



**SCOTTISH POLICE
AUTHORITY**
ÙGH DARRAS POILIS NA H-ALBA

Agenda Item 3.2.2

Meeting	SPA Resources Committee
Date	17 June 2025
Location	Video Conference
Title of Paper	2025-26 Capital Update
Presented By	Lynn Brown, Acting Head of Finance
Recommendation to Members	For Discussion (Appendix A) For Decision (Appendix B)
Appendix Attached	Yes: Appendix A - Period 1 Capital Update Appendix B - Capital Budget Revision

PURPOSE

The purpose of this report is to provide Members with an update on the capital financial position of the SPA and Police Scotland for period 1 of the financial year 2025-26.

This paper is presented for discussion of Appendix A and decision of Appendix B.

1. BACKGROUND

- 1.1 The Board approved the 2025-26 annual budget on 27 March 2025. This budget sets out the spending plans for Police Scotland, Forensic Services and SPA Corporate regarding revenue, capital, and reform for the coming financial year.
- 1.2 The total capital allocation for 2025-26 is £71.0m including capital receipts.
- 1.3 This will allow us to commence the delivery of the estate's masterplan, support the rolling replacement programme and progress our change and transformation programmes.

2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 It is recognised that additional resources are required in key enabling functions to support and deliver an increased capital programme.
- 2.2 Appendix A provides the detailed period 1 (P1) capital update and Appendix B provides a capital budget revision for approval.

Capital

- Overall, P1 spend is in line with year-to-date budget, however the capital plan tracker on page 2 of Appendix A highlights that intended plans have not been delivered as anticipated so far this year but spend has mainly been as a result of carried forward slippage from 2024-25.
- It is crucial that we gain momentum around capital spend, delivering expenditure in line with approved capital plans, whilst creating a pipeline of expenditure to mitigate any potential slippage throughout the year.
- Delivery plans will be closely monitored through the Capital Planning Task Force and Capital Investment Group and will be reported monthly. The reporting requirements are currently being refined and will be fully implemented from P2.
- In order to manage the overall capital position, £5.0m of 2025-26 fleet spend was accelerated and delivered in 2024-25. A budget virement is required to adjust the Fleet original budget from £16.8m to £11.8m, offset with a corresponding reduction in slippage from £15.9m to £10.9m.
- Additional resources are required to support delivery of an increased capital programme. Resource requirements are being

reviewed across the key enabling functions and programmes in accordance with the updated capital policy, and costs will be reallocated between revenue and capital as appropriate.

3. FINANCIAL IMPLICATIONS

3.1 The financial implications are set out in detail within the report.

4. PERSONNEL IMPLICATIONS

4.1 There are no personnel implications in this report.

5. LEGAL IMPLICATIONS

5.1 There are no legal implications in this report.

6. REPUTATIONAL IMPLICATIONS

6.1 Failure to maximise funding or control costs may lead to operational or financial consequences likely to harm the reputation of Police Scotland and the SPA.

7. SOCIAL IMPLICATIONS

7.1 There are no social implications in this report.

8. COMMUNITY IMPACT

8.1 There are no community implications in this report.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications in this report.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications in this report.

RECOMMENDATIONS

Members are asked to discuss and note the 2025-26 Capital update and to approve the 2025-26 budget revision outlined at Appendix B.



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Appendix A

Capital update

Period 1 2025/26



Finance dashboard

P1 2025/26

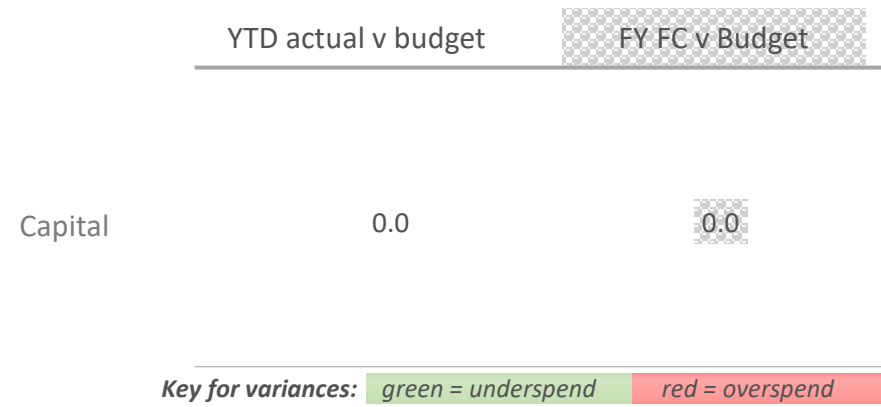
Year to Apr 2025

Capital

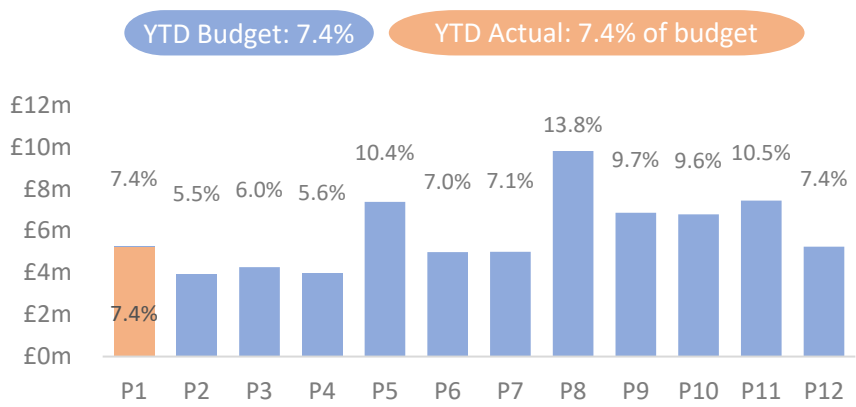
G		
Apr	May	Q1

- YTD spend in line with budget
- The capital plan tracker highlights that intended plans have not been delivered as anticipated but spend has mainly been compensated by carried forward slippage from 2024-25

Capital and Reform variances (£m)

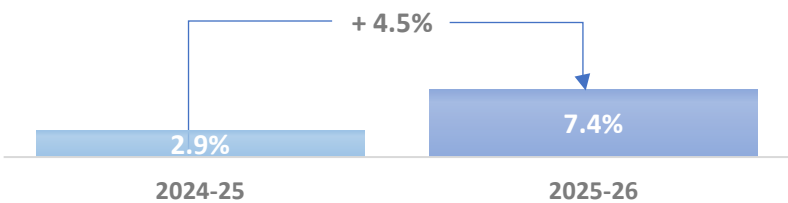


Capital spend profile (£m)

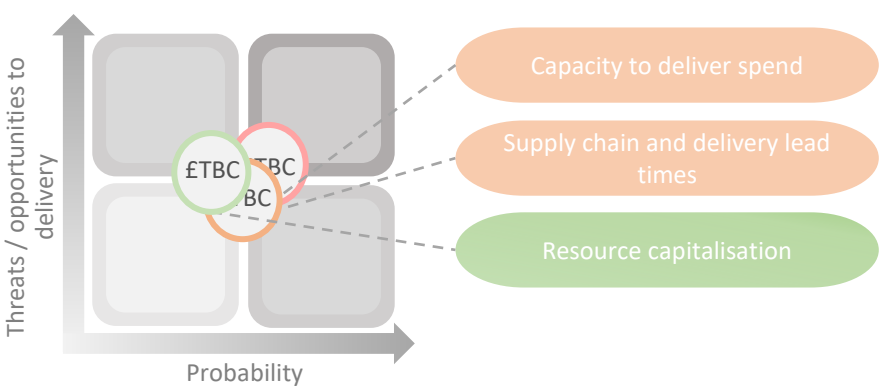


Capital: year to date : % of budget spent

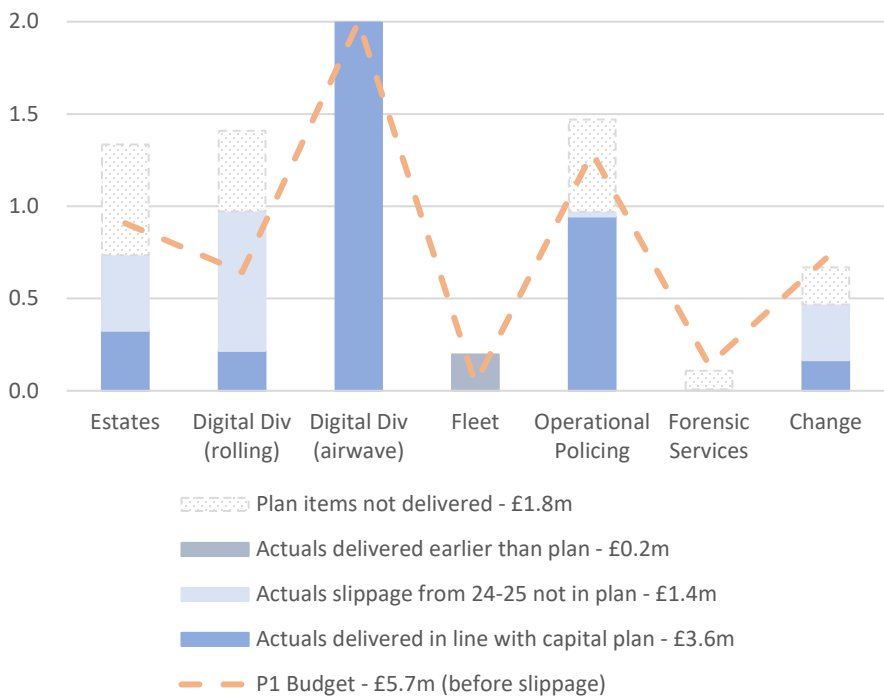
YTD spend higher when compared with last year



Threats and opportunities



Capital plan tracker (£m)



Capital

Budget deliverability status is green

Year to date in line with budget

Year to date slippage achieved by underspends in both BAU and Change

Year to date: in line with budget

- Overall, period 1 spend is in line with year-to-date budget.
- However, the capital plan tracker on page 2 highlights that intended plans have not been delivered as anticipated but spend has mainly been compensated by carried forward slippage from 2024-25.
- It is crucial that we gain momentum around capital spend, delivering expenditure in line with approved capital plans, whilst creating a pipeline of expenditure to mitigate any potential slippage throughout the year.
- Delivery plans will be closely monitored through the Capital Planning Task Force and Capital Investment Group and will be reported monthly. The reporting requirements are currently being refined and will be fully implemented from period 2.

2025-26 budget adjustments

- In order to manage the overall capital position, £5.0m of 2025-26 fleet spend was accelerated and delivered in 2024-25. A budget virement is required to adjust the Fleet original budget from £16.8m to £11.8m, offset with a corresponding reduction in slippage from £15.9m to £10.9m. The figures in the table anticipates this virement will be approved.
- Additional resources are required to support delivery of an increased capital programme. Resource requirements are being reviewed across the key enabling functions and programmes in accordance with the updated capital policy, and costs will be reallocated between revenue and capital as appropriate.

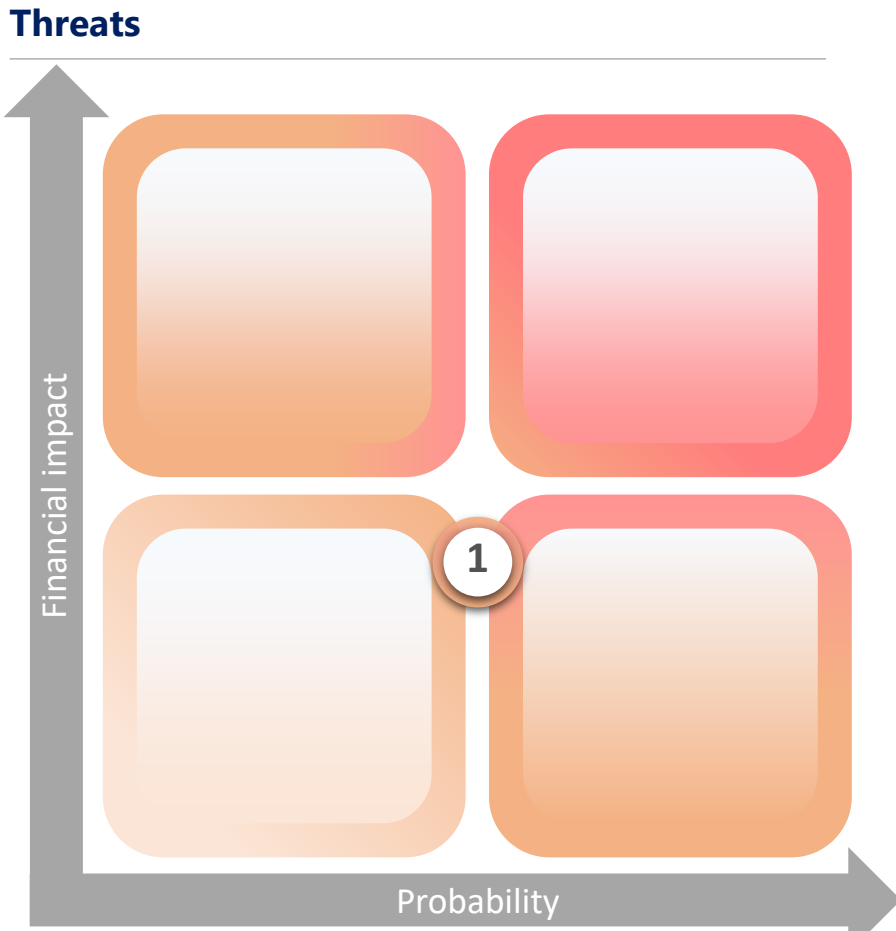
Capital variance by programme (£m)

	Year to date			Full year		
	Budget £m	Actual £m	Var. £m	Budget £m	FC £m	Var. £m
Estates	0.9	0.7	0.2	29.4	29.4	0.0
Digital Div (rolling)	0.6	0.9	(0.3)	14.7	14.7	0.0
Digital Div (airwave)	2.0	2.0	0.0	5.0	5.0	0.0
Fleet	0.1	0.2	(0.1)	11.8	11.8	0.0
Operational Policing ④	1.3	0.9	0.4	9.0	9.0	0.0
Forensic services	0.1	0.0	0.1	2.7	2.7	0.0
Total BAU	5.0	4.7	0.3	72.6	72.6	0.0
<i>Change: legislative & inflight</i>						
DEPP ①	0.1	0.0	0.1	3.1	3.1	0.0
MC&E ②	0.3	0.1	0.2	2.0	2.0	0.0
PDW ③	0.0	0.0	0.0	1.7	1.7	0.0
Other projects	0.3	0.4	(0.1)	2.5	2.5	0.0
Total change	0.7	0.5	0.2	9.3	9.3	0.0
Total before slippage	5.7	5.2	0.5	81.9	81.9	0.0
Slippage	(0.5)	(0.0)	(0.5)	(10.9)	(10.9)	(0.0)
Total	5.2	5.2	0.0	71.0	71.0	0.0
Funding						
GIA - core				70.0	70.0	0.0
Capital receipts				1.0	1.0	0.0
Other				0.0	0.0	0.0
Total				71.0	71.0	0.0

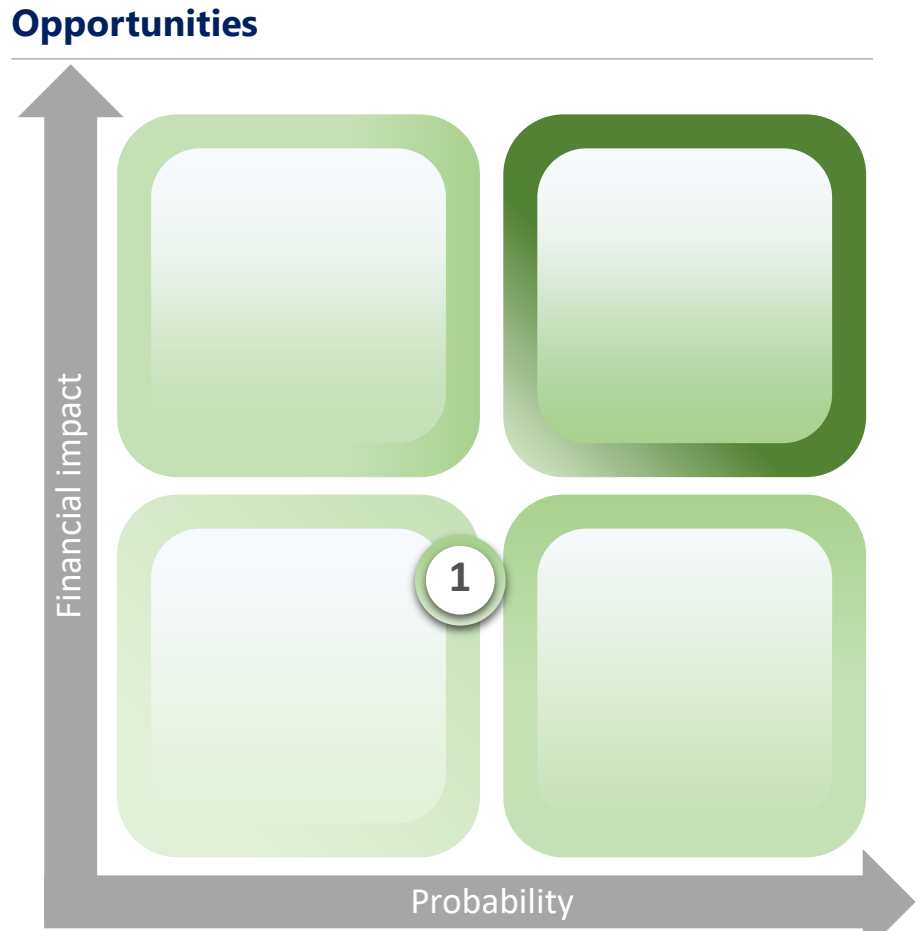
① DEPP = Digitally Enabled Policing Programme
② MC&E = Modern Contact & Engagement
③ PDW = Policing in a Digital World
④ Operational policing = combines approved budget for Crime & CJS £4.8m, Local Policing & OSD £4.1m, and £0.1m for SPE training.

Risk analysis

Threats and opportunities risks will continue to be monitored in Q1.



- 1. Capital - risk of potential slippage, supply chain and delivery lead times and organisational capacity.



- 1. Resource requirements are being reviewed across the key enabling functions and programmes in accordance with the updated capital policy, and costs will be reallocated between revenue and capital as appropriate.



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Appendix B

Budget revision

Period 1 2025/26



Budget virement

Capital Fleet expenditure and slippage

- In order to manage the overall capital position, £5.0m of 2025-26 fleet spend was accelerated and delivered in 2024-25.
- A budget virement is required to adjust the fleet original budget for 2025-26 from £16.8m to £11.8m, offset with a corresponding reduction in slippage from £15.9m to £10.9m.

Approval required

- Finance People Board is asked formally to approve the budget virement.
- As the budget virement amount is more than £1.0m, there is a requirement for it to be approved at SPA Resources Committee.

By expenditure type

Fleet

Slippage

Total

Capital Budget

£m

(5.0)

5.0

0.0