

Meeting	Public SPA Board Meeting
Date	22 March 2017
Location	Stirling Court Hotel, Stirling
Title of Paper	Finance Committee Chair Report
Item Number	16.2
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 10th January 2017 – 10th March 2017.

Finance Committee (22nd February 2017)

1. Financial Performance 2016/17 (ongoing)

- 1.1 Members considered the year to date financial performance to 31 December 2016 and the detailed forecast out-turn at 31 March 2017. The forecast out-turn remained in line with previous forecasts. Members queried the confidence levels in achieving the projected spend profile in the final three months of the year. Explanations by Police Scotland Finance colleagues provided the necessary level of assurance. Members also explored the different aspects of risk in the forecast assumptions and were again assured by the management actions underway to ensure that spend was being tightly controlled and managed proactively, where necessary.
- 1.2 Members highlighted the differences between the revenue and reform budgets presented in the finance committee paper and what had been presented in previous Public Board papers. While this was explained to be purely presentational, Members asked that a clear explanation be provided in Public Board papers.
- 1.3 Members noted the improvements that had been made in understanding cost drivers in non-pay expenditure and how the learning from this was being applied in the 2017/18 budgeting process.

2. 2017/18 Budget (ongoing)

- 2.1 Due to some slippage in Police Scotland's timetable for developing the final budget it was not possible to carry out any detailed scrutiny at this meeting. However Members were subsequently provided with draft budget papers to enable them to review prior to the next committee date.

3. SPA Financial Regulations

- 3.1 Members considered the latest draft of the Financial Regulations which addressed a number of points that had been raised previously. It was agreed that the Financial Regulations should be forwarded to the Audit Committee for review before being recommended to the Board for approval.

4. 3 year financial plan and 10 year financial strategy (ongoing)

4.1 Members noted that the Plan and the strategy would be updated following the outcome of the consultation and finalisation of the Policing 2026 strategy.

5. Commercial Services

5.1 Members considered a summary of the likely capital receipts from disposals for the 2017/18 year.

5.2 Members considered the offers received for the former Livingston Police Office. Members were supportive of the recommendation being made to the Board. However they requested some additional information be provided in support of this recommendation and reflected in a revised paper to the Board.

5.3 Members considered and agreed to recommend to the Board some new licence agreements for Radio Masts. They were pleased to note the positive result from the contract previously approved to help negotiate such agreements.

Finance Committee (10th March 2017) [Scottish Government in attendance]

6. 2016/17 Financial Performance Period 10 (ongoing)

6.1 Members were updated on the financial forecast at Period 10. While the overall out-turn remains the same there has been some movement between revenue, capital and reform over and underspends. Members asked sought and obtained assurances on the expenditure categories that had been assessed as high risk.

7. 2017/18 Budget

7.1 Members scrutinised the draft budget paper exploring in detail how the budget had been built and the risks associated with certain aspects of the budget.

7.2 Members agreed to reflect on the current draft and advise Police Scotland Finance of any comments prior to it being finalised for presentation to the SPA Board for approval.

8. Commercial Services

8.1 Three draft papers were presented in relation to West End Edinburgh, Haddington and Peterhead. Due to a number of points raised

by Members the Peterhead paper was withdrawn to enable further information to be provided. It became clear that the West End and Haddington approvals could be made by the Chief Executive under the revised scheme of delegation.

9. Budget monitoring procedures (ongoing)

9.1 Members welcomed the development of budget monitoring procedures in support of the financial regulations. The aim is to have these finalised and in place by end April.

10. Pensions Auto-enrolment

10.1 Members were supportive of the recommended option being put to the Board but sought to clarify a number of points within the paper.