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| Meeting | Public SPA Board Meeting |
| Date | 24 February 2017 |
| Location | Stirling Court Hotel, Stirling |
| Title of Paper | Finance Committee Chair Report |
| Item Number | 15.2 |
| Presented By | Elaine Wilkinson |
| Recommendation to Members | For Noting |
| Appendix Attached: | NO |

PURPOSE

To provide the Board with an update on business progressed through the Finance Committee during the period 14th December 2016 – 10th January 2017.

ONGOING COMMITTEE BUSINESS

Finance and Investment Committee (14th December 2016)

1. Financial Performance 2016/17

1.1 Members were provided with a report summarising the projected 2016/17 forecast out-turn. This was based on the detailed analysis that had been done for Period 6 with the inclusion of any major changes since that date that had materialised in the Period 7 year-to-date figures. Members explored the reasons for movements, both increases and decreases, in certain cost categories noting that the overall position remained at a similar level, when offsetting revenue, capital and reform.

2. 2017/18 Budget

2.1 Members were provided with a report and timetable outlining the approach being taken to develop the 2017/18 base budget and the identification of savings options. The Deputy Chief Officer explained the measures that were being introduced to make DCCs accountable for both budgets and operational activity. Members welcomed the approach to devolved budget management and accountability recognising that it would take time for this change in working practice and culture to penetrate the organisation. Members took great assurance from the tight controls that were being introduced to manage cost pressures and the benefits that were likely to come from having a 'finance business partner' in each area of the business.

December F&I

3. Commercial Services Sale of Chamber Street

3.1 Members scrutinised the offers and any associated conditions received for this property and agreed to recommend one particular offer to the Board. Members also sought clarity on the accounting implications for the sale of this property in light of the issues that had arisen in the 2015/16 audit of the annual accounts. Members sought an assurance that the relevant actions would be taken by the estates team on a timelier basis for any properties declared surplus in the future.

3.2 **Other lower value property transactions:** Members approved the acceptance of the offers received for Hill Street, Alexandria and Kenmore Street, Aberfeldy.

3.3 **Telecommunications Licences:** Members agreed the terms of the proposed radio mast licences in Badcaul, Olig and Wiideford.

4. **Finance Committee Workshop (10th January 2016)**

4.1 A very useful workshop which clarified the routes for approval for commercial services under the new terms of reference for the committee and the scheme of delegation. In addition the workshop focused on the financial performance reporting cycle for 2017/18 and the 2017/18 base budget.

4.2 **Financial Performance Reporting:** Until such times as the financial services improvement plan delivered more timely and informative financial reports Police Scotland proposed and Members agreed to a detailed financial analysis to the Committee at Period 3, 6, 9 and year-end with summary reports in the intervening months. This would facilitate other financial work in Qtr 1 (annual accounts and audit), Qtr 2 (Financial planning – 3 year and 10 year, Qtr 3 (budgeting) and Quarter 4 (Budget approval and year-end close).

4.3 **2017/18 Budget:** Members were taken through a detailed paper explaining how the base budget was being developed and the main assumptions.