

Meeting	Scottish Police Authority Board Meeting
Date	30 August 2018
Location	Maryhill Burgh Halls, Glasgow
Title of Paper	SPA Committee Reports
Reference	B07.2018/45
Presented By	Committee Chairs
Recommendation to Members	For Noting
Appendix Attached:	No

PURPOSE

To provide the Board with an update on business progressed through the:

- A. Succession Planning and Appointments Committee (10.07.18)
- B. Finance Committee (14.08.18)
- C. Forensic Services Committee (14.08.18)
- D. Audit Committee (24.07.18)
- E. Complaints and Conduct Committee (28.08.18)

Committee	Chair	Date	Page
Succession Planning and Appointments	Susan Deacon	10.07.18	3
Finance	Elaine Wilkinson	14.08.18	4
Forensic Services	Iain Whyte	14.08.18	6
Audit	David Hume	24.07.18	8
Complaints & Conduct	Matt Smith	28.08.18	Verbal

A. SUCCESSION PLANNING AND APPOINTMENTS COMMITTEE

1. ACC & DCC Recruitment Update

The Committee received a verbal update on the outcome of the ACC and DCC recruitment process which was now complete.

2. Chief Constable Recruitment

The Committee noted the report which had been provided (SPA 04.2018/09) and discussed the progress being made with the recruitment process of the Chief Constable.

3. SPA Chief Executive Recruitment

The Committee received a verbal update in respect of the progress made to date with the SPA Chief Executive Officer recruitment process.

4. SPA Recruitment

The Committee received a verbal update in respect of the progress being made with recruitment within the SPA.

5. Succession Planning

The Committee noted verbal update which was provided by the Chair in relation to Succession Planning.

Items 1 – 5 were discussed in private session as per SPA Standing Orders sections 21(a), 21(e) & 21(h) where information to be discussed relates to identifiable individuals (including members of staff) and could be disclosed where there is no consent for disclosure; where an obligation of confidentiality exists in respect of the information and where the free and frank provision of advice or the free and frank exchange of views for the purposes of deliberation would be inhibited.

The date of the next Succession Planning and Appointments Committee will take place on 17 September 2018.

B. FINANCE COMMITTEE

1. 2018/19 Finance Report – Quarter 1

Members considered the Quarter One Finance Report, the format of which has been developed further to include an analysis of emerging risks and opportunities that have the potential to impact on the full year forecast. The forecast underspend of £1.2m was welcomed but Members asked that future reports included information on the recurring and non-recurring savings and costs in order to get assurance around the underlying deficit position for future years.

Specific items explored included: officer numbers; costs associated with the Working Time Directive; transport savings not being realised due to delay in implementing the telematics functionality. As Telematics was subject to a full business case that had been approved by the Board, Members asked for a paper to explain any changes that had been made by Police Scotland that impacted on the deliverables set out in the Telematics Business Case that was approved in 2017.

2. Capital Plans

Members were assured by the work underway to control, review and, where necessary, re-profile and reprioritise capital expenditure. However Members asked that further work be carried out to assess the potential impact of reduced capital receipts if there was a delay in the sale of a major asset. Given the significant delay in the sale to date Members asked that a lessons learnt report be produced, although they were somewhat assured that the estates disposals were now being handled by specifically recruited professional estates staff and supported by a professional firm.

3. BTP Financial Update

Members were pleased to hear that Police Scotland were gaining a better understanding of the scale of the work required to conduct the financial due diligence exercise. However Members made clear that specific information was required around what was to be done, who would provide the information, who would carry out the work, and who would need to agree any analysis along with the relevant timescales for the different elements of work.

4. Full Business Cases

The full business cases for **Mobile Working** was considered and it was agreed to recommend to the Board subject to a number of points being addressed in the paper that goes to the Board. These included: how the change was being led and managed across the organisation; the fit with the workforce plan; the dependency with other elements of the change programme; the breakdown between cashable and non-cashable savings in officer hours/numbers; how the delivery milestones on the way to realising the benefits would be tracked; what visible differences the public would see and how this would be measured; the cost profile for licence payments and why this was frontloaded; why the capital option was preferred when the revenue option demonstrated better value for money; the version control associated with the paper.

The **National Network Phase 2** business case was also presented. Members noted the significant improvement in the quality of the business case from when the Phase 1 investment had been made.

5. Professional Services Overview

Members were provided with an update on the utilisation of Professional Services within Police Scotland. Members were given an assurance that the use of Professional Services was very much a last option for the provision of specific skills. The intention is always, where possible, to bring the skills in for a time-limited period and to ensure the skills are being transferred to Police Scotland officers and staff.

6. Benefits Tracking Overview

Members were updated on the work that was underway to develop a system to track and report on the delivery of benefits associated with the transformation programme. Members agreed that further work was required to set out key milestones on the journey to realising benefits and that benefit delivery would need to be driven and owned by Senior Officers.

7. Officer Pay Claim

Members considered the affordability of different options in relation to officer pay.

The Finance Committee will next meet on 7 September 2018.

C. FORENSIC SERVICES COMMITTEE

1. Forensic Services Performance Report

Members were informed that the budgeted recruitment as a long term solution to case backlogs was ongoing within the Biology department for the Dundee site and complete at the Scottish Crime Campus. Recruitment within the various Physical Sciences departments was also ongoing and all posts throughout all sites would be in place by January 2019 at the latest.

Members sought further information regarding customer feedback and any link with the SPA Complaint and Conduct Department. Members were advised that all complaints and negative feedback are logged and actioned within the Forensic Services Q-pulse software then shared with SPA Complaints and Conduct Department, when appropriate.

2. HMICS Update Report

Members were advised that, while there are no timescales for a response from HMICS regarding the proposed closed recommendations, good progress had been made to reach the overall timescales for recommendations due by the end of December 2018 and that evidence had been submitted seeking sign off of closure.

In response to concerns raised on progress against the demand management model, Members were assured that the Target Operation Model being produced through the Forensics 2026 Strategy would include demand management. Engagement with Police Scotland and the Crown Office was ongoing on this and members requested a more in-depth discussion at the next Committee meeting.

3. UKAS Assurance

Members were reassured by the information provided and welcomed continuing accreditation.

4. Forensic Services 2026 Update

Members discussed progress made thus far on service back arrangements. Further information will be reported to the next Committee.

5. Drug Driving Update

The Committee were provided an update on the progress of the development of the new Drug Driving Toxicology Service which would support the changes to the Mis-Use of Drugs Act which are being enacted in Scotland during 2019.

The next Forensic Services Committee will take place on 7 November 2018.

D. AUDIT COMMITTEE

1. Internal Audit

The Committee discussed 7 Internal Audit Reports plus the Internal Audit Annual Report 2017/18. Members were received assurance from the positive findings of the Organisational Change Management, Internal Risk Management, Budgeting and Reporting; and Accounts Preparedness Review reports, and the reduction in the number of open actions reported in the Q1 Follow Up report. The report on Organisational Change in particular showed that very substantial progress and improvements have been made since the previous report was presented to the Committee on 28th July 2016. Members commended the officers involved for the good progress which has been made.

With regard to the Workforce Management report, Members raised concern that all recommendation due dates were 2019 and as pay roll was the organisations biggest cost, they should be implemented before. It was noted that the actions were inter-dependent and on this basis, it was requested that management reconsider the due dates

During discussion on the Workforce Planning report, Members raised concern that the report did not consider either SPA or Forensic Services. Members also noted that the plan against the recommendation relating to workforce strategy had a due date of 30 November 2018 and requested further information on the timing and implementation

The Chair noted that of all the Internal Audit reports, Performance Reporting raised the most concern: the report contains four 'very high risk' recommendations, and two 'high risk' recommendations. All due dates given were 2019 and as some actions need to be taken on a sequential basis, questions were raised if some due dates should be sooner if the ultimate delivery date is 2019. Members were advised that some dates were not brought forward as the work was reliant on other timelines which may not be met on time. Some actions which may have been anticipated to done quicker have not been, due to the failure to recruit a project manager. Members were advised that development of the new performance reporting framework would be in a better position by the end of the financial year.

Consideration of the report on HR Performance Reporting was deferred with the request that the management reconsider the responses submitted in relation to the Internal Audit recommendations, in line with the Committee's expectations.

The Internal Audit Annual Report on the year 2017/18 found, and offered an Audit opinion as follows:

'The report documents: the scope and responsibilities between management and internal audit; our planning process; the cover achieved in the year; confirmation of our independence; states our conformance with the Public Sector Internal Audit Standards; and our overall internal audit opinion for the audit year 2017/18.

In our opinion, the internal control environment operated by the SPA and PS continued to improve during the 2017-18 financial year, however areas of significant weaknesses in the framework of internal controls continued to be identified. As a result, the internal control environment operated by the SPA and PS during 2017/18 cannot yet be fully relied upon to provide an appropriate level of assurance regarding the effective and efficient achievement of objectives and the management of key risks. Arrangements to promote value for money and deliver best value are adequate, with scope for improvement.

The key contributing factor to this opinion is that we have raised 70 actions within our 2017/18 audits, including 9 at Grade 4 and 36 at Grade 3. This represents 64% of total findings that have been categorised as very high risk exposure (major concerns requiring immediate senior management attention) and high risk exposure (absence / failure of key controls).

The 9 Grade 4 findings relate to the following reviews: Financial Ledger (1); Performance Management (4); Workforce Planning (1); GDPR Scottish Police Authority (2); and GDPR Police Scotland (1).

Our audit work confirms that the management of both SPA and PS have well developed plans in place to respond effectively to audit issues, and are committed to taking the action necessary to address improvement opportunities identified through the internal audit work programme. We have seen evidence through our follow up of previous internal audit management actions that, while still not fully complete, there has been significant management action during the course of 2017/18 to address many of the areas of control weakness previously identified, with a focus on transformation activities. While this has not resulted in a significantly improved control environment during 2017/18, the implementation of these recommendations, along with those raised in 2017/18, will strengthen the internal control framework in place at the SPA and Police Scotland going forward, and help mitigate the risks identified.'

The Internal Audit reports were referred on to other governance committees and working groups, as appropriate, for their interest and information.

2. GDPR

Members were provided with an update on GDPR from both SPA and Police Scotland. Members questioned how the completion rate of the three briefing packages can be increased and were advised that the third briefing package had only recently been released. It was reported that once the number of staff of who are off long term sick or out the country have been counted, the remaining staff will be contacted individual by the end of August.

3. ICO Audit Report and Recommendations

Members were provided with an update on ICO Audit Reports from both SPA and Police Scotland and were reassured by both.

4. Whistleblowing

Members were advised that there were no current open whistleblowing cases within SPA. A lessons learned exercise will be undertaken on the experience gained during a recent case which will include consideration of any revisions needed to the whistleblowing policy and procedures.

Members were advised that the ongoing review of Police Scotland officers' whistleblowing operating procedures would be concluded by the end of August 2018

5. Draft Annual Accounts and Financial Statements

Members considered the draft Annual Report and Accounts in detail, and over the full extent of the draft document, raised questions and offered suggested changes for consideration

The next Audit Committee will take place on 11 September 2018