planning for the impact of COP26 in relation to Forensic Services.
- Assurance on planning and impact mitigation of the impact of COVID-19 on workforce and service delivery.
- Regular monitoring of operational and strategic risk.
- Oversight of the developing Memorandum of Understanding, including alignment with the developing Workforce Strategy.
- Consideration of progress towards obtaining ISO 17025 within Digital Forensics.
- Seeking assurance and consideration of how the service is developing and responding to new challenges, including partnership approaches to drug driving, incidents of spiking, and service capacity.

Legal Committee

During the year the Legal Committee met formally on eight occasions. The main work the Committee has undertaken, in line with the Committee Terms of Reference, is as follows:

- Consideration of legal claims and actions against the Authority and Police Scotland, and approval of settlements where appropriate.
- Providing instructions on legal matters, including civil actions and claims.
- Monitoring the handling of legal actions and claims.
- Consideration of Areas of Business Approved under Delegated Authority of the SPA Chief Executive.
- Consideration of Ill Health Retirement and Injury on Duty Annual Report.
- Consideration of Legal Services Claims Handling Quarterly Statistical Information and Trends and Analysis in Litigation.
- Monitoring of updates in relation to Public Inquiries.



People Committee

During the year the People Committee met formally on five occasions. The main work the Committee has undertaken, in line with the Committee Terms of Reference, is as follows:

- Monitoring, reviewing and/or recommending various reports, including:
 - Quarterly Health & Safety, Wellbeing and Workforce reporting.
 - Your Voice Matters Staff Survey, Organisational Insights and Implementation Plan.
 - Workforce Equality and Diversity.
 - Activity Aligned to People and Professional Delivery Plan.
 - Strategic Workforce Planning.
- Leadership Pathways, Leadership Development and Audit and Inspection Recommendations.
- Executive and Senior Officer Recruitment lessons learned.

Policing Performance Committee

During the year the Policing Performance Committee met formally on four occasions. The main focus of the committee has been:

- Reviewing quarterly performance reports on policing, with reference to the performance framework.
- Assessing the draft Annual Review of Policing.
- Reviewing developments to the policing performance framework and associated performance reports.
- Reviewing a number of areas of policing strategy/policy including new technologies.
- Reviewing progress against external inspections and evaluations where they relate to planning, policy and performance.
- Oversight of the service's response to the COVID-19 pandemic as applicable to the committee.

Resources Committee

During the year the Resources Committee met formally on eight occasions. The main focus of the committee has been:

- Providing regular scrutiny and oversight of the financial planning, monitoring and reporting of performance against the agreed budget for Police Scotland, Forensic Services and SPA Corporate.
- Providing scrutiny, input and advice on business-as-usual activity and one off operations.
- COP26 (Conference of the Parties 26) resourcing and COVID-19 response.
- Consideration of and recommendation to the Authority Board of, significant business cases, contract awards, estate disposals.
- Providing scrutiny and oversight of procurement Non-Competitive Action compliance.
- Oversight of benefits realised or productivity gains from Police Scotland Finance Transformation.

Scottish Railways Policing Committee

The Scottish Railways Policing Committee was established in 2019 to improve accountability and facilitate a stronger role for the SPA in relation to railway policing.

The committee's responsibilities include:

- Reviewing and reporting on the planning and performance of railway policing in Scotland.
- Reviewing and reporting on the co-operation and close working of Police Scotland and the British Transport Police.
- Scrutinising British Transport Police's public and stakeholder engagement work.

Two Members of the Authority have been co-opted onto the Committee.

The Scottish Railways Policing Committee is a sub-committee of the British Transport Police Authority (BTPA) established under existing legislation and, as such, details of meetings and attendees are available from BTPA and are not included in this annual report.

Committee Reporting

In line with the SPA Corporate Governance Framework and to aid transparency and accessibility of committee business, reports summarising the governance and oversight activities of committees were routinely reported by the committee Chairs to public sessions of Authority meetings.



Membership and Attendance (meetings attended/meetings available)

	Audit, Risk and Assurance	Complaints and Conduct	Exceptional Circumstances	Forensic Services	Legal	People	Policing Performance	Resources
Number of meetings held	5	11	1	4	8	5	4	8
Martyn Evans			1/1					
Dr Robert Black CBE ¹							2/2	3/4
Paul Edie		11/11		4/4	8/8			
Alasdair Hay ³		11/11				5/5	4/4	4/4
Tom Halpin QPM ²			0/1	4/4			1/2	
Katharina Kasper	5/5				8/8			8/8
Grant Macrae	5/5	10/11						8/8
Prof Fiona McQueen CBE		10/11				5/5		
Michelle Miller					8/8		4/4	
Mary Pitcaithly OBE			1/1			5/5		
Jane Ryder OBE	5/5		1/1	4/4				
Dr Catriona Stewart	5/5					5/5	4/4	
Caroline Stuart				4/4	8/8			8/8

¹ Dr Robert Black remained a member of SPA until his death on 15 October 2021
² Tom Halpin joined Policing Performance Committee 2 November 2021
³ Alasdair Hay joined Resources Committee 2 November 2021

Committee Chairs

Committee	Chair
Audit, Risk and Assurance	Jane Ryder OBE
Complaints and Conduct	Alasdair Hay
Forensic Services	Tom Halpin QPM
Resources	Dr Robert Black until 15 October 2021; Grant Macrae from 2 November 2021
Legal	Paul Edie
People	Mary Pitcaithly
Policing Performance	Michelle Miller
Exceptional Circumstances	Martyn Evans

Review of Committee Effectiveness

The Authority's corporate governance framework and members' handbook requires that an annual committee assurance review is undertaken to provide the Chair and Board with robust assurance of its committees' functioning and effectiveness.

An effectiveness review was conducted for each committee, informed by members' questionnaires, discussion, and review by each committee. The overall evaluation has been considered by the Audit, Risk and Assurance Committee which reported that committees have effectively discharged their duties in line with their terms of reference and there were no significant issues.

All committees reported that they considered their operation was effective in delivering against terms of reference.

The establishment of the People Committee has allowed for greater focus on both human and financial resource issues, and the input of partners, staff associations and trades union representatives was valued. Members noted an improvement in agenda planning, papers and briefing processes, and work continues to further improve the length and content of papers provided to committees, the provision of data, and strategic briefings.

Other potential improvements identified include strengthening awareness of connectivity across the work of different committees, with the potential for joint committee consideration of specific issues where appropriate.

Oversight Groups

Oversight groups are established by the Board or a committee for specific purposes as part of the corporate governance framework. These groups have terms of reference and should be time limited, however, they have no decision-making authority. The terms of reference will specify reporting routes back through a committee or to the Authority to ensure transparency of the activities and outputs from the group. This model of working was first established by the Authority to oversee the Contact Command and Control transformation project in 2015 and has been commended by HMICS for its effectiveness. The oversight groups in place during 2021-22 as detailed below.

Contact Assessment Model (CAM) Oversight Group

The CAM oversight group was established in June 2019 to provide oversight and scrutiny of the preparation and implementation of the Contact Assessment Model (CAM) with a particular focus on the programme and change management processes, Police Scotland governance and assurance arrangements and the evaluation of the impact made by the revised call handling model against the benefits described in the business case. The group was chaired by Martyn Evans.

A report detailing the completion and delivery of CAM into Police Scotland was provided to the Authority in early 2021 following formal closure of the project in December 2020.

The final meeting of the CAM Oversight Group took place in June 2021. Members agreed that the group had delivered on its remit, and the work of the group had come to an end, as the new Contact Assessment Model had been successfully delivered and integrated into business as usual.

The group's key areas of focus have included:

Planning and readiness for implementation of CAM across divisions.

Benefits and risk management.

Staff and stakeholder engagement.

Mental health pathways and the impact of mental health demand.

Assurance on the impacts and benefits of accelerated roll out, to support the pandemic response.

The evaluation of CAM.

Oversight of call handling is now considered by the Policing Performance Committee, and is integrated with the Authority's approach for Oversight of Change.

COP26 Oversight Group

Throughout the past year, the Oversight Group on the Policing of COP26 worked with partners to ensure what was, ultimately, a successful, safe and secure global conference. The Oversight Group's scrutiny was focused on three key public interest objectives:

The delivery of an effective security and policing operation, achieved with full cost recovery from the UK Government.

The health, safety and wellbeing of all officers and staff involved.

The impact on local policing and specialist services to communities across Scotland are considered, tested and balanced alongside the delivery of a secure and successful global event.

The First Minister of Scotland, in a letter of 10 December 2021 to SPA Chair Martyn Evans, wrote "...the SPA Oversight Group, Chaired so effectively by Tom Halpin QPM, was challenging, rigorous and effective in testing assumptions and contingency planning with a focus on providing the necessary assurance with all partners."

The Authority held monthly meetings of the Oversight Group, going into detail on Police Scotland's planning for the event in these three areas specifically. The Group received updates on the work of the Independent Advisory Group (IAG), Chaired by John Scott QC, which advised Police Scotland on its approach to policing the conference and offering insights from environmental campaigners, human rights advisors and a broad range of civic society representatives to ensure the views of stakeholders are being heard and informing the approach.

The Authority was assured around the health, safety and wellbeing arrangements for officers and staff and the plans in place to minimise the disruption to local policing and specialist services. The Group also considered regular reporting in relation to Police Scotland's communication planning and stakeholder engagement. Assurance also looked at the custody arrangements for the duration of the conference and the Authority's own efforts to continue to provide an Independent Custody Visiting (ICV) scheme to ensure the welfare and safety of those detained in police custody.

In September 2021, the Authority convened a roundtable discussion to promote Police Scotland's approach to the policing of protests. Stakeholders including HMICS, Glasgow City Council and the Children and Young People's Commissioner informed those discussions with the public invited to pose questions of policing and partners and inform the overall policing approach during the conference. This successful event was held virtually and livestreamed to a broad audience. Engaging with the public and stakeholders to ensure they understand and have an opportunity to inform Police Scotland's approach has been critical to the success of the event itself, as has ensuring protestors have the right and support to peacefully demonstrate during the conference while maintaining the safety and wellbeing of everyone.

The Authority, through the work of the Oversight Group, is assured that Police Scotland's significant effort in relation to the preparation and delivery of a safe and secure policing environment contributed significantly to the success of COP26.

Risk and Control Framework

The Authority, senior management groups of SPA Corporate and Forensic Services and the Force Executive of Police Scotland, are committed to ensuring effective risk management and reporting.

An overarching risk framework for the policing system is in place outlining how the Authority, SPA Corporate, Police Scotland and Forensic Services risks are coordinated. The risk framework includes a risk policy statement and outlines the methodology, structures and processes that the Authority utilises to support robust management of risk (see also Key Strategic and Operational Risks section).

Risks are contained within risk registers across each service area and are monitored internally by risk management teams. The Authority reviewed the strategic risk register that is the top two tiers of the stratified approach to risk management outlined in the risk framework. The risk registers across all services areas have been reviewed, updated and reported in line with the risk frameworks for the Authority and Police Scotland. Risk management is reported to the Audit, Risk and Assurance Committee (ARAC) on a quarterly basis. Risks, relevant to the role, are also reported to the Forensic Services Committee on a quarterly basis.

Risk management enhances strategic planning and prioritisation, assists in achieving objectives and strengthens the ability to be agile to respond to the challenges faced. Measurement of risk across the Authority is based on an established standard matrix and consistent scoring criteria, considering likelihood and impact. ARAC oversight of risk includes a focus on risks that are out with appetite/tolerance and how these risks could be mitigated.

Whistleblowing Arrangements

The Authority and Police Scotland have whistleblowing arrangements including policies in place that were developed and implemented with consideration of good practice and extensive consultation.

During 2021-22, the Authority and Police Scotland conducted self-assessments against Independent codes of practice to confirm the suitability of arrangements and identify any necessary improvements.

Whistleblowing is reported internally on a regular basis which includes involvement from the relevant whistleblowing champion including the Authority's Board Whistleblowing Champion.

The arrangements are formally considered by the ARAC on an annual basis. During 2021-22 assurances have been received that there are effective whistleblowing arrangements across the Authority and Police Scotland. As part of this consideration there has been a commitment to focus on improving the approaches to the measurement of confidence to report concerns.

Audit Arrangements

A significant part of the overall governance arrangements is the work of the external and internal auditors.

Internal Audit and Internal Control Environment

Internal Audit services are provided to the Authority by Azets.

The Internal Audit Plan for the 2021-22 financial year was approved by the Board in February 2021.

The Internal Audit Annual Report for 2021-22 was presented by Azets to the ARAC in May 2022 which included the internal audit opinion on the controls for the financial year. In line with Public Sector Internal Audit Standards, this opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The full text of the internal audit opinion provided is as follows:

"In our opinion the Scottish Police Authority, Police Scotland and Forensic Services have a framework of controls in place that provides reasonable assurance regarding the organisations' governance framework, internal controls, effective and efficient achievement of objectives and the management of key risks."

Internal audit management actions are prioritised with a grading system, as follows:

Grade 4: Very high risk exposure – major concerns requiring immediate senior management attention.

Grade 3: High risk exposure – absence/failure of key controls.

Grade 2: Moderate risk exposure – controls are not working effectively and efficiently.

Grade 1: Limited risk exposure – controls are working effectively, but could be strengthened.

The following table indicates the number of Grade 4 and Grade 3 risks for the audits reported in the Internal Audit Annual Report for 2021-22. Further detail on the Grade 4 risk identified is provided, along with a summary of the scope of Grade 3 risks.

	2021/22 Number of findings	2020/21 Number of findings
Grade 4 (very high risk)	nil	1
Grade 3 (high risk)	19	21

Overall, the number of findings decreased this year on planned audits, relative to the prior year (total of Grade 1 to 4 findings: 2020-21: 65; 2021-22: 58). The number and proportion of findings that were assessed as higher risk (grade 3 or 4) has also decreased from 22 in 2020-21 (37%) to 19 in 2021-22 (29%). Internal audit reported that this reflects the progress made in establishing enhanced systems of control, and the completion of a number of significant strategic initiatives.

The 19 grade 3 findings were reported in internal audits of: overtime and allowances, estates management, health and safety, strategic planning, environmental impact, ICT service delivery, legal claims handling and data quality and integrity. Actions to address all these findings have been agreed and in many cases, have been expedited.

Progress on the resolution of all internal audit findings is reported to the ARAC on a quarterly basis. Azets reported positive progress addressing recommendations during the year. In particular - all actions raised in reports pre-dating the 2020-21 audit year have now been implemented and actions which have passed their original due date represent a minority of the currently open actions.

External Audit

The Auditor General for Scotland (Auditor General) has appointed Audit Scotland as the Authority's external auditor.

Audit Scotland provided an unqualified opinion on the Authority's annual report and accounts for 2020-21. In addition, for the first time since the creation of the Authority the Auditor General has not prepared a report under section 22 report of the Public Finance and Accountability (Scotland) Act 2000 to the Scottish Parliament.

Audit Scotland confirmed that the information provided to support the accounts were of a "good standard" and the Authority had made "good progress in implementing" recommendations from last year's audit. In addition, the COVID-19 pandemic did not impact on the delivery of the accounting and auditing timetable.

It was noted that the year-end resource outturn overspend of £36m was lower than the approved budget overspend of £44m. The £8m reduction related to additional funding provided by Scottish Government to meet the COVID-19 related income shortfall. Additional cash of £36m was provided by the Scottish Government to enable the Authority to meet its expenditure needs.

Audit Scotland also identified areas for attention including:

- Minor controls findings related to reviews of the legal provisions registers and control environment for some financial controls.
- The need to develop a revised 10 year financial strategy which takes into account the Strategic Workforce Plan and which details how financial balance will be maintained.
- The need for a long term capital strategy that underpins the long term financial strategy.
- The need to ensure that other supporting strategies are kept up to date, particular in light of changes due to COVID-19 and other refreshed strategies.
- Need to use data to evaluate progress against equalities outcomes.
- Improve the monitoring and evidencing of benefits in programmes where non-cashable savings are planned.

A range of actions and further plans were progressed to address these, with the main responses as follows:

The Audit Risk and Assurance Committee (ARAC) continues to review controls across Scottish policing with robust tracking of areas for improvement identified from audit and improvement reports.

A five year financial planning report and the services first capital strategy were approved in September 2021. The Scottish Government's five year revenue spending review has been published and the SPA's financial strategy in response to this is being developed.

The Strategic Police Plan is due to be reviewed in March 2023. Enabling strategies are kept under review by the service and formally revised and updated to reflect the changing world we operate in, approximately every three years.

An [equality outcome mainstreaming report](#) has been produced with shows the criteria that will be used to demonstrate progress against equalities outcomes.

A refresh of the performance framework is also underway which will continue to progress how to embed organisational benefits and the associated performance impact, considering the findings from Audit Scotland.



Best Value

Accountable Officers appointed by the Scottish Government have a specific responsibility to ensure that arrangements have been made to secure best value. In addition, the Police and Fire Reform (Scotland) Act 2012 places a duty on the Authority and the Chief Constable to make arrangements to secure Best Value for the Authority and police service respectively.

In accordance with these principles, the Authority adopts a culture of continuous improvement. This work is carried out against the background of the Scottish Government priorities for policing.

The Scottish Ministers expect all Accountable Officers to comply with the duty of Best Value placed upon them. In addition, the Authority has corporate responsibility for promoting the efficient and effective use of staff and other resources by the organisations in accordance with the principles of Best Value. Arrangements have been made to ensure best value can be demonstrated through:

- Scrutiny applied to investment and expenditure decisions by officials, the Resources Committee and the Authority.
- Procurement contracts being awarded through competitive tender processes, alongside the reduction of non-competitive actions (NCAs) to ensure compliance and achievement of best value.
- Scrutiny by the Board, of submissions in relation to staff pay negotiations (and resulting settlement) and voluntary redundancy/early retirement scheme.
- Scrutiny by the Board, of the strategic workforce plan and staff pay award.
- Self-assessment utilising guidance issued by Scottish Government.

The Authority embraces the cross-cutting themes of Best Value, namely equality and sustainability in all it does and carries out all of its duties in a way that is proportionate, accountable, transparent and consistent with the principles of good governance. There is however, recognition that there is still work to be done to fully demonstrate Best Value.

The Authority continues to make progress towards adherence and demonstration of Best Value principles. A Best Value self-assessment was completed by SPA Corporate during 2021-22 with regular updates provided to the ARAC. Work is planned during 2022-23 to address gaps identified in the self-assessment supporting continuous improvement. Police Scotland and Forensic Services are developing their approach to demonstrating adherence to Best Value principles.



Review of effectiveness and significant issues

Under the Scottish Public Finance Manual (SPFM), as Accountable Officer, I am required to prepare a Governance Statement as part of the Annual Report and Accounts. In order to prepare this statement, I require assurances on the maintenance and review of internal control systems within each part of the organisation.

The systems are designed to manage rather than eliminate the risk of failure to achieve the SPA Corporate, Forensic Services and Police Scotland's policies, aims and objectives. They can therefore provide reasonable rather than absolute assurance of effectiveness. Internal control systems comprise the whole network of systems established within SPA Corporate, Forensic Services and Police Scotland to provide assurance that organisational objectives will be achieved, with particular reference to:

- Risk management
- The effectiveness of operations
- The economical and efficient use of resources
- Safeguards against losses, including those arising from fraud, irregularity or corruption
- The integrity and reliability of information and data

It is the responsibility of each Deputy Chief Constable, Director, and equivalent to provide assurances to me as Accountable Officer in relation to the financial year that systems of internal control have been working well within their area of responsibility.

All budget holders (Force Executive; SPA Corporate/ Forensic Service Directors) were written to explaining the process and significance of completing fully, the 2021-22 certificates of assurance and internal control checklists.

I received a full set of certificates of assurance from budget holders, along with completed associated internal control checklists in May 2022. One of these was correctly highlighted to me within the certificates of assurance in the area of procurement, where some issues arose during procurement exercises as a result of human error.

These issues have been reviewed and appropriate actions have been, or will be, taken to address, strengthen and enhance the control environment. These are regularly followed up by internal audit as required.

Financial sustainability remains a significant issue. The Authority bid and received a balanced core budget for 2021-22 and managed the cost challenges of the ongoing COVID-19 pandemic and COP26 within the level of funding agreed with the Scottish and UK governments respectively. A balanced budget has again been set for 2022-23 but risks to financial sustainability from inflation are the highest for many years and so we will continue to closely monitor the impact and work across the Authority, Police Scotland and with the Scottish Government to manage and mitigate these risks. The Scottish Government has published its resource spending review which outlines high level parameters to allow all public bodies to plan for the medium term with some certainty over funding. The indicative flat cash revenue funding allocation and efficiency requirements outlined for all public bodies will present significant financial and operational challenges for the Authority.

SPA Corporate has a small number of outstanding recommendations from the Information Commissioner's audit. Improvements are continuing to be progressed and monitored by the Audit, Risk and Assurance Committee.

In addition to the information arising from the internal control checklists, my review is also informed by:

- The managers within the organisation who have responsibility for the development and maintenance of the internal control framework.
- Comments made by the external auditors, Audit Scotland, in their management letters and other reports.
- Internal audit and other reviews conducted throughout the year by Azets and HMICS.

Progress to discharge all appropriate actions has been underway both within 2021-22, and since 31 March 2022. These actions are intended to address the remaining identified internal control weaknesses to ensure that robust governance and control arrangements are in place in all areas.

The Authority's first integrated assurance statement was prepared which provided a strategic overview of the systems of internal control across each of the 'four lines of defence'. This also included a summary of the findings from key audit and inspection bodies for the 2021-22 financial year. This concluded that reasonable assurance can be placed on the Authority's: governance framework, oversight function and systems of internal controls.

Governance report conclusion

2021-22 has seen a range of governance improvements delivered in year following on from changes in 2020-21. The review and updates of the Authority's Standing Orders, Committee Terms of Reference, Scheme of Delegation, and updated provisions for Matters Reserved for the Board will provide simplification, reduce duplication, increase clarity and increase appropriate delegation.

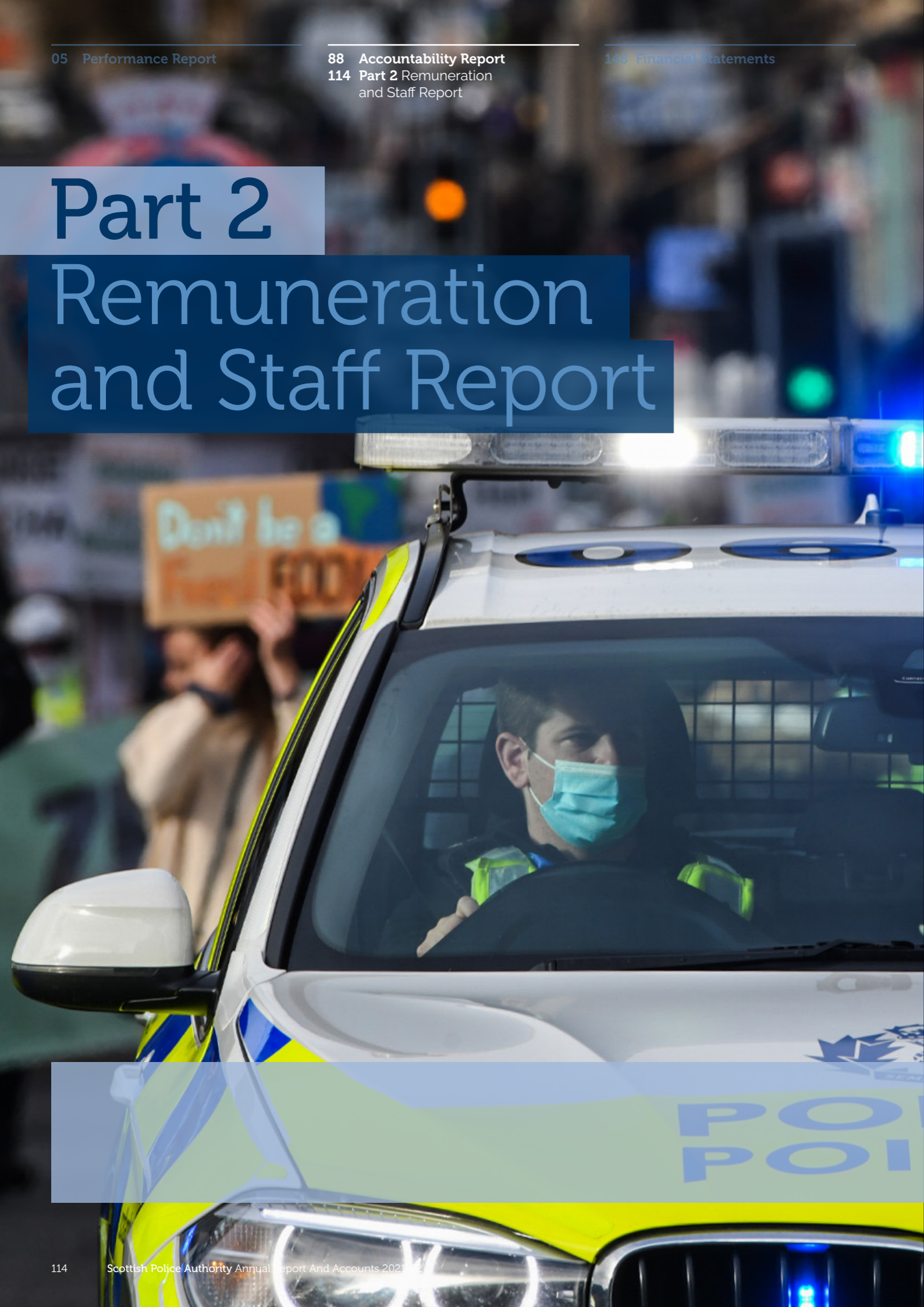
A range of improvements were delivered as progress against audit and inspection recommendations, including the closure of actions arising from the HMICS thematic inspection of the Authority.

In conclusion, as accountable officer, I am satisfied that the review of risk management and internal control systems demonstrate that the Authority continues to deliver strong governance and clear accountability for the police service.



Part 2

Remuneration and Staff Report



Overview

The Resources Committee and People Committee provide assurance to the Board in relation to remuneration and associated policies in operation throughout the service.



Remuneration Report

Remuneration policy

The Authority is committed to being a responsible, attractive and inclusive employer fulfilling all statutory and moral obligations. Against a challenging financial background, the aim is to ensure resources are efficiently deployed in line with public sector spending guidelines through being:

Modern – an organisation that has an agile and flexibly deployed workforce where staff feel motivated, empowered and valued.

Fair & equitable – an organisation that has a fair, equitable and affordable pay policy with appropriate terms and conditions which support policing priorities, and where pay scales comply with the Scottish living wage requirement.

Sustainable – adopt financial plans and policies that support the goal of financial sustainability, operating as an organisation which attracts, retains and develops skills, experience and talent.

The key principles of the pay and reward policy are to:

Ensure the pay and reward package reflects the commitment to being a responsible employer and a sustainable organisation.

Promote development of fair and transparent reward and recognition mechanisms.

Enable the Authority to compete for, invest in and retain individuals who possess the skills and specialisms required to support future delivery.

Develop, inform and integrate innovative practices and procedures into the total reward packages.

Through agreed consultative and negotiating forums, the Authority will:

Modernise and standardise staff terms and conditions of employment.

Promote the benefits of a diverse workforce through the provision of attractive, inclusive and responsible working practices.

Integrate the various elements of the overall reward package for staff to help them to respond effectively and efficiently to changing or emerging priorities.

Secure Best Value through evidence-based reviews.

Single year pay awards have been negotiated and provided for 2021-22 including enhancements to some terms and conditions. In addition, all police officers and staff were awarded a non-consolidated payment of £250 in recognition of the significant challenges that the workforce faced during 2020 and 2021.

The Chief Constable may award a bonus payment of between £50 and £500 to a serving police officer of Police Scotland where the Chief Constable is satisfied that the police officer concerned, has performed a piece of work of an outstandingly demanding, unpleasant or important nature. There are no provisions within the current pay scales for bonus or performance-related payments for any police staff.

With the exception of some of those detailed in this report, no employee or officer received remuneration in excess of £150,000 in the year.

Board members

Fees for Board members were determined in accordance with guidelines prescribed by the Scottish Government Public Sector Pay Policy information, applicable to Senior Public Appointments, including Chief Executives, Chairs and members. During the reporting year, members' time commitment was an average of up to six days per month. Current employer pension schemes are not open to Board members.

Board members' interests

During the year, apart from their appointments detailed within the Accountability Report, no Board member has undertaken any transactions with the Authority.

Remuneration of Board members (audited)

The Board members received the following remuneration for their services during the year ended 31 March 2022:

	2021-22			2020-21		
	Attendance allowance ¹	Taxable expenses ²	Total	Attendance allowance ¹	Taxable expenses ²	Total
	£'000	To nearest £100	£'000	£'000	To nearest £100	£'000
Martyn Evans - Chair ³ (from 1 Feb 2021)	95	1,200	97	18	300	18
Martyn Evans - Ordinary Member (to 31 Jan 2021)	-	-	-	20	100	20
Jane Ryder OBE - Vice Chair (from 26 May 2021)	28	100	28	-	-	-
Jane Ryder OBE - Ordinary Member (to 25 May 2021)	3	0	3	18	100	18
Dr Robert Black CBE FRSE (to 15 Oct 2021)	6	100	6	-	-	-
Paul Edie (from 1 Apr 2021)	20	100	20	-	-	-
Tom Halpin QPM	20	100	20	20	200	20
Alasdair Hay (from 1 Apr 2021)	18	200	18	-	-	-
Katharina Kasper (from 1 Apr 2021) ⁴	22	11,300	34	-	-	-
Grant Macrae	19	100	19	15	100	16
Professor Fiona McQueen CBE (from 1 Apr 2021)	17	100	17	-	-	-
Michelle Miller	17	100	17	11	-	11
Mary Pitcaithly OBE	16	200	16	20	100	20
Dr Catriona Stewart OBE (from 1 Apr 2021)	17	100	17	-	-	-
Caroline Stuart	20	-	20	20	-	20
Interim Chair – David Crichton (to 31 Jan 2021)	-	-	-	80	1,000	81
David Crichton (to 12 Feb 2021)	-	-	-	1	100	1
Robert Hayes (to 31 Mar 2021)	-	-	-	14	100	14
Matt Smith OBE DL (to 31 Mar 2021)	-	-	-	19	200	19
Elaine Wilkinson (to 31 Mar 2021)	-	-	-	14	900	15
Total	318	13,700	332	270	3,200	273

1. Overall remuneration levels include daily rate payments as follows:

Chair £530;
Vice Chair £378 (from 26 May 2021, £375 to 25 May 2021); and
Member £309.

2. Out of pocket expenses associated with members' performance of duties at Authority head office, became directly taxable. Accordingly, the value of those expenses, including the tax paid, is shown in the table above as taxable expenses.

3. Martyn Evans' appointment as Chair started on 1 February 2021, his remuneration shown above is split between the period of time he served as Chair; and as an ordinary member of the Board.

4. This relates primarily to the eligible reimbursement of reasonable childcare costs to cover duties undertaken as a Member of the Authority. This is in line with the Board Members allowances and expenses policy.

Details of all Board member appointments are held within the Directors' Report.

Remuneration of SPA Senior Management Group and Police Scotland Force Executive

The total remuneration of the SPA Senior Management Group and Police Scotland Force Executive is shown in the tables below, with full details of their appointment included in the Directors' Report within the Corporate Governance Report. Apart from the Chief Constable and Deputy Chief Constables, the officials covered by this report, hold appointments which are open-ended unless otherwise stated. Full time equivalent salary figures are shown where appropriate.

The salary of Directors is set within the Authority and Police Scotland, with the work and recommendations of the Senior Salaries Review Body, taken into consideration. The pay and terms and conditions for staff members is negotiated through the Joint Negotiating and Consultative Committee. The pay, and terms and conditions for police officers are negotiated through the Police Negotiating Board (PNB). PNB Circular 2021-05 and 2021-02 set out the salaries for these senior officers within the Police Scotland Force Executive Team. Unless otherwise stated, benefits-in-kind values relate to the provision of vehicles, also available for private use, with values provided to the nearest £100.

The value of the pension benefits in the tables below is calculated as the real increase in pensions multiplied by HMRC methodology multiplier of 20, plus the real increase in any lump sum. The real increase in pensions excludes increases due to inflation and are net of contributions made by the individual. The valuation does not represent actual payments made to the individuals during the course of the year.

Authority employees and officers are respectively entitled to membership of distinct pension schemes:

A Local Government Pension Scheme for police staff employees

or

The Police Pension Schemes¹ for police officers (1987, 2006 and 2015)

¹ Following a change in Pension Regulations, The 1987, and 2006 schemes were closed to membership on 31 March 2022. All active memberships from that date are in the 2015 scheme.

Information on these schemes is included at note 1.19 to the accounts, with full disclosure of the pension accounting liabilities for the Authority and Police Scotland, summarised within notes 23-25 of the Financial Statements. Salaries, accrued pensions and lump sums are disclosed in bands of £5,000, and real increases in pensions and lump sums are disclosed in bands of £2,500.

The SPA Senior Management Team (audited)

2021-22 Total Remuneration	Salary and allowances £'000	Bonuses ⁴ £'000	Benefits in kind To nearest £100	Pension benefits ³ £'000	Total £'000
Lynn Brown¹ OBE Chief Executive and Accountable Officer	70-75	-	-	-	70-75
Chris Brown² Deputy Chief Executive (Resources) (from 1 April 2021) (Joint Acting Chief Executive & Accountable Officer from 1 October 2021)	110-115	0-5	-	34	145-150
Barry Sillers² Deputy Chief Executive Strategy & Performance (Joint Acting Chief Executive from 1 October 2021)	120-125	0-5	-	32	150-155
Fiona Douglas Director of Forensic Services (from 1 October 2021)	60-65	0-5	-	79	140-145
Full-year equivalent	125-130				
Tom Nelson Director of Forensic Services (to 30 September 2021)	65-70	-	-	-	65-70
Full-year equivalent	130-135				

- Due to a planned period of medical leave by SPA Chief Executive Lynn Brown, Accountable Officer responsibilities were transferred for a six-month period to Deputy Chief Executive Chris Brown, with Deputy Chief Executive Barry Sillers also taking responsibility for a range of Chief Executive duties. During this period a reduced salary in line with SPA terms and conditions of employment was paid to the Chief Executive. SPA Senior Management team salary bandings are available on the [SPA website](#).
- In addition to the Deputy Chief Executive salary, Chris Brown and Barry Sillers received a higher paid duties element for their period of Acting Chief Executive roles, included in salary and allowances. This was in relation to a six-month period of absence of the Chief Executive. The payment was within the range £5 - 10k each.
- Where the real movement in pension benefits is negative, a dash has been inserted in accordance with the SPFM/FReM guidance.
- In 2021-22 all serving employees received a non-consolidated payment of £250 in recognition of the significant challenges faced in 2020 and 2021.

2020-21 Total Remuneration	Salary and allowances	Compensation for loss of office	Benefits in kind	Pension benefits	Total
	£'000	£'000	To nearest £100	£'000	£'000
Lynn Brown¹ OBE Interim Chief Executive and Accountable Officer	140-145	-	-	-	140-145
John McCroskie² Director of Communications & Relationships (to 31 January 2021)	80-85	95	-	56	230-235
Full-year equivalent	95-100				
Tom Nelson Director of Forensic Services	125-130	-	-	193	320-325
Barry Sillers Deputy Chief Executive Strategy & Performance (from 2 November 2020) ³	45-50	-	-	14	55-60
Full-year equivalent	105-110				
Barry Sillers Director of Strategy, Performance & Assurance (to 1 November 2020)	50-55	-	-	17	70-75
Full-year equivalent	90-95				

- Costs for Lynn Brown were invoiced by ASA Recruitment Agency on a day rate basis. The total costs identified in the table do not represent her salary, but are the overall costs to the Authority, after inclusion of employer on-costs, holiday pay adjustments, and agency commission. Excluding these additional costs, the underlying salary equivalent is in line with the salary range £115k - £120k, as indicated by the Authority at the time of the appointment.
- In addition to the Director salary, John McCroskie received a higher paid duties element in 2020-21, included in salary and allowances. This was in relation to a period of absence of the Interim Chief Executive in March and April 2020. The payment was within the range £0 - 5k. John McCroskie left this employment on 31 January 2021. The Director post was not directly replaced as a consequence of the revised SPA 2020 structure (implemented from November 2020).
- Barry Sillers changed roles on 2 November 2020 following the implementation of the revised SPA 2020 structure.
- No costs are disclosed for Lindsey McNeill, who has taken up a full time role with Scottish Canals, on a secondment basis, with payments made to Authority on a full cost recovery basis. Areas of responsibility have been covered by other members of the senior management team, until 1 November 2020 when the Director of Governance and Assurance post was no longer part of the SPA Corporate structure.

General: In August 2020, Scottish Government ministers approved the SPA/Police Scotland Director Pay and Grading System proposal, as approved initially by the SPA Board at its meeting of June 2020. The proposal was backed by an independent job evaluation process. Implementation has resulted in a non-pensionable recognition payment for a member of the SPA Senior Management Team as presented above, with the relevant amount for 2020-21 included.

Pension values (as at 31 March 2022)

Name	Accrued pension at 31 March 2022	Accrued lump sum at 31 March 2022	Real increase in pension	Real increase in lump sum	CETV ¹ as at 31 March 2021	CETV as at 31 March 2022	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chris Brown	5-10	-	0-2.5	-	49	78	15
Barry Sillers	5-10	-	0-2.5	-	52	83	15
Fiona Douglas	20-25	-	2.5-5	-	189	237	47
Tom Nelson ³	50-55	265-270	-	135-137.5	1,379	1,315	(156)
John McCroskie ⁴	-	-	-	-	331	-	-

- Cash equivalent transfer value (CETV)
- Lynn Brown chose not to be covered by the Local Government Pension Scheme arrangements during the reporting year.
- Tom Nelson retired on 30 September 2021. The accrued pension and CETV shown are at 31 March 2021 and as at the date of leaving.
- John McCroskie left his senior role on 31 January 2021. The CETV shown is at the date he left the senior role.

Police Scotland Force Executive (audited)

2021-22 Total Remuneration	Salary and allowances £'000	Bonuses ³ £'000	Benefits in kind To nearest £100	Pension benefits ² £'000	Total £'000
Sir Iain Livingstone QPM Chief Constable	225-230	0-5	7,300	-	230-235
Fiona Taylor QPM Deputy Chief Constable - Professionalism, Digital and Transformation	180-185	0-5	7,700	38	225-230
William Kerr OBE Deputy Chief Constable - Local Policing	180-185	0-5	-	-	185-190
Malcolm Graham Deputy Chief Constable - Crime and Operational Support	180-185	0-5	7,600	-	185-190
David Page Deputy Chief Officer - Corporate Services, People and Strategy	180-185	0-5	-	105	285-290
Andrew Hendry¹ Chief Digital and Information Officer - Digital and Transformation	155-160	0-5	-	43	200-205
James Gray Chief Financial Officer	130-135	0-5	-	29	160-165
Jude Helliker Director of People & Development	125-130	0-5	-	26	150-155
Tom McMahon Director of Strategy and Analysis	120-125	0-5	-	25	145-150

1. Andrew Hendry received a market supplement within the range £15-20k in addition to his basic salary for the financial year 2021-22. The market supplement is included in salary and allowances.
2. Where the real movement in pension benefits is negative, a dash has been inserted in accordance with the SPFM / FReM guidance.
3. In 2021-22 all serving employees received a non-consolidated payment of £250 in recognition of the significant challenges faced in 2020 and 2021.

2020-21 Total Remuneration	Salary and allowances £'000	Benefits in kind To nearest £100	Pension benefits ¹ £'000	Total £'000
Sir Iain Livingstone QPM Chief Constable	225-230	6,200	88	315-320
Fiona Taylor QPM Deputy Chief Constable - People & Professionalism	180-185	7,900	42	230-235
William Kerr OBE Deputy Chief Constable - Local Policing	180-185	600	-	185-190
Malcolm Graham Deputy Chief Constable - Crime and Operational Support	180-185	8,200	98	285-290
David Page Deputy Chief Officer	180-185	-	- ²	180-185
Andrew Hendry Chief Digital and Information Officer - Digital and Transformation	135-140	-	41	175-180
James Gray Chief Financial Officer	125-130	-	48	175-180
Jude Helliker Director of People & Development	120-125	-	79	200-205
Tom McMahon Director of Strategy and Analysis	115-120	-	39	155-160

General: In August 2020, Scottish Government ministers approved the SPA/Police Scotland Director Pay and Grading System proposal, as approved initially by the Board at its meeting of June 2020. The proposal was backed by an independent job evaluation process. Implementation has resulted in non-pensionable recognition payments for some members of the Force Executive, with the relevant amounts for 2020-21 included above.

In addition to those listed above, ten (2020-21: ten) Assistant Chief Constables are also part of the wider Force Executive but report directly into the Deputy Chief Constables above, who, along with the Chief Constable, the Deputy Chief Officer and Directors, are the main decision-makers.

1. Where the real movement in pension benefits is negative, a dash has been inserted in accordance with the SPFM / FReM guidance.
2. The pension benefit value for David Page has been restated in accordance with SPFM / FReM guidance.

Pension values (as at 31 March 2022)

Name ³	Accrued pension at 31 March 2022	Accrued lump sum at 31 March 2022	Real increase in pension ¹	Real increase in lump sum ¹	CETV ² as at 31 March 2021	CETV as at 31 March 2022	Real increase in CETV 2021-22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Sir Iain Livingstone QPM	145-150	-	-	-	3,222	3,341	(141)
Fiona Taylor QPM	10-15	-	2.5-5	-	120	173	20
Malcolm Graham	85-90	-	-	-	1,290	1,369	(36)
David Page	20-25	-	5-7.5	-	206	315	77
Andrew Hendry	5-10	-	2.5-5	-	36	65	11
James Gray	15-20	-	0-2.5	-	145	177	9
Jude Helliker	65-70	-	0-2.5	-	882	984	35
Tom McMahon	15-20	-	0-2.5	-	161	196	13

- Where the real movement in pension benefits is negative, a dash has been inserted in accordance with the SPFM / FReM guidance.
- Cash equivalent transfer value (CETV)
- William Kerr chose not to be covered by the Police Pension Scheme arrangements during the reporting year.



Fair pay (audited)

The Authority is required to disclose the relationship between the remuneration of the highest-paid employee and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded remuneration (excluding pension benefits) of the highest paid employee in the organisation in 2021-22 was £225,000-£230,000 for the Chief Constable (2020-21: banding £225,000-£230,000), with the mid-point being £227,500 (2020-21: 227,500). This is a change between years of 0% (2020-21 change: 0%).

Total annualised remuneration includes salary, allowances, performance pay and bonuses payable. It does not include employer pension contributions and the CETV of pensions.

For the employees of the Authority as a whole, the range of remuneration in 2021-22 was from £20,598 to £227,500 (2020-21: £19,798 to £227,500). The percentage change in average salary and allowances (based on total employees as a whole on an annualised basis divided by full time equivalent number of employees) between years is 3% (2020-21: 2%).

The percentage change between the current and previous year in performance pay and bonuses payable (based on total employees as a whole on an annualised basis divided by full time equivalent number of employees) is as follows:

Police Officer Bonuses ranging between £50 and £500 – 2021-22 total £20,500¹; 190% (2020-21: £7,200; 87%).

In 2021-22 all serving employees received a non-consolidated payment of £250, totalling £5.7m, in recognition of the significant challenges faced in 2020 and 2021. No comparable payment was made in 2020-21, so the percentage change is n/a.

¹ Included a total £8,500 for a G7 event.

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid employee (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

2021-22	25th percentile	Median	75th percentile
Salary component of pay	£33,325	£41,578	£43,108
Total pay, performance pay and bonuses excluding pension benefits	£33,575	£41,828	£43,358
Pay, performance pay and bonuses excluding pension: pay ratio for highest paid employee	6.8	5.4	5.2

2020-21	25th percentile	Median	75th percentile
Salary component of pay	£32,625	£40,528	£42,407
Total pay, performance pay and bonuses excluding pension benefits	£32,625	£40,528	£42,407
Pay, performance pay and bonuses excluding pension: pay ratio for highest paid employee	7.0	5.6	5.4

The reduction in all three pay ratios from 2020-21 to 2021-22 is attributable to an increase in the pay of the Authority's employees as a whole, given that the highest paid employee salary banding has not changed.

The median pay ratio shows a narrowing between 2020-21 and 2021-22. For police staff, lower and mid-graded posts continued to benefit from higher percentage increases than those in more senior grades, narrowing the ratio of median v highest pay.

The Police Negotiating Board agreed a flat rate cash increase to pay across all police officer scales in 2021. As with police staff, the structure of this pay award has had a greater impact on the salaries at the lower and middle of the police pay scales than on the higher paid, narrowing the gap between the median and highest paid.

Staff Report

Staff analysis by gender

The table below summarises the actual number (headcount) of Board members, external secondees, employees and officers by gender:

Category of staff	As at 31 March 2022				As at 31 March 2021 ¹			
	Male	Female	%*	Total	Male	Female	%*	Total
Board Members	5	7	58	12	5	5	50	10
SPA Senior Management Group	2	2	50	4	2	-	33	2
Police Scotland Force Executive	7	2	22	9	7	2	22	9
SPA & Police Scotland staff	2,278	3,831	63	6,109	2,282	3,867	63	6,149
Agency staff ²	16	7	30	23	19	10	34	29
Police officers	11,422	5,723	33	17,145	11,814	5,737	33	17,551
Special Constables	304	141	32	445	318	143	31	461
Total	14,034	9,713	41	23,747	14,447	9,764	40	24,211

* indicates the percentage of females for each category of staff

- 31 March 2021 headcount restated as one staff member was on secondment and not part of SPA Senior Management Group.
- Agency staff numbers are shown as at 31 March and do not represent movement in numbers during the year, while agency staff costs represent the full year.



Total staff costs analysis (audited)

2021-22	Board members £'000	Staff £'000	Officers £'000	Agency Staff £'000	Total £'000
Wages and salaries	318	203,432	768,280	1,858	973,888
Social security costs	27	20,415	82,665	-	103,107
Pension costs	-	41,650	16,853	-	58,503
	345	265,497	867,798	1,858	1,135,498
IAS19 pension adj. (note 23)	-	67,752	225,200	-	292,952
	345	333,249	1,092,998	1,858	1,428,450
Staff headcount	12	6,118	17,594	23	23,747

2020-21	Board members £'000	Staff £'000	Officers £'000	Agency Staff £'000	Total £'000
Wages and salaries	270	198,979	722,957	2,830	925,036
Social security costs	25	19,826	78,129	-	97,980
Pension costs	-	39,654	16,695	-	56,349
	295	258,459	817,781	2,830	1,079,365
IAS19 pension adj. (note 23)	-	26,277	145,900	-	172,177
	295	284,736	963,681	2,830	1,251,542
Staff headcount	10	6,156	18,016	29	24,211

Officers' wages and salaries include such items as basic pay, allowances, parental pay, redundancy costs, sick pay, TOIL and any long-service awards. It also incorporates annual allowances paid to Special Constables of £323,257 (2019-20: £304,883) during the year. Officers' pension costs include both ill health and injury pensions. Staff and officer pay levels are compliant with the UK living wage.

Additional staff details

There were four officers (2020-21: five) and five staff members (2020-21: four) who died during the year. There were also 40 officers (2020-21: 42), and 17 members of staff (2020-21: 18) who retired through ill health.

Exit packages (audited)

In recognition of the ongoing programme of organisational change, the Scottish Government agreed to extend the terms of the current Authority voluntary redundancy and voluntary early retirement (VR/VER) schemes until 31 March 2022. As in the previous year, there continues to be a Scottish Government Public Sector Pay Policy of no compulsory redundancies. Reform funds were made available to maximise sustainable organisational benefits. VR/VER releases represent a significant cost, and must be balanced with other change investments.

The VR/VER scheme is open to all SPA and Police Scotland employees with a minimum of two years continuous service. Employees working in functions which have a critical role to play in any new structure are unlikely to be released unless they can be backfilled by staff whose posts are at risk of redundancy.

The National Voluntary Release Panel reviewed the applications submitted in line with the process agreed by the Board and approved 21 releases during 2021-22 (2020-21: 46).

The values of the individual packages approved under the voluntary severance scheme for staff members accrued during the year including pension payments, are shown above.

During the financial year eleven financial settlements were entered into with five employees in the £0-£10,000 range, three employees in the £10,000-£25,000 range, two employees in the £25,000-£50,000 range and one employee in the > £200,000 range (2020-21: eight in total). The payments were made for employment tribunal claims outside the VR/VER policy and are not included in the above table.

Value of package including pension strain costs	2021-22 Total Employees	2020-21 ¹ Total Employees
<£10,000	-	6
£10,000 - £25,000	3	8
£25,000 - £50,000	4	8
£50,000 - £100,000	5	11
£100,000 - £150,000	3	5
£150,000 - £200,000	3	2
> £200,000	3	6
Total number of exit packages	21	46
	£'000	£'000
Total cost of agreed departures during the year	2,300	3,735
	£'000	£'000
Total cost of agreed departures during the year excluding Compensatory added years (CAY) estimated future costs	1,645	2,691

¹ 2020-21 figures restated for two exit packages.

Attendance management

The absence management figures for both the Authority and Police Scotland combined, shown as a percentage of days available, are as follows:

	Short term	Long term	2021-22 Total	Short term	Long term	2020-21 Total
Staff	4.1%	4.0%	8.1%	2.7%	3.7%	6.4%
Officers	4.8%	3.5%	8.3%	2.5%	2.7%	5.2%

Agency and consultancy fees (audited)

In addition, staff paid through an agency disclosed in total staff costs above was £1.86 million (2020-21: £2.83m), there was an additional £1.34 million (2020-21: £0.93m) of contractors' fees which were capitalised within additions in ICT assets under construction. Other consultancy fees can be found in note 4 to the financial statements.

Trade union (TU) facility time reporting

TU	facility time	2021-22	2020-21
1	Employees identified as union officials (and full time equivalent)	31 (30.3)	42 (40.3)
2	Proportion of working time spent on facility time (no. of employees)		
	2a 0% of working time	9	17
	2b 1-50% of working time	14	13
	2c 51-99% of working time	2	1
	2d 100% of working time	6	11
3	%age of pay bill spent on facility time ^a	0.03	0.05
4	%age of time spent on trade union activities ^b	6	9

a. Calculated as: Total cost of facility time ÷ Total pay bill.

b. Calculated as: Total hours spent on trade union activities by relevant union officials during the relevant period ÷ Total paid facility hours.

Full details of trade union facility time are also disclosed on the Police Scotland website, in line with legislative requirements laid out in the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Staff turnover

Staff turnover percentage includes all officers and staff employed. For a given period, the turnover figure is calculated as the number of leavers within that period divided by the average of staff in post over the period.

	2021-22	2020-21
Staff turnover percentage	6.4%	4.3%

Employee relations

This year has presented The Authority and Police Scotland with an array of both new and existing challenges. COVID-19 meant that all areas of policing continued to support home and hybrid working for groups of the workforce.

In order to ensure that all officers and staff were kept updated a range of existing communication channels were utilised including the intranet, The Beat magazine, and internal marketing campaigns such as video messages, posters and booklets. In addition, the Line Managers' Toolkit was used to keep managers informed and enable them to respond to people challenges during a dynamically changing environment. Equality Diversity and Inclusion themes were communicated regularly through that format to ensure continued organisational awareness of the important of inclusion.

The absence line continued to be managed within People and Development, with shift patterns for operation of the line now well embedded. Significant call volumes, related to COVID, were received through the year and this trend continues. This ongoing focus is essential to ensuring that organisational resource pressures are understood and addressed.

The Outbreak Management Team continued to operate, supporting workforce availability across operational services and ensuring that the safety of the workforce was embedded at the heart of the response.

The Statutory Staff Associations, Trade Unions and Diversity Staff Associations have actively engaged during this period, participating in a range of additional governance activity to ensure fast paced engagement could take place. This assisted in continuing to ensure the safety and wellbeing of the workforce and the public.

People related standard operating procedures continued to be reviewed and developed. With a priority being to develop a new approach to 'post-Homeworking' working and the creation of a hybrid option moving forward. This allows policing to retain benefits from the pandemic experience, while ensuring that some of the dis-benefits can also be tackled and proactively managed moving forward.

The HMICS Audit into Training, Leadership and Development was also reported and a working group to ensure that recommendations are progressed has been convened in response. The recommendations have a primary focus on recruitment in relation to equality, diversity and inclusion.

The [Your Voice Matters \(YVM\) Staff Survey](#) carried out in March 2021 was developed by Durham University Business School, and has been used extensively across UK police forces. This has allowed the Authority and Police Scotland to have a better understanding of system performance against other Policing organisations.

When looking at comparable data at a Force level the results show, that for Police Scotland:

Commitment to the public was high across the service at an average of 5.46 out of 7 (officers 5.53/staff 5.29).

Job satisfaction was at a high level across the service at an average of 5.05 out of 7 (officers 5.03/staff 5.1).

In total 7,389 people responded to the survey, producing a response rate of 31.2%. Overall the results suggest individuals within the policing system in Scotland are highly motivated to provide meaningful public service and are personally committed to serving the wider community. The YVM Steering Group has overseen the development of an organisational implementation Plan, which focuses on meaningful activity across themes which include leadership, wellbeing and behaviours.

The Steering Group is focused on action planning in response to results; and in alignment with the organisational response, local implementation plans have been developed and agreed. The next iteration of the People Strategy and potentially further research projects will also be influenced heavily from the YVM feedback. The Chief Constable's Commitments 2021-22 include a promise to act on the findings of the survey which will be delivered through synergy of both national and local activity.

Employment Tribunals and Judicial Mediation (ET/JM) took place in the main online rather than in person, with very few exceptions. Learning from outcomes from both internal grievances and ET/JM continues to be an organisational priority as the organisation strives to ensure continual improvement in the lived experience of people within the organisation.

Equality & diversity

It is recognised that vulnerability has become an increasing issue as the pandemic continued. Police Scotland have been concerned with responding to increased vulnerabilities or concerns across the workforce as issues have been identified. For example consideration of the impact of specialist personal protective equipment, such as face fit masks, on groups within the workforce or consideration of specific vulnerabilities related to disability, pregnancy and caring responsibilities.

Engagement continued with diversity staff associations, who contributed actively in support of workforce challenges and solutions. Proactive engagement took place with diversity staff organisations in relation to significant cultural events such as Black History Month and LGBT History Month. There were opportunities made available to allow the workforce to participate in diversity and inclusion events and associations worked hard, and successfully, to make events accessible online. The ability for wide spread geographic participation was achieved using electronic means and the diversity staff associations are to be commended for the work they have carried out that has supported workforce development and education.

The Equality, Diversity, Inclusion and Human Rights Strategic Oversight Board has continued to drive the workforce agenda and ensure continued senior leadership and pace associated with progress to embed the agreed ambition across the workforce. This supports delivery of the [Joint Equality Outcomes](#) approved in March 2021. The focus remains on ensuring a common understanding of the value that inclusion brings to our communities and the workplace, and ensuring that these outcomes are embedded across the work of Police Scotland and the Authority.

The Authority is a member of the Disability Confident scheme which is a UK Government initiative designed to support employers to make their workplaces more open, accessible, diverse and inclusive. It is designed to help employers recruit and retain disabled people and people with health conditions for their skills and talent.

The scheme has three levels, which guide employers through the journey to the highest level of Disability Confident Leader. The scheme also provides practical guidance to support employers to become more confident when attracting, recruiting and retaining disabled people.

The Authority is currently at the second level of Disability Confident Employer and will continue to progress to the third level and become a Disability Confident Leader. Disability Confident principles are built into our E-recruitment system to support review at shortlist. Applicants who declare a disability in police staff recruitment process are flagged for assessment in line with the scheme for guaranteeing an interview if essential criteria are met.

There is also a 'reasonable adjustments area' within the E-recruitment system. This functionality provides a mechanism for applicants (prior to making a formal application) to disclose information and request support if they disclose a disability. Information is contained in the application centre for applicants to help make the process clear and accessible and is supported by guidance along with a description of the process. This area also supports disclosures and the process in relation to neurodiversity for police staff and police officers.

A feedback and survey area is now in place which asks specific questions to survey applicants who have been given support following a request for reasonable adjustments. This is to provide the Authority with feedback for continuous improvement. We have also introduced new questions and a review process in new employee paperwork, in relation to any reasonable adjustments made for the role.

Our E-recruitment system also provides us with enhanced reporting functionality including the ability to monitor and report on the data at all stages of the process for applicants declaring a disability or requirement for reasonable adjustments. The system also includes a separate report for neurodiversity.

Equal opportunities information including the disclosure of a disability is classed as data sensitive and is permission led on the system. It is only displayed to those that need access. This now sits separately to application forms.

Under the Equality Act 2010, employers are obliged, to 'make sure workers with disabilities, or physical or mental health conditions, are not substantially disadvantaged when doing their jobs'. This means that employers need to proactively consider the provision of reasonable adjustments. A revised Disability in Employment procedure was issued by the Authority in July 2021, which includes an updated National Process for the Provision of Reasonable Adjustments (NPPRA).

This process has identified the range of departments involved in this process and the need for alignment and joint working, to create a more streamlined process to ensure that officers and staff receive their reasonable adjustments in a timely manner. The new Disability in Employment process aims to:

Support the Authority's legislative responsibilities under the Equality Act 2010 to provide reasonable adjustments.

Identify the range of departments involved in this process and the need for alignment and joint working, to create a more streamlined process to ensure that officers and staff receive their reasonable adjustments in a timely manner.

Ensure an increased organisational understanding of disability issues, the production of a national comprehensive Disability in Employment Procedure, accompanying training and clear guidance.

Ensure that line managers are aware of their responsibilities in relation to supporting officers and staff those with disabilities.

Ensure the consistent and fair application of reasonable adjustments, preventing unnecessary and repeated delays in responding to requests for any form of Reasonable Adjustment.

Improve governance to facilitate record keeping and accountability.

Make the most effective use of external resources and funding available (e.g. Access to Work).

The Authority relies upon the Access to Work (ATW) scheme, part of the Department of Work and Pensions, to provide workplace assessments for officers and staff in relation to long term physical and mental health impairments. Following the workplace assessment ATW also identify appropriate reasonable adjustments for the individual.

If a disabled person, as a result of their disability, is unable to sustain consistent performance levels, and there are no further Reasonable Adjustments that we can make, a range of procedures exist to resolve these situations such as Attendance Management, Ill-Health Retirement or Capability. The Authority will identify alternative roles that may be suitable for redeployment.

We work closely with the Scottish Police Disability and Carers Police Association (DACA) is one of the Authority's diversity staff associations. DACA aim to raise awareness of issues experienced by colleagues who have a disability and/or caring responsibilities. DACA is working to ensure that carers and the people with disabilities amongst members of staff, who may be police officers, special constables or police staff can be assured of a working environment which is inclusive and supportive of their needs.

Work continues to ensure that there is an equal emphasis on the necessary culture change needed for greater understanding and acceptance of disability – and its value to employers – and tangible action steps that can be taken to create a more inclusive and engaged workplace.

Health & safety

Police Scotland Health & Safety Advisors have been assisting and responding to the threat from COVID-19 since January 2020; working closely with Emergency, Events and Resilience Planning, the National Police Chiefs Council (NPCC) and safety advisors in other forces.

As COVID-19 significantly changed the way service was delivered, a Health & Safety Group, with representation from all parts of the organisation, was established and continues to meet regularly. Police Scotland also created a specialist logistics team to source, manage and distribute personal protective equipment as well as carry out face fitting for officers and staff. At the time of writing Police Scotland has face fitted over 16,500 police officers and police staff, allowing them to wear appropriate protection for the level of risk they are presented with.

Police Scotland safety advisors took advice and guidance in relation to COVID-19 from Health Protection Scotland, the NPCC, the Association of Police Health and Safety Advisors, and the Health & Safety Executive to inform a policing specific risk assessment which was updated regularly along with a comprehensive suite of guidance documents.

A great deal of positive and collaborative work was undertaken with the Scottish Police Federation, Unison and Unite to develop a series of site visits which ensured that physical distancing was being adhered to across Scotland. These visits have been in place since April 2020 and have provided positive results. In addition to work relating to COVID-19, the service has continued to deliver business as usual activity including a programme of national custody audits, in partnership with estates services, Staff Associations and Trade Unions.

During 2021-22 the Police Scotland health & safety team have progressed a significant review under the 'Control of Vibration at Work' Regulations and a variety of service specific reviews including Fleet Workshops, Ground Workers and Police Motorcyclists. Additionally they have progressed a review under the 'Control of Noise at Work' Regulations which is resulting in the provision of new earpieces for Officers and Staff; this will not only protect their hearing but also allow them to hear radio transmissions better in noisy environments such as parades and at football grounds.

The table below provides detail of accidents over the 2021-22 year.

Accident type	2021-22 ²	2020-21 ³	%Increase/ (Decrease) ¹
Injuries due to assault	4,780	3,244	47%
Injuries during arrest	773	714	8%
Exposure to hazardous substance	740	2,834	(74)%
Other incidents	621	541	15%
Slips, trips and falls	276	292	(5)%
RTC injuries	195	158	23%
Manual handling - person	165	43	284%
Manual handling – object	148	64	131%
Contact with animal	73	80	(9)%
Slips, trips and falls – from height	31	44	(30)%
Needlestick injury	16	26	(38)%
Unknown	-	6	(100)%
Total	7,818	8,046	(3)%
RIDDOR Reports (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995)	384	322	19%

¹ Please note a decrease in accident reporting which is mainly due to a significant decrease in COVID-19 reporting as we move through the pandemic. If COVID-19 is removed from reporting then we have seen a 35% increase in reports.
² 2021-22 draft figures
³ 2020-21 final figures

Health & wellbeing

The Police Scotland People Strategy was developed, and launched, in 2018 as an enabler to deliver joint strategic outcomes. The wellbeing of the workforce is embedded within the strands of the strategy as can be seen below. As a result, consideration of wellbeing sits within and across all processes and activities; although much has been achieved since the launch of 'Your Wellbeing Matters' the commitment is ongoing to further understand, and meet, the needs of the workforce.

The 'Your Wellbeing Matters' approach supports four key areas of wellbeing; Physical, Psychological, Social and Financial. The strategic aim of the 'Your Wellbeing Matters' programme, is to promote and embed an inclusive approach to wellbeing within Police Scotland and the Authority, taking proactive measures and promoting good practice to ensure that officers and staff feel informed, valued and supported.

POSITIVE WORKING ENVIRONMENT Our people are supported through a positive working environment enabling them to serve the public.		
People Strategy: INSPIRING LEADERSHIP	People Strategy: POSITIVE ENVIRONMENT	People Strategy: ORGANISATIONAL HEALTH
Wellbeing Objective To equip managers with effective, informative and practical tools and guidance to support officer and staff wellbeing.	Wellbeing Objective To create a safe, positive and healthy working environment for all officers and staff.	Wellbeing Objective To embed a culture where the management of health and wellbeing are integrated into all aspects of the organisation.

Occupational Health and the Employee Assistance Programme (EAP) are provided by Optima Health. Referral levels, as shown below, have increased for both in 2021-22.

	2021-22	2020-21	%Increase/ (Decrease)
Occupational Health Referrals	3,350	2,784	20%
Employee Assistance Programme (EAP)	2,148	1,851	16%

2020-21 saw a noted decrease in occupational health delivery due to the impact of COVID-19, however with the easing of restrictions during 2021-22 delivery is returning to pre COVID-19 levels. Similarly, occupational health services 2020-21 saw a noted decrease in EAP usage with 2021-22 showing a significant uplift in the number of calls in particular. COVID-19 was a factor, with less officers and staff seeking help and support at the height of the pandemic.

Trauma Risk Management (TRiM)

	2021-22 ¹	2020-21 ²	%Increase/ (Decrease)
Number of requests for TRiM	458	348	32%
Number of supportive interventions	3,403	1,896	79%

¹ 2021-22 draft figures
² 2020-21 final figures

TRiM continues to be a fundamental part of the health and wellbeing structured support of officers and staff who have experienced traumatic incidents. During 2021-22 there was a 32% (458) increase in the number of requests for TRiM compared to the previous year (348). This significant increase in requests has resulted in a 79% increase in supportive interventions delivered by the TRiM team. Initial review and evaluation of the programme suggest the following positives:

- A direct correlation with awareness campaigns and support nationally.
- An increase in trust of the process and confidentiality especially leading to recurrent attendance at support sessions across the service.
- The proactive approach to support adopted by line managers and supervisors.

Wellbeing Champions Network

The wellbeing champion's network remains an integral part of the health and wellbeing programme; enabling interaction and understanding of the needs of officers and staff throughout the policing system. There are currently 144 Wellbeing Champions, who have taken part in the Eleos Partnership mental health programme and are now being supported by Lifelines Scotland who currently have additional CPD training offerings.

Health and Wellbeing Learning, Training and Development

A mental wellbeing programme was delivered throughout 2021-22, delivered by the Eleos Partnership on behalf of Police Scotland and the Authority. Whilst the programme was severely impacted by Op Urram and Op TALLA a substantial impact was made across the organisation. Over the course of the programme there have been 2310 unique attendees, all attending virtually due to Covid-19 restrictions. The programme, which was delivered in 3 phases, consisted of 2 core modules:

Creating Pioneers – destigmatising psychological challenges, which discussed the stigma relating to psychological wellbeing and helped people to become a confident, person-centred colleague who supports improved individual and organisational psychological resilience.

It's all about you - Wellbeing Conversations – this was designed to help people to hold effective and meaningful discussions with team members around wellbeing and resilience and to enhance working relationships built on trust and mutual respect.

The Lifelines Scotland project, in place since summer 2021 with breaks for Op Urram and Op TALLA during this time, has adopted a targeted approach in terms of the training delivery with particular areas within Police Scotland and the Authority, namely Cybercrime, C3 and Forensics, undertaking the training. The sessions have also been offered to Wellbeing Champions and the Scottish Police Federation due to their crucial roles supporting and assisting the workforce.

To date 402 officers and staff have participated in the Lifelines training, delivered virtually. The programme covers staying well, understanding personal resilience and self-care, supporting colleagues and post trauma support including psychological first aid.





Part 3 Parliamentary Accountability and Audit Report

Overview

The Authority is held to account by Parliament through statutory arrangements put in place through the Public Finance and Accountability (Scotland) Act 2000. The organisation's spending and use of resources, are examined by our external auditor, Audit Scotland.

The Authority has delivered financial monitoring reports throughout the financial year, maintaining high level transparency of performance reporting regarding the funding streams available from the Scottish Government. This is to provide assurance that public money is spent in accordance with parliamentary accountability.

The Statement of Resource Outturn below and associated Reconciliation of Statement of Resource Outturn to Statement of Comprehensive Net Expenditure, and Statements of Non-Cash and Annually Managed Expenditure (AME) funding overleaf, are presented in order to provide transparency to the people of Scotland, demonstrating that public money is spent properly, and in accordance with the principles of best value.



Statement of Resource Outturn

	2021-22			2020-21		
	Funding	Outturn	Funding vs Outturn	Funding	Outturn	Funding vs Outturn
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue resource ¹	1,225,040	1,228,527	(3,487)	1,156,016	1,192,325	(36,309)
Revenue reform	23,100	22,913	187	25,000	22,500	2,500
COP26 resource	49,100	48,990	110			
Total resource DEL²	1,297,240	1,300,430	(3,190)	1,181,016	1,214,825	(33,809)
Working capital (cash only)³	27,027	-	27,027	36,000	-	36,000
Capital resource ¹	50,073	49,656	417	45,389	57,738	(12,349)
Capital reform	4,600	4,600	-	4,600	4,600	-
COP26 capital	2,400	2,510	(110)	-	-	-
Capital grant income	1,094	1,094	-	654	654	-
Total capital DEL	58,167	57,860	307	50,643	62,992	(12,349)
Capital receipts	3,205	2,737	468	1,110	778	332
Resource under/ (over) spend	1,385,639	1,361,027	24,612	1,268,769	1,278,595	(9,826)
ODEL Funding – pre 2004-05 loan interest	3,804	3,804	-	3,809	3,726	83
Resource under/ (over) spend including ODEL	1,389,443	1,364,831	24,612	1,272,578	1,282,321	(9,743)

1. Resource funding provided through periodic Grant in Aid payments. See also note 26 to the Financial Statements.
2. Departmental Expenditure Limit
3. Cash funding related to the resource DEL deficit position above (as noted in the Financial Performance section of the Performance Analysis in the Annual Report, and also Note 26 to the Financial Statements).

Reconciliation of Statement of Resource Outturn to Statement of Comprehensive Net Expenditure

	2021-22	2020-21
	£'000	£'000
Comprehensive net expenditure	1,933,315	1,784,288
Non-cash costs		
Depreciation & amortisation	(52,228)	(44,497)
AME-funded impairments/revaluations	(8,346)	(3,043)
Impairment of bad debt	35	11
Capital grant Income	1,094	654
Pension fund interest	(282,498)	(359,211)
IAS19 pension adjustment	(292,952)	(172,177)
Provisions	2,010	4,161
Non-current asset adjustment	-	4,189
Total non-cash costs	(632,885)	(569,913)
Exclusion of net income – COP26	-	450
Comprehensive net expenditure attributed to revenue budgets	1,300,430	1,214,825

Cash Grant in Aid funding from the Scottish Government is allocated each year to the Authority under Resource (cash) funding from the original Departmental Expenditure Limit (DEL) which consists of separate budgets controlled through DEL, represented by:

Net resource spending (resource DEL).

Net capital expenditure (capital DEL).

Outside DEL expenditure (ODEL which represents a sum allocated, by HM Treasury, against loan repayments for borrowings agreed and held by councils prior to 2005.

Total resource funding (including ODEL and Reform funding) for the year to 31 March 2022 was £1.389 billion (2020-21: £1.273bn) representing an overall increase in resources of £116m (9.1%). When non-recurrent COP26 funding of £51.5 million is excluded from the 2021-22 figures, total funding is £1.338 billion, with an increase in resources of £65 million (5.1%). In 2020-21, total resources increased by £50 million (4.1%).

Income from activities (see note 3), relates to income raised by the Authority to offset against expenditure.

Scottish Government agreed an annual recurring cost of £941.250 (2020-21: £941.250) for the cost of SPPA's role as Scheme Manager of the Police Officers' Pension Scheme. This amount was deducted from the Authority's baseline budget in respect of the costs due to SPPA. Therefore this amount is not included within the cash Grant in Aid figure within the Annual Report & Accounts.

Non-cash funding

Non-cash funding is allocated as follows:

Ring-fenced DEL which comprises non-cash expenditure such as depreciation.

Annually Managed Expenditure (AME) which is a separate budget covering expenditure such as pension adjustments, and some provisions and impairments, which cannot be fully controlled.

Other non-cash resource funding received.

Statement of Resource Outturn – Annually Managed Expenditure (AME) Funding

	Note	2021-22	2020-21
		£'000	£'000
Increase/(decrease) in AME provisions	22	(2,010)	(4,161)
IAS 19 pension adjustment in pension Interest for staff	23	9,498	4,811
IAS 19 pension adjustment in staff costs	23	67,752	26,277
AME funded impairments/revaluations	9	8,346	3,043
Total AME expenditure		83,586	29,970
Total AME funding received	26	(75,000)	(54,900)
Total AME over/(under) spend		8,586	(24,930)

Statement of Resource Outturn – non-cash funding

	Note	2021-22	2020-21
		£'000	£'000
Depreciation	9-11	52,228	44,497
Total non-cash expenditure		52,228	44,497
Total non-cash ring-fenced GiA received	26	(50,000)	(50,000)
Total non-cash resource funding received	26	-	(300)
Total non-cash over/(under) spend		2,228	(5,803)

Fraud

Every two years, the UK Cabinet Office initiates a National Fraud Initiative (NFI), collating electronic data across the public sector in order to identify possible fraudulent transactions. In Scotland, this work is led by Audit Scotland, and overseen by the Cabinet Office. The Authority provided purchase ledger and payroll data for the most recent exercise (2020-21) and data matches were identified and returned. All high risk items were investigated and no incidents of suspected fraud were identified within the exercise. The remaining items were reviewed, compliant with NFI procedures.

Losses, special payments and write-offs

Following reviews of overdue sales invoices, the Board approved the write offs of 24 invoices with a value of £38,339 and write backs of 18 receipts with a credit value of £(41,206); a total of £(2,867) (2020-21: £400,194).

This review has also resulted in a decrease in the impairment for bad debts within trade receivables (note 15) to £16,535 (2020-21: £51,817).

In addition to the bad debt write off, obsolete stock (note 14) was also written off during 2021-22 with a total value of £1,341,018 (2020-21: £143,794).

Following an internal review of mileage and overtime overpayments, pay losses totalling £44,958 were written off during 2021-22 (2020-21: nil).

Legal costs arising during the normal course of operations are included at note 4 to the Accounts. A provision for litigation is detailed at note 22 to the Accounts.

Payments to individuals who have taken voluntary redundancy are disclosed within the Remuneration and Staff Report. Special severance payments made for employment tribunal claims outside the voluntary redundancy/voluntary early retirement (VR/VER) policy are as follows:

Special severance payments*	2021-22	2020-21
Total number	11	8
Total amount paid	£2,095,488	£67,579
Max. individual amount paid	£1,918,725	£25,000
Min. individual amount paid	£1,000	£600
Median amount paid	£22,071	£5,750

* Payments have been grossed up for tax.

There have been no other material losses, special payments or write-offs during the year.

Donations

Small donations were made during the year to volunteering organisations and community safety fund partnerships. Overall these payments amounted to approximately £165,000, and included donations to the Mountain Rescue Service of £61,700 (2020-21: £63,000), the University of Edinburgh for Save a Life for Scotland project of £20,000 (2020-21: £20,000), the Police Treatment Centre of £60,190 (2020-21: £10,000), the Scottish Police Memorial Trust of £5,000 (2020-21: £5,000), the Denis Law Legacy Trust £2,500 (2020-21: nil) and Care of Police Survivors £2,000 (2020-21: nil). A small number of other donations were made, none of which exceeded £1,000.

Auditors

Under the Public Finance and Accountability (Scotland) Act 2000, the Authority's auditors are appointed by the Auditor General. Gillian Woolman, Audit Director at Audit Scotland has a three year appointment from 2019-20. The auditors were remunerated the sum of £210,280 (2020-21: £206,310) in respect of statutory audit services, for the financial year.

Audit Scotland did not perform any non-audit services and no additional payments were made.

Remote contingent liabilities (audited)

The Authority is not aware of any remote contingent liabilities that it would be required to disclose under the requirements of the Financial Reporting Manual.

Supplier payment policy

The Authority aims to comply with the Government's Better Payment Practice Code. Unless otherwise stated in the contract, the service aims to pay within ten working days from either the receipt of goods or the presentation of a valid invoice, whichever is the later.

84% of supplier invoices were paid within the normal trading terms of 30 days (2020-21: 78%). The number of invoices taking longer than ten working days has increased from 44% in 2020-21 to 49% in 2021-22. The trade creditor level as at 31 March 2022 was 19 days compared to 14 days in 2020-21.

Lynn Brown OBE Chief Executive

29 September 2022

Independent Auditor's Report

Independent auditor's report to the members of the Scottish Police Authority, 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 the Scottish Police Authority for the year ended 31 March 2022 under the Police and Fire Reform (Scotland) Act 2012. 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 accounts, 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 Police and Fire Reform (Scotland) Act 2012 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 Police and Fire Reform (Scotland) Act 2012 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 25 June 2020. The period of total uninterrupted appointment is three 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 separate 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 assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and 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.

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 Police and Fire Reform (Scotland) Act 2012 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 Police and Fire Reform (Scotland) Act 2012 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 Police and Fire Reform (Scotland) Act 2012 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.

Gillian Woolman Audit Director

29 September 2022
Audit Scotland,
4th Floor
102 West Port
Edinburgh
EH3 9DN

Financial Statements of the Scottish Police Authority

Statement of Comprehensive Net Expenditure
Statement of Financial Position
Statement of Cash Flows
Statement of Changes in Taxpayers' Equity
Notes to the Accounts

Statement of Comprehensive Net Expenditure Year ended 31 March 2022

	Note	2021-22 £'000	2020-21 £'000
Expenditure			
Staff costs	2a	1,428,450	1,251,542
Other expenditure	4	199,692	157,104
		1,628,142	1,408,646
Depreciation & amortisation	9, 11	52,228	44,497
Operating expenditure	2	1,680,370	1,453,143
Income from activities	3	(42,590)	(36,092)
Net Expenditure before interest		1,637,780	1,417,051
Loss on impairment of assets	9	8,346	3,043
Interest payable			
Pension fund interest	23	282,498	359,211
PFI interest		1,709	1,859
Finance lease interest		125	184
Loan and other interest		2,857	2,940
		287,189	364,194
Net expenditure		1,933,315	1,784,288
Other comprehensive expenditure	Note	2021-22 £'000	2020-21 £'000
These items will not be reclassified to net expenditure			
Net (gain) / loss on revaluation reserve		(6,179)	(11,440)
Net (gain) / loss on revaluation of investment properties	10	150	(57)
IAS19 actuarial (gain) / loss	23	1,717,618	1,866,969
Total other comprehensive (Gain) / Loss		1,711,589	1,855,472
Total Comprehensive Net Expenditure		3,644,904	3,639,760

The notes on pages 153 to 214 form part of these accounts.

Statement of Financial Position as at 31 March 2022

	Note	31 March 2022 £'000	31 March 2021 £'000
Non-current assets			
Property, plant and equipment	9	520,472	508,723
Investment properties	10	13,579	13,969
Intangible assets	11	21,218	20,495
Total non-current assets		555,269	543,187
Current assets			
Cash and cash equivalents	13	46,880	11,263
Inventories	14	4,833	6,368
Trade and other receivables	15	43,240	43,801
Assets held for sale	16	2,758	2,661
Total current assets		97,711	64,093
Total assets		652,980	607,280
Current liabilities			
Trade and other payables	17	(151,159)	(138,013)
Total current liabilities		(151,159)	(138,013)
Total assets less net current liabilities		501,821	469,267
Non-current liabilities			
Finance lease liabilities	19	(1,658)	(1,576)
PFI liabilities	20	(11,130)	(12,604)
Long-term loan liabilities	21	(62,504)	(67,937)
Provisions	22	(18,809)	(20,819)
Total non-current liabilities		(94,101)	(102,936)
Total net assets before pension liabilities		407,720	366,331
Pension liabilities	23	(24,456,381)	(22,163,313)
Assets less liabilities		(24,048,661)	(21,796,982)
Taxpayers' equity			
General fund		283,334	248,124
Revaluation reserve		124,386	118,207
Taxpayers' equity before pension liabilities		407,720	366,331
Pension Reserve	23	(24,456,381)	(22,163,313)
Total taxpayers' equity		(24,048,661)	(21,796,982)

Lynn Brown
Chief Executive & Accountable Officer
29 September 2022

Authorised for issue on 29 September 2022

The notes on pages 153 to 214 form part of these accounts.

Statement of Cash Flows

Year ended 31 March 2022

	Note	31 March 2022 £'000	31 March 2021 £'000
Cash flows from operating activities			
Net deficit from operating activities		(1,933,315)	(1,784,288)
Adjustments for non-cash transactions	8	637,003	582,845
(Increase) / decrease in inventories	14	1,535	(3,200)
(Increase) / decrease in trade and other receivables	15	561	(4,687)
Increase / (decrease) in trade and other payables		7,146	17,576
(Decrease) / increase in provisions	22	(2,010)	(4,161)
Net cash outflow from operating activities		(1,289,080)	(1,195,915)
Cash flows from investing activities			
Purchase of property, plant and equipment		(50,919)	(64,268)
Purchase of intangible assets	11	(5,640)	(4,195)
Proceeds of disposal of property, plant, equipment	9	3,205	1,110
Net cash outflow from investing activities		(53,354)	(67,353)
Cash flows from financing activities			
Grant in Aid from the Scottish Government	26	1,385,144	1,270,814
Payments to repay finance leases - interest	SOCNE	(125)	(184)
Payments to repay PFI agreements - interest	SOCNE	(1,709)	(1,859)
Payments to repay long-term loans - interest		(1,011)	(2,219)
Payments to repay finance leases - capital	19	(175)	(958)
Payment to repay PFI agreements - capital	20	(1,305)	(1,155)
Payments to repay long-term loans - capital		(2,768)	(4,066)
Net financing		1,378,051	1,260,373
Net increase / (decrease) in cash and cash equivalents	13	35,617	(2,895)
Cash / cash equivalents at the beginning of the year	13	11,263	14,158
Cash / cash equivalents at the end of the year	13	46,880	11,263

The notes on pages 153 to 214 form part of these accounts.

Statement of Changes in Taxpayers' Equity

Year ended 31 March 2022

	Note	General Fund £'000	Pension £'000	Revaluation Reserve £'000	Total £'000
Balance as at 31 March 2020		225,604	(19,764,956)	106,767	(19,432,585)
Cash Grant in Aid	26	1,270,814	-	-	1,270,814
Net expenditure for the year		(1,252,900)	(531,388)	-	(1,784,288)
Revaluation gains and (losses)	9, 10 & 23	4,606	(1,866,969)	11,440	(1,850,923)
Balance as at 31 March 2021		248,124	(22,163,313)	118,207	(21,796,982)
Cash Grant in Aid	26	1,385,144	-	-	1,385,144
Net expenditure for the year		(1,357,865)	(575,450)	-	(1,933,315)
Revaluation gains and (losses)	9, 10 & 23	7,931	(1,717,618)	6,179	(1,703,508)
Balance as at 31 March 2022		283,334	(24,456,381)	124,386	(24,048,661)

The notes on pages 153 to 214 form part of these accounts.

Notes to the Accounts

1.	Statement of accounting policies	154
2.	Analysis of net expenditure by segment	171
3.	Income from activities	173
4.	Other operating expenditure	174
5.	Commitments under operating leases	175
6.	Income from operating leases - buildings	175
7.	Corporation tax	176
8.	Adjustments to cash flows for non-cash items	176
9.	Property, plant & equipment (PPE)	176
10.	Investment properties	185
11.	Intangible assets	185
12.	Heritage assets	186
13.	Cash and cash equivalents	187
14.	Inventories	187
15.	Trade and other receivables	187
16.	Assets held for sale	188
17.	Trade and other payables	189
18.	Pension account	190
19.	Commitments under finance leases	191
20.	Commitments under PFI arrangement	192
21.	Long-term loans	193
22.	Provisions	194
23.	IAS19 Pension liability	195
24.	Police Pension Schemes:	198
25.	Local Government Pension Schemes	202
26.	Scottish Government funding	208
27.	Contingent liabilities	209
28.	Financial commitments	210
29.	Related party transactions	211
30.	Financial instruments	211
31.	Events after the reporting period	212
32.	Key sources of judgement and estimation uncertainty	212

1. Statement of accounting policies

Introduction

Accounting policies for the Authority are as detailed below at 1.1 to 1.25.

The accounts are prepared in accordance with the Accounts Direction issued by the Scottish Government under provisions of the 2012 Act, and in a form directed by Scottish Ministers, in accordance with the Scottish Public Finance Manual (SPFM), the 2021-22 Government Financial Reporting Manual (FReM) issued by HM Treasury, which follows International Financial Reporting Standards (IFRS) as adopted by the United Kingdom, IFRIC Interpretations and the Companies Act 2006 to the extent that they are meaningful and appropriate to the public sector. They have been applied consistently in dealing with items considered material in relation to the accounts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 32.

The Authority is expected to satisfy the conditions and requirements set out in the financial memorandum drawn up by the Scottish Government's Justice Portfolio, together with all the relevant requirements in the SPFM and such other conditions as Scottish Ministers may from time to time, impose.

The accounts are prepared on a historical cost basis, as modified by the revaluation of Property, Plant and Equipment, Investment Properties, Financial Assets and Financial Liabilities at their fair value, see note 1.2.

1.1 Going concern

The accounts continue to be prepared on a going concern basis for the organisation which is classified as an Other Significant National Body charged with the responsibility to provide policing services to the people of Scotland.

The accounts have been prepared incorporating the requirements of international accounting standards and include an actuarial valuation of the various pension schemes' liabilities as explained in notes 23-25 to the accounts. These valuations reflect liabilities falling due in future years in respect of pension liabilities arising from the application of IAS19. The appointed actuaries have calculated the liability as at 31 March 2022.

Police Pension Scheme

The Government Actuary's Department usually conducts a review every four years of the funding basis of the Police Pension Scheme, and in the intervening years rolls forward the scheme's liabilities in a desk top review. The roll-forward allows for:

- changes in financial assumptions;
- additional benefit accrual;

- actual cash flows over the year and estimated where necessary; and
- updated membership information.

The last formal valuation of the Police Pension Scheme was conducted on 31 March 2020. The other main assumptions are set out in the notes to the accounts.

The pension deficit will not be met from the Authority's sources of income, but will be met as it falls due by future Grant in Aid from the sponsoring department, the Scottish Government's Justice Portfolio. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid in advance of need.

1.2 Fair value

IFRS 13 applies when fair value measurements are permitted. Fair value is the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date. The standard seeks to increase consistency and comparability in fair value measurements and related disclosures through a fair value hierarchy.

The hierarchy categorises the inputs used in valuation techniques into three levels:

- **Level 1 inputs** which are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2 inputs** are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in markets that are not active;
 - inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals.
- **Level 3 inputs** are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Where an asset or liability is valued at fair value, the hierarchy level will be disclosed in the appropriate note.

1.3 Segmental reporting

The divisions used in the monthly budget management reporting are as follows:

SPA Corporate;
Forensic Services;
Reform;

DCC Local Policing;
DCC Crime & Operational Support;
DCC Professionalism, Digital & Transformation; and
Deputy Chief Officer (DCO) Corporate Services, People & Strategy.

Assets are shared across the operating segments and segmental information on assets and liabilities is not reported internally. As a result, segmental disclosure of these is not necessary, and costs such as depreciation and amortisation have been allocated to DCO level.

The DCO portfolio encompasses People & Development, Strategy & Analysis and the main Police Scotland Corporate Service functions including Finance, Procurement, Fleet and Estates.

COP26 was also reported separately.

1.4 Revenue recognition

Revenue is recognised net of recoverable VAT to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured.

Grant in Aid

The Authority is funded by the Scottish Government. Grant in Aid is received throughout the year and is intended to meet the estimated expenditure. The Scottish Government does not allow funding to be available in advance of need, nor does it allow unused funding to be carried forward into future financial years. Grant in Aid is accounted for as financing on a cash basis, not as income and is therefore credited to the Authority's reserves and not incorporated within the organisation's Statement of Comprehensive Net Expenditure.

Revenue grants

All revenue grants are matched with the expenditure to which they relate. Specific grants are accounted for on an accruals basis where conditions for receipt have been met. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Statement of Financial Position as creditors.

Capital grants

Capital grants are accounted for in accordance with IAS20 'Accounting for Government Grants & Disclosure of Government Assistance' and recognised in the Statement of Comprehensive Net Expenditure once conditions have been met. Where carry forward of capital grant is permitted and any conditions attached have not been met, the grant is treated as a capital grant receipt in advance.

Provision of services

Revenue from the provision of services is recognised when the Authority can reliably measure the percentage of completion of the transaction and it is probable that the economic benefits or service potential associated with the transaction will flow to the organisation.

Rental Income

Rental income from operating leases is recognised on a straight-line basis over the terms of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

1.5 Property, plant and equipment (PPE)**Recognition**

Property, plant and equipment are tangible items held for use by the Authority in the provision of services and are expected to be in use for more than one financial year.

All PPE assets will be accounted for as non-current assets provided that the future economic benefits or service potential associated with the item has been transferred to the Authority, unless they are deemed to be held-for-sale.

Capitalisation

Expenditure is capitalised when the asset is ready for use, provided that the PPE will yield a benefit to the Authority for a period of more than one year and is subject to the application of a de minimis level of £5,000 (exclusive of VAT). Expenditure on qualifying grouped assets (in line with the Authority's Capital Accounting Guidance) will also be capitalised.

IT development costs

IT projects such as significant capital upgrades and items in development will be included. Costs of such items will include not only purchase price of equipment and direct construction costs, but also other costs directly attributable in bringing an asset to a condition ready to use. Such costs will include professional fees and salary costs where directly attributable to an asset.

Valuation – land & buildings (excepting those under policies 1.7 and 1.8)

Operational assets are carried in the Statement of Financial Position at current value in existing use, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV). Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. The land and building category is separated, within the asset register, between land, buildings and dwellings for disclosure purposes only.

Revaluation reserve

Assets included in the Statement of Financial Position at fair value are revalued regularly at a minimum of every 5 years by appropriately qualified Royal Institute of Chartered Surveyors (RICS) to ensure the carrying value is not materially different from the fair value. Any subsequent increase in valuation is taken to a Revaluation Reserve except where, and to the extent that they reverse an impairment previously recognised in the Statement of Comprehensive Net Expenditure, in which case they are recognised as income.

Any decrease in the value of an asset will be set against any credit balance held in each asset's specific revaluation reserve until this credit is exhausted and thereafter to net operating cost as an impairment charge in the Statement of Comprehensive Net Expenditure.

Valuation – plant & equipment

Non-property assets are carried at valuation in existing use. Depreciated historical cost is used as a proxy for current value for the following classes of assets as they have short useful economic lives and/or low values: ICT systems, plant and machinery, fixtures and fittings and motor vehicles.

Valuation – surplus assets

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at current net book value if it does not meet the requirements of IAS 40 or IFRS 5 as either an Investment Property or an Asset Held for Sale per 1.7 and 1.8 below.

Donated assets

Assets classified as donated are measured at fair value on receipt. The funding element is recognised as income and taken to the Statement of Comprehensive Net Expenditure. Any subsequent revaluations are taken to a Revaluation Reserve.

Loaned assets

Assets classified as loaned are measured at cost or valuation on receipt. These are recorded in the loaned asset register and do not feature on the Statement of Financial Position.

Componentisation of assets

In accordance with IAS16 a componentisation policy has been adopted where appropriate. The Authority has separated the valuation of land and buildings and implemented a policy of component accounting for material assets. These are considered to be assets with a carrying value of £1 million or higher, with components accounted for separately if their cost or value is in excess of 20% of the carrying value.

This is subject to review with material assets componentised upon acquisition, scheduled revaluation or significant enhancement expenditure.

Impairments

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where the carrying amount of an asset exceeds its recoverable amount due to a loss in the economic benefit or service potential of the asset, a charge to the net operating cost as an impairment is made to the Statement of Comprehensive Net Expenditure.

Where the carrying amount of an asset exceeds its recoverable amount due to a fall in market price, they are accounted for as follows:

- Any decreases in the value of an asset will be set against any credit balance held in each asset's specific revaluation reserve until this credit is exhausted and thereafter to net operating cost as an impairment charge in the Statement of Comprehensive Net Expenditure; and
- Where an impairment loss is reversed subsequently, the reversal is credited to the Statement of Comprehensive Net Expenditure, up to the amount of the original loss.

Disposals

When an asset is disposed of or decommissioned, the carrying amount is removed from the Statement of Financial Position with the difference between the carrying amount and the proceeds received charged to the Statement of Comprehensive Net Expenditure.

Capital receipts from the sale of non-current assets are recorded for each type of asset and distribution is determined by the Scottish Government.

1.6 Depreciation

Depreciation is provided on property, plant and equipment at rates calculated to write off the valuation, less estimated residual values, of each asset evenly over its expected useful life. Depreciation charges commence in the first full month following the addition to the relevant non-current asset category. Asset lives in general are as follows:

Asset	Years
Buildings & Dwellings	15 - 60
Plant, Machinery & Equipment	3 - 20
Vehicles	4 - 10
Fixtures & Fittings	5 - 10
IT Systems	3 - 10
Radio Masts	15 - 49
Leased Assets	Life of the lease

1.7 Investment properties

Investment properties are properties that are used solely for the purpose of generating income either by rentals or capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services.

The investment properties are mainly radio stations and masts, which are no longer required for operational radio communications, and are leased by telecommunication providers. Rental income is received for these properties.

Measurement and depreciation

Investment properties are measured initially at cost and subsequently at fair value based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length.

The fair value of the Authority's investment properties is measured annually at each reporting date. All valuations are carried out in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

The gain or loss arising from a change in the fair value of investment property shall be recognised in the Statement of Comprehensive Net Expenditure for the period in which it arises. Investment properties held at fair value are not depreciated.

De-recognition

Investment properties are derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential is expected from its disposal. The gain or loss arising from the disposal is in the Statement of Comprehensive Net Expenditure.

1.8 Assets held for sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale.

The asset is immediately valued before reclassification and then carried at the lower of this amount and fair value less costs to sell. Any impairment is recognised per 1.5 above. There is no depreciation on assets held for sale. Any subsequent increases or decreases in fair value are then recognised up to the amount of any previously recognised losses within the Statement of Comprehensive Net Expenditure. Assets which are to be abandoned or scrapped are not classified as Assets Held for Sale.

1.9 Assets under construction

Assets classified as under construction are recognised in the Statement of Financial Position at cost on an accruals basis. The asset is not depreciated until fully commissioned and brought into full operational use, and is re-categorised within the classifications in 1.6 above.

1.10 Finance leases**Lessor**

Where a finance lease is granted over a property or an item of plant or equipment, the relevant asset is written out of Non-Current Assets as a disposal and transferred to create a Lease Debtor within the Statement of Financial Position.

Lease rentals receivable are apportioned between:

- A charge for the acquisition of the interest of the property – applied to write down the lease debtor; and
- Finance income – credited to the Statement of Comprehensive Net Expenditure.

Lessee

Where substantially all the risks and rewards of ownership of a leased property are borne by the Authority, it is recorded as a non-current asset and a corresponding creditor recorded in respect of the debt due to the lessor, with the interest element of the finance lease payment charged to the Statement of Comprehensive Net Expenditure.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. The carrying amount of any replaced parts is de-recognised. All other repairs and maintenance are charged to the Statement of Comprehensive Net Expenditure during the financial year in which they are incurred.

1.11 Private Finance Initiative (PFI)

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Authority is deemed to control the services that are provided under its PFI schemes in accordance with IFRIC 12 Service Concession Arrangements, the assets used are carried under the contracts on its Statement of Financial Position as part of property, plant and equipment.

PFI assets are recognised on the Statement of Financial Position and revalued and depreciated in the same way as property, plant and equipment owned by the Authority. The amounts payable to the PFI operators each year are analysed into three elements:

- fair value of the services received during the year – debited to the relevant service in the Statement of Comprehensive Net Expenditure;
- finance cost – an interest charge on the outstanding Statement of Financial Position liability, debited to the PFI Interest line in the Statement of Comprehensive Net Expenditure; and
- payment towards liability – applied to write down the Statement of Financial Position liability to the PFI operator (the profile of write-downs is calculated using the same principles as for a Finance Lease).

1.12 Intangible assets

Intangible assets are separately identifiable and owned by the Authority, mainly in relation to software, licences and elements of IT systems. They are recognised where a future economic benefit or service potential can be identified as receivable.

Intangible assets are valued on a historic cost basis. Amortisation is applied at rates calculated to write off the cost by equal instalments over the shorter of the term of the licence (where appropriate) and their estimated useful life.

Future economic benefit has been used as the criteria in assessing whether an intangible asset meets the definition and recognition criteria of IAS38 where assets do not generate income. IAS38 defines future economic benefit as, 'revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity.'

The estimated useful life for intangible assets is 3 to 5 years.

1.13 Heritage assets

The Authority are the custodians of a large number of small Heritage Assets, the majority of which reside at the Police College, Tulliallan. The items are recorded in the museum's archive register. The archive register records owned, loaned and donated assets. These assets are held at valuation, based on the curators' professional knowledge of the items within the current market place and any assets valued over £5,000 are identified within the register.

1.14 Financial instruments**Financial assets****Classification**

The Authority classifies its financial assets in the following categories: at fair value through profit or loss; loans and receivables; and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss comprise derivatives. Assets in this category are classified as current assets. The Authority does not trade in derivatives and does not apply hedge accounting.

(b) Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables comprise trade and other receivables and cash at bank and in hand in the balance sheet.

(c) Available-for-sale financial assets:

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available for sale financial assets comprise investments.

Recognition and measurement

Financial assets are recognised when the Authority becomes party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Board has transferred substantially all risks and rewards of ownership.

(a) Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Comprehensive Net Expenditure.

Financial assets carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the Statement of Comprehensive Net Expenditure.

(b) Loans and receivables

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of loans and receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the loan and receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Comprehensive Net Expenditure.

When a loan or receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited in the Statement of Comprehensive Net Expenditure.

(c) Available-for-sale financial assets

Available-for-sale financial assets are initially recognised and subsequently carried at fair value. Changes in the fair value of financial assets classified as available for sale are recognised in taxpayers' equity in other reserves.

When financial assets classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the Statement of Comprehensive Net Expenditure.

If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the Statement of Comprehensive Net Expenditure.

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Authority provides services directly to a customer with no intention of trading the receivable.

Cash and cash equivalents are amounts held with the Government Banking Service and UK commercial bank current accounts, or cash in hand.

The Authority relies primarily on Grant in Aid from the Scottish Government's Justice Portfolio for its cash requirements and is therefore not exposed to liquidity risks. There is no difference between book value and fair value for the cash and cash equivalents shown in the Statement of Financial Position, and there are no balances held in foreign currencies within the cash and bank balance apart from within confiscation accounts held on behalf of third parties.

Financial Liabilities

Classification

The Authority classifies its financial liabilities in the following categories: at fair value through profit or loss; and other financial liabilities. The classification depends on the purpose for which the financial liabilities were issued. Management determines the classification of its financial liabilities at initial recognition.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise derivatives. Liabilities in this category are classified as current liabilities. The Board does not trade in derivatives and does not apply hedge accounting.

(b) Other financial liabilities

Other financial liabilities are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current liabilities. The Authority's other financial liabilities comprise trade and other payables in the balance sheet.

Recognition and measurement

Financial liabilities are recognised when the Authority becomes party to the contractual provisions of the financial instrument. A financial liability is removed from the Statement of Financial Position when it is extinguished, that is when the obligation is discharged, cancelled or expired.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Comprehensive Net Expenditure.

Financial liabilities carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the Statement of Comprehensive Net Expenditure.

(b) Other financial liabilities

Other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Authority's financial liabilities are classified as trade payables. Trade payables are typically non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. They arise when the Authority receives goods or services directly from a supplier with no intention of trading the liability.

The long-term loans recognised represent those from the Public Works Loans Board and the debt is managed by the local Councils' Consolidated Loans Funds. Full disclosure is provided within the notes to the accounts.

1.15 Inventories

Inventories are assets in the form of material or supplies which are consumed or distributed in the ordinary course of the service's operations. Operational consumables, vehicle parts, fuel and equipment are stated at cost using either the latest invoice price or an average cost price.

1.16 Cash and cash equivalents

The Authority operates as part of the Scottish Government banking contract with Government Banking Service (GBS). GBS is a shared banking service for government departments. Transactional services are provided by NatWest, with corporate banking arrangements held with The Royal Bank of Scotland.

Cash and cash equivalents include:

- cash in hand;
- deposits held at call with banks repayable without penalty on notice of not more than 24 hours; and
- investments maturing in three months or less of the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change in value. The Authority holds no such investments.

Warrant accounts represent cash received for fines which are repaid to the relevant organisations.

Confiscation bank accounts represent monies seized under the Proceeds of Crime Act (POCA). Monies are held on behalf of Crown Office and Procurator Fiscal Service (COPFS) until the outcome of the relevant court cases are known. Monies are then returned either to COPFS and / or to the individual from whom the monies were originally seized.

Balances on confiscation and warrant accounts are shown as a balance within cash and bank on the Statement of Financial Position, with a corresponding creditor shown within trade payables.

Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective.

1.17 Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

1.18 Contingent liabilities

A contingent liability arises if there is a possible obligation arising from a past event at the date of signature of the Statement of Financial Position, or the amount of an obligation cannot be reliably measured, which is only in extremely rare circumstances.

1.19 Pensions

Officers and staff are members of two distinct types of pension scheme:

- Police pension schemes for officers (three versions currently comprise overall membership)
 - 1987 Police Pension Scheme (PPS)
 - 2006 New Police Pension Scheme (NPPS)
 - 2015 Career Average Earnings (CARE) Pension Scheme

The 1987 and 2006 pension schemes are unfunded defined benefit final salary schemes. The 2015 pension scheme is an unfunded defined benefit career average earnings scheme.

As unfunded schemes, there are no investment assets built up to meet the pension liabilities, and funding (from Scottish Government) has to be received to meet actual payments as they eventually fall due.

- Local government pension schemes for staff

These are defined benefit occupational schemes based on career average earnings. Assets and liabilities of the schemes are held separately from those of the Authority, and are held within the individual pension schemes. The scheme assets are measured using market values and the scheme liabilities are measured using a projected unit method and discounted at the current rate of return.

Contributions to the schemes are calculated so as to spread the cost of pensions over employees' working lives in the Authority. The contributions are determined by an actuary on the basis of triennial valuations using the Age Attained Method. The actuaries also review the progress of the schemes in each of the intervening years. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals. The expected cost of providing staff pensions

to employees contributing to the schemes is recognised in the Statement of Comprehensive Net Expenditure on a systematic basis over the expected average remaining lives of members of the funds in accordance with IAS19: Employee Benefits and recognises retirement benefits as the benefits are earned and not when they are due to be paid.

The liabilities of the pension fund attributable to the Authority are included in the Statement of Financial Position on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, and projections of future earnings for current officers and employees.

The change in the net pension liability is analysed into the following components:

- **Current service cost**
This is the increase in liabilities as a result of service earned this year and is allocated to cost of services in the Statement of Comprehensive Net Expenditure.
- **Past service cost**
This is the increase in liabilities arising from current year decisions whose effect relates to service earned in earlier years. This is debited to the Surplus or Deficit on the Provision of Services in the Statement of Comprehensive Net Expenditure.
- **Interest cost**
This is the expected increase in the present value of liabilities during the year as they move one year closer to being paid.
- **Expected return on assets**
This is the annual investment return on the fund assets attributable to the Authority, based on an average of the expected long-term return.
- **Gains or losses on settlements and curtailments**
This is the result of actions to relieve the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees and is debited or credited to the surplus or deficit on the provision of services in the Statement of Comprehensive Net Expenditure.
- **Actuarial gains and losses**
This represents changes in the net pension liability arising due to events after the last actuarial valuation.
- **Contributions paid to the pension fund**
Amounts paid as employer's contributions to the pension fund.
- **Actuarial assumptions**
The assumptions applied by the actuary have a significant impact on the liabilities and assets of the funds, these are summarised in the detailed notes.

1.20 Operating leases

Rentals payable under operating leases are charged to the Statement of Comprehensive Net Expenditure over the term of the lease. Incentive payments receivable in respect of operating leases are allocated to match the effect of increased rentals payable in future periods.

Rental income from operating sub-leases is recognised in the Statement of Comprehensive Net Expenditure on a straight line basis over the term of the lease.

1.21 Taxation

VAT

Irrecoverable VAT is charged to the Statement of Comprehensive Net Expenditure or the cost of assets in the period in which it is incurred.

Corporation tax

The income from charging schemes is not chargeable to tax. However, HMRC state that profit generated from chargeable gains, or commercial contract work undertaken by the Authority, will be chargeable to corporation tax.

Deferred tax

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. It is measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income tax

Income tax comprises current tax and movements in deferred tax assets and liabilities.

Current tax and movements in deferred tax assets and liabilities are recognised in the Statement of Comprehensive Net Expenditure. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date.

1.22 Insurance

Expenditure included in the Statement of Comprehensive Net Expenditure relates to premiums paid, policy excesses and settlement of claims. In addition, a provision is made for the self-funded elements of property, liability and motor claims which remain unsettled at the year-end, in addition to other provisions.

1.23 Events after the reporting period

Events after the reporting period represent those events which occur between the end of the reporting year and the date when the Annual Report and Accounts is authorised for issue.

Adjusting events are those providing evidence of conditions existing at the end of the reporting year, whereas non-adjusting events are indicative of conditions arising after the reporting year (the latter being disclosed in the Financial Overview where material). Events which occur after the date of authorisation for issue are not reflected in these Accounts.

1.24 Accounting standards that have been issued but have not yet been adopted

There is one standard not yet effective that will have an impact on Authority's accounts which is IFRS 16 Leases. This standard requires all significant leases to be recognised in the Statement of Financial Position.

IFRS 16: Leases – IFRS 16 Leases supersedes IAS17 Leases and is effective from 1 April 2022 in the public sector (with the exception of some "early adopter" public bodies in recent years).

The standard provides a single lessee accounting model and, under the latest Financial Reporting Manual (FRm) requirements, requires a lessee to recognise assets and liabilities for leases which last over 12 months, but not including low value leases. The standard will have the effect of largely eliminating the current "off-balance" sheet treatment of operating leases.

In due course, depreciation will be charged against the asset value, with lease payments and interest charges impacting on the liability value going forward. In line with FRm guidance, prior year adjustments are not required at the time of adoption of the standard.

Impact of the new standard

The application of IFRS16 has an impact on the Statement of Comprehensive Net Expenditure (SoCNE) for the financial year ending 31 March 2023 and on the Statement of Financial Position as at that date. The estimated figures of the effect on 2022-23 financial reporting in the table below are for existing operating, and peppercorn leases as at 31 March 2022.

Implementation of the standard in 2022-23 is expected to increase expenditure by approximately £0.1m for current Operating lease agreements, along with a non-recurrent income increase of £5.1m for peppercorn agreements, leaving a net expenditure reduction of £5.0m.

The funding basis for depreciation is through non-cash Ring Fenced Resource Departmental Expenditure Limit (RDEL).

On the Statement of Financial Position (SoFP), the lease liability; and asset base are each expected to increase by approximately £16.2m for Operating Lease agreements, with a further right of use asset value assigned to peppercorn agreements estimated at £5.1m.

Asset and liability balances for existing finance leases are not included in the table below. These will be carried forward as opening balances, in line with FRm guidance for implementation of IFRS16. Depreciation and interest charges will also continue for these agreements as currently calculated. As at 31 March 2022, net asset value for finance leases is £1.7m, with a liability balance of £2.3m.

IFRS16 : Statement of Comprehensive Expenditure (SoCNE) impact	£m
Operating Lease agreements	
<i>Additional</i> Depreciation	4.8
<i>Additional</i> Interest expense	0.1
<i>Reduced</i> Rental expense	(4.8)
	0.1
Peppercorn Lease agreements¹	
<i>Additional</i> Grant income	(5.1)
Overall estimated increase / (decrease) in Net Expenditure (SoCNE)	(5.0)

IFRS16 : Statement of Financial Position (SoFP) impact	£m
Operating Lease agreements	
<i>Additional</i> Right of Use Assets	16.2
Peppercorn Lease agreements	
<i>Additional</i> Right of Use Assets	5.1
Overall Increase / (Decrease) in Assets	21.3
Operating Lease Agreements	
Additional IFRS16 Liability	(16.2)
Overall (Increase) / Decrease in Liabilities	(16.2)
Overall estimated increase / (decrease) in Net Assets (SoFP)	5.1

Note 1: Financial Reporting Manual (FRm) required accounting treatment creates right of use asset recognition for peppercorn agreements (based on valuation), with corresponding non-recurrent inclusion of notional grant income.

1.25 Key sources of judgement and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Authority makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the financial statements within the next financial year are included within note 32.

2. Analysis of net expenditure by segment

2021-22	SPA Corporate	Forensic Services	Deputy Chief Officer	DCC Local Policing	DCC Crime & Operational Support	DCC Professionalism, Digital & Transformation	Reform	COP26	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	3,430	30,807	94,463	700,149	208,170	55,088	15,775	27,616	1,135,498
¹ IAS 19 pension cost	-	-	292,952	-	-	-	-	-	292,952
²Total staff costs (2a)	3,430	30,807	387,415	700,149	208,170	55,088	15,775	27,616	1,428,450
Other expenditure	1,606	4,943	65,616	18,245	28,607	49,896	7,138	25,651	201,702
¹ Legal & premises provisions	(391)	-	3,185	-	-	(4,804)	-	-	(2,010)
Total other expenditure	1,215	4,943	68,801	18,245	28,607	45,092	7,138	25,651	199,692
¹ Depreciation/ amortisation	-	-	52,228	-	-	-	-	-	52,228
Operating expenditure	4,645	35,750	508,444	718,394	236,777	100,180	22,913	53,267	1,680,370
Income from activities	(923)	(113)	(7,754)	(11,378)	(13,182)	(4,963)	-	(4,277)	(42,590)
Net expenditure before Interest	3,722	35,637	500,690	707,016	223,595	95,217	22,913	48,990	1,637,780
¹ Impairment of assets	-	-	8,346	-	-	-	-	-	8,346
Interest payable	-	-	4,691	-	-	-	-	-	4,691
¹ IAS 19 pension interest	-	-	282,498	-	-	-	-	-	282,498
Total interest payable	-	-	287,189	-	-	-	-	-	287,189
Total expenditure	3,722	35,637	796,225	707,016	223,595	95,217	22,913	48,990	1,933,315

2020-21 restated ³	SPA Corporate	Forensic Services	Deputy Chief Officer	DCC Local Policing	DCC Crime & Operational Support	DCC Professionalism, Digital & Transformation	Reform	COP26	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	3,026	29,955	94,971	675,600	204,072	50,375	19,074	2,292	1,079,365
¹ IAS 19 pension cost	-	-	172,177	-	-	-	-	-	172,177
²Total staff costs (2a)	3,026	29,955	267,148	675,600	204,072	50,375	19,074	2,292	1,251,542
Other expenditure	1,641	5,230	67,979	15,329	28,561	41,867	3,427	1,421	165,455
¹ Legal & premises provisions	(281)	-	(2,532)	-	-	(5,538)	-	-	(8,351)
Total other expenditure	1,360	5,230	65,447	15,329	28,561	36,329	3,427	1,421	157,104
¹ Depreciation/ amortisation	-	-	44,497	-	-	-	-	-	44,497
Operating expenditure	4,386	35,185	377,092	690,929	232,633	86,704	22,501	3,713	1,453,143
Income from activities	(1,067)	(103)	(7,346)	(8,796)	(10,302)	(4,313)	(1)	(4,164)	(36,092)
Net expenditure before Interest	3,319	35,082	369,746	682,133	222,331	82,391	22,500	(451)	1,417,051
¹ Impairment of assets	-	-	3,043	-	-	-	-	-	3,043
Interest payable	-	-	4,983	-	-	-	-	-	4,983
¹ IAS 19 pension interest	-	-	359,211	-	-	-	-	-	359,211
Total interest payable	-	-	364,194	-	-	-	-	-	364,194
Total expenditure	3,319	35,082	736,983	682,133	222,331	82,391	22,500	(451)	1,784,288

1. Denotes non-cash income and expenditure.
2. Details provided in the Total staff costs analysis in the Remuneration Report.
3. During 2021-22 Chief Officer portfolios were reviewed to ensure they were structured to effectively deliver our strategic aims and objectives, and altered as follows:
 - o People & Development was disclosed under DCC People & Professionalism, but this is now reallocated to Deputy Chief Officer.
 - o Digital & Information was disclosed under the Deputy Chief Officer portfolio, but this has now been reallocated to DCC Professionalism, Digital & Transformation.

As a result of this and other minor changes across Chief Officer portfolios, the segmental analysis for 2020-21 has been restated taking into account transfers between the portfolios. Total expenditure is not altered for 2020-21 as a result of this segmental restatement.

2a. Summary staff costs

Total staff costs can also be summarised in the following way:

	Board members £'000	Staff £'000	Officers £'000	Agency staff £'000	Total £'000
2021-22	345	333,249	1,092,998	1,858	1,428,450
2020-21	295	284,736	963,681	2,830	1,251,542

3. Income from activities

	2021-22 £'000	2020-21 £'000
Fees and charges <i>(detailed below)</i>	19,449	14,788
Grant income received – external to GiA	20,164	18,663
Seconded police officers and staff	1,612	1,599
Insurance	144	151
Donations and sponsorship	8	7
Profit on disposal of assets	468	332
Interest received	-	1
Other income	745	551
	42,590	36,092

Fees and charges – further detail	2021-22 £'000	2020-21 £'000
Accident report fees	903	1,029
Aerials / masts income	4,498	4,459
Disclosure fees	1,732	1,675
NPCC income ¹	623	386
International development income	47	-
Licences and certificates	1,398	1,030
Rental income	2,098	2,180
Police officer services – Events and concerts	334	20
Police officer services – Football matches	1,866	3
Police officer services – Airports	1,596	385
Police officer services – Abnormal load escorts	1,569	1,186
Police officer services – Other	351	282
Training / CPD income	870	214
Other	1,564	1,939
	19,449	14,788

1. In 2020-21 this income was categorised as Other and as a result the income for 2020-21 has been reallocated to NPCC Income.

As required by the fees and charges section of the SPFM, the Authority charges market rates wherever applicable. The provision of police goods and services are charged on a full cost recovery basis. Goods and services may be provided for such purposes as the Authority considers to be appropriate and consistent with the proper carrying out of police functions.

4. Other operating expenditure

	2021-22 £'000	2020-21 £'000
Animal costs	660	476
Catering costs	6,033	939
Clothing & uniform	3,896	3,377
Conference / meeting expenses	93	51
Equipment costs	47,795	39,250
External consultancy	3,830	1,974
Legal costs	3,877	5,324
National Crime Agency	5,212	5,212
Other fees & charges	3,543	2,370
Other non-pay costs	5,433	2,432
Premises costs	59,651	48,740
Printing, stationery & postage	2,030	2,147
Prison charges	1,806	1,885
Professional fees	529	546
Public relation costs	343	279
Public protection unit	338	234
Recruitment costs	276	150
Securing premises	120	264
Subscriptions	184	146
Supplies and services	5,916	3,902
Telecom and Airwave costs	14,812	13,773
Third party payments	4,614	4,345
Transport costs	27,365	18,929
Write off losses	1,336	359
	199,692	157,104

5. Commitments under operating leases

Total future minimum lease payments under operating leases are given in the table below:

2021-22	Land £'000	Buildings £'000	Other £'000	Total £'000
Not later than one year	263	1,079	2,127	3,469
Between two and five years	754	3,168	1,223	5,145
Later than five years	744	5,630	-	6,374
	1,761	9,877	3,350	14,988

2020-21	Land £'000	Buildings £'000	Other £'000	Total £'000
Not later than one year	264	855	2,191	3,310
Between two and five years	569	1,929	3,251	5,749
Later than five years	827	4,940	-	5,767
	1,660	7,724	5,442	14,826

Operating lease payments made during the year were as follows:

	2021-22 £'000	2020-21 £'000
Minimum lease payments	3,587	3,298
	3,587	3,298

6. Income from operating leases - buildings

Total future minimum lease payments due to the Authority under operating leases are given in the table below:

	2021-22 £'000	2020-21 £'000
Not later than one year	336	309
Between two and five years	587	639
Later than five years	1,606	1,752
	2,529	2,700

Payments received by the Authority during the year were as follows:

	2021-22 £'000	2020-21 £'000
Minimum lease payments	368	377
	368	377

7. Corporation tax

The Authority is subject to corporation tax on any profits arising from trading activities, investment income, chargeable gains and property income.

Operational policing activities are not subject to corporation tax, as these activities do not constitute a trade for corporation tax purposes, and do not fall within the other categories of income.

Profits arising from the provision of goods and services under s86 and s87 Police and Fire Reform (Scotland) Act 2012 are taxed as trading profits. Any trading losses identified can be offset against total profits arising in the same period and carried forward for offset against future trading profits only.

Tax charges arising from chargeable gains arising on the disposal of property may also arise. This will depend on the scale and timing of any property disposals, year to year.

Any liability for corporation tax is categorised as Annually Managed Expenditure (AME). The Authority is currently reviewing the methodology used for calculation of any liability and is in dialogue with HMRC to ensure any revision is agreed by them.

8. Adjustments to cash flows for non-cash items

	Note	2021-22 £'000	2020-21 £'000
Depreciation of property, plant & equipment	9	45,933	40,384
Amortisation of intangible assets	11	6,295	4,113
Interest payable – PFI interest	20	1,709	1,859
Interest payable – finance lease	19	125	184
Interest payable – loan and other interest	21	(387)	2,206
IAS19 pension adjustment to staff costs	23	292,952	172,177
IAS19 interest on pension scheme obligations	23	282,498	359,211
Asset impairment	9	8,346	3,043
(Profit) on sale of property, plant & equipment	3	(468)	(332)
Adjustments to non-cash costs		637,003	582,845

9. Property, plant & equipment (PPE)

During the year, revaluations were carried out on a number of properties across the police estate, by valuers qualified by the Royal Institute of Chartered Surveyors, both in-house and external. In-house valuers consisted of Police Scotland's Co-Location Disposal Leads. External valuers used were Graham & Sibbald J & E Shepherd and Rydens. Valuations were conducted on operational buildings, on the basis of Existing Use Value, except in the circumstances of specialised properties, where Depreciated Replacement Cost Value was

used. The non-operational properties were valued on the basis of Market Value with vacant possession.

All valuations were carried out as at 31 March 2022, except where related to Assets Held for Sale. These took place on the date the property was declared surplus and made available for sale.

Valuations during the year resulted in a net increase in the value of property, plant and equipment (PPE) of £3.9million (2020-21: increase of £13.0m) and a net decrease of £26k in Assets Held for Sale (2020-21: decrease of £101k) per note 16.

The table below shows a summary of the impact of revaluations on the revaluation reserve and statement of comprehensive net expenditure:

	Note	2021-22			2020-21		
		up £'000	down £'000	net £'000	up £'000	down £'000	net £'000
PPE	9	18,759	(14,853)	3,906	24,922	(11,925)	12,997
AHFS	16	-	(26)	(26)	-	(101)	(101)
Total		18,759	(14,879)	3,880	24,922	(12,026)	12,896
Revaluation reserve increase		18,759	-	18,759	24,922	-	24,922
Revaluation reserve utilised		-	(5,640)	(5,640)	-	(4,856)	(4,856)
Reversal of previous impairments		-	(893)	(893)	-	(4,127)	(4,127)
Total revaluations gain		18,759	(6,533)	12,226	24,922	(8,983)	15,939
AME funded impairments / downward revaluations		-	(8,346)	(8,346)	-	(3,043)	(3,043)
Total revaluations loss		-	(8,346)	(8,346)	-	(3,043)	(3,043)
Total		18,759	(14,879)	3,880	24,922	(12,026)	12,896

A number of properties with downward revaluations had revaluation reserves, resulting in £5.6 million (2020-21: £4.9m) being charged against the revaluation reserve. There were 15 (2020-21: 9) properties where there was a reversal of the previous impairment charge which amounted to £893k (2020-21: £4.1m).

The overall remainder of the impact of the revaluation process resulted in a charge of £8.3 million (2020-21: £3.0m) to the Annually Managed Expenditure budget (AME).

No properties (2020-21: nil) triggered impairment reviews, due to their presenting condition. Whilst acknowledging that a proportion of the property estate has been assessed as "poor" from recent condition surveys, these assessments do not constitute an impairment from an accounting perspective, which would require a material level of obsolescence or damage to the property. There was therefore no impairment amount (2020-21: nil) charged to the non-cash Departmental Expenditure Limit (DEL).

The net book value of disposals was £2.7 million (2020-21: £0.8m) which together with the profit on disposal of assets of £0.5 million (2020-21: £0.3m profit) per note 3 results in a total cash proceeds on disposal of property, plant and equipment of £3.2 million (2020-21: £1.1m).

Details of the finance leases and PFI contracts, related to assets, as at 31 March 2022 are held within notes 19 and 20 respectively.

There is one property marked as vacant / surplus (2020-21: nil) within land and buildings as at 31 March 2022. All other vacant properties are being actively marketed for sale.

There are a number of listed buildings within the land & buildings category, which could be regarded as heritage assets, if they were no longer in operational use. There are:

- Category A - 2;
- Category B - 8; and
- Category C - 7.

Fair Value Hierarchy Level 2 inputs as stated in 1.2 have been used as the valuation technique applied in respect of the fair value of land & buildings where the current valuation is in existing use using market-based evidence of fair value. Any land & buildings of a specialist nature are valued under depreciated replacement cost. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

Fair Value Hierarchy Level 3 has been applied to non-property assets carried at valuation in existing use, using depreciated historical cost as a proxy for current value for assets with short useful economic lives and / or low values.

9. Property, plant & equipment – analysis

2021-22	*Land & Buildings £'000	Dwellings £'000	IT £'000	Plant & Machinery £'000	Furniture & Fittings £'000	**Motor Vehicles £'000	Assets Under Construction £'000	Total £'000
Cost or valuation:								
As at 1 April 2021	451,261	6,800	125,029	41,861	5,588	80,824	20,660	732,023
Additions	12,088	21	8,620	8,901	1,040	12,489	14,615	57,774
Disposals	(7,023)	-	(21,322)	(1,282)	-	(8,110)	(191)	(37,928)
Revaluation	(8,857)	451	-	-	-	-	-	(8,406)
Impairment	-	-	-	-	-	-	-	-
Reclassification	(8)	(132)	1,593	578	-	4,765	(10,299)	(3,503)
As at 31 March 2022	447,461	7,140	113,920	50,058	6,628	89,968	24,785	739,960
Depreciation:								
As at 1 April 2021	51,453	754	89,589	25,997	4,088	51,419	-	223,300
Charged in year	18,688	244	14,142	2,989	395	9,475	-	45,933
Depreciation on disposals	(6,856)	-	(21,322)	(1,275)	-	(7,980)	-	(37,433)
Depreciation on revaluation	(11,715)	(597)	-	-	-	-	-	(12,312)
Depreciation on impairment	-	-	-	-	-	-	-	-
Depreciation on reclassification	(6)	-	-	6	-	-	-	-
As at 31 March 2022	51,564	401	82,409	27,717	4,483	52,914	-	219,488
NBV as at 31 March 2022	395,897	6,739	31,511	22,341	2,145	37,054	24,785	520,472

Summary of revaluations and impairments

2021-22	*Land & Buildings £'000	Dwellings £'000	IT £'000	Plant & Machinery £'000	Furniture & Fittings £'000	**Motor Vehicles £'000	Assets Under Construction £'000	Total £'000
Revaluations:								
Revaluation on cost	(8,857)	451	-	-	-	-	-	(8,406)
Revaluation on depreciation	11,715	597	-	-	-	-	-	12,312
Total revaluation	2,858	1,048	-	-	-	-	-	3,906
Depreciation:								
Impairment on cost	-	-	-	-	-	-	-	-
Impairment on depreciation	-	-	-	-	-	-	-	-
Total impairment	-	-	-	-	-	-	-	-
Net impact on NBV as at 31 March 2022	2,858	1,048	-	-	-	-	-	3,906

*Land and buildings include one building financed by PFI with a current NBV £11.2 million (2020-21: £11.7m), five buildings utilised via finance leases with a current NBV £1.7 million (2020-21: six buildings, £1.5m) and capitalised dilapidation provisions with a current NBV £5.2 million (2020-21: £4.3 million).

**Safety Camera Partnership vans, funded by Transport Scotland, currently have a NBV of £333k (2020-21: £219k). Loaned assets do not form part of the note above, and have a value of £4k (2020-21: £16k).

Summary of Reclassification 2021-22

2021-22 Reporting Category	Note in Financial Statements	Transfers into Category £'000	Transfers out of Category £'000	Total £'000
Cost				
Assets Held for Sale	16	2,365	-	2,365
Assets Under Construction	9	52	(10,351)	(10,299)
Buildings	9	2,209	(1,645)	564
Intangibles	11	1,378	-	1,378
Investment properties	10	-	(240)	(240)
IT Hardware	9	1,593	-	1,593
Land	9	35	(607)	(572)
Motor Vehicles	9	4,817	(52)	4,765
Plant & Machinery	9	578	-	578
Dwellings	9	-	(132)	(132)
Cost Total		13,027	(13,027)	-
Depreciation		(6)	6	-
Depreciation Total		(6)	6	-
Net impact on NBV as at 31 March 2022		13,021	(13,021)	-

Property, plant & equipment – analysis

2020-21	*Land & Buildings £'000	Dwellings £'000	IT £'000	Plant & Machinery £'000	Furniture & Fittings £'000	**Motor Vehicles £'000	Assets Under Construction £'000	Total £'000
Cost or valuation:								
As at 1 April 2020	435,848	6,828	114,968	38,196	5,129	66,329	13,105	680,403
Additions	12,057	165	11,456	5,819	459	17,761	16,097	63,814
Disposals	(1)	-	(1,448)	(2,332)	-	(3,319)	(1)	(7,101)
Revaluation	3,116	(12)	-	-	-	-	-	3,104
Impairment	-	-	-	-	-	-	-	-
Reclassification	241	(181)	53	178	-	53	(8,541)	(8,197)
As at 31 March 2021	451,261	6,800	125,029	41,861	5,588	80,824	20,660	732,023
Depreciation:								
As at 1 April 2020	43,394	511	77,622	26,147	3,830	48,310	-	199,814
Charged in year	17,907	288	13,415	2,144	258	6,372	-	40,384
Depreciation on disposals	-	-	(1,448)	(2,294)	-	(3,263)	-	(7,005)
Depreciation on revaluation	(9,848)	(45)	-	-	-	-	-	(9,893)
Depreciation on impairment	-	-	-	-	-	-	-	-
Depreciation on reclassification	-	-	-	-	-	-	-	-
As at 31 March 2021	51,453	754	89,589	25,997	4,088	51,419	-	223,300
NBV as at 31 March 2021	399,808	6,046	35,440	15,864	1,500	29,405	20,660	508,723

Summary of revaluations and impairments

2020-21	*Land & Buildings £'000	Dwellings £'000	IT £'000	Plant & Machinery £'000	Furniture & Fittings £'000	**Motor Vehicles £'000	Assets Under Construction £'000	Total £'000
Revaluations:								
Revaluation on cost	3,116	(12)	-	-	-	-	-	3,104
Revaluation on depreciation	9,848	45	-	-	-	-	-	9,893
Total revaluation	12,964	33	-	-	-	-	-	12,997
Depreciation:								
Impairment on cost	-	-	-	-	-	-	-	-
Impairment on depreciation	-	-	-	-	-	-	-	-
Total impairment	-	-	-	-	-	-	-	-
Net impact on NBV as at 31 March 2021	12,964	33	-	-	-	-	-	12,997

*Land and buildings include one building financed by PFI with a current NBV £11.7 million (2019-20: £12.2m), six buildings utilised via finance leases with a current NBV £1.5 million (2019-20: £2.1m) and capitalised dilapidation provisions with a current NBV £4.3 million (2019-20: nil).

**Safety Camera Partnership vans, funded by Transport Scotland, currently have a NBV of £219k (2019-20: £203k). Loaned assets do not form part of the note above, and have a value of £16k (2019-20: £16k).

Summary of Reclassifications 2020-21

2020-21 Reporting Category	Note in Financial Statements	Transfers into Category £'000	Transfers out of Category £'000	Total £'000
Cost				
Assets Held for Sale	16	936	(174)	762
Assets Under Construction	9	0	(8,541)	(8,541)
Buildings	9	995	(537)	458
Intangibles	11	7,262	0	7,262
Investment properties	10	173	0	173
IT Hardware	9	53	0	53
Land	9	0	(217)	(217)
Motor Vehicles	9	53	0	53
Plant & Machinery	9	178	0	178
Dwellings	9	0	(181)	(181)
Cost Total		9,650	(9,650)	0
Depreciation				
<i>No adjustment due to reclassification in 2020-21</i>		0	0	0
Depreciation Total		0	0	0
Net impact on NBV as at 31 March 2021		9,650	(9,650)	0

10. Investment properties

Investment properties are located across Scotland and so the valuation exercise requires a number of surveyors. All of those involved are qualified with the Royal Institute of Chartered Surveyors. The surveyors are instructed to carry out the valuations on a market value basis, as at 31 March 2022. As stated in the Statement of Accounting Policies, valuations of the fair values of investment properties were based on the market value approach, using prices and other information generated by market transactions involving identical or comparable assets.

Fair Value Hierarchy Level 2 inputs as stated in 1.2 have been disclosed where the current valuation is market value using market-based evidence of fair value. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

There were no transfers between hierarchy levels for investment properties which remained within the category during the year.

	31 March 2022 £'000	31 March 2021 £'000
Valuation:		
As at 1 April	13,969	13,739
Disposal	-	-
Gain / (Loss) from fair value adjustment	(150)	57
Reclassification	(240)	173
Net Book Value as at 31 March	13,579	13,969

	31 March 2022 £'000	31 March 2021 £'000
Valuation Details:		
Upward Revaluation	797	817
Downward Revaluation	(947)	(760)
Net gain / (loss) on revaluation of Investment Properties	(150)	57

11. Intangible assets

Intangible non-current assets represent purchased software, licences and other assets developed in-house with a life of more than one year. As stated in the Statement of Accounting Policies, the valuation technique applied in respect of the fair value of intangible assets was on an historic cost basis. Amortisation is applied at rates calculated to write off the cost by equal instalments over the shorter of the term of the licence (where appropriate) and their estimated useful life.

Fair Value Hierarchy Level 3 inputs as stated in 1.2 were used. In this case the purchase price has been used as it is the only data available to value the asset. There were no

transfers between hierarchy levels for intangible assets during the year, and there were no revaluation movements.

	Software £'000	Licences £'000	Other £'000	2021-22 Total £'000	2020-21 Total £'000
Cost:					
As at 1 April	26,563	15,100	464	42,127	31,240
Disposals	(3,347)	(884)	(113)	(4,344)	(570)
Additions	1,055	4,585	-	5,640	4,195
Reclassification	1,156	222	-	1,378	7,262
Cost as at 31 March	25,427	19,023	351	44,801	42,127
Amortisation:					
As at 1 April	18,110	3,117	405	21,632	18,089
Charged in year	3,204	3,032	59	6,295	4,113
Disposals	(3,347)	(884)	(113)	(4,344)	(570)
Reclassification	11	(11)	-	-	-
Amortisation as at 31 March	17,978	5,254	351	23,583	21,632
Net book value as at 31 March	7,449	13,769	-	21,218	20,495

12. Heritage assets

The Authority are the custodians of a large number of small heritage assets, valued below £5,000 each, and are recorded in a separate heritage asset register as none reach the required level for capitalisation within the accounts. Of these, a small number have been identified that are valued above £5,000, however these are items on long term loan to the Authority and do not belong to the organisation.

Fair Value Hierarchy Level 3 has been applied using in-house data and the experienced judgement of the Police Museum curator.

13. Cash and cash equivalents

	2021-22 £'000	2020-21 £'000
Balance as at 1 April	11,263	14,158
Net change in cash and cash equivalent balance	35,617	(2,895)
Balance as at 31 March	46,880	11,263

The balances held as at 31 March were held as follows:	2021-22 £'000	2020-21 £'000
Balance within the Government Banking Service	44,158	8,236
Cash at commercial banks and cash in hand	1,279	1,518
Total cash	45,437	9,754
Cash held within warrant and confiscation accounts*	1,443	1,509
Balance as at 31 March	46,880	11,263

* This balance is held on behalf of third parties, with a corresponding creditor balance within Other Payables (note 17).

14. Inventories

Inventories include equipment, uniforms, other operational consumables, fuel and vehicle parts, and are included in the Statement of Financial Position at the lower of cost and net realisable value.

	2021-22 £'000	2020-21 £'000
Balance as at 1 April	6,368	3,168
(Decrease) / increase in inventories and stock during year*	(1,535)	3,200
Balance as at 31 March	4,833	6,368

*Movement in inventories and stock balance is shown net of an obsolete stock write off of £(1.3)m (2020-21: £(144k)).

15. Trade and other receivables

(a) Analysis by type of receivable is as follows:	2021-22 £'000	2020-21 £'000
Amounts falling due within one year:		
Trade receivables*	6,318	5,798
Other receivables	154	352
Prepayments and accrued income	23,773	24,571
VAT	12,995	13,080
Total amounts falling due within one year	43,240	43,801

(b) Analysis by category of customer is as follows:	2021-22 £'000	2020-21 £'000
Amounts falling due within one year:		
Balances with other central government bodies	16,407	19,268
Balances with local authorities	3,516	2,675
Balances with NHS bodies	140	157
Intra-governmental balances	20,063	22,100
Balances with bodies external to government	23,177	21,701
Total amounts falling due within one year	43,240	43,801

*Trade receivables of £6.3 million (2020-21: £5.8m) are shown net of a provision for bad debts of £17k (2020-21: £52k).

16. Assets held for sale

	2021-22 £'000	2020-21 £'000
Balance brought forward as at 1 April	2,661	2,682
Reclassifications from property, plant and equipment	2,365	762
Revalued during the year	(26)	(101)
Assets sold	(2,242)	(682)
Balance as at 31 March	2,758	2,661

	31 March 2022 £'000	31 March 2021 £'000
Valuation details:		
Downward revaluation	(26)	(101)
Net gain / (loss) on revaluation of Assets Held for Sale	(26)	(101)

Fair Value Hierarchy Level 2 inputs as stated in note 1.2 have been disclosed where the current valuation is market value using market-based evidence of fair value. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

17. Trade and other payables

(a) Analysis by type of payable is as follows:	2021-22 £'000	2020-21 £'000
Amounts falling due within one year:		
Other taxation and social security	25,071	24,292
Trade payables	16,668	4,088
Other payables*	1,896	1,919
Pension creditor (note 18)	11,948	11,780
Accruals and deferred income	88,002	89,539
Sub-total amounts falling due within one year	143,585	131,618
Current component of finance leases	667	924
Current component of PFI agreements	1,474	1,305
Current component of long-term loans	5,433	4,166
Total amounts falling due within one year	151,159	138,013

	2021-22 £'000	2020-21 £'000
Amounts falling due after more than one year:		
Finance leases	1,658	1,576
PFI agreements	11,130	12,604
Long-term loans	62,504	67,937
Total amounts falling due after more than one year	75,292	82,117

* £1.4 million (2020-21: £1.5m) of the balance within other payables represents confiscation and warrant accounts. This is held on behalf of third parties, and has a corresponding entry within note 13.

(b) Analysis by category of supplier is as follows:	2021-22 £'000	2020-21 £'000
Amounts falling due within one year:		
Balances with other central government bodies	59,755	46,769
Balances with local authorities	10,480	8,993
Balances with NHS bodies	90	75
Intra-governmental balances	70,325	55,837
Balances with bodies external to government	80,834	82,176
Total amounts falling due within one year	151,159	138,013

	2021-22 £'000	2020-21 £'000
Amounts falling due after more than one year:		
Balances with other central government bodies	1,168	2,418
Balances with local authorities	61,402	65,586
Intra-governmental balances	62,570	68,004
Balances with bodies external to government	12,722	14,113
Total amounts falling due after more than one year	75,292	82,117

18. Pension account

The Scottish Government requires the Authority to maintain a Police Pension Account in respect of its police pension schemes. During the transfer of legacy pension arrangements, the Scottish Government has effected guidance to the Authority to follow the requirements specified in the previously required Police Pension Account (Scotland) Regulations 2010 and the 2013 update to the 2010 Guidance. The regulations specify that a Police Pension Account must be maintained to record the payments made and income received in respect of police pensions. The funding for police pension payments is made through a Police Specific Grant paid to the Authority, which takes into account the funding to meet the cost of the employer contributions.

	2021-22 £'000	2020-21 £'000
Receivable:		
Employer contributions	(194,090)	(190,563)
Officers' contributions	(88,408)	(87,240)
Other receivables	(2,468)	(4,008)
Transfer values received	(1,318)	(1,504)
Total receivable	(286,284)	(283,315)
Payable:		
Pensions	376,171	367,211
Refund & transfer values paid	2,648	4,807
Lump sum payments	113,132	79,702
Total payable	491,951	451,720
Deficit before funding	205,667	168,405
Funding received from the Scottish Government:		
Brought forward (surplus) / deficit	(11,780)	(16,120)
Police pension grant	(205,835)	(164,065)
Carried forward (surplus) / deficit funding received	(11,948)	(11,780)

19. Commitments under finance leases

Total future minimum lease payments under finance leases are given in the table below for each of the following periods:

	2021-22 Buildings £'000	2020-21 Buildings £'000
Not later than one year	775	1,049
Between two and five years	1,729	1,673
Later than five years	77	82
Future minimum lease payments	2,581	2,804
Less: interest element	(256)	(304)
Present value of obligations	2,325	2,500

Present value of obligations under finance leases for the following periods comprise:

	2021-22 Buildings £'000	2020-21 Buildings £'000
Not later than one year	667	924
Between two and five years	1,603	1,518
Later than five years	55	58
	1,658	1,576
	2,325	2,500

The assets held under finance leases are recognised on the Statement of Financial Position and included within the land and buildings as follows:

	2021-22 £'000	2020-21 £'000
Cost brought forward as at 1 April	14,606	14,606
Additions cost	783	-
Disposals cost	(6,806)	-
Cost as at 31 March	8,583	14,606
Aggregate depreciation brought forward as at 1 April	(13,069)	(12,463)
Depreciation during year	(615)	(606)
Depreciation on disposals	6,806	-
Depreciation as at 31 March	(6,878)	(13,069)
Net book value as at 31 March	1,705	1,537

20. Commitments under PFI arrangement

This note brings together various disclosure requirements relating to PFI/PPP contracts and similar schemes. A 25-year PFI contract with Strathclyde Limited was established in 2002 for the construction, maintenance and operation of the Training & Recruitment Centre at Jackton. In accordance with the HM Treasury application of IFRIC 12 principles, the PFI/PPP property is an asset of the Authority and the liability to pay for the property is, in substance, a finance lease obligation. There are no additional rights and obligations in relation to the property. The estimated future payments in respect of the PFI contract are as follows:

	2021-22				2020-21
	Capital Repayment £'000	Interest £'000	Service Charge £'000	Total £'000	Total £'000
Not later than one year	1,474	1,540	1,787	4,801	4,749
Between two and five years	11,130	3,713	6,767	21,610	19,535
Later than five years	-	-	-	-	6,876
Subtotal > 1 year	11,130	3,713	6,767	21,610	26,411
As at 31 March	12,604	5,253	8,554	26,411	31,160

The asset is recognised on the Statement of Financial Position and included within the land and buildings as follows:

	2021-22 £'000	2020-21 £'000
Cost brought forward as at 1 April	17,350	17,350
Aggregate depreciation brought forward as at 1 April	(5,639)	(5,118)
Depreciation during year	(521)	(521)
Net book value as at 31 March	11,190	11,711
Revaluation reserve as at 31 March	214	242

21. Long-term loans

	2021-22				2020-21
	Capital repayment £'000	Interest £'000	Service charge £'000	Total £'000	Total £'000
Within 12 months	5,433	2,768	23	8,224	7,226
2 - 5 years	14,507	9,454	74	24,035	26,894
6 - 15 years	31,204	14,186	122	45,512	47,203
16 - 25 years	10,400	4,576	70	15,046	18,173
26 - 35 years	4,974	2,315	36	7,325	6,395
36 - 45 years	1,419	122	3	1,544	3,100
Subtotal > 1 year	62,504	30,653	305	93,462	101,765
As at 31 March 2022	67,937	33,421	328	101,686	108,991
As at 31 March 2021	72,103	36,535	353	108,991	

The loans which were transferred as at 1 April 2013 represent loans from the Public Works Loans Board and the debt is managed by the local Councils' Consolidated Loans Funds.

22. Provisions

	Legal provision	Other provisions	2021-22 Total	2020-21 Total
	£'000	£'000	£'000	£'000
Opening balance as at 1 April	14,973	5,846	20,819	24,980
Provided in the year	4,296	2,704	7,000	4,853
Provisions not required written back	(6,630)	-	(6,630)	(6,528)
Provisions utilised in year	(2,861)	(112)	(2,973)	(2,456)
Change in discount rate	-	445	445	33
Unwinding of discount rate	-	148	148	(63)
As at 31 March	9,778	9,031	18,809	20,819

Legal provisions all relate to specific claims, and due to their complexity, such claims are generally resolved on a timescale in the region of one to five years. They comprise Authority provisions of £0.48 million (2020-21: £0.87m) and a provision of £9.30 million (2020-21: £14.10m) for Employers' Liability, Public Liability and Third Party Motor Liability within Police Scotland.

Other provisions relate to potential obligations under repairing leases. For these provisions, a discount factor (in this case, using Public Expenditure System (PES) rates) is applied to liability estimates, along with an adjustment for estimated inflation. Lease related dilapidations have variable time periods mostly in the range of one to ten years, with a small number beyond this timescale.

23. IAS19 Pension liability

Summary reconciliation of all schemes, including: Police schemes (PPS, NPPS, 2015, Injury); and Local Government Pension Schemes

(a) Reconciliation of pension liability

	Ref	2021-22 Income and Expenditure analysis			2021-22 Statement of Financial Position	2020-21 Statement of Financial Position
		Actuarial Gain/(Loss)	Interest on pension scheme obligations	Staff costs	Total	Total
		£'000	£'000	£'000	£'000	£'000
Opening position as at 1 April	A				(22,163,313)	(19,764,956)
Actuarial gain/(loss) in year	B	(1,717,618)	-	-	(1,717,618)	(1,866,969)
Interest on obligation	C	-	(319,261)	-	(319,261)	(393,311)
Expected return on assets	D	-	36,763	-	36,763	34,100
Total service costs	E	-	-	(840,038)	(840,038)	(675,959)
Other movements	F	-	-	547,086	547,086	503,782
As at 31 March 2022		(1,717,618)	(282,498)	(292,952)	(24,456,381)	(22,163,313)
As at 31 March 2021		(1,866,969)	(359,211)	(172,177)		

The full non-cash adjustment for IAS19 disclosed within the Summary of Resource Outturn for the year ended 31 March 2022 is made of the following:

	2021-22			2020-21		
	Police Officers	Staff	Total	Police Officers	Staff	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Interest on obligations	273,000	9,498	282,498	354,400	4,811	359,211
Staff costs	225,200	67,752	292,952	145,900	26,277	172,177
As at 31 March	498,200	77,250	575,450	500,300	31,088	531,388

(b) Change in the fair value of plan assets, defined benefit obligations and net liability

Below shows the change in the fair value of plan assets, defined benefit obligation and net liability for all pension schemes combined

	Ref	2021-22			2020-21		
		PPS, NPPS, 2015 & Injury (note 24) £'000	LGPS (note 25) £'000	Total net (liability)/ asset £'000	PPS, NPPS, 2015 & Injury (note 24) £'000	LGPS (note 25) £'000	Total net (liability)/ asset £'000
Fair value of employer assets		-	1,826,545	1,826,545	-	1,494,879	1,494,879
Present value of unfunded liabilities		(21,231,600)	(44,311)	(21,275,911)	(19,158,900)	(39,367)	(19,198,267)
Present value of funded liabilities		-	(2,222,047)	(2,222,047)	-	(1,605,168)	(1,605,168)
Present value of injury liabilities		(491,900)	-	(491,900)	(456,400)	-	(456,400)
Opening position as at 1 April	A	(21,723,500)	(439,813)	(22,163,313)	(19,615,300)	(149,656)	(19,764,956)
Current service cost		(727,700)	(111,929)	(839,629)	(612,600)	(62,581)	(675,181)
Past service cost (incl curtailments)		-	(409)	(409)	-	(778)	(778)
Total service cost	E	(727,700)	(112,338)	(840,038)	(612,600)	(63,359)	(675,959)
Interest income on plan assets	D	-	36,763	36,763	-	34,100	34,100
Interest cost on defined benefit obligation	C	(273,000)	(46,261)	(319,261)	(354,400)	(38,911)	(393,311)
Total net interest		(273,000)	(9,498)	(282,498)	(354,400)	(4,811)	(359,211)
Total defined benefit cost		(1,000,700)	(121,836)	(1,122,536)	(967,000)	(68,170)	(1,035,170)

	Ref	2021-22			2020-21		
		PPS, NPPS, 2015 & Injury (note 24) £'000	LGPS (note 25) £'000	Total net (liability)/ asset £'000	PPS, NPPS, 2015 & Injury (note 24) £'000	LGPS (note 25) £'000	Total net (liability)/ asset £'000
Employer contributions		-	42,961	42,961	-	35,477	35,477
Net transfers in from other authorities		(1,700)	-	(1,700)	(1,800)	-	(1,800)
Net transfers out to other authorities and other payments to and on account of leavers		2,900	-	2,900	1,600	-	1,600
Contributions in respect of unfunded benefits		-	1,625	1,625	-	1,605	1,605
Pensions and lump sum expenditure		488,400	-	488,400	453,600	-	453,600
Injury award expenditure		12,900	-	12,900	13,300	-	13,300
Benefits paid		-	-	-	-	-	-
Unfunded benefits paid		-	-	-	-	-	-
Other movements	F	502,500	44,586	547,086	466,700	37,082	503,782
Expected closing position		(22,221,700)	(517,063)	(22,738,763)	(20,115,600)	(180,744)	(20,296,344)
Change in demographic assumptions		-	12,930	12,930	-	25,512	25,512
Change in financial assumptions		(1,738,000)	181,030	(1,556,970)	(1,825,000)	(513,150)	(2,338,150)
Other experience		(283,700)	(2,997)	(286,697)	217,100	(77,502)	139,598
Return on assets excluding net interest		-	113,119	113,119	-	306,071	306,071
Total re-measurements	B	(2,021,700)	304,082	(1,717,618)	(1,607,900)	(259,069)	(1,866,969)
Fair value of employer assets		-	1,999,727	1,999,727	-	1,826,545	1,826,545
Present value of unfunded liabilities		(23,691,100)	(41,258)	(23,732,358)	(21,231,600)	(44,311)	(21,275,911)
Present value of funded liabilities		-	(2,171,450)	(2,171,450)	-	(2,222,047)	(2,222,047)
Present value of injury liabilities		(552,300)	-	(552,300)	(491,900)	-	(491,900)
Closing position as at 31 March		(24,243,400)	(212,981)	(24,456,381)	(21,723,500)	(439,813)	(22,163,313)

24. Police Pension Schemes:

PPS (1987); NPPS (2006); 2015 Scheme

(a) Financial and demographic assumptions in the valuation

The valuation below, carried out by the Government Actuary's Department (GAD), has been based on the actuarial valuation of the schemes at 31 March 2020. Full membership data as at 31 March 2020 was provided by the Scottish Public Pensions Agency (SPPA). Sufficient additional data was supplied by the Authority and the SPPA (assessed by GAD for reasonableness) to enable the liability at 31 March 2022 to be assessed, based on the calculated liability as at 31 March 2020.

Pay inflation

Promotional salary scales have been set in accordance with the published police pay scales in line with the 2020 valuation, with short-term general pay increases calculated taking pay restraint into consideration until 2022-23.

Year	31 March 2022	31 March 2021
2018-19	n/a	6.50% plus promotional scale
2019-20	n/a	0% plus promotional scale
2020-21	0% plus promotional scale	0% plus promotional scale
2021-22	1.80% plus promotional scale	3.72% plus promotional scale
2022-23	4.15% plus promotional scale	3.72% plus promotional scale

It has been assumed that serving officers in the PPS retire at the earlier of attaining 30 years' service, or after 25 years' service at the age 50 and above or at age 55. It has also been assumed that serving officers in the NPPS will retire at age 55, with some additional allowances for some premature retirements on the grounds of ill-health. Financial assumptions are summarised below:

	31 March 2022	31 March 2021
Pension increase rate	2.90%	2.22%
Long-term Salary increase rate	4.15%	3.72%
Short-term Salary increase rate	n/a	n/a
Discount rate	1.55%	1.25%

Mortality rates

Average future life expectancies at aged 60 are summarised as follows: the assumptions are updated from those adopted for 2018-19 and are in line with the ONS 2018-based population projections. The post-retirement mortality assumptions are based on S2NMA/S2NFA mortality rates with future improvements based on the ONS 2018.

	31 March 2022		31 March 2021	
	Males	Females	Males	Females
Current normal health pensioners	26.0 years	27.7 years	25.9 years	27.7 years
Future pensioners	27.8 years	29.4 years	27.7 years	29.3 years

(b) Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	31 March 2022		31 March 2021	
	Change in Employer Liability %	Approximate Monetary amount £'000	Change in Employer Liability %	Approximate Monetary amount £'000
0.5% increase in real discount rate	(10.5)	(2,488,000)	(10.5)	(2,229,000)
1 year increase in member life expectancy	4.0	948,000	3.5	743,000
0.5% increase in salary increase rate	2.5	592,000	1.5	318,000
0.5% increase in the pensions increase rate (CPI)	10.5	2,488,000	8.0	1,699,000

The liability is very sensitive to the assumed discount rate and the pension increase rate. For 2021-22, the increase in the assumed rate of pension increases from 2.22% p.a. to 2.90% p.a. and the increase in the assumed rate general pay increases from 3.72% p.a. to 4.15% p.a., both increase the value of the liabilities. The increase in the nominal discount rate from 1.25% p.a. to 1.55% p.a., decreases the liabilities, and partially offsets the increase noted above. The combined effects of the financial assumptions can be seen in movements above.

The pension scheme's Current Service Cost (inclusive of member contributions) for the future year ending 31 March 2023 is estimated to be 91.1% (108.2% 2021-22) of pensionable salaries, with the injury benefit scheme's equivalent Current Service Cost being estimated at 1.82% (2.16% 2021-22).

(c) Change in the fair value of plan assets, defined benefit obligations and net liability

The tables overleaf show the change in the fair value of plan assets, defined benefit obligation and net liability for the combined police pension schemes.

	2021-22 Net (liability) / asset			2020-21 Net (liability) / asset		
	PPS/NPPS/ 2015 £'000	Injury £'000	Total £'000	PPS/NPPS/ 2015 £'000	Injury £'000	Total £'000
Fair value of employer assets	-	-	-	-	-	-
Present value of unfunded liabilities	(21,231,600)	-	(21,231,600)	(19,158,900)	-	(19,158,900)
Present value of injury liabilities	-	(491,900)	(491,900)	-	(456,400)	(456,400)
Opening position as at 1 April	(21,231,600)	(491,900)	(21,723,500)	(19,158,900)	(456,400)	(19,615,300)
Current service cost	(713,400)	(14,300)	(727,700)	(600,600)	(12,000)	(612,600)
Past service cost (including curtailments)	-	-	-	-	-	-
Total service cost	(713,400)	(14,300)	(727,700)	(600,600)	(12,000)	(612,600)
Interest income on plan assets	-	-	-	-	-	-
Interest cost on defined benefit obligation	(266,800)	(6,200)	(273,000)	(346,200)	(8,200)	(354,400)
Total net interest	(266,800)	(6,200)	(273,000)	(346,200)	(8,200)	(354,400)
Total defined benefit cost	(980,200)	(20,500)	(1,000,700)	(946,800)	(20,200)	(967,000)
Net transfers in from other authorities	(1,700)	-	(1,700)	(1,800)	-	(1,800)
Net transfers out to other authorities and other payments to and on account of leavers	2,900	-	2,900	1,600	-	1,600
Contributions in respect of injury benefits	-	-	-	-	-	-
Pensions and lump sum expenditure	488,400	12,900	501,300	453,600	13,300	466,900
Other movements	489,600	12,900	502,500	453,400	13,300	466,700
Expected closing position	(21,722,200)	(499,500)	(22,221,700)	(19,652,300)	(463,300)	(20,115,600)

	2021-22 Net (liability) / asset			2020-21 Net (liability) / asset		
	PPS/NPPS/ 2015 £'000	Injury £'000	Total £'000	PPS/NPPS/ 2015 £'000	Injury £'000	Total £'000
Change in demographic assumptions	-	-	-	-	-	-
Change in financial assumptions	(1,702,000)	(36,000)	(1,738,000)	(1,789,300)	(35,700)	(1,825,000)
Other experience	(266,900)	(16,800)	(283,700)	210,000	7,100	217,100
Total re-measurements	(1,968,900)	(52,800)	(2,021,700)	(1,579,300)	(28,600)	(1,607,900)
Fair value of employer assets	-	-	-	-	-	-
Present value of unfunded liabilities	(23,691,100)	-	(23,691,100)	(21,231,600)	-	(21,231,600)
Present value of injury liabilities	-	(552,300)	(552,300)	-	(491,900)	(491,900)
Closing position as at 31 March	(23,691,100)	(552,300)	(24,243,400)	(21,231,600)	(491,900)	(21,723,500)

25. Local Government Pension Schemes

The latest formal valuations of the Scottish LGPS funds were at 31 March 2020. In order to assess the value of the Authority's assets and liabilities in the funds as at 31 March 2022 for the purposes of IAS19, the value of the Authority's liabilities has been rolled forward from the 31 March 2020 valuation, allowing for different financial assumptions required under IAS19, the investment returns obtained and contributions paid into and estimated benefits paid from the fund. In calculating the service cost, allowance has been made for changes in the pensionable payroll as estimated from contribution information provided.

Below shows the assumptions, sensitivity analysis, projected defined benefit cost and change in the fair value of plan assets, defined benefit obligation and net liability for the year for all of the LGPS schemes combined.

Calculations were carried out in accordance with the Pensions Technical Actuarial Standard 100 adopted by the Financial Reporting Council, which came into effect on 1 July 2017, and adopting paragraphs 94 of IAS19 which recognises actuarial gains and losses in the period in which they occur. The current service cost includes an allowance for administration expenses of 0.2% of payroll. The valuations were conducted by Hymans Robertson LLP.

(a) Financial and demographic assumptions in the valuation

Financial assumptions are summarised below:

	31 March 2022	31 March 2021
Pension increase rate	3.20%	2.85%
Salary increase rate	3.90%	3.55%
Discount rate	2.70%	2.00%

Mortality rates

The life expectancies for each Fund are based on the mortality assumptions adopted for the 2020 formal valuations of each Fund but with an adjustment to future rates of improvement. Future longevity improvements assumptions are used in line with the latest Continuous Mortality Investigation (CMI) results, namely the CMI 2021 model with a 0% weighting of 2021 (and 2020) data, smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of 1.5% p.a. for both females and males. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	31 March 2022		31 March 2021	
	Males	Females	Males	Females
Current pensioners	19.6 years	22.4 years	20.2 years	23.0 years
Future pensioners	21.0 years	24.5 years	22.0 years	24.9 years

(b) Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	31 March 2022		31 March 2021	
	Increase to Employer Liability %	Approximate Monetary amount £'000	Increase to Employer Liability %	Approximate Monetary amount £'000
0.5% decrease in real discount rate	12	255,893	12	257,654
1 year increase in member life expectancy	4	86,858	3-5	*
0.5% increase in salary increase rate	1	31,559	2	34,056
0.5% increase in the pensions increase rate (CPI)	10	219,308	10	217,434

*For sensitivity purposes, it is estimated that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply to younger or older ages).

The figures have been derived based on the membership profile of the employer at the date of the most recent actuarial valuation.

(c) Projected defined benefit cost for the year to 31 March 2023

	Assets	Obligations	Net (liability) / asset	
	£'000	£'000	£'000	% of pay
Projected current service cost*	-	99,024	(99,024)	(47.3)%
Past service cost including curtailments	-	-	-	-
Effect of settlement	-	-	-	-
Total service cost	-	99,024	(99,024)	(47.3)%
Interest income on plan assets	54,279	-	54,279	25.9%
Interest cost on defined benefit obligation	-	60,804	(60,804)	(29.0)%
Total net interest cost	54,279	60,804	(6,525)	(3.1)%
Total included in net expenditure	54,279	159,828	(105,549)	(50.4)%

*The current service cost includes an allowance for administration expenses of 0.2% of payroll.

The estimated employers' contributions for the year to 31 March 2023 will be approximately £42.3 million.

(d) Split of the fund assets

	Period ended 31 March 2022				Period ended 31 March 2021			
	Quoted Prices	Not Quoted	Total	Percentage of Total Assets	Quoted Prices	Not Quoted	Total	Percentage of Total Assets
	£'000	£'000	£'000	%	£'000	£'000	£'000	%
Equity securities:								
Consumer	248,989	-	248,989	12.5%	130,295	-	130,295	7.1%
Manufacturing	290,730	1	290,731	14.5%	111,749	413	112,162	6.1%
Utilities	107,196	1	107,197	5.4%	33,339	151	33,490	1.8%
Financial Institutions	135,857	1	135,858	6.8%	83,707	-	83,707	4.6%
Healthcare	135,864	1	135,865	6.8%	61,628	379	62,007	3.4%
IT	95,594	-	95,594	4.8%	86,618	-	86,618	4.7%
Other	160,715	-	160,715	8.0%	166,329	-	166,329	9.1%
Debt securities								
Corporate bonds (investment grade)	158	1,100	1,258	0.1%	23,647	2,886	26,533	1.5%
Corporate bonds (non-investment grade)	-	-	-	0.0%	-	-	-	0.0%
UK Government	120,095	45	120,140	6.0%	27,965	6,658	34,623	1.9%
Other	5	-	5	0.0%	1,865	20	1,885	0.1%
Private equity:								
All	-	313,291	313,291	15.7%	-	227,712	227,712	12.5%
Real estate:								
UK property	177	104,675	104,852	5.2%	28,542	102,506	131,048	7.2%
Overseas property	-	745	745	0.0%	10	117	127	0.0%
Investment funds & unit trusts:								
Equities	29,566	2,498	32,064	1.6%	138,745	298,824	437,569	24.0%
Bonds	44,261	692	44,953	2.2%	35,802	118,748	154,550	8.5%
Hedge funds	-	155	155	0.0%	-	26,730	26,730	1.5%
Commodities	-	2	2	0.0%	-	372	372	0.0%
Infrastructure	26	1,716	1,742	0.1%	3,674	18,111	21,785	1.2%
Other	126	26	152	0.0%	18,044	3,756	21,800	1.2%
Derivatives:								
Inflation	-	-	-	0.00%	-	-	-	0.0%
Interest rate	-	-	-	0.00%	-	-	-	0.0%
Foreign exchange	(212)	-	(212)	0.00%	348	-	348	0.0%
Other	-	-	-	0.00%	135	-	135	0.0%
Cash:								
All	205,584	47	205,631	10.3%	60,267	6,453	66,720	3.6%
Total	1,574,731	424,996	1,999,727	100.0%	1,012,709	813,836	1,826,545	100.0%

(e) Change in the fair value of plan assets, defined benefit obligations and net liability

Whilst the liabilities calculated in the table below include an allowance for some premature retirement on the grounds of ill health, there is no allowance for early retirements on the grounds of redundancy or efficiency, other than those actual cases notified to the actuary.

	2021-22			2020-21		
	Assets £'000	Obligations £'000	Net (liability)/ asset £'000	Assets £'000	Obligations £'000	Net (liability)/ asset £'000
Fair value of employer assets	1,826,545	-	1,826,545	1,494,879	-	1,494,879
Present value of unfunded liabilities	-	44,311	(44,311)	-	39,367	(39,367)
Present value of funded liabilities	-	2,222,047	(2,222,047)	-	1,605,168	(1,605,168)
Opening position as at 1 April	1,826,545	2,266,358	(439,813)	1,494,879	1,644,535	(149,656)
Current service cost	-	111,929	(111,929)	-	62,581	(62,581)
Past service cost (including curtailments)	-	409	(409)	-	778	(778)
Total service cost	-	112,338	(112,338)	-	63,359	(63,359)
Interest income on plan assets	36,763	-	36,763	34,100	-	34,100
Interest cost on defined benefit obligation	-	46,261	(46,261)	-	38,911	(38,911)
Total net interest	36,763	46,261	(9,498)	34,100	38,911	(4,811)
Total defined benefit cost	36,763	158,599	(121,836)	34,100	102,270	(68,170)
Plan participants' contributions	13,566	13,566	-	11,710	11,710	-
Employer contributions	42,961	-	42,961	35,477	-	35,477
Transfers in from other authorities	-	-	-	-	-	-
Contributions in respect of unfunded benefits	1,625	-	1,625	1,605	-	1,605
Pensions and lump sum expenditure	-	-	-	-	-	-
Benefits paid	(33,227)	(33,227)	-	(33,060)	(33,060)	-
Unfunded benefits paid	(1,625)	(1,625)	-	(1,605)	(1,605)	-
Other movements	23,300	(21,286)	44,586	14,127	(22,955)	37,082
Expected closing position	1,886,608	2,403,671	(517,063)	1,543,106	1,723,850	(180,744)

	2021-22			2020-21		
	Assets £'000	Obligations £'000	Net (liability)/ asset £'000	Assets £'000	Obligations £'000	Net (liability)/ asset £'000
Change in demographic assumptions	-	(12,930)	12,930	-	(25,512)	25,512
Change in financial assumptions	-	(181,030)	181,030	-	513,150	(513,150)
Other experience	-	2,997	(2,997)	(22,632)	54,870	(77,502)
Return on assets excluding net interest	113,119	-	113,119	306,071	-	306,071
Total re-measurements	113,119	(190,963)	304,082	283,439	542,508	(259,069)
Fair value of employer assets	1,999,727	-	1,999,727	1,826,545	-	1,826,545
Present value of unfunded liabilities	-	41,258	(41,258)	-	44,311	(44,311)
Present value of funded liabilities	-	2,171,450	(2,171,450)	-	2,222,047	(2,222,047)
Closing position as at 31 March	1,999,727	2,212,708	(212,981)	1,826,545	2,266,358	(439,813)

26. Scottish Government funding

The cash and non-cash Grant in Aid received from the Scottish Government is detailed below, and shown within the Statement of Resource Outturn analysis within the Accountability Report.

Grant in Aid	2021-22 £'000	2020-21 £'000
1 Cash		
1a) Revenue grant funding	1,225,040	1,156,016
1b) Reform funding – revenue	23,100	25,000
1c) COP26 funding – revenue	49,100	-
Resource funding (Cash)	1,297,240	1,181,016
1d) Working Capital cash	27,027	36,000
1e) Additional ODEL grant to cover loan capital repayments	3,804	3,809
Resource, ODEL, other Grant in Aid	1,328,071	1,220,825
1f) Capital grant funding	50,073	45,389
1g) Reform funding – capital	4,600	4,600
1h) COP26 funding – capital	2,400	-
Capital funding	57,073	49,989
Total Cash received	1,385,144	1,270,814
2 Non-cash		
2a) Resource funding (Non-cash)	-	300
2b) Ring-fenced Non-cash	50,000	50,000
2c) Annually Managed Expenditure (AME)	75,000	54,900
Other Non-cash	125,000	104,900
Total Non-cash funding	125,000	105,200
Total Grant in Aid	1,510,144	1,376,014

Other Scottish Government funding is received each year per the schedule below. Annex D and pension funding is shown within note 18, and other grant income received is shown within other operating income in note 3.

Other Scottish Government Funding	2021-22 £'000	2020-21 £'000
Annex D and pension funding	399,699	354,327
Safety Camera Partnership	4,320	4,017
Violence Reduction Unit	1,064	878
Other	519	561
Other Scottish Government funding	405,602	359,783

27. Contingent liabilities

There are a number of potential liabilities facing the Authority, which are as yet to crystallise and for which estimated amounts (where available) are included below:

Guaranteed Minimum Pension

Following a consultation on indexation and equalisation of Guaranteed Minimum Pensions (GMP), the UK Government confirmed that it has decided to make full GMP indexation the permanent solution for public service pension schemes. Schemes are directed to provide full indexation to those public servants reaching State Pension age beyond 5 April 2021. A further court ruling in November 2020 requires schemes to revisit past Cash Equivalent Transfer Values (CETVs) to ensure GMP equalisation. This may result in additional top-ups where GMP equalisation means that members did not receive their full entitlement.

Actuarial allowances currently made are expected to cover the cost of indexation, although the scope of CETV top-up costs has yet to be determined and therefore remains a potential liability. This has been currently assessed by actuaries as a relatively small uplift.

Legal claims

Provision estimates at note 22 are based on a best estimate of potential outgoings for legal claims. The residual level of claim against the organisation remains a contingent liability, which will in due course be removed, or re-assessed as a future provision in line with the progression of claims and appropriate review. Taking into account the available information and the materiality of claims, the contingent liability as at the end of the financial year has been estimated at £29 million (31 March 2021: £30m).

Male Survivor benefits – opposite sex marriage

In July 2020, the Chief Secretary to the Treasury issued a Written Ministerial Statement in respect of survivor benefits payable to male survivors of females in opposite sex marriages. This was in response to a recent Employment Tribunal decision (the Goodwin Tribunal) that indicated that survivor benefits payable to male survivors of females in opposite sex marriages will be equal to other categories of survivor.

Specifically, the judgement ruled that under Section 61 of the Equalities Act, administering authorities should pay equal survivor benefits between widowers of both: the same; and opposite sex.

The Authority subsequently sought a view on the potential financial effect from our actuaries.

For Local Government Pension Schemes (LGPS), actuarial advice from Hymans was that they advised that the legal process is ongoing, with a future decision pending from the Tribunal on details of the planned level of remedy. On the information available, their view of the impact on the Authority results is currently estimated at an increase of between 0.1% to 0.2% of overall liabilities, equating to approximately £3.5 million.

The Government Actuary's Department (GAD) have advised that the likely effect on police pension schemes, based on current knowledge, is not material.

Corporation Tax

The Authority routinely submits returns to HMRC in relation to the assessment of any liability for corporation tax, with input and support from external tax advisors. Following a query from HMRC in relation to one of these returns from an earlier financial year, the Authority is currently in dialogue with HMRC to review the methodology used for the calculation of any liability.

There is a possibility that liabilities, and consequently corporation tax charges, could be reassessed for recent years, and on an ongoing basis. It is expected that clarity and revised assessments will be available during 2022/23, subsequent to discussions with HMRC.

Any corporation tax charge for the Authority is chargeable to Annually Managed Expenditure (AME), as opposed to Grant in Aid. In the context of the Authority's annual outturn on AME, any potential liability and corporation tax charge is not expected to be of a material level.

Guarantee

In relation to an ongoing large contract for services, the Authority has provided a guarantor undertaking relating to pension costs in the event of a failure of the contractor in advance of the expected term of the contract. The financial impact declines over the period of the contract and is currently assessed as no more than £1m.

28. Financial commitments

The Authority had capital commitments as at 31 March 2022 as follows:

Capital Commitments	2021-22 £'000	2020-21 £'000
Property, plant & equipment	3,891	2,754
Intangible assets	3,372	460
Balance as at 31 March	7,263	3,214

In addition, commitments under operating leases are detailed in note 5 of the accounts at £15.0 million (31 March 2021: £14.8m).

29. Related party transactions

The Authority is an Other Significant National Body sponsored by the Scottish Government. The Scottish Government is regarded as a related party. During the year, the Authority has had various material transactions with the Scottish Government and with other entities for which the Scottish Government is regarded as a parent body, in particular regarding property transactions such as the rental of Gartcosh from the Scottish Government. In addition, the Authority has had a small number of material transactions with other government departments, central government bodies, local government, non-departmental public bodies and similar organisations.

During the year, apart from their service contracts, no Board members or members of senior management or their related parties have undertaken any material transactions with the Authority. Board members' interests are detailed within the Remuneration Report. Transactions with bodies in which they hold interests have been examined.

The Authority is a member of Community Safety Glasgow (CSG), a company limited by guarantee and not having share capital, and during the course of the financial year received funding from CSG of £32,203 (2020-21: £31,164).

30. Financial instruments

As detailed in note 26 to the Accounts, the Authority is funded through Grant in Aid which is set by Scottish Ministers in advance of the financial year. Cash Grant in Aid is released throughout the year in order that the organisation can meet its financial responsibilities as they fall due throughout the year and maintain an adequate level of working capital.

Working Capital Analysis	Note	31 March 2022 £'000	31 March 2021 £'000
Cash and cash equivalents	13	46,880	11,263
Inventories	14	4,833	6,368
Trade and other receivables within one year	15	43,240	43,801
Assets held for sale*	16	2,758	2,661
Trade and other payables within one year, excluding financing	17	(143,585)	(131,618)
Balance as at 31 March		(45,874)	(67,525)

* This represents the lower of current value in existing use and the fair value less costs of sale.

The Authority has no power to borrow funds, however there are long term loans payable by the organisations, see note 21. These loans, from the Public Works Loans Board, were transferred from the Local Councils on the creation of the Authority and are managed by the local Councils' Consolidated Loans Funds.

All surplus funds are held in non-interest-bearing accounts and therefore exposure to interest rate fluctuations is low. Bank balances are not held in foreign currency, although the organisation transacts in foreign currency with some creditors. Any shortfall or surplus in currency transactions is minimal.

Financial assets and liabilities are generated through day-to-day operational activities and there are no additional financial instruments held. Because of the nature of its activities and the way in which the Authority is financed, there is little exposure to the degree of financial risk faced by business entities.

Fair value hierarchy

- Cash and cash equivalents are measured at fair value constituting Hierarchy Level 1 input.
- All other assets and liabilities are measured at fair value constituting Hierarchy Level 2 input.
- There were no transfers between hierarchy levels for assets and liabilities during the year

31. Events after the reporting period

There have been no events which have occurred after the reporting period which have had an effect on the Annual Report & Accounts for 2021-22 which have not been disclosed.

32. Key sources of judgement and estimation uncertainty

The assumptions and other sources of estimation uncertainty disclosed in this note relate to the estimates that require the most difficult, subjective or complex judgements from management. This distinguishes them from other judgements made in the course of assessing appropriate values included in the Financial Statements that have a lower level of complexity or materiality.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates, assumptions and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the financial statements, are addressed below.

- Impairment of PPE and investment properties. The Authority has used estimated impairment figures within the reported figures. These are based upon the valuation reports produced by suitably qualified Royal Institute of Chartered Surveyors (RICS - both in-house and external), taking account of market conditions and other available data.
- Provisions: The Board has a number of provisions within the accounts for obligations existing at the year-end. These have been informed by assessments from in-house solicitors and property valuation specialists. Where appropriate, a third party actuarial valuation has been utilised. These estimates were based on the information available at the year-end date.
- The fair value of PPE: Assumptions regarding the fair value of PPE and investment properties are based upon information provided in valuation reports produced by suitably qualified (RICS) surveyors (both in-house and external), taking account of market conditions and other available data. Further detail on fair value is provided at note 1.2 (Statement of Accounting Policies: Fair Value). A summary of the policy for the valuation basis applicable to categories of Property, Plant and Equipment is provided at note 1.5 (Statement of Accounting Policies: Property, plant and equipment), with operational land and building assets carried in the Statement of Financial Position at existing use value (EUUV). Carrying values for the main asset categories are detailed at note 9 (Property, plant and equipment).
- Actuarial assumptions and valuations in respect of post-employment benefits (IAS19) are provided by: the Government Actuary's Department (GAD) for police schemes; and Hymans Robertson LLP for LGPS schemes. These assumptions are determined by the actuaries on a "best estimate" basis, with future projections of investment returns and demographic experience subject to a degree of uncertainty when these projections are made.
- For LGPS funds, formal actuarial valuations are carried out every three years. Hymans Robertson LLP have estimated the accounting balance sheet position as at 31 March 2022 based on data obtained through the 2020 formal valuation for the employer.
- GAD have calculated scheme liability for police schemes at 31 March 2022 using data from the full actuarial valuation calculations carried out as at 31 March 2020. Comparisons between the previous valuation dataset of 2016 have been provided as part of the actuarial reports. GAD have indicated that they have not yet finalised data processing in relation to all movements between these valuations, and this process may lead to some refinement of the 31 March 2020 actuarial valuations, but this is not expected to have a material impact on the Scheme's liabilities.

- Lease agreements classified as finance leases are those that transfer substantially all the risks and rewards incident to ownership, as assessed on the terms of the individual agreements. Other leases are classified as operating leases.
- Accruals are based on invoices received after the year-end but for which the goods and services were received before the year-end. These estimates have been made by the finance team in line with best accounting practices.

The estimates and valuations provided are a point in time assessment of the potential liability and these are assessed annually for any movements. The assumptions used are based on the expert knowledge of the advisors and signed off by the Chief Financial Officer.

There has been no indication that any of the above estimates have been subject to any material change since the year-end, unless specifically mentioned elsewhere within these accounts. All risks and assumptions related to the valuations are listed within the individual reports and where appropriate have been summarised in the notes above.

A5082616



THE SCOTTISH POLICE AUTHORITY

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of section 5 (1) of chapter 1 of the Police and Fire Reform (Scotland) Act 2012 hereby give the following direction.
2. The statement of accounts for the financial period ended 31 March 2013, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses and cash flows for the financial period and of the state of affairs at the end of the Financial period.
4. This direction shall be reproduced as an appendix to the statement of accounts.

Gillian Russell
Head of Police Division
Signed by the authority of the Scottish Ministers

Dated: 1st March 2013

