



<b>Meeting</b>	<b>FORENSIC SERVICES COMMITTEE</b>
<b>Date</b>	<b>04 May 2023</b>
<b>Location</b>	<b>Video Conference</b>
<b>Title of Paper</b>	<b>Financial Monitoring Report P11</b>
<b>Presented By</b>	<b>Fiona Douglas, Director of Forensic Services</b>
<b>Recommendation to Members</b>	<b>For Discussion</b>
<b>Appendix Attached</b>	<b>Yes Appendix A – Finance Report P11, 2022/23</b>

## PURPOSE

The purpose of this report is to provide Members with an update on the financial position of Forensic Services as at the end of P11 (28 February 2023) of the financial year 2022/23.

Members are invited to discuss the content of this report.

## 1 BACKGROUND

- 1.1. The SPA Board approved the revenue and capital budget for 2022/23 for the Authority and Police Scotland on 23 March 2022.
- 1.2. Forensic Services' agreed allocation was a revenue budget of £40.7 million, capital spend of £1.5 million and some reform budget to support transformational change.
- 1.3. As agreed with the Scottish Government (SG), estimated funding requirement for the transition of Post-Mortem Toxicology Services from the University of Glasgow to the SPA was set at ~£2.4 million in the budget. This has subsequently been updated to £2.7 million, with funding confirmed as part of the Spring Budget Revision.
- 1.4. The Scottish Government (SG) has also committed ~£0.6 million in year funding for the outsourcing of drug driving tests.

## 2 FURTHER DETAIL ON THE REPORT TOPIC

- 2.1. Appendix A provides the detailed finance report as at the end of period 11 (28 February 2023).

### **Revenue**

- Q3 net expenditure forecast was for an underspend vs budget of £0.5m, with lower pay costs offsetting higher non-pay costs.
- Lower pay spend reflects the deliberate slowdown in the recruitment of new operating model posts earlier in year in light of the Scottish Government Resource Spending Review which suggested new posts would not be affordable in 2023/24.
- £0.4m of the non-pay increase relates to additional drug driving outsourcing which the Scottish Government has agreed to fund as an addition to the budget.
- Actual spend to end of P11 (end of February 2022) was £0.4m below Q3 forecast, largely driven by non-pay underspends.

### **Capital**

- The Q3 forecast was for a reduction in spend from the budget of £0.4m due to slippage in acquisition of some equipment, in part driven by lack of availability from suppliers.
- Actual spend to end of P11 (end of February 2022) was £0.2m below Q3 forecast, in part due to timing but with some deliveries expected to slip into next year.

**Reform**

- £0.9m of the overall SPA reform budget is allocated to support delivery of Forensic Services projects. Spend YTD on Forensic Services projects and the full year Q3 forecast, is in line with the original budget.

**3 FINANCIAL IMPLICATIONS**

- 3.1. The financial implications are summarised above and detailed in Appendix A.

**4 PERSONNEL IMPLICATIONS**

- 4.1. There are no direct personnel implications associated with this paper.

**5 LEGAL IMPLICATIONS**

- 5.1. There are no direct legal implications in this paper.

**6 REPUTATIONAL IMPLICATIONS**

- 6.1. There are no direct reputational implications associated with this paper.

**7 SOCIAL IMPLICATIONS**

- 7.1. There are no direct social implications in this report.

**8 COMMUNITY IMPACT**

- 8.1. There are no direct community implications in this report.

**9 EQUALITIES IMPLICATIONS**

- 9.1. There are no direct equality implications in this report.

**10 ENVIRONMENT IMPLICATIONS**

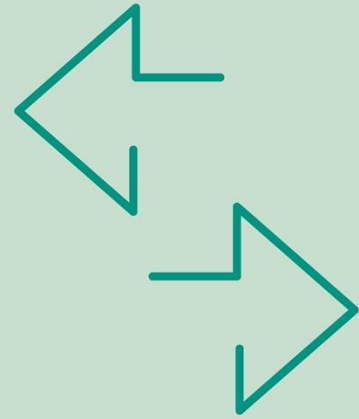
- 10.1. There are no direct environmental implications in this report.

**RECOMMENDATIONS**

Members are invited to discuss.

# SPA Forensic Services Finance Report

Period 11 2022/23



FORENSIC SERVICES

SCOTTISH POLICE  
AUTHORITY

# Summary

## Revenue

G	G	A
Jan	Feb	Mar

- Q3 forecast is £508k underspend vs original budget including £370k additional funding. Total forecast underspend vs budget £878k.
- Actual YTD underspend on non-pay largely related to turnaround time for outsourced toxicology cases.

## Capital

A	G	A
Jan	Feb	Mar

- Year to date spend £0.2m behind Q3 forecast with majority of FY spend (£0.6m of £1m) expected in last month
- Based on daily tracking by finance/business, expected spend for year now expected to be ~£0.9m**

## Projects/ Reform

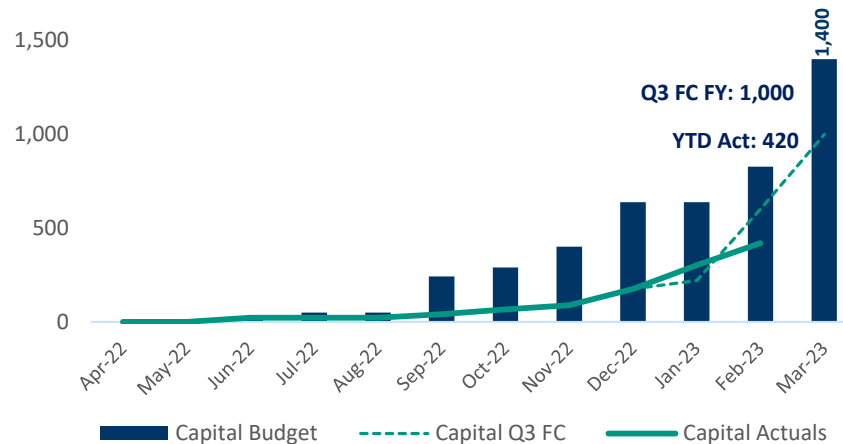
G	G	G
Jan	Feb	Mar

- Project Weaver – £179k under Q3 forecast but due to outsourcing spend. Capital overspend timing related
- Reform up vs Q3 forecast reflecting fewer vacancies/less slippage than assumed
- FS COS capital costs not yet incurred – IBC due to SPA mid-year so likely to be 2023/24 spend.

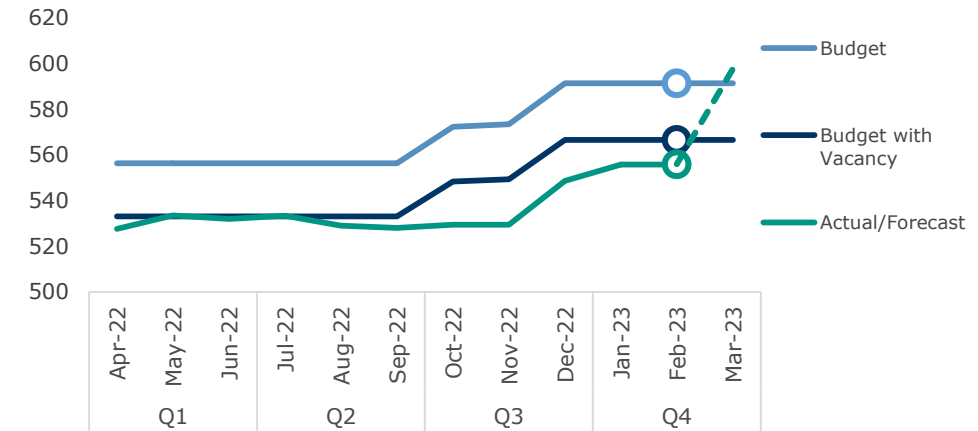
## Revenue Variance (£000)

	YTD Actual v Forecast	FY Forecast v Budget
Staff	62	831
Non-Pay	351	-402
Income	19	79
<b>Total</b>	<b>432</b>	<b>508</b>

## BAU Capital spend (£000)



## Staff headcount (FTE)



## Project Dashboard (£000)

Project	Revenue YTD Actual vs Q3 Forecast	Reform YTD Actual vs Q3 Forecast	Capital YTD Actual vs Q3 Forecast
Project Weaver	179	0	(29)
Forensics Transformation	0	(28)	0
Forensic TOM	(4)	(22)	0
Forensic COS	(5)	2	0
<b>Total</b>	<b>170</b>	<b>(48)</b>	<b>(29)</b>

# Revenue: year to date position

## Staff costs: £67k under Q3 FC

- Headcount below Q3 FC level
- Reflects delays in finalising the recruitment of new roles plus additional leavers

## Non pay costs: £351k under Q3 FC

- Third party payments £207k under forecast due to adjustments in accrued outsourcing costs reflecting actual turnaround time indicated by suppliers
- Lower supplies and services relates to lower than expected consumable spend

## Income: £19k higher than Q3 FC

- Staff secondments higher than forecast

## Year to date & forecast summary (£m)

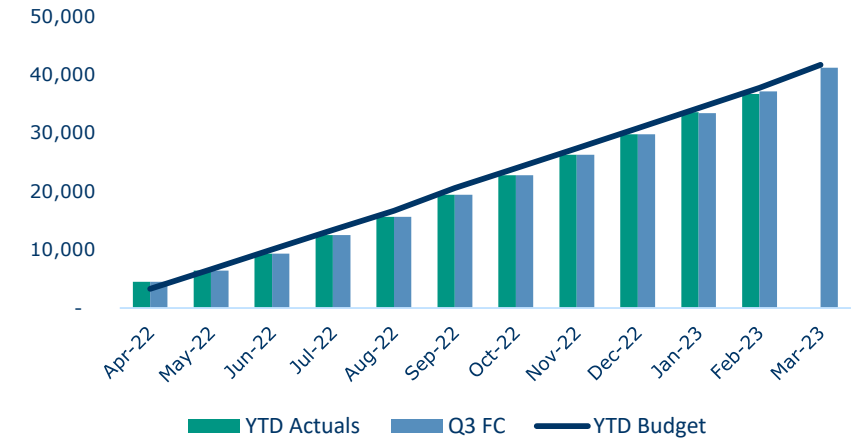
	Year to date			Full year			
	Q3 FC	Actual	Var.	Budget	Q3 FC	Var.	
	£m	£m	£m	£m	£m	£m	%
Forensic staff	31.2	31.1	0.1	35.0	34.2	0.8	2%
Non-pay	6.1	5.7	0.4	6.7	7.1	-0.4	-6%
Income	-	0.1	-	0.2	0.0	-	-
<b>Total</b>	<b>37.1</b>	<b>36.7</b>	<b>0.4</b>	<b>41.7</b>	<b>41.2</b>	<b>0.5</b>	<b>1%</b>

## Q3 forecast funding – FY (£m)

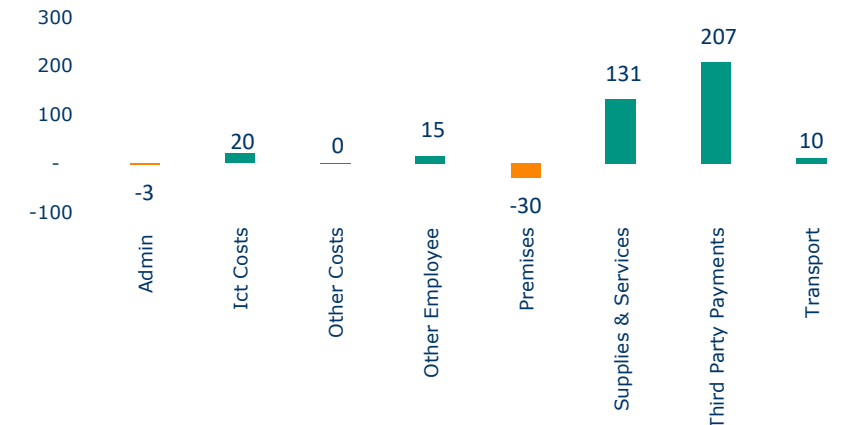
	Full year			
	Budget	Q3 FC	Var.	
	£m	£m	£m	%
Grant-in-aid	39.7	38.5	1.2	3%
Project Weaver*	2.4	2.7	-0.3	-12%
Drug driving	0.3	0.7	-0.4	-130%
<b>Total</b>	<b>42.4</b>	<b>41.9</b>	<b>0.5</b>	<b>1%</b>

\*Includes approx. £0.7m Post-mortem tox costs for Police Scotland, e.g. Estates, Digital Division etc.

## Actual v budget/forecast by month (£000)



## Non-pay variance details (vs Q3 FC, £000)



# Revenue: analysis by area

## Biology

- Lower consumable spend

## Headquarters

- Fewer vacancies and lower system charges

## Physical Science

- Outsourcing spend lower due to turnaround of cases sent to date
- Higher vacancies than forecast partially offset by higher overtime

## Quality & Business Support

- Higher vacancies than forecast partially offset by higher overtime

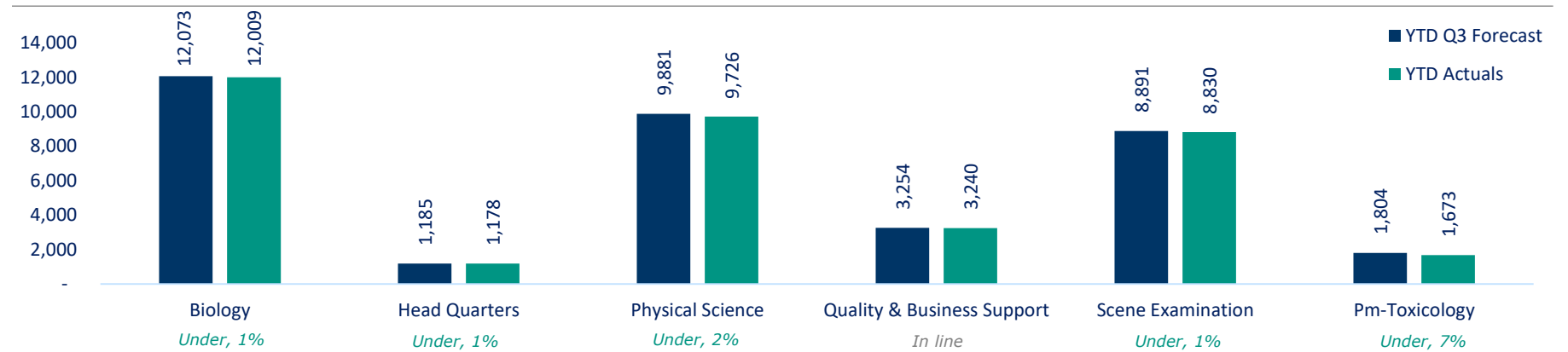
## Scene examination:

- Lower overtime required than forecast plus lower consumable spend

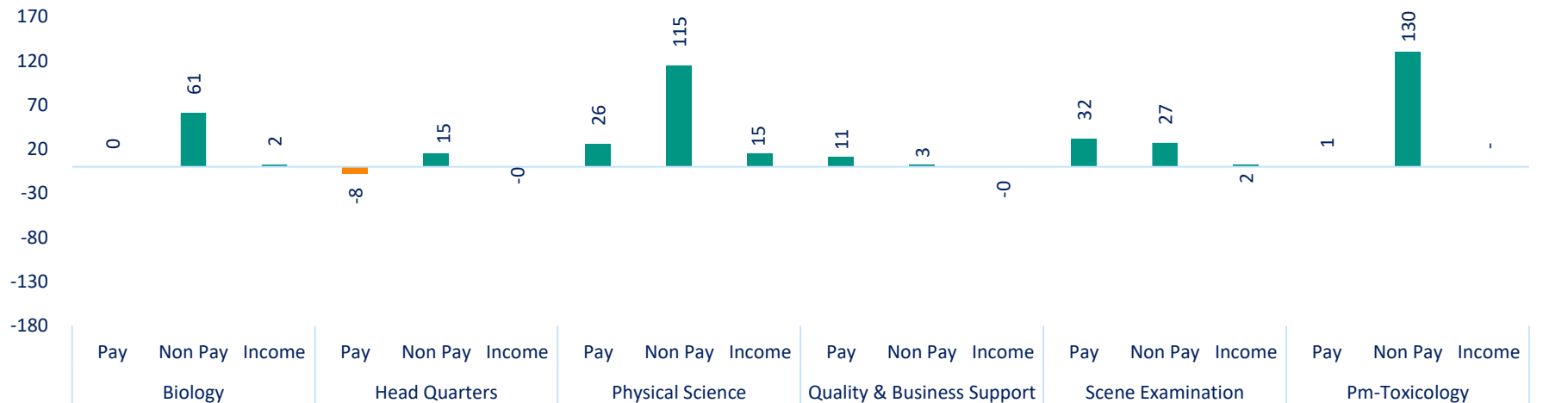
## Post-mortem toxicology

- Outsourcing spend lower due to turnaround of cases sent to date
- Lower consumable spend

## Year to date: actual v Q3 forecast by area (£000)



## Year to date: variance v budget by area & spend type (£000)



# Project Weaver

## Project Weaver Actuals vs Q2 FC

- Forensic non-pay lower on outsourcing costs and consumables.
- Capital overspend vs Q3 FC due to timing of equipment delivery
- Other staff underspend timing related due to PS staff costs for Q4 to be agreed and transferred to project
- All Weaver funding formally provided by Scottish Government via Spring Budget Revision
- SG have also been baselined the 2023/24 funding requirement into the SPA budget allocation

## YTD Actuals vs Q3 FC

	Year to date			Full year			
	Q3 FC	Actual	Var.	Budget	Q3 FC	Var.	
	£000	£000	£000	£000	£000	£000	%
Forensic staff	826	826	1	856	958	(102)	-12%
Forensic non-pay	977	847	130	816	1,082	(266)	-33%
Other staff	289	250	39	348	315	33	10%
Other non-pay	294	285	10	375	321	54	14%
<b>Total Revenue</b>	<b>2,386</b>	<b>2,208</b>	<b>179</b>	<b>2,395</b>	<b>2,676</b>	<b>(281)</b>	<b>-12%</b>

	Year to date			Full year			
	Q3 FC	Actual	Var.	Budget	Q3 FC	Var.	
	£000	£000	£000	£000	£000	£000	%
Capital	575	603	(29)	0	603	(603)	0%
<b>Total Capital</b>	<b>575</b>	<b>603</b>	<b>(29)</b>	<b>0</b>	<b>603</b>	<b>(603)</b>	<b>0%</b>

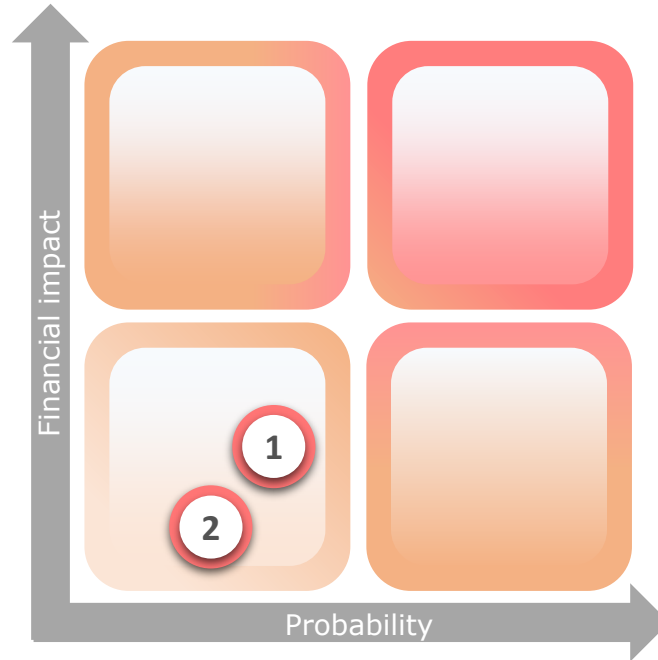


# Risk analysis

With one month of financial year remaining, threats and opportunities not already included in the forecast are limited in number and impact.

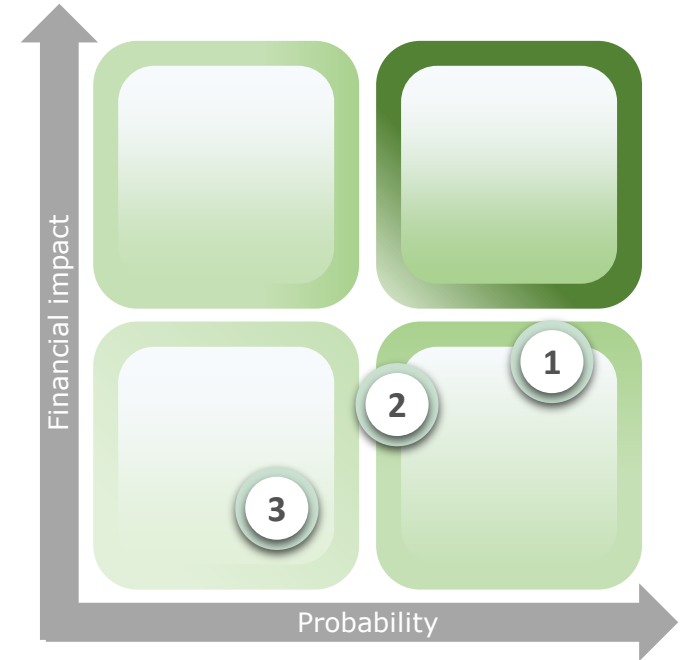
The overarching financial risk is the ability to sustain the service over the longer term given funding implications from the May 2022 Scottish Government Resource Spending Review for budgets **beyond** 2023/24.

## Threats



1. Inflation impact through supply chains.
2. Increasing demand for Forensic Services from partners with limited ability to influence or control

## Opportunities



1. Outsourced suppliers not delivering in line with contractual timescales
2. Timing of recruitment into new operating model roles
3. Lower demand for Forensic Services from partners reducing variable costs (e.g. consumables)

