



Resources Committee

Minutes of the Resources Committee held on 8 August 2023 via MS Teams

Authority Members present:	Grant Macrae (Chair) Martyn Evans Tom Halpin Alasdair Hay Caroline Stuart
Authority Member apologies:	Nil
In attendance:	SPA Chris Brown, Deputy Chief Executive John McNellis, Head of Finance, Audit and Risk Deborah Christie, Governance Support Officer Police Scotland Lynn Brown, Head of Corporate Finance Patrick Brown, Head of Finance James Gray, Chief Financial Officer Denis Hamill, Chief Data Officer Andrew Hendry, Chief Digital Information Officer Martin Low, Chief Operating Officer Colin Maciver, Project Manager DCO David Page, Deputy Chief Officer Iain McKie, Head of Strategic Procurement HMICS Alan Wright

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1.1 WELCOME

Grant Macrae, Committee Chair welcomed everyone to the MS Teams meeting. Authority Chair, Martyn Evans was welcomed to the meeting.

1.2 APOLOGIES

No Member apologies were recorded.

1.3 DECLARATIONS OF INTREST AND CONNECTIONS

There were no declarations of interest or connections.

1.4 DECISIONS ON TAKING BUSINESS IN PRIVATE (ITEMS 5 - 12)

In accordance with paragraph 20 of the SPA Standing Orders, the Committee AGREED to consider items 5-12 on the agenda in private.

2.1 RESOURCES COMMITTEE MINUTE FROM MEETING HELD ON 14 JUNE 2023 FOR APPROVAL

Members AGREED the Minute from the Resources Committee held on held on 14 June 2023 was an accurate record of the meeting.

2.2 RESOURCES COMMITTEE ACTION LOG AND MATTERS ARISING

Members AGREED the Action Log and approved the closure of the one open action as proposed.

2.3 DECISIONS SINCE LAST MEETING

No committee business was conducted between meetings.

3.1 FINANCIAL MONITORING REPORT Q1 2023/24 – PATRICK BROWN

The purpose of this report is to provide Members with an update on the financial position of the SPA and Police Scotland at the end of Quarter 1 - FY 2023/24. During discussion and in addition to the written report the following points were noted and discussed.

- Members considered a summary of the Q1 Financial Monitoring report and attention was drawn to the forecast deliverability of the revenue budget with a forecast £18.9m revenue overspend highlighted. The Committee explored the details of forecast scenarios and were told that a plan to bring the budget back to a break-even position had been agreed and was in place.
- Recognising the serious nature of the forecast, Members were clear that a different approach was necessary to what had been seen before and the Committee view was that informed strategic decisions must be taken in a way that are informed by the financial information and difficult conversations about levels of service delivery must take place to make changes that will bring this budget back on track to a break even position.
- In response to a question about what governance would support the decision making to take steps that would drive savings, Members

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heard that there was robust governance in place to ensure any decisions that will be taken have been subject to appropriate oversight and scrutiny and in accordance with the delegated authorities and established governance arrangements.

- Members agreed it was essential that this committee will be part of the work to oversee the delivery of these savings and that there was sufficient evidence of the pace which would be required to deliver the savings. It was agreed that additional monitoring and oversight should be in place to provide the committee with details of the savings and the actions being taken to achieve a break-even budget. Members requested this reporting include details of the phasing and progress towards achieving savings.
- Members discussed at length the need to immediately progress actions to deliver savings, while continuing to prioritise the protection of the most vulnerable individuals and communities.
- Members were clear on the Committee expectation that plans should be put in place which will bring the revenue budget back to a break-even position and that this should be reported to the Authority on a monthly basis albeit weekly monitoring would be in place internally by the Police Scotland finance team.
- Concern was expressed by Members about the limited time available in this current financial year to make the changes required that would produce such significant savings and the cultural shift required to make necessary changes to the management of overtime would be a vital part of the planning. The committee heard and accepted there are a number of ways in which overtime costs could not be avoided by the organisation e.g. court attendance on rest days or operational challenges but agreed some changes will be possible that will create savings.
- The DCO commented on the unprecedented challenge of reducing the size of the Force with a flat cash settlement as all the previous planning for this reduction in size had been based on real terms protection budget. DCO Page assured the Committee this was being seen as a Force wide issue and not just one which sat with the Finance Team and to this end, he, along with DCC Graham was going to communicate and restate the need for changes in behaviours to drive the changes that will see the organisation operate within the allocated budget.
- Members heard that the expectation was the actions required will be sharp and hard but that they needed to happen. Members urged the DCO to take the steps get these actions in place as soon as possible and to sight this Committee on those plans.
- In conclusion the Chair explained that Members welcomed this additional context provided by the DCO and this committee was acutely aware the changes will not be able to be made without impacts.

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Members noted the report and agreed the following action.

RES-20230811-001: Details of the plans to bring the revenue budget back to a break-even position to be shared with this committee as a matter of priority and

Arrangements for enhanced monitoring and reporting, internally and to the Committee on progress towards achieving savings to be shared with Members. These arrangements should provide assurance to the Authority of oversight of progress against delivery of the above plans.

4.1 PROCUREMENT ANNUAL REPORT – IAIN MCKIE

Members considered the report which presented the draft Annual Procurement Report for 2022-2023, prepared in accordance with the requirements of the Procurement Reform (Scotland) Act 2014, and seeks approval to publish the report publicly. During discussion and in addition to the written report the following points were noted and discussed.

- Members were provided with an overview of the report and heard the key challenge was to establish a way in which procurement compliance can be maintained at the highest level whilst operating in a financially challenging environment.
- Members commended the work of the Head of Strategic Procurement and his team of procurement colleagues and commented on the transformational nature of what has been delivered by the team. Members welcomed the arrangements which allowed a flex of resource across the team if required. DCO Page highlighted the importance of having suitably skilled staff members in the organisation to ensure the professional approach to procurement activity supports the work of the organisation and delivers best value in the use of public funds.
- Members agreed the organisation needed to be able to attract, develop and retain experts in procurement to be in a position to maintain the high levels of compliance and remain strongly positioned in terms of supplier management , contracting and being able to demonstrate best value.

Members noted the report and agreed that the 2022/23 Annual Procurement Report should be published on the Police Scotland website.

Subject to approval, the following items will be taken in private.
End.