

Meeting	Scottish Police Authority Board Meeting
Date	27 September 2018
Location	Stirling Court Hotel, Stirling
Title of Paper	SPA Committee Reports
Reference	B 08.2018/60
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. Finance Committee (07.09.18)
- B. Audit Committee (11.09.18)
- C. Succession Planning and Appointments Committee (17.09.18)
- D. Complaints and Conduct Committee (25.09.18)

Committee	Chair	Date	Page
Finance	Elaine Wilkinson	07.09.18	3
Audit	David Hume	11.09.18	6
Succession Planning & Appointments	Susan Deacon	17.09.18	9
Complaints & Conduct	Matt Smith	25.09.18	Verbal

A. FINANCE COMMITTEE

1. 2018/19 Finance Report – Period 4

Members considered the Period 4 Finance Report, noting that there had not been any significant change to the forecast since the Quarter 1 Report. Members explored the steps being taken to improve the management of vacancies which had, until this time, not been subject to an agreed process within Police Scotland.

Members discussed the need to get assurance around changes in staff and officer numbers by grade/rank throughout the year and how the levels compared to the projected numbers for future years. A request was made that this information forms part of future reporting.

Members requested a report on how VR/VER was being planned and managed across the organisation during 2018/19 to help assess confidence levels in utilisation of the VR/VER element of the reform budget. Members also asked that the report incorporated the 2019/20 budget implications of any delays with staff leaving the organisation.

2. Police Scotland Financial Delegation

Members considered and recommended to the Board for Approval a revision to the Police Scotland Internal Scheme of Delegation that would bring the Capital and Reform virement levels in line with the existing Revenue limits.

3. Budget Strategy & Guidelines

Members welcomed a paper that provided assurances of the guidelines in place to provide the control framework for the management of the budget setting process for Police Scotland, SPA Corporate and SPA Forensic Services. Members heard the suite of documents were informed by best practice and lessons learned from previous years as well as internal and external audit recommendations.

Members suggested a number of enhancements to the document including: a clearer reference to the Annual Police Plan; and evidence of how each area of the business would be held to account for budget management and how that would be tracked.

4. Outline Business Case

The outline business case for **Digital Data and ICT** was considered in detail and all agreed that it was the right thing to do. However in recommending to the Board the Committee was keen that a number of points were drawn to the Full Board's attention in the discussion at the Public Board. Board Members recognised that many of the points being raised were already in hand following discussion at the Police Scotland Change Board. These included; clearer articulation of the deliverable benefits to the public and victims, clearer articulation of what benefits will be seen by officers on the ground and a more compelling executive summary/Chief Constable introduction to reflect why this level of investment was necessary and all of the anticipated benefits.

Of most concern to Members was the timeline for investing in the different projects and delivering the associated benefits. Members thought this was over-ambitious based on historical performance and as resource pressures in the key enabling areas of procurement, ICT and training had already been flagged. We discussed the impact that any move to the right in timescales would have on the overall 3-year financial plan. Members recognised that there was a balance to be struck between keeping the momentum going on DDICT, as so much had been achieved in the past few months, and what was actually doable if the funding being sought was received.

Members noted that many of the projects planned for 2019/20 were already in-flight and heard that while Police Scotland did not currently have the capacity and capabilities to deliver all elements of the strategy, the OBC planned for an initial surge of activity with Professional Services being used to support the work. Members heard that it was the intention to use 'vanilla' off-the-shelf software which was already tried and tested elsewhere and smaller packages of professional resource, wherever possible sourcing locally, to help mitigate risks in relation to project failure.

Recognising that the scale of this business case was on a par with other national strategic infrastructure projects Members also discussed the long term nature of the programme and the associated risks. It was noted that the overall DDICT Programme had been designed in an agile way that would allow opportunities to flex the approach should this be required as the project progressed.

5. Contract Awards

Business Travel & Accommodation

Members considered the proposal for contract award and heard the ambition was for this function to continue to evolve and improve throughout the period of the contract. Members heard that due to internal capacity and timescales the proposed option had been agreed as the most suitable way forward. Members sought assurances that a comprehensive review of the contract register would be carried out to ensure better planning for all future renewals. Members agreed to recommend the paper to the SPA Board for approval noting that while this option was compliant an alternative route to market had not been explored due to the limited procurement staffing resource to carry out this work.

6. Contract Extension – Finance Servicing Resource

Members agreed to recommend this retrospective request for approval to the SPA Board. Members suggested that as the Corporate Services Transformation timeline was not yet clear it may be advantageous to consider a longer extension of the contract. Members asked that an assessment of the risks related to any extension be articulated in the paper to be presented to the Board.

7. Staff Pay and Reward Modernisation (SPRM) Update

Members heard an overview of the project progress and the planned next steps.

The Finance Committee will next meet on 02 October 2018.

B. AUDIT COMMITTEE

Internal Audit Reports

1 Progress Report

It was noted there were a large number of audit reports scheduled to be reported to the Committee during Quarters 3 and 4. Work would be undertaken to decide whether the planned programme should be re-phased to ensure a more even and consistent delivery of reports to the Committee. Committee also agreed with the recommendation to defer the planned IA review of SPA Governance. It also agreed to defer the planned Internal Audit of staff performance management in SPA, pending the introduction of new structures and processes within the SPA.

2 HR Performance Reporting

The Management Responses, missing in the report presented to the Committee in July 2018, had been updated in full. Members agreed the six areas for improvement were well noted and observed.

3 Quarterly Assignment Planning

The report highlighted the assignment plans for six reviews. Members agreed that the report was an excellent step forward and helpful to the understanding of the Audit Committee. It was agreed that the relevant Assignment Plan should be attached to each IA report as an appendix when the report is finalised.

Members discussed the timing of both the Tendering Procedures report, due to current recruitment in procurement, and the SPA Staff Management Report as the SPA structure was not yet agreed and there was no steady state. Members agreed with this opinion but all noted that the link to performance development was significant. Members agreed all assignment plans with the exception of the SPA Staff Performance Management report, which was deferred to a later date.

4 Protocol for Commissioning of Additional Work

Members were advised that the plan for Internal Audit work was set out in the work plan and agreed prior to the start of the financial year. Inevitably, additional and/or unknown items arise which are short and in need of review as soon as possible. Normally, this work

is carried out within contingency days previously agreed but there is a need to agree the process for handling such requests, which the Protocol sets out. Committee considered this to be a necessary and useful initiative, and agreed the recommendations on that basis.

5 Assurance Mapping

The Scottish Government Audit and Assurance Committee Handbook now suggests that, in order to properly fulfil their role, Audit Committees should adopt a structured Assurance Framework. Members were informed of work undertaken previously to establish an assurance map and agreed the time was right to re-assess, update and agree a new Assurance Framework. The SPA would provide a report on how to develop this approach to assurance mapping for the October Committee. It was agreed that the previous Assurance Map, dated 2014, would be circulated to Members for their information.

External Audit Interim Management Report

The report presented to Members detailed the controls tested against the audit risks and provided updates on work, indicated any areas for concern and advised the Annual Audit is progressing to plan.

With regards to the timing of the Annual Report and Accounts, Members were advised that the Annual Report and Accounts should be reported earlier in the year. This year completion of the reports is running to time therefore next year, there is the possibility that it can be brought forward.

Annual Report and Accounts

Members were advised that Audit Scotland were satisfied with how the audit was progressing and that, currently, there was nothing at this stage to suggest a repeat of last year's difficulties or of such issues arising. The preparations undertaken by PS Finance, the quality and level of resources available within Finance, and support to and engagement with the Audit team meant that Audit Scotland have been able to consider all matters arising and note that there was a positive change in progress compared to the previous year.

Improvement Trackers

Members were provided with a quarterly update on both SPA and Police Scotland Improvement Trackers, noting the number of new recommendations and the number either closed or pending discharge.

Whistleblowing

Members were advised that SPA were currently considering the recommended action on its Standard Operating Procedure and further work was to be undertaken between SPA and Police Scotland. The Police Scotland Standard Operating Procedure was complete and was awaiting feedback from the appropriate team.

Risk Management

Members were provided with an update on the Police Scotland Organisational Risk Register Quarterly Review and the SPA Risk Register. Discussion was also held on the progress of the Police Scotland Risk Management Framework and future reporting to Members

ICT Incidents

Members were provided with a quarterly update of ICT incidents.

Quarterly Data Loss Incidents & Fraud and Theft Reporting

Members were provided with a quarterly update on both SPA and Police Scotland Data Loss Incidents, Fraud and Theft.

The Audit Committee will next meet on 23 October 2018.

C. SUCCESSION PLANNING & APPOINTMENTS COMMITTEE

1. Senior Leadership Recruitment Review – Report & Organisational Learning

The Committee received a report which provided them with feedback on the senior leadership recruitment which has been undertaken in recent months and which outlined organisational learning for future recruitment exercises.

2. SPA Recruitment

The Committee received a verbal update in respect of the progress being made with recruitment to the SPA's executive team.

3. Succession Planning

The Committee discussed and noted the SPA Board Succession Planning paper which had been provided.

4. Meeting Dates for 2019

The Committee noted the dates which had been proposed for 2019 meetings.

Items 1 – 4 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 next Succession Planning and Appointments Committee will take place on 15 November 2018.