



The Scottish Parliament
Pàrlamaid na h-Alba

Published 22 November 2019
SP Paper 632
2nd Report, 2019 (Session 5)

Justice Sub-Committee on Policing Fo-chomataidh a' Cheartais air Obair a' Phoillis

Report on capital resources for Police Scotland in the Scottish Government's 2020-21 budget



Published in Scotland by the Scottish Parliamentary Corporate Body.

All documents are available on the Scottish
Parliament website at:
[http://www.parliament.scot/abouttheparliament/
91279.aspx](http://www.parliament.scot/abouttheparliament/91279.aspx)

For information on the Scottish Parliament contact
Public Information on:
Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: sp.info@parliament.scot

Contents

Introduction	1
The police service's capital budget for 2019-20	2
Views on the requirements for the 2020-21 police capital budget	2
Three main areas of capital spend	4
The police estate	5
Funding	5
Health, safety and welfare	6
Budget autonomy for local area commanders	8
ICT	9
Implementing the digital, data and ICT strategy	9
ICT priorities	10
Fleet	11
Meeting deficit reduction and efficiency savings targets	13
Workforce	15
Plans to reduce the number of police officers	15
An increase in the number of chief officers	16
Officers back-filling staff posts	16
Scottish Government commitment	18
External funding of police officers	19
Input from officers and staff to budget decisions and priorities	20
Demands	22
Preparations for the UK withdrawal from the EU	22
COPS26	22
Annex	24
Bibliography	25

Justice Sub-Committee on Policing

To consider and report on the operation of the Police and Fire Reform (Scotland) Act 2012 as it relates to policing.



<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/101581.aspx>



justicecommittee@parliament.scot



0131 348 5220

Committee Membership



Convener
John Finnie
Scottish Green Party



Deputy Convener
Margaret Mitchell
Scottish Conservative
and Unionist Party



Jenny Gilruth
Scottish National Party



James Kelly
Scottish Labour



Fulton MacGregor
Scottish National Party



Rona Mackay
Scottish National Party



Liam McArthur
Scottish Liberal
Democrats

Introduction

1. The Justice Sub-Committee on Policing undertook pre-budget scrutiny of the police capital budget ahead of the 2020/21 draft Scottish budget. The purpose of pre-budget scrutiny is for parliamentary committees to report and provide comment to the Scottish Government on the delivery, impact, and funding of existing policy priorities and any proposed changes, and how these should be funded.
2. The Sub-Committee held three evidence sessions on pre-budget scrutiny of the 2020/21 budget, the reports of those meetings can be accessed [here](#) . The Sub-Committee also received a number of written submissions, which can be accessed [here](#).
3. During the course of the Sub-Committee's inquiry, Stewart Stevenson and Daniel Johnson left the Sub-Committee and were replaced by Jenny Gilruth and James Kelly respectively.
4. This report to the Justice Committee is to assist its scrutiny of the 2020/21 budget, once published, and for consideration by the Scottish Government in assessing the relevant funds required by the police service for the next financial year.

The police service's capital budget for 2019-20

5. The Scottish Government proposes a draft budget for the following financial year. The Scottish Police Authority (SPA) has a legal obligation, before the beginning of each financial year, to provide details of how it intends to allocate the financial resources it expects to have available.
6. The 2019/20 budget set out the spending plans for the SPA, incorporating Police Scotland, Forensic Services and SPA Corporate for the that financial year.
7. The police capital budget allocation increased by 3.7% from 2018/19 to 2019/20, from £41.6m to £43.1m.
8. The Sub-Committee considered the impact of this increase in capital funding and whether it was sufficient for the current financial year, and the level of capital funding that the police service anticipate is required for the next financial year.

Views on the requirements for the 2020-21 police capital budget

9. At its meeting on 28 March 2019, the SPA Board approved the SPA draft budget 2019/20. The draft budget noted that the proposed underlying operating deficit in the 2019/20 budget was estimated as £24.6m.
10. The draft budget paper considered by the SPA Board referred to the capital and reform funding made available as “not sufficient to deliver the planned transformation portfolio in full (including the first year of the Digital Data & ICT strategy)”.
11. Calum Steele, General Secretary of the Scottish Police Federation (SPF), criticised the SPA Board's level and depth of discussion of the proposed 2019-20 budget, as well as the Board's lack of challenge of the funding settlement being proposed, saying that—

” Given that the authority— through the people who work for it or through the service—is aware of the scale of the problem, the issue should be being discussed in a very public forum and very public correspondence should be being shared with ministers to make sure that the situation is addressed. ¹
12. In a [joint written submission](#) to the Sub-Committee, Police Scotland and the SPA estimated that the police service required £99.3m capital investment in 2019/20, instead of the allocated £43.1m. As indicated in the tableⁱ below the SPA and Police Scotland indicate that police capital funding for 2019/20 only represents 43% of the capital funding required.

ⁱ Capital funding available comprises of Scottish Government Capital Grant, capital reform money and capital receipts from the sale of assets. In the current financial year the

Table 1: Assessment of capital requirement compared to capital funding for the last three financial years

Financial Year	Policing assessment of capital Requirement (£m)	Capital funding available* (£m)	Percentage of capital requirement met by funding provided (%)
2017/18	88.0	42.4	48
2018/19	72.3	41.6	57
2019/20	99.3	43.1	43

13. Police Scotland and the SPA outlined in their submission their assessment of the funding required to meet their plans for transforming the police service's fleet, estate, ICT infrastructure and workforce mix. They state that the capital funding being provided is insufficient to meet those plans, saying that—
- ” Capital funding continues to be lower than that required to fully achieve these plans and significant investment is required to address a historic under-investment in policing.²
14. They indicate in their submission that in 2017-18 Police Scotland had the fifth lowest capital spend per employee of the 43 UK police services, and concluded that this position is unsustainable, stating that: “Despite removing 20 per cent of cost in real terms, the current policing operating model remains unsustainable”.²
15. The Scottish Police Federation (SPF) indicated in its written evidence that the scale of capital investment required was not fully understood when Police Scotland was established, and that a consequence of this is that the basic estate and fleet needs have been neglected.³
16. Calum Steele explained to the Sub-Committee that the lack of sufficient capital funding impacted on the whole of the police service “from replacement of uniform to provision of fleet, buildings, estate and other infrastructure”.⁴
17. Chief Superintendent Ivor Marshall, from the Association of Scottish Police Superintendents (ASPS), agreed that the asset problems that Police Scotland had inherited had worsened over time due to a lack of investment. He told the Sub-Committee—
- ” If we do not have sustained investment over that period of time, officers are left working with sub-optimal equipment in sub-optimal conditions, so they are not as productive or effective—ergo, the service to the public is undermined.⁴
18. David Malcolm said that Unison Scotland would like to see an analysis of how much is required to deliver an effective police service. Mr Malcolm told the Sub-Committee that: “The phrase that is constantly used is that a sticking plaster is put over things so that we can just try to get by”.⁵

Scottish Government capital grant was £35m, up from £23m in 2018/19. Whilst this did represent a 50% increase, it should be seen in the context of all funding streams. Capital receipts in 2018/19 were higher as a result of the sale of the former Strathclyde Police HQ in Glasgow, so the increase in government grant in 2019/20 was almost entirely offset by the reduction in capital receipts.

19. James Gray, Chief Financial Officer for Police Scotland and Interim Accountable Officer for the SPA, told the Sub-Committee that the Cabinet Secretary for Justice is aware of the capital budget that the police service has estimated it requires. Mr Gray stated that—
- ” We have been clear that it is not sustainable for policing to continue with the current level of capital allocation because, each and every year, the asset base—the buildings, the vehicles and the ICT equipment—deteriorates. That point has been well made to the cabinet secretary and to Government officials in the finance, justice and police departments.⁶
20. In evidence to the Sub-Committee, the Cabinet Secretary for Justice confirmed that he was aware of the views of the police service and that he had spoken to the Finance Secretary about funding the police service, saying that—
- ” We are listening. When I appeared in front of the sub-committee on that issue at the beginning of the year, I was pushed for an increase in capital. I said that I would listen to that and we increased capital spend by 52 per cent.⁷
21. However, the Cabinet Secretary added that he was not in a position to provide details of the capital settlement for the next financial year ahead of the draft budget being published or prior to details of the UK Government's spending review being confirmed.

22. **Conclusion: The evidence received by the Sub-Committee indicates that there is a pressing need for the level of capital funding to increase if the police service is to transform its estate, fleet and ICT infrastructure.**

Three main areas of capital spend

23. The Sub-Committee considered the level of capital funding requested by Police Scotland and the SPA to transform the police service's estate, ICT infrastructure and fleet.
24. Police Scotland have drafted 10-year strategies for all three areas of capital spend. The estate and ICT strategies are finalised and the funding requests within them have been fully endorsed by the SPA. The fleet strategy has still to be finalised. The total capital investment requested over the next 10 years for all three areas is estimated as £848m. This includes:
- £400m for the police estate;
 - £298m for ICT; and
 - £150m for the fleet.

The police estate

Funding

25. The SPA Board approved an estates strategy in May 2019, which estimates that capital investment of £400m is required to transform the police estate over the next 10-years. The strategy proposes increasing community bases for local officers and identifying more opportunities for co-location with key partners to reduce costs.²
26. The Sub-Committee heard from Police Scotland, the SPA, and those representing police officers and staff that the police estate has been under-funded for a number of years, and as a result now requires significant investment.
27. In its written submission, [Unison Scotland](#) describe the £4.3m allocated for the estate in 2019/20, as “woefully insufficient to repair and maintain the inherited legacy properties across Scotland”.⁸
28. The SPF indicate in their written evidence that £250m is required to meet building standard and fire regulations, stating that—
 - ” It is our understanding the PSoS estate requires to spend approximately £250 million to secure full compliance with all building standards and Fire regulations.³
29. HMICS identify a lack of investment in the custody estate as a specific risk, in its [submission](#). The Inspector states that—
 - ” Without significant capital investment, however, the custody estate will continue to present a risk to the effective management of detainees and fail to provide appropriate working conditions for staff in some areas.⁹
30. David Page, Deputy Chief Officer, told the Sub-Committee that Police Scotland had asked for less investment than was required for its estate since 2013. He explained that the settlements had, therefore, only enabled health and safety requirements to be met, saying that—

“The current situation is that the settlements that we get are so small that we have to put the money purely into health and safety, so we are effectively putting Band-Aids on the estate and not addressing the shortfalls in the condition of the estate”.

10
31. The Cabinet Secretary told the Sub-Committee that he did not share the view expressed by Police Scotland that the capital settlement only enabled them to meet health and safety requirements. Mr Yousaf explained that there are a number of co-located premises in the police estate and premises that have been refurbished.¹¹
32. Following the evidence session, the Sub-Committee wrote to the Cabinet Secretary to request further details on the number of co-located premises. In the Cabinet Secretary's response, he indicated that the [Police Scotland estate strategy](#) prioritises co-location and collaboration with public sector partners. Mr Yousaf confirmed that since 2013 Police Scotland has created around sixty co-locations with public sector partners.¹²

33. The Sub-Committee notes the views of the SPA, Police Scotland and those representing police officers and staff that the budget for the police estate is insufficient. The Sub-Committee notes concerns that a lack of maintenance of the police estate has the potential to be a health and safety risk for those taken into custody, police officers and staff.

34. The Sub-Committee appreciates the increase in capital funding provided in last year's budget and the Cabinet Secretary for Justice's approach this year to ensuring that the Cabinet Secretary for Finance is aware of the assessment of those from within the police service of the capital allocation required.

Health, safety and welfare

35. The Sub-Committee considered whether the capital budget allocation was sufficient to meet the health, safety and wellbeing requirements of officers and staff.

36. One of the main duties of the SPA, outlined in the Police and Fire Reform (Scotland) Act 2012, is to maintain the Police Service. This is a broad power to provide and maintain anything necessary or desirable for carrying out police functions.

37. This duty involves carrying out regular inspections of the police estate and responding appropriately to issues raised. The SPA Board has a role to ensure that Police Scotland complies with health and safety legislation.

38. In April 2019, the SPF published an [interim report](#) of its inspection of L Division, which covers Argyll & Bute and West Dunbartonshire. The SPF stated that they took the unusual step of submitting a formal interim report as some of the issues identified during the 'deep dive' were of such significance that they required immediate attention.

39. The SPF inspection identified significant health, safety and wellbeing issues within some areas of L Division. It recommended closing both Oban and Lochgilphead police stations, as they did not provide safe working environments.

40. Calum Steele, told the Sub-Committee that the SPA and Police Scotland have an obligation to inspect police premises and therefore must have been aware of the issues identified in L Division. Mr Steele said that—

” We are given repeated assurances that those inspections take place on at least a six-monthly basis, but what we found in Oban and the L division did not develop in six months. There are obvious questions about what they are doing with the results of those inspections. ¹³

41. In response to a question about whether there is a maintenance regime in place for the police estate, David Malcolm of Unison said that there was not, stating that—

” ... there does not appear to be a clear regime for the maintenance to get done. If there was, we would not be facing some of the situations that were highlighted by the federation in the press. ¹⁴

42. In response to a question about whether Police Scotland was delivering on meeting its health and safety statutory obligations, Calum Steele told the Sub-Committee that, based on the SPF's recent inspection of L Division “It is not being achieved”. ¹⁵

43. The Convener queried whether the lack of an effective system in place prior to the SPF inspection report pointed to a systemic failure in Police Scotland meeting its statutory obligation to respond to workplace inspection reports.

44. David Page acknowledged that failings have been identified with Police Scotland's estate inspection regime and maintenance process, but he did not agree that there is a systemic failure, stating that—

” There has been a bit of a disconnect, and we are doing work to ensure that the estates maintenance programme reflects all the issues ... If the federation identifies health and safety issues that are not on our list, I need to know why the process has not picked them up. ¹⁶

45. SPA Board Member Elaine Wilkinson told the Sub-Committee that work had been carried out at Oban police station, following the SPF inspection, and that it was now back in operation. Ms Wilkinson explained that “We were able to get the work done, and the most important thing is that a system was put in place in Police Scotland to ensure that high-risk health and safety issues were identified and prioritised in the maintenance and capital budget”. ¹⁷

46. Those representing police officers and staff told the Sub-Committee that, in their view, the SPA is not fulfilling its duty to highlight issues identified with the police estate or making the case to Ministers for more capital funding to address those issues.

47. Chief Superintendent Ivor Marshall, ASPS, said that the reporting system needs to be improved. However, he added that an improved system would only have an impact if the Scottish Government is made aware that more funding is required. Chief Superintendent Marshall said “That takes us back round in a circular argument to the responsibility in the service for taking forward the position on behalf of the people of Scotland resting with the Scottish Police Authority”. ¹⁸

48. Chief Superintendent Marshall informed the Sub-Committee that area commanders had been asked to submit information on estate health and safety issues in their areas and any identified risks. This is to inform work being undertaken by Deputy Chief Constable (DCC) Fiona Taylor to amalgamate that information centrally, so that the police service has an accurate picture, and is then able to identify priorities. [Col 9]

49. He added that this work should be thorough and done quickly, stating that “My position is that that should be done as quickly as possible, but it must also be done honestly and forthrightly. In addition, it must be a full report”. ¹⁹

50. Mr Page indicated that Police Scotland is to undertake a condition survey of its estate. In correspondence following the evidence session, DCC Taylor estimated that it is likely that this work will be finalised during the next financial year.²⁰
51. The Cabinet Secretary acknowledged that a lack of capital investment would mean that the cost for repairs and maintenance would increase. Mr Yousaf added that he would expect the Chief Constable to prioritise areas of health, safety and the welfare of officers and staff, in those circumstances. [Col 4]

52. The health, safety and wellbeing of police officers, staff and members of the public in custody is paramount. The Sub-Committee is therefore concerned to hear that officers and staff do not see a regular maintenance regime, are unaware of how or whether issues raised during inspections are acted upon, and do not view the police service as meeting its statutory health and safety obligations.

53. The Sub-Committee recommends that the SPA and Police Scotland provide details of the processes they have in place to ensure that the police estate meets statutory health and safety requirements, and how they ensure that the Scottish Government is made aware of issues. This should also clarify how the SPA and Police Scotland communicate work in this area to officers and staff.

54. The Sub-Committee agrees that health and safety issues should be collated and resolved as a matter of urgency, and asks Police Scotland to provide details of the timescale for concluding this work.

Budget autonomy for local area commanders

55. Chief Superintendent Marshall, ASPS, told the Sub-Committee that the centralisation of the repair and maintenance budget is acting as a barrier to resolving estate issues locally. Chief Superintendent Marshall suggested that one way to address essential maintenance issues in a timely manner would be to empower local area commanders to use their budgets to make repairs.²¹
56. Calum Steele agreed, adding "As I understand it, there is no allocation to divisional commanders for care and maintenance".¹⁴
57. During the Justice Committee's post-legislative scrutiny of the Police and Fire Reform (Scotland) Act 2012, the Chief Constable indicated that he would like to devolve greater financial autonomy to local commanders.

58. Preventative spend is an essential element of sound financial management. The Sub-Committee therefore welcomes the Chief Constable's intention to devolve

greater budget control to local commanders and recommends that he provide details of the progress made in delegating financial control to local commanders.

ICT

Implementing the digital, data and ICT strategy

59. Investing in Police Scotland's ICT systems to achieve efficiency savings forms part of the SPA's deficit reduction plan.
60. The Sub-Committee considered the ICT priorities identified by the SPA and Police Scotland. In particular, whether police officers and staff have access to technology that allows them to provide an efficient and, in turn, more effective police service.
61. On 27 September 2018, the SPA Board approved Police Scotland's data, digital and ICT strategy (DDICT), based on a strategic outline business case. The strategy was developed as part of the work to implement the Policing 2026 strategy to meet future demands on policing.
62. The strategy spans a ten-year period and is estimated to cost £298m. This consists of £244 million of additional capital expenditure and £54 million of revenue expenditure.
63. The previous 10-year ICT strategy, i6, which was agreed by the SPA in 2013, was estimated to cost £46.11m.
64. In their written submission, Police Scotland estimate that the ICT capital budget allocation required for 2019-20 is £99.3m, and state that the £34.1m allocated in 2019-20 is not sufficient to implement the 10-year ICT strategy in full. As a result, Police Scotland is undertaking a reprioritisation exercise.²
65. Information technology is fast-paced and ever-changing. Those representing police officers and staff view 10 years as too long a period for an ICT strategy.
66. David Malcolm told the Sub-Committee that Unison Scotland was concerned that the strategy would be out of date by the time it is implemented.²²
67. Calum Steele, SPF, said that the pace of technology development means that proposals to upgrade may be overtaken by a need to re-invest in infrastructure.²²
68. Chief Superintendent Ivor Marshall, ASPS, recommended that the SPA and Police Scotland undertake work to "future proof the service" by considering where the police service will be in the next five to 10 years.²³
69. The Cabinet Secretary for Justice told the Sub-Committee that the police service is requesting a significant increase to its capital allocation, and that he has requested more details on the ICT, fleet and estate strands. Mr Yousaf also indicated that the 10-year policing strategy is to be refreshed from 2020 onwards²⁴

70. The failure of the i6 strategy means that there is an urgent need for an investment in information technology within the police service. With the ever-increasing ingenuity of criminals to use the latest technology, there is a strong argument for investing in the police service's ability to keep pace with developments, as well as being able to work more efficiently through the use of up-to-date ICT systems. Nevertheless, the estimated cost increase of the ICT strategy, from £46m in 2013, to £298m in 2018 - a more than six-fold increase - is very significant. The Sub-Committee considers it appropriate that a funding increase request of this scale must be subject to robust scrutiny by the Cabinet Secretary.

71. The Sub-Committee asks the Cabinet Secretary to scrutinise the funding requirements of the digital data and ICT strategy as a matter of urgency and come to a view on the relevant level of ICT funding required for the police service. This analysis and his findings should be shared with the Sub-Committee.

72. The planned refresh of Policing 2026 provides an opportunity to reconsider the 10-year digital, data and ICT strategy. The Sub-Committee recommends that, as part of that refresh, the SPA and Police Scotland considers whether 10 years remains an appropriate timescale for their ICT strategy, given the pace of technological developments.

ICT priorities

73. The 'Policing 2026: Serving a Changing Scotland' strategy sets out a vision for the use of technology in policing over the next 10 years. It includes proposals to expand cyber provision with the creation of cyber hubs, the roll-out of cyber kiosks and mobile devices to front-line police officers, the purchase and use of unmanned aerial vehicles, and a consultation on the use of body-worn video cameras. The police service has invested in a number of these technologies over the past couple of years.

74. Those representing police officers and staff indicated that their members would like the police service to prioritise basic ICT infrastructure to enable them to work more efficiently.

75. In its written evidence, the SPF identified basic ICT functions as essential, saying that—

” Despite the headlines at the time i6 was not seeking to put in place anything more complicated than basic system functions that were able “to talk to each other.” We consider this continues to be the single greatest challenge for the service in terms of ICT today. ³

76. In evidence to the Sub-Committee, Calum Steele described the impact on officers and staff of using technology that is “well past its best”, in the following terms,

saying "... they are hindered at almost every turn by the available equipment, facilities and technology".²⁵

77. Chief Superintendent Ivor Marshall, ASPS, told the Sub-Committee that the police service needs to provide officers and staff with the basics to enable them to do their jobs. He provided the following practical example—

” There are still aspirations to do something on ICT so that officers and staff can log in where they are instead of having to travel hundreds of miles to get to a computer where they can do so.²⁶

78. The Sub-Committee welcomes investment in new technologies to assist the police service. However, this investment should not be prioritised above meeting the basic ICT needs of officers and staff.

79. The Sub-Committee recommends that Police Scotland and the SPA provide details of the processes they have in place to seek meaningful input from officers and staff to inform the police service's ICT priorities for the next financial year.

Fleet

80. In their [written evidence](#) to the Sub-Committee, the SPF indicate that the police service have identified that £40m is required over the next few years to replace 2,400 vehicles. The SPF view the budget for this financial year as insufficient to replace vehicles, and caution that this lack of investment will lead to greater costs in the longer-term. They stated that:

” The police fleet should be replaced at either 5 years old or 150,000 miles. This year alone a bid of £13 million was requested to maintain that position. £5 million was secured. Self-evidently this ludicrous shortfall leads to further deterioration in both estate and fleet and simply adds to eventual compliance or replacement costs later in the funding pipeline.³

81. In their joint written submission, Police Scotland and the SPA refer to the draft fleet strategy, which estimates that around £150m is required to be invested in the fleet over the next 10 years. They state that it is their ambition to have a low emission fleet, saying that—

” It's also our ambition that Police Scotland's 3,500 vehicles, the second largest public sector fleet in Scotland, will become the first blue light ultra-low emission fleet in the UK, with close to zero carbon emissions.²

82. The Sub-Committee asks the SPA and Police Scotland to provide details of the processes they have in place to seek meaningful input from officers and staff to

inform the fleet strategy and to ensure that their basic needs are understood and prioritised.

83. The Sub-Committee recommends that the SPA provide details of its scrutiny of the fleet strategy, once approved, to the Cabinet Secretary for Justice to assist his assessment of the capital funds being requested. The Sub-Committee expects this to include an analysis of best value, with a comparison of the costs of repair and maintenance of the fleet against the cost of replacing vehicles.

Meeting deficit reduction and efficiency savings targets

84. The SPA approved a 3-year financial plan at its meeting of 2 May 2018, which describes how the police service will eliminate its deficit by 1 April 2020. The financial plan relies on the service achieving efficiency savings by streamlining processes, implementing the Policing 2026 strategy, and reducing bureaucracy.
85. Police Scotland has estimated that the operating deficit in the 2019/20 budget will be £24.6m.
86. In their joint submission to the Sub-Committee, Police Scotland and the SPA outline two options to meet their ambition to eliminate their budgetary deficit. These are:
 - “Continue to meet our commitment to eliminate the deficit through capacity creation and a reduction in the police workforce of 750 as planned and also respond to any reduction in funding from external agencies, or;
 - Sustainably maintain workforce at current levels beyond this financial year without a deficit which would require additional revenue funding of £70m and annual uplifts thereafter in line with pay/wage increases”.
87. David Page told the Sub-Committee that since Police Scotland set its deficit reduction plan, anecdotal evidence suggests that core and non-core demands have increased, and that work is underway to gather evidence on the level of demand. He explained that “The demand and productivity unit is building the evidence base to give us empirical evidence that will say that demand has gone up”.²⁷
88. The Justice Committee undertook post-legislative scrutiny of the Police and Fire Reform (Scotland) Act 2012 between April and November 2018, and found that the outline business case, on which the financial memorandum was based, was not robust.
89. The Cabinet Secretary was asked for his view on the appropriateness of the police service still being expected to meet the savings of £1.1bn by 2026 identified in the financial memorandum that accompanied the 2012 Act, when the Justice Committee considered that the analysis on which the financial projections are based was not robust.
90. The Cabinet Secretary told the Sub-Committee that the SPA is unlikely to meet the targets in its deficit reduction plan and offered that if Police Scotland and the SPA wanted to revise their deficit reduction and other financial plans, he would be open to having that discussion.²⁸
91. Following the evidence session, the Sub-Committee wrote to the Cabinet Secretary to ask for details of the work that he had undertaken to reassess the appropriateness of the estimated level of efficiency savings the police service is expected to meet.
92. In the Cabinet Secretary's response, he indicated that the efficiency savings contained within the financial memorandum were prepared in accordance with HM

Treasury Green Book guidance. Mr Yousaf acknowledged that estimated costs and savings might be subject to change, but confirmed that Police Scotland was on track to meet efficiency savings targets, stating that—

” The financial memorandum noted that the precise profile of costs and savings might change as the reform and transition programme progresses. The Sub-Committee will be aware that Police Scotland is on track to exceed the level of savings outlined in the financial memorandum, albeit that they are operating with a budget deficit.²⁹

93. Elaine Wilkinson, SPA, and James Gray, Police Scotland, both confirmed that the SPA had made representations to the Scottish Government to request that the UK Government return the £125 million of VAT previously paid by Police Scotland. James Gray told the Sub-Committee that £125 million was used for VAT that could have been spent on transforming the service and getting the police service further ahead than it currently is”.³⁰
94. The Cabinet Secretary told the Sub-Committee that the Scottish Government is seeking the return of the VAT paid, saying that “We are pursuing the UK Government to ensure that it meets the full costs of EU exit and to seek the return of more than £125 million of VAT that was unfairly paid by Police Scotland to Her Majesty's Revenue and Customs”.³¹
95. Since its creation the single police service has been unable to reclaim VAT of £125 million paid to the UK Government. In April 2018, the UK Government decided that the single services would be able to reclaim VAT paid to the UK Government from April 2018 but that any VAT paid prior to that date could not be reclaimed.

96. Police Scotland has achieved significant savings since it was established, but continues to struggle to make the productivity and efficiency savings estimated in the financial memorandum for the 2012 Act. The Sub-Committee notes that Police Scotland are not expected to meet the targets set in their deficit reduction plan.

97. The Sub-Committee asks the Cabinet Secretary for Justice for his views on the merits of continuing to expect Police Scotland to make further efficiency savings as outlined in the financial memorandum for the 2012 Act when it is the Justice Committee's view that the outline business case, on which those savings are based, was not robust.

Workforce

98. The focus of the Sub-Committee's pre-budget scrutiny is the capital budget. However, as capital and revenue expenditure are inextricably linked, the Sub-Committee also considered the revenue funding required by Police Scotland. The Sub-Committee considered the proposal by Police Scotland and the SPA to reduce its revenue spend by cutting police officer numbers.

Plans to reduce the number of police officers

99. In their joint submission, Police Scotland and the SPA indicate that the only method available to them to meet their deficit reduction plan targets, and to create operational capacity, is to reduce the number of police officers. Their agreement to reduce officer numbers by 750 by 2021, has been temporarily put on hold, but their intention is to implement the reduction plan post-Brexit.²
100. The Sub-Committee heard that the decision to reduce officer numbers was influenced by several factors. These include: the need to meet the changing demands on the police service; to meet deficit reduction targets; an inability to find savings elsewhere such as from the capital budget or to reduce staff numbers any further; and to meet a commitment made to the Scottish Government to reduce officer numbers.
101. David Page explained that a small capital budget, of only 12.5 per cent of Police Scotland's overall budget, meant that Police Scotland and the SPA were unable to identify any other ways to make savings other than to reduce revenue spend. Mr Page explained "That is why, as the chief constable has said, in line with the deficit management plan, we will have to cut police officer numbers by 750 by the end of next year, once we get past Brexit".³²
102. James Gray, Police Scotland, described reducing police officer numbers as "the last resort". He explained that with £200m having been taken out of the police budgets since Police Scotland was established, there was no other way for the police service to balance its books. Mr Gray said that "There is nowhere to go on non-pay. There have been 1,700 reductions in police staff as it is, and that creates gaps".³³
103. The Sub-Committee heard that Police Scotland will be required to demonstrate that it has created equivalent operational capacity, before it can reduce officer numbers. This will be independently validated by Her Majesty's Inspectorate of Constabulary in Scotland (HMICS). David Page, Police Scotland, told the Sub-Committee that: "We are confident that we can do that".³⁴
104. The Cabinet Secretary for Justice did not agree with that assessment, saying—
- ” It is not for me to put words into the chief inspector's mouth; she is well capable of speaking for herself. However, from my conversations with Gill Imery, she has made it abundantly clear that the increased operational capacity from such a reduction in officer numbers has not been demonstrated.³⁵

An increase in the number of chief officers

105. One of the benefits of the creation of the single police service was supposed to be the rationalisation of chief officer posts. However, the number of chief officer posts has in fact increased since Police Scotland was established.
106. The Sub-Committee examined the reasons for the exclusion of chief officers from the operational capacity creation exercise undertaken by Police Scotland.
107. David Page, Police Scotland, confirmed that despite the number of chief officers increasing significantly since the creation of Police Scotland, the capacity creation exercise focussed solely on the processes and activities of police officers, saying that—
- ” The transformation effect will not be on the chief officer side; it is geared at making front-line policing more efficient. That is why the reduction will not be at chief officer level. ³⁶
108. However, Mr Page added that “There are no no-go areas in Police Scotland with regard to attempts to find efficiencies.”
109. The Cabinet Secretary told the Sub-Committee that he was unaware of the reasons not to include chief officers in the policing efficiency exercise and recommended that the Sub-Committee write to the SPA and Police Scotland to seek clarification, stating that “Those will be matters for the chief constable and the committee can write to the chief constable and the SPA to get a bit more detail and understanding of the rationale behind the decision that there will be no reduction in the number of chief officers as Police Scotland has stated”. ³³
110. In our view, the rationale for the view of Police Scotland and the SPA that the only option available to reduce revenue spending and increase operational efficiency is to reduce front-line police officers by 750 is unclear.
111. The Sub-Committee asks Police Scotland and the SPA to clarify why chief officers were excluded from the capacity creation exercise and to confirm whether all resource options were considered before coming to the decision to reduce police officer numbers by 750.
112. The Sub-Committee asks the SPA to provide details of its scrutiny of the operational impact of reducing police officer numbers by 750.

Officers back-filling staff posts

113. The SPA and the Chief Constable have a statutory obligation to ensure best value when carrying out their functions. A consequence of Police Scotland reducing its

staffing complement by 1,700 is that officers are carrying out staff roles instead of front-line duties.

114. The Sub-Committee considered the extent to which police officers continue to back-fill police staff posts and the financial impact of this on-going practice.
115. David Page acknowledged that Police Scotland still asks police officers who should be undertaking front-line policing duties to backfill staff posts. Mr Page described that practice, as “completely uneconomic”, as a police officer is “more expensive and not as competent in the role as the civilian member of staff”.³⁷
116. Mr Page was unable to provide details of the number of staff posts that Police Scotland require, explaining that the number will be determined by the workforce plan, once completed. Mr Page told the Sub-Committee that, if Police Scotland get the capital budget they need, they will invest in staff posts identified in the strategic workforce strategy, and officers will no longer be used to backfills staff posts.³⁸
117. Whilst Mr Page was unable to provide details of the number of police officers currently backfilling staff posts, he gave a commitment to provide the Sub-Committee with that information.³⁹
118. DCC Taylor, Police Scotland, subsequently wrote to the Sub-Committee on 27 September in response to this request and stated that “I would like to reaffirm that the deployment of resources remains a matter for the Chief Constable”.²⁰
119. The Cabinet Secretary was asked his view of the on-going practice of front-line police officers backfilling civilian posts, and whether this represented best value for money.
120. Mr Yousaf responded that he understood that there may be an operational necessity for some officers to backfill roles, but that this should be in the minority of instances. Adding that “However, the more officers we have on the front line, as it is often called, or doing warranted duties, the better it will be for everybody involved”.⁴⁰
121. The Cabinet Secretary also gave a commitment to provide the Sub-Committee with the number of police officers currently back-filling staff posts. The Cabinet Secretary subsequently wrote to the Sub-Committee on 30 October to say that—

” The Committee requested information on the number of police officers backfilling police civilian posts. This is not information which is maintained by the Scottish Government. Following my evidence session I became aware that DCC Taylor wrote to you on this matter on 27 September 2019. I have double checked with Police Scotland to find out if there is any update on this issue and can confirm that the information provided by DCC Taylor remains the current position.”²⁹
122. The Sub-Committee agrees that the on-going practice of police officers backfilling staff posts is an uneconomic use of resources. It does not demonstrate best

value for money and is unsustainable, given the financial constraints facing the police service.

123. The Sub-Committee would expect that the analysis of the operational efficiency of officers would have included an assessment of the number of officers carrying out staff roles and the impact of this practice on the number of officers available for front-line duties. It is therefore disappointing that despite initial assurances from senior staff in Police Scotland and from the Cabinet Secretary, that Police Scotland has indicated that information on the number of officers backfilling staff roles is a matter for the Chief Constable and that it is unable to provide those figures.

124. The Sub-Committee does not consider this to be an acceptable position. It has been unable to fully understand the extent to which police officers continue to back-fill police staff posts and the financial impact of this on-going practice. Whilst the Sub-Committee accepts that certain decisions are operational matters for the Chief Constable, nonetheless it requires information to be provided to Parliament to better understand how public money is being spent and whether best value is being achieved.

125. The Sub-Committee asks the SPA to clarify whether the capacity creation exercise included an analysis of the number of police officers backfilling staff posts and its analysis of the financial and operational impact of this on-going practice. The Sub-Committee also requires the SPA to provide the information requested on the number of police officers backfilling posts without delay and fulfil the initial commitment made by senior officials to do so.

Scottish Government commitment

126. David Page, Police Scotland, told the Sub-Committee that the reduction in police officer numbers was a commitment made by Police Scotland to the Scottish Government, confirming that the analysis of the operational capacity of police officers is "... the mechanism by which we are meeting our commitment to ministers that we would reduce police officer numbers in order to operate within our funding".

41

127. The Cabinet Secretary was asked whether the Scottish Government has any role in determining the number of police officers, or whether that is an operational matter to be decided by the Chief Constable in conjunction with the SPA. The Cabinet Secretary clarified that—

- ” “The deployment of officers is for the chief constable. On officer numbers, as my predecessor said, there is an expectation that we should not reduce significantly the number that we inherited in 2007. That is the Government's expectation”.⁴²

128. The workforce mix of Police Scotland is a matter for the Chief Constable and should reflect the demands on the police service. The Sub-Committee notes that any commitments given by Police Scotland or the Scottish Police Authority on the number of police officers reduces the police service's flexibility in allocating its resource budget.

External funding of police officers

129. In their joint written submission, Police Scotland and the SPA refer to the declining funding of “around 300” police officer posts currently funded by local authorities and other partners. They state that reduced funding has contributed to Police Scotland's operating deficit and request that funding of those officers be included in a central financial settlement.²
130. David Page told the Sub-Committee that Police Scotland had made representations to the Scottish Government on this issue for next year's budget, saying that: “We have asked whether the Scottish Government could fund the cost of the 300 officers that are externally funded”.
131. Following the evidence session, the Sub-Committee [wrote](#) to the Cabinet Secretary for Justice to ask for confirmation of the discussions that he has had with Police Scotland and the SPA about the possibility of centralising this funding.
132. The Cabinet Secretary [responded](#) on 30 October, confirming that external funding had decreased since the creation of Police Scotland, and that this had resulted in increased pressure on the police budget. The Cabinet Secretary clarified that he would like to see the number of police officers funded by external partners increase, saying that: “I believe there are real benefits to those organisations which fund officers for specific purposes, and I would encourage the SPA and Police Scotland to consider how they can maintain and possibly increase the number of officers funded by external partners. This external funding currently brings in around £13.4m per annum to Police Scotland”.²⁹
133. The Sub-Committee asks Police Scotland and the SPA to provide details of the criteria for external partner to fund officers and the work that they have undertaken, or have planned, to increase the number of officers funded by external partners.

Input from officers and staff to budget decisions and priorities

134. The Sub-Committee considered the input of officers and staff to inform the police service's response to the draft budget.
135. Those representing police officers and staff told the Sub-Committee that they were not involved in any pre-budget discussions or decision-making processes.
136. Calum Steele, said that the lack of engagement by Police Scotland and the SPA is a recurring issue that remains unresolved. Mr Steele explained that this lack of input impacted negatively on the investment priorities identified, saying that—
- ” I think that we have genuinely meaningful views about what should be priorities for the police. However, I think that the service and the authority are missing a trick by constantly keeping us at arm's length in that regard. ⁴³
137. David Malcolm agreed, telling the Sub-Committee that Unison Scotland only find out about budget decisions once they have been made, and is then often dismayed at the decisions, stating that “There is absolutely no pre-engagement on the setting of the budgets. We learn about how money will be spent from briefings”. ⁴⁴
138. Highlighting an example of the type of dismay felt by Unison members Mr Malcolm provided an example of inadequate vehicles being purchased without any consultation, resulting in an ineffective use of funds. He told the Sub -Committee that—
- ” I was inundated with calls from the mechanics, who were able to tell me about the vehicles not being adequate. They had that knowledge, but I do not know whether that was considered at the procurement level. Engaging with those people might enable the people in charge of procurement to spend the money more effectively. ⁴⁴
139. Police Scotland and the SPA did not share the view of police officers and staff that they were excluded from pre-budget discussions and decision-making processes.
140. David Page told the Sub-Committee that Police Scotland “have considerably improved our engagement” with the staff associations and unions”. ⁴⁵
141. Elaine Wilkinson added that the SPA had taken a proactive approach to developing a strong evidence base for its draft budget, saying that “The views of the federation and the unions are absolutely taken on board, along with a broad range of other views, to inform the evidence base”. ⁴⁶
142. The Cabinet Secretary was asked for his view on the evidence received by the Sub-Committee that the police unions and staff associations are not consulted on the budget, prior to it being approved by the SPA Board.
143. The Cabinet Secretary confirmed that he fully expects the unions and staff associations to be involved in budget discussions and their views taken into account by Police Scotland and the SPA. Mr Yousaf added that he also expects unions and staff associations to be consulted on any plans to reduce police officer numbers, as

part of the consultation on the refresh of the policing strategy from 2020 onwards.
47

144. The Sub-Committee is disappointed to hear that Police Scotland and the SPA are still not engaging in a meaningful way with police officers and staff to enable them to inform the police service's budget and priorities. Providing briefings once budget decisions have been made is not meaningful engagement or consultation.

145. The Sub-Committee asks the SPA and Police Scotland to explain the rationale for their on-going practice of excluding police officers and staff from pre-budget discussions and decision-making processes.

Demands

146. The Sub-Committee considered the additional demands facing the police service at the present time, anticipated demands over the next financial year, and the impact of those demands on its resources.

Preparations for the UK withdrawal from the EU

147. Chief Constable Iain Livingstone, Police Scotland, informed the Sub-Committee on 31 January 2019 of his decision not to proceed with the planned reduction of 400 police officers by 2020, to support planning to respond to the impacts of Brexit. The Chief Constable also told the Sub-Committee that police officers may be deployed to other parts of the UK on a mutual aid basis.⁴⁸
148. The Scottish Government has provided ring-fenced funding, on a non-recurring basis, of £17m in the current financial year to cover EU exit-related policing costs.
149. In evidence to the Justice Committee on 1 October 2019, Deputy Chief Constable (DCC) Will Kerr explained that a force reserve of 300 police officers had been formed principally to deal with Brexit-related incidents and estimated that Police Scotland had spent £8.9m on Brexit preparations to date. DCC Kerr confirmed that the force reserve had been deployed more than 500 times in August alone, and that none of those deployments were directly linked to Brexit.⁴⁹
150. The Cabinet Secretary explained to the Sub-Committee that Brexit preparations had increased the demands on the police service and that the financial burden should not fall solely to the Scottish Government, saying that: "We have been very clear across a range of Government portfolios that it should not fall on Scotland, the Scottish Government and the Scottish taxpayer to pay to mitigate all the no-deal Brexit impacts. Money should come from the UK Government".⁵⁰

151. The Sub-Committee agrees that the additional costs of policing Brexit should not fall on the Scottish Government.

152. The Sub-Committee notes that Police Scotland's Brexit reserve force had, by 1 October 2019, been used to cover over 500 normal policing activities, at a cost of £8.9m. The requirement to use those officers for normal activities does not demonstrate that the police service has created the operational capacity necessary to reduce police officer numbers by 400, post-Brexit.

COPS26

153. Glasgow is to host the 26th Conference of the Parties UN climate change summit, known as COP26, over a two-week period in November 2020. It is anticipated that

the summit will host around 200 world leaders and that up to 30,000 delegates could attend.

154. David Page told the Sub-Committee that it is out-with Police Scotland's capability to support an operation of that scale and that mutual aid may be required, as well as funding from the UK Government, saying that "James Gray, in his role as chief financial officer, will make representations to the Scottish Government to seek funding from the UK Government for the policing operation".⁵¹
155. James Gray agreed that policing the event could not be funded from the police service's core budget. However, he added that he was optimistic that additional funding would be secured, stating that "Our experience of such events is that the Scottish Government is responsive to our requests when we engage with it, and works with the UK Government in order to secure the funding, as happened when we secured the funding for the US President's visit".⁵¹
156. The Cabinet Secretary told the Sub-Committee that the policing and security costs of hosting the COP26 summit had been estimated as £100 million, and that the UK Government had agreed to cover what it determines to be the "core" costs. Mr Yousaf said that the Scottish Government expects the UK Government to pick up all of the costs associated with COP26.⁵⁰

157. The Sub-Committee agrees that the policing and security costs for hosting the COPS26 summit should not be covered by Police Scotland's core budget and recommends that the Cabinet Secretary continues to pursue securing funding from the UK Government.

Annex

Extracts from the minutes and the Official Reports for the relevant meetings are available [online](#).

The Sub-Committee also received a number of [written submissions](#) of evidence from:

- Police Scotland
- Scottish Police Federation
- Unison Scotland
- Her Majesty's Inspectorate of Constabulary in Scotland (HMICS)
- Joint submission from the Scottish Police Authority and Police Scotland

- [1] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 11.
- [2] Police Scotland and the Scottish Police Authority. (2019). Written submission.
- [3] Scottish Police Federation. (2019). Written submission.
- [4] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 3.
- [5] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 4.
- [6] Justice Sub-Committee on Policing. (2019, September 12). Official Report, cols 4-5.
- [7] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 4.
- [8] Unison Scotland. (2019). Written submission.
- [9] HMICS. (2019). Written submission.
- [10] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 6.
- [11] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 6.
- [12] Scottish Government. (2019). Supplementary written submission.
- [13] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 9.
- [14] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 10.
- [15] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 16.
- [16] Justice Sub-Committee on Policing. (2019, September 12). Official Report, cols 8-9.
- [17] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 7.
- [18] Official Report, col 13. (2019, May 30).
- [19] Justice Sub-Committee on Policing. (2019, May 30). Official Report, cols 14-15.
- [20] Police Scotland. (2019). Supplementary written evidence.
- [21] Justice Sub-Committee on Policing. (2019, May 30). Official Report, cols 8-9.
- [22] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 22.
- [23] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 23.
- [24] Justice Sub-Committee on Policing. (2019, October 3). Official Report, cols 5, 9 and 10.
- [25] Justice Sub-Committee on Policing. (2019, May 30). Official Report, cols 19-20.
- [26] Justice Sub-Committee on Policing. (2019, May 30). Official Report, col 18.
- [27] Justice Sub-Committee on Policing. (2019, September 12). Official Report, cols 10-11.
- [28] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 16.
- [29] Scottish Government. (2019). Supplementary written evidence.

- [30] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 20.
- [31] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 3.
- [32] Justice Sub-Committee on Policing. (2019, September 12). Official Report, Col 6.
- [33] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 11.
- [34] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 10.
- [35] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 7.
- [36] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 16.
- [37] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 13.
- [38] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 14.
- [39] Ibid. (2019). No title
- [40] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 12.
- [41] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 19.
- [42] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 8.
- [43] Justice Sub-Committee on Policing. (2019, May 30). Official Report, cols 6-7.
- [44] Justice Sub-Committee on Policing. (2019, May 30). Official Report, cols 7-8.
- [45] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 3.
- [46] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 4.
- [47] Justice Sub-Committee on Policing. (2019, October 3). Official Report, cols 9-10.
- [48] Justice Sub-Committee on Policing. (2019, January 31). Official Report, cols 2 and 5.
- [49] Justice Committee. (2019, October 1). Official Report, col 30.
- [50] Justice Sub-Committee on Policing. (2019, October 3). Official Report, col 14.
- [51] Justice Sub-Committee on Policing. (2019, September 12). Official Report, col 18.

