



OFFICIAL REPORT
AITHISG OIFIGEIL

Justice Sub-Committee on Policing

Thursday 17 January 2019

Session 5



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JUSTICE SUB-COMMITTEE ON POLICING
1st Meeting 2019, Session 5

CONVENER

*John Finnie (Highlands and Islands) (Green)

DEPUTY CONVENER

*Margaret Mitchell (Central Scotland) (Con)

COMMITTEE MEMBERS

*Daniel Johnson (Edinburgh Southern) (Lab)

*Fulton MacGregor (Coatbridge and Chryston) (SNP)

*Rona Mackay (Strathkelvin and Bearsden) (SNP)

*Liam McArthur (Orkney Islands) (LD)

Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Hilary Pearce (Scottish Government)

Humza Yousaf (Cabinet Secretary for Justice)

CLERK TO THE COMMITTEE

Diane Barr

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Justice Sub-Committee on Policing

Thursday 17 January 2019

[The Convener opened the meeting at 13:01]

Budget Scrutiny 2019-20

The Convener (John Finnie): Feasgar math, a h-uile duine, agus fàilte. Good afternoon, everyone, and welcome. This is the first meeting in 2019 of the Justice Sub-Committee on Policing. We have received apologies from Stewart Stevenson, who has another parliamentary commitment.

Today we will consider the proposed policing budget for 2019-20 with evidence from the Cabinet Secretary for Justice, Humza Yousaf. I refer members to paper 1, which is a note by the clerk, and paper 2, which is a private paper. I welcome Humza Yousaf and his officials from the Scottish Government. Gillian Russell is director of safer communities and Hilary Pearce is interim deputy director in the police division. I thank the cabinet secretary and others for their written submissions, which are, as ever, very helpful to us.

Cabinet secretary, I understand that you wish to make some brief opening remarks.

The Cabinet Secretary for Justice (Humza Yousaf): Yes. Thank you, convener. Last month, the Cabinet Secretary for Finance, Economy and Fair Work published a draft budget that seeks to strengthen Scotland's economy, deliver long-term investment and transform public services. I believe that within the budget are a number of significant gains for policing in Scotland, not least the Scottish Government's budget for policing in 2019-20 rising to over £1.2 billion.

We are providing an additional £42.3 million for the Scottish Police Authority budget, which represents a 3.7 per cent increase for 2019-20 compared with the 2018-19 position. That means that the police revenue budget will increase by an additional £30.3 million and the capital budget will increase by £12 million. That is a 52 per cent increase, which I hope will fund further improvements to information and communication technology infrastructure and support Police Scotland's efforts to introduce mobile working to police officers.

Our hard-working officers continue to be the public face of policing in Scotland and have contributed to a 42 per cent fall in recorded crime since 2006-07. We are investing in both our

officers and our staff, including an additional £11.2 million to be invested in the workforce in 2019-20. That builds on the announcement of a 6.5 per cent deal on officers' pay, which is putting significant cash into officers' pockets and giving them and their families certainty.

We have more officers than at any time during the previous Administration: 17,147. That is 913 more than the figure that we inherited in 2007. Furthermore, the chief constable has decided this week to bring forward the campaign for the recruitment of 120 officers in the current financial year to ensure that capacity and resilience are in place to prepare against a range of contingencies associated with Brexit.

We have also ensured that policing will fully benefit from being able to reclaim VAT of around £25 million a year that was previously paid to the United Kingdom Government. To date, 15 letters have been sent to the UK Government on police and fire VAT. We will continue to press the UK Government on the £125 million that has already been paid to HM Revenue and Customs for police VAT.

However, we must constantly bear it in mind that, despite the UK Government's promises, the budget will be set against a backdrop of continued austerity and the shadow of the UK Government's frankly chaotic approach to Brexit. Brexit continues to hang over our economy and our public services and risks making us all poorer in the future.

I am happy to take questions.

The Convener: Thank you for that opening statement, cabinet secretary. We have a considerable number of questions and, of course, Brexit will feature in them. First, what was the rationale for the decisions taken on the overall budget proposed for policing in Scotland and the Scottish Government's policing priorities?

Humza Yousaf: I do not want to continue referring to what I said in my opening statement, but I suspect that we will come back to some common themes that will help with answering your question. Protecting Police Scotland's revenue budget in real terms during this parliamentary session clearly demonstrates how much of a priority policing is for us. As I said, that protection will deliver a £100 million boost by 2021.

In terms of the specific budget, it is worth looking at the fact that we are continuing to invest in reform. We know that there is still work to be done in relation to reform of the single service. Of course, reclaiming VAT of £25 million and that being put into the core budget of Police Scotland helps to bolster that budgetary position, which is so important at a time of real uncertainty.

The 52 per cent increase in the capital budget is quite important. It will be for the SPA and Police Scotland to determine what that uplift is used for, but my understanding is that most of it will be used for mobile working. Again, that is about ensuring that our police service moves with the times in terms of technology. That will also be one of our policing priorities.

The overarching priority, of course, is to continue to maintain the safety of our communities. As I said, we have a good record of doing that in the 11 years—over 11 years—that we have been in Government. We have seen crime continue to fall. There was a slight increase last year, but the overall trend is one of recorded crime falling. We are therefore bolstering the foundations that we have, continuing with reform and investing in technology. Those are just some of our priorities.

The Convener: The Scottish Police Federation said in its written submission to us that

“in pure cash terms the revenue funding proposed for 19/20 still represents a reduction on that available prior to the establishment of the Police Service of Scotland.”

Is that correct, cabinet secretary?

Humza Yousaf: We have made no bones about the fact—we are proud of it—that there have been efficiency savings. That was part of the rationale for the single police service. We know that almost £200 million has been taken out of the cost base in relation to Police Scotland and we can add that to the almost £900 million of efficiency savings. Police Scotland is therefore well on track to make that £1.1 billion of savings. In fact, Police Scotland said in its written submission to the committee that it would make those savings earlier than anticipated and would hope to make savings just shy of £2 billion by 2025-26.

The savings that have been made have been absolutely vital at a time that I think all of us would recognise as a time of extreme financial restraint and austerity from the UK Government that has affected our budgets. It was therefore absolutely essential that the savings to which I referred were found. Notwithstanding all that, there will be revenue protection for the rest of this parliamentary session.

The Convener: Thank you, cabinet secretary.

Rona Mackay (Strathkelvin and Bearsden) (SNP): You mentioned in your opening statement the budget implications relating to Brexit and you talked about the 120 officers that Police Scotland is recruiting. Has agreement been reached with the UK Government as to what extra funding we can have? If there has been agreement on that, will it be enough?

Humza Yousaf: In short, no. There has been no agreement. From the Scottish Government's perspective and across a range of Government departments, we have always been very clear that we would not expect the Scottish taxpayer to pay a penny for an additional detrimental impact from any Brexit deal or no deal, because it would not be a situation of our making or one that we would support. Therefore, any detrimental impact in budgetary terms should be covered by the UK Government. Of course, as members will be aware, there have been some consequentials coming our way.

We are still negotiating with the UK Government; it is not clear that the funding that is allocated to the Scottish Government will allow us to cover the full implications of European Union exit. Police funding for no-deal consequence management is one of a number of issues that the Scottish Government is pursuing with the UK Government. I commend the chief constable and the SPA for taking the very prudent step of bringing forward the recruitment of 120 police officers, but they undoubtedly come at a cost.

Rona Mackay: You mentioned VAT—

The Convener: Excuse me, but there is a supplementary question on that initial point.

Margaret Mitchell (Central Scotland) (Con): My question is on the possible need for extra policemen in the event of a no deal or of Brexit. Given the SPA's concerns about recruitment and the ability to train in the necessary timeframe, has the Government looked at recruiting retired officers to cover that period, bringing in their expertise to be used as is deemed appropriate and ensuring that the resource is there to be used quickly and that there are no gaps in the service.

Humza Yousaf: I do not know whether the member was looking at the convener when she asked that question. *[Laughter.]*

That would be a decision for the chief constable and the SPA. My understanding is that they have quite a full pipeline of people who want to enter Police Scotland, which is great for its reputation. They can turn the tap on and off, or slow down or speed up the flow of recruitment as and when they like. They are in a good position to recruit those 120 officers.

Police Scotland's ability to do that, as the second-largest force in the United Kingdom, means that, no doubt, other forces across England and Wales and Northern Ireland will look at Police Scotland for mutual aid requests.

The honest answer is that I do not know whether they are looking at retired officers, but I have not seen that suggestion cross my desk. I do not think that it is the case, but I would have to get

further clarification. However, I understand that they are in a good place with their ability to recruit relatively quickly.

Margaret Mitchell: My question refers to the SPF's letter of 11 December to all MSPs, which said that the number of officers needed was not just 120. Many more officers may be needed very quickly and there will not be time to recruit and train, so using retired officers may be a viable suggestion.

Humza Yousaf: It would be for the SPA and Police Scotland to make that call.

The Convener: There is a further supplementary question, from Fulton MacGregor.

Fulton MacGregor (Coatbridge and Chryston) (SNP): My colleague Margaret Mitchell asked about recruitment. Is there any analysis of any possible impact that Brexit will have on recruitment, in particular with regard to migration and EU citizen status?

Humza Yousaf: Yes. Police Scotland has been working on a trawl of all staff and officers to determine how many EU citizens are part of Police Scotland. The Scottish Government intends to pick up the fee for anyone who works in our public services, as it is dreadful for any EU citizen to have to pay for their settled status here in Scotland. I do not have the number of EU citizens, for both officers and staff, but there is no doubt from earlier work on Brexit planning that EU citizens make a great contribution to our police service, as staff and officers.

With regard to recruitment, it would be for Police Scotland to update you. At the passing-out parade in December that I was lucky to be at, a cursory glance showed that there was certainly quite a bit of diversity, which is a strength to Police Scotland as opposed to anything else.

Rona Mackay: You mentioned that you have been pressing the UK Government to pay back the VAT that has already been paid. If we were successful in reclaiming that, how much would that amount to?

13:15

Humza Yousaf: The figure would be £125 million. Having been persuaded by the logic of the argument that it is unfair to charge VAT and having therefore stopped doing that, it seems only fair that the UK Government should give back to Police Scotland what it paid. I do not need to tell the sub-committee what a difference £125 million could make to ICT transformation or to the police service as a whole.

Liam McArthur (Orkney Islands) (LD): You consider that the Scottish Government is due £125

million. Can we take it that further investment in ICT is contingent on that £125 million being reallocated?

Humza Yousaf: No. It would be helpful; it would make a big, big difference. I do not have £125 million at the back of the sofa. If I had £125 million to spend on priorities such as the ICT—there are other priorities in policing, of course—that would be remarkably helpful.

I know that the committee has examined thoroughly Police Scotland's digital, data and ICT strategy. I have had a number of meetings with Police Scotland and the SPA about that. It has an outline business case, which we will continue to test robustly. My understanding is that most, if not all of the 52 per cent or £12 million increase in capital funding will be spent on mobile working. That will mean 10,000 front-line officers will be given mobile devices—

Liam McArthur: You have not suggested to Police Scotland that its bids, whether for DDICT funding or anything else, are contingent on that £125 million.

Humza Yousaf: I have made clear that that is contingent on resource, and having that £125 million from the UK Government would go a long way in helping to fund that.

Liam McArthur: You also said that, because the UK Government has accepted the principle not to charge VAT, logic suggests that a repayment of £125 million should now be made.

The Scottish Government has accepted the principle that Orkney and Shetland's exclusion from the road equivalent tariff was unfair. Can we expect eight years' worth of road equivalent tariff to be paid to the islands?

Humza Yousaf: No, I do not think that the same logic applies.

Liam McArthur: I am sure that you do not.

Humza Yousaf: We were always going to phase RET, for example over the Western Isles. We always committed to look at RET for Orkney. Orkney and Shetland have benefited from schemes such as the air discount scheme.

Liam McArthur: As did the Western Isles.

Humza Yousaf: Yes, they have benefited from a number of schemes—

Liam McArthur: That the other islands benefited from, too.

Humza Yousaf: —so I think that the logic is different. I am surprised at the member. It seems to me that he is almost arguing against the £125 million coming back to Police Scotland.

Liam McArthur: No, I am just comparing the logic.

Humza Yousaf: I would have thought—

Liam McArthur: I am comparing the logic.

Humza Yousaf: I appreciate that it was a Liberal Democrat in the Treasury—

Liam McArthur: I am applying the logic that you have applied in this instance.

Humza Yousaf: —at the time when some of that money was held back. I would expect the member, as I would expect most members, to come on board and get that £125 million for the police service. I am really surprised that he is against that.

Liam McArthur: I am absolutely happy with that, cabinet secretary, but, by the same token, I would expect the Scottish Government to exercise the same logic and principle in how it allocates its funding under the areas for which it is responsible; that is my point.

The Convener: We will have to leave that one there. I did not envisage that ferries would feature too much today.

Humza Yousaf: I must confess that neither did I.

The Convener: That is perhaps the legacy of your previous remit, cabinet secretary.

Margaret Mitchell: In March 2018, the £25 million from the retrieval of VAT was specifically allocated to ensure that policing would fully benefit from it. You mentioned that that went to the core budget. Will you be more specific about how policing has benefited from that £25 million?

Humza Yousaf: The member may know that the change in policy that took effect from March 2018 allowed the SPA to reclaim VAT. That was broken down into £22 million of revenue VAT funding provided by the Scottish Government as part of the reform budget. That was then added to the SPA's core revenue budget in 2018-19. A corresponding £3 million was added to the core capital budget.

The £22 million revenue budget has been utilised in a number of ways: £10 million was for the additional cost of officer pay awards; £5.6 million was for the compensation related to the staff pay and reward modernisation project; £2.1 million was for the outsourcing of some of the SPA's backlog of forensic work; and £5.4 million was a transfer of a proportion of change posts to the core budget as a result of posts becoming permanent. That totals £23.1 million, which is more than the VAT budget, so the SPA and Police Scotland had to absorb about £1.1 million within their existing budgets.

Daniel Johnson (Edinburgh Southern) (Lab): Given that the SPA overspent by £38 million in 2017-18, what is the cabinet secretary's view on what the spending deficit will be in 2018-19, based on the budget?

Humza Yousaf: No-deal Brexit planning—and Brexit planning generally—has been a complete game changer. The SPA's deficit reduction plans were predicated on a reduction in officer numbers, which was predicated on the SPA demonstrating enhanced operational capability, but it is now having to bring forward the recruitment of officers. My understanding is that, in the first six months of the next financial year, any reduction in police officer numbers will be halted. Therefore, that will have an impact on deficit reduction plans. Not knowing what kind of Brexit and what kind of deal we are looking at will clearly have an impact on every single one of our public services, and Police Scotland is not immune to that.

Daniel Johnson: Forgive me, but even if we leave Brexit to one side—I completely accept that it is a very large elephant in the room—and work on the basis that the SPA requested a revenue increase of £50.2 million but received only £30 million, and that it asked for a capital increase of £90 million but received only £12 million, what will the SPA not be able to do as a result of the budget settlement? You must have had those conversations. The SPA must have asked for that money for a reason.

Humza Yousaf: You will have to ask Police Scotland what it could have done with its settlement, and what it cannot do now that the settlement is slightly different.

On the ask for £50 million for the reform budget, which I think is what the member meant, I should say that the reform budget will stay the same, as it did in this financial year. We should remember that the reclaiming of VAT now goes into the core budget, whereas it was paid via the reform budget previously. On the additional asks, whether it was for revenue or capital, I am not sure how the SPA devised its deficit reduction plans. You will have to ask the SPA and Police Scotland what they will not be able to do as a result of not having the money that they had initially requested.

However, I maintain that, if we strip all this back, we are looking at an additional £100 million being spent on the police budget up to 2020-21 as revenue protection. There will be a 52 per cent uplift in capital spending in the next financial year. The funding will include, for example, an officer pay award that has been described as the best in the past two decades. We are providing a police budget that reflects our policing priorities.

Daniel Johnson: I will come to the pay award in a moment. I am surprised that the Government

has set a budget but is not discussing with the SPA what the SPA will or will not be able to do with the budget. I would have thought that that would be a fairly basic conversation to have. Police Scotland is asking for a revenue increase of 2.8 per cent in cash terms, which is equivalent to a 0.7 per cent increase in real terms, if we take out inflation. The pay award is a 6 per cent increase. Only 13 per cent of the police cost base is non-pay. If the police are spending 87 per cent of their budget on their people, and if the Government is increasing their budget by only 0.7 per cent but is committing to a pay increase of 6 per cent, surely that will have a consequence on the number of people they are able to employ?

Humza Yousaf: First of all, the pay award of 6.5 per cent over 31 months was arrived at in concert with Police Scotland, the SPA and the Scottish Police Federation. It was described by the federation as the biggest uplift in police officers' pay for 20 years.

On the first part of Daniel Johnson's question, I say that of course we speak to Police Scotland and the SPA regularly in the run-up to the budget. There is no doubt that they will have big asks, the capital budget for DDICT being one example. However, we have allocated every single penny of our budget and, within it, there is revenue protection, capital uplift and a great pay award for officers. We hope to get the pay for staff over the line as well. In the tight financial constraints that we have suffered—a £2 billion reduction in our revenue budget since 2011—I think that it is a good and positive budget.

Daniel Johnson: I am sorry that the cabinet secretary did not engage with the numbers that, because I think that they were fairly clear.

The cabinet secretary mentioned the Scottish Police Federation, which has been relatively clear on the budget settlement. It thinks that the funding makes allowance for only 16,834 officers, and its commentary on the levels of funding is that

"It is utterly disingenuous of Government to argue that the police service itself is arguing for a need to reduce police numbers when in reality it is starving it of funds to be able to maintain them."

What are the cabinet secretary's thoughts on those remarks by the Scottish Police Federation on the budget settlement?

Humza Yousaf: I work well with the Scottish Police Federation, and I looked at its submission in great detail. We have 913 more officers than we inherited in 2007—more than under any previous Administration. We know that Police Scotland will operate at a deficit in this financial year and in 2019-20, and we as a Government have to balance corporate pressures yearly. We want to see a more efficient police service, but we agree

with Police Scotland and the SPA that, in light of everything that is going on and especially Brexit, now—and the immediate short term—is not the time to make reductions. They accept that and will do the job as far as balancing their budget is concerned but, where there is a deficit, we will have to work with the SPA and Police Scotland to try to manage that right across the Government, as we have done over a number of years and will continue to do, if there is a deficit.

Daniel Johnson: But does the cabinet secretary recognise the pressure that officers are being put under? Here, I refer again to the federation's submission, which says that the number of hours worked by inspectors in Police Scotland is 30 per cent over what would be appropriate for the number of inspectors that there are—essentially, they are required to work 30 per cent overtime because of their workload. Does that not reflect the serious challenges that the police are under? Surely it means that any reductions from current levels would place further strains on the same officers.

Humza Yousaf: I will say a few things about that. One is that I absolutely recognise how hard our officers work. I deal with them day in, day out, in the role that I do, and I always recognise that. That is why we have made the 6.5 per cent pay offer, which has been described as the best in 20 years, lifting pay and putting cash into the pockets of officers. It comes with significant financial implications, to which we will rise, but we have made that offer because we recognise the pressures that officers of all ranks are under. They have done an exceptional job in keeping us safe and achieving the reduction in crime that we have seen.

I will continue to have a positive relationship with the Scottish Police Federation. Where we can do more, we absolutely will. It is worth saying to Daniel Johnson that neither his party nor—as far as I am aware—the other parties represented around this table committed to a magic number of police officers in their manifestos for the last Holyrood election. It is right that the chief constable retains the flexibility that he needs to have a balanced workforce.

13:30

The Convener: Before we move on, I will ask about one of the areas that I have difficulty with. You mentioned a figure of just short of £2 billion—£1.9 billion—for the cumulative savings over the period. In the coming financial year, is there an expectation that Police Scotland and the SPA will contribute to that continuing fund of savings?

Humza Yousaf: Yes, they will continue to accumulate efficiency savings.

The Convener: Will that have any impact on operational policing?

Humza Yousaf: I leave operational policing to the chief constable. The chief constable makes operational decisions on a day-by-day basis, depending on the context in front of him. Brexit is one context that will be at the forefront of his mind. By bringing forward recruitment of 120 officers, he demonstrates his ability to have flexibility. The decisions that the Government makes on revenue protection and the uplift in capital have an operational effect, but I hope that it is a positive one.

The Convener: The Scottish Police Federation talks about having slack for the unexpected. Is there slack for the unexpected as part of the budget settlement?

Humza Yousaf: That goes back to my answer to Daniel Johnson. We know from the SPA's three-year implementation plan for deficit reduction that it expects to operate at a deficit in the coming financial year. As in previous years, therefore, the Government will have to take that on as a corporate pressure. There is an element of slack in that regard.

Margaret Mitchell: Will the proposed budget for the SPA cover the extra staff proposed? The number of SPA staff has already increased from 27 to 40, and the SPA chair is requesting an increase to a staggering 68, which is an increase of more than 100 per cent from the original 27. How much would that cost and what would the effect on the budget be? Would they be full-time positions?

Humza Yousaf: It would be for the SPA chair to answer those questions. The SPA would have to manage that element of its budget. Within the total, there are budgets for SPA corporate, SPA forensics and the police. I look to my officials, but my understanding is that the SPA corporate budget is 0.4 per cent of the entire budget. It is a minuscule part, so as cabinet secretary I would not look to micromanage it in any way. It would be for the SPA chair, if she considers that there is flex to increase the number of posts, to manage that against the budget that has been given.

Margaret Mitchell: Forgive me, cabinet secretary, but I thought that it was a pretty basic question. There is an increase of more than 100 per cent, from 27 up to 68 posts. Is there no dialogue on that, at a time when our front-line police are facing huge challenges and are not slow to detail with a lot of evidence where those challenges are? It is not unreasonable to ask that the Government should question the SPA about the rationale behind that increase, about whether those are full-time posts and about the need for the huge increase in staff.

Humza Yousaf: There are discussions. It has to be accepted, however, that the SPA has a role in managing the budget, the committee has a role in scrutinising that and the Government has a role through my continued meetings with the SPA chair and the SPA board. We all have a role, but to micromanage 0.4 per cent of the budget is inappropriate. I have to be able to give the SPA chair the flex and the autonomy to get on with the job that she has been tasked to do.

My understanding from speaking to officials on the subject is that 27 members of staff was at the lower end of what was envisaged when the SPA was set up. There were a number of vacancies at the time. It was always the case that the number was going to be higher—closer to the 50 to 60 mark. The proposals would not be outrageously beyond the limits of what we would expect. Of course we will continue dialogue with Susan Deacon and the team at the SPA on the need for those posts.

We all know that there is, rightly, intense scrutiny of the SPA budget but, equally, all of us—even the harshest critics of Police Scotland—would recognise the immense job that the chair of the SPA has done. She has worked extremely hard and has got the SPA in a good place in respect of its governance, transparency and accountability.

On the 0.4 per cent of the budget that relates specifically to SPA staff, I hope that there is an understanding that we will question and have dialogue, but I will not look to micromanage that. We need to give the chair of the SPA the autonomy that she needs.

Margaret Mitchell: Will you answer the question that I started with, cabinet secretary? The £46 million budget increase from 2017-18 and the £42 million, which seems to be the proposed increase, make £88 million. The original question was whether the proposed budget for the SPA will cover the extra staff that it is asking for.

Humza Yousaf: Yes—but again, it is for the chair of the SPA to manage her budget. If she wishes to increase her staff—whether we are talking about SPA corporate, SPA forensics or the police budget—it is for her and, of course, Police Scotland to manage that.

Margaret Mitchell: Right. Finally, you mentioned the role of the SPA and accountability and transparency, which are crucial. Given the SPA's role as it stands, which is not only to oversee and suggest improvements but to scrutinise and sometimes criticise the police force, was it wise that it chose to make a joint submission on the budget with Police Scotland? Does that not rather blur the lines?

Humza Yousaf: I did not think so. I can see my officials intimating that they want to say something. What I found quite refreshing about the joint submission—maybe this is counterintuitive—was that they really challenged the Government. You have put some of those challenges towards me, of course. It is clearly not the case that the SPA or Police Scotland simply rolls over and does what the Government demands. We can see that if we look at their requests and asks in the submission. That is a positive.

I see that Hilary Pearce wants to come in on that point.

Hilary Pearce (Scottish Government): It is perhaps worth adding that the accountable officer for the SPA—that is, the chief executive, Hugh Grover—is statutorily responsible for the entirety of the policing budget. Strictly speaking, the submission for the response to the draft budget should come from the accountable officer for the whole of the budget.

Liam McArthur: I want to touch on issues that relate to fleet management and the estate—for the avoidance of doubt, it is not the police's ferry fleet that we are talking about, although we may come on to that.

You will be aware of concerns that were previously raised with the Justice Sub-Committee on Policing—in fact, they were expressed in our report—about Police Scotland's current capital grant of £23 million not being sufficient to maintain its existing capital asset base and about the fact that it has an overspend of around £6 million a year on fleet management. You have rightly pointed to the uplift in capital of around £12 million. However, as I understand it, that is earmarked for ICT. Therefore, it appears that that £6 million overspend that Police Scotland has identified is likely to continue for the foreseeable future. Is that a sustainable position for Police Scotland to find itself in? What are the implications of that?

Humza Yousaf: I am always open to dialogue with Police Scotland and the SPA on their capital ask. In light of the size of the organisation, they often point to the size of the capital allocation. That is a fair argument for them to advance—hence the 52 per cent increase. If we had not increased it by 52 per cent and given that additional £12 million, with the £23 million of capital that they would have been awarded, they would no doubt have had to move forward with that mobility programme as well as their capital fleet renewal, estates renewal and so on.

The capital uplift of 52 per cent is significant and should not be dismissed—I know that the member is not dismissing it—but, on the wider question on the capital ask, in my most recent conversation

with the SPA chair, I committed to sit down with her and her team to consider the question in more detail in advance of the next spending review. Of course, money is tight all round—I will not rehearse the reasons for that—but I am certainly open to listening to the argument on the issue.

Liam McArthur: I appreciate that willingness to continue the dialogue. The point that has been made to us in relation to the capital uplift is that it falls short, even in relation to what is needed for ICT. As the Scottish Police Federation has pointed out, the continuation of the requirement to overspend will result in the fleet and buildings declining further in the coming 12 months. As I say, that does not seem to be a sustainable position for the police to be in on an on-going basis.

Humza Yousaf: I regularly meet the SPF, and I will ensure that the issue of capital is raised and discussed at our next meeting. We discussed the issue when I met the SPF's various regional committees. There were questions about capital and the condition of the estate and the fleet, and I promised to continue that dialogue. However, I operate within a certain financial envelope, and the member knows that the Government is restricted in its finances because of a variety of factors. I am pleased that we have a 52 per cent increase—believe it or not, it was hard fought for. However, I have sympathy with the argument about the size of the organisation versus the size of the capital allocation. All that I can do at this stage is continue both to engage with the SPF, the SPA and Police Scotland on these matters, and to update the Parliament on those discussions.

Liam McArthur: I welcome that. It is worth putting on record that, in relation to this specific issue, the SPF has said that it

“cannot emphasise enough how limiting this is for the police service”.

It is imperative and urgent that there is certainty over a longer period rather than on an annual basis. However, I suspect that we have had an assurance on that from the cabinet secretary.

Fulton MacGregor: I hope that the committee and the cabinet secretary will forgive me for raising a constituency issue, although it is a relevant one. He will be aware that Gartcosh crime campus is in my area and that the parking around it has been a local concern—the issue has made it into the national news and the chamber. I am aware that money is tight, but given the concern that has been raised and the direct impact on the Gartcosh community, will the cabinet secretary commit to speaking to his officials who are based at the site or the heads of service there to consider whether any further solutions can be found?

Humza Yousaf: Yes. I do not know whether the member was in the chamber when I answered a general question on the situation earlier today. I understand that there is a meeting today about it, in which a Scottish Government official is taking part.

There is a piece of land adjacent to Gartcosh that could be the new site for Monklands hospital—a review of the consultation is being carried out, and we do not know the outcome of that. I have asked my officials to prepare options for whether the land could be used. They will consider both scenarios: if it is to be the new Monklands site, there could be a shared transport strategy to assist with the parking issue at Gartcosh; and, if it is not the new Monklands site, as the owners of the land, we could use it, or part of it, to assist with the parking issue. I am happy to take that away. Officials will come back to me with options, and I am happy to keep the member and other relevant members up to date on that.

13:45

Fulton MacGregor: I just missed the question in the chamber today, but I was aware that it had been asked. Thank you for that response.

The Convener: I am not awfully sure how that impacts on the subject that we are discussing, but you got that question in, Mr MacGregor. Cabinet secretary, I was glad to hear you mention a transport strategy, because that could mean a number of bus stops rather than more car parking spaces.

Humza Yousaf: Liam McArthur had a reason for his questions, so I think that Fulton MacGregor's question was pretty fair.

The Convener: Okay. I have a couple of questions on the ICT strategy and the impact that phasing it will have on expected efficiency savings and reducing the deficit.

Humza Yousaf: I received an ICT presentation from Police Scotland. There is no doubt that we all recognise the need to invest in ICT, and mobility and mobile working are certainly a part of that. Many of us have a lot of sympathy for officers who, for a host of reasons, still have to use notepads and pens, do not have access to ICT or have to use their own mobile devices. That cannot be right—it is not right—so I am pleased that we have the capital uplift, which will enable investment in that area.

On the wider question, there is absolute truth in the argument that significant investment in ICT will help to realise further efficiencies. I have no doubt at all about that. It is worth saying that, without that level of investment, Police Scotland has managed to get almost to £900 million of efficiency savings

and it expects to get to £1.1 billion earlier and probably to £1.9 billion—if I remember correctly—by 2025-26. Although that is not contingent on investment, the argument for investment—not just to achieve future efficiencies, important as those are, but to keep our communities safe and fight against some of the major technological challenges that we face in relation to cybercrime and so on—is certainly something that we are open minded about.

We have an outline business case. When Kenneth Hogg came to give evidence to the sub-committee in October, he talked about the fact that each component will have to have a full business case. As we progress, we will need to test some of the figures. Given members' collective experience, they do not need me to remind them of the issues around the i6 system, which we do not want to repeat.

The Convener: You will be aware that the committee looked in some detail at what have become known as cyberkiosks. There was considerable expenditure on that equipment. It was just short of the £500,000 threshold that would have triggered the need for the matter to go to the Scottish Police Authority. The equipment was trialled without any assessment being made. We discussed the matter at a couple of meetings of the sub-committee, and the roll-out has not proceeded because Police Scotland does not have a legal basis to do that.

Have you done anything to ensure that there will be no repetition of that approach? We hear about strategies and plans, but it is completely back to front if equipment is acquired before the police know that there is a legal basis for deploying it.

Humza Yousaf: I understand that a number of stakeholders for whom I have an immense amount of respect and time raised legal concerns in November. Police Scotland is doing the right thing in halting any further investment and re-examining the legal basis. It believes that it has a legal basis for doing what it is doing in relation to cyber resilience and the cyberkiosk plan, but it is prudent and correct for it to re-examine and re-explore that.

The police would use that equipment only when it comes to seizing phones or other electronic devices, and I expect that there would be a legal basis for doing that. I certainly see the logic in that, and I think that most of the committee would, too. Most if not all of us are on social media to some extent, and I do not doubt that most of us who are on social media have probably been targets and victims of abuse and trolling. This is just one element of being able to tackle such behaviour, particularly abuse, be it racial, homophobic or anything else.

The Convener: My question was not so much about the merits of the equipment and more about the process, which was not followed in relation to that equipment.

Humza Yousaf: Sure.

The Convener: Given the figures in front of us that relate to considerable expenditure on ICT, I seek an assurance from you that that failed approach has been noted and will not be replicated.

Humza Yousaf: As I have said, my understanding is that the investment has been halted and that the legal basis is being re-examined in order to give assurance and confidence. It is important that I emphasise that what was done was done because of the merits of the principle, but I accept the convener's point around process.

The Convener: Okay. Thank you. I understand that Liam McArthur has a supplementary question.

Liam McArthur: I do not have a supplementary on cyberkiosks, convener.

The Convener: Okay. We move on to Margaret Mitchell.

Margaret Mitchell: The SPA submission states that technology has

"lagged and continues to lag a long way behind"

that in England and Wales. The submission also states:

"The financial plan for 19/20 contains assumed productivity gains but it is clear these purported gain claims are made in splendid isolation of the reality of actual capacity and burgeoning demand."

That is a pretty daunting and worrying statement. Can you comment on it?

Humza Yousaf: That is from the SPF submission.

Margaret Mitchell: Yes—the SPF submission.

Humza Yousaf: I reiterate that I work well and have a good relationship with the SPF, but I suggest that there is a touch of hyperbole in the SPF describing the settlement as a potentially "catastrophic funding settlement", given that we are protecting revenue, uplifting capital by 52 per cent and providing a pay offer for officers that the SPF has said is the best in 20 years. I understand the job that it—

Margaret Mitchell: But on the technology point?

Humza Yousaf: Given the job that the SPF has to do, I can see why it pushes the Government hard.

On technology, I go back to my answer to Liam McArthur. I accept the wider principle that we have to invest in ICT. Clearly, Police Scotland is not where it wants to be when it comes to technology, and I hope that the 52 per cent uplift is seen as a statement of our intent in that regard. As I continue to talk to the SPA and Police Scotland about the DDICT strategy, we will continue to interrogate whatever outline business case they have, and I hope that we will make progress. Investment in ICT over the coming years is absolutely important.

Margaret Mitchell: We both attended the Scottish Police Federation awards ceremony and we know that the police put themselves in incredibly challenging and sometimes very dangerous situations day in, day out. I think that the least that we can do is ensure that they have the tools to do the job. I again make a plea to you to look at that budget, because it is intrinsic to ensuring that the police have those tools.

Humza Yousaf: I do not disagree with anything that the member has just said. I know full well the risks and dangers for police officers, having attended not just that awards ceremony but the national memorial service as well as the Scottish memorial service. I think that the member will have attended similar events that demonstrate the risks that officers have to take.

There absolutely has to be investment in ICT, but the 6.5 per cent pay offer over 31 months is also important, because it is a recognition of officers' bravery. As I said, that is in stark contrast to other Governments on this island, which have not rewarded that bravery.

Margaret Mitchell: The SPF submission also makes a very good point about the "vulnerabilities" created for the police service by central funding and states that "some form of resolution" is required, including for

"directly funded local authority police officers".

We know that there will be no funding in Edinburgh for 25—it might be 40—police officers. Are other local authorities also saying that they simply cannot afford such funding, given the local government settlement?

Humza Yousaf: I go back to the point that was made at First Minister's question time today about a real-terms increase in local government budgets, although I do not disagree with the point that, over the preceding years, there have been challenging circumstances for local authorities. When the new chief constable first took up his post a number of months ago, I was heartened by his comments that he wanted to see the further devolution of decision making to the local level and local communities. That was very encouraging. Through local scrutiny arrangements and community planning arrangements, Police Scotland enjoys a

very strong relationship with councils at a local level. Ultimately, however, decisions about local government funding of local community officers are a matter for each local authority.

Margaret Mitchell: Is the cabinet secretary aware of local authorities in addition to Edinburgh that now say that they can no longer provide the additional finance for those officers?

Humza Yousaf: I work with other local authorities. I am a Glasgow MSP, and Glasgow City Council has also raised issues around its ability to fund local officers. However, as far as I am aware, nothing has come to me from a particular local authority. I would have to check my documentation and correspondence, but over the past six months in my role as cabinet secretary, I do not think that I have had anything from any specific local authority saying that it is not able to fund anything. I can have a look and come back to the committee.

The Convener: Would you be able to share that information with the committee?

Humza Yousaf: Yes, I will come back to the committee.

The Convener: I wonder whether there is a broader issue here. Maybe when their finances were better, some authorities saw that funding officers was a good idea. However, if funding is withdrawn, someone else is left to pick up the tab. Can you give us clarity around the arrangements that have been put in place regarding contracts, service level agreements and the like?

Humza Yousaf: I understand that there are examples of particular localities where Police Scotland has seen the merit of additional officers, so it has absorbed that cost. Notwithstanding that, I will reflect on the point that the convener makes, and I will try to get more information for the committee on any correspondence that I have had from local authorities on policing and the local government settlement.

The Convener: Thank you.

Liam McArthur: The cabinet secretary has already acknowledged on a number of occasions the difficult position in which Police Scotland finds itself in relation to its capital budget. In its outline business case for ICT over the next nine years, Police Scotland made it clear that it would need in the region of £300 million. Kenneth Hogg made it clear that each component of that would be the subject of its own detailed business case, which suggests that the pathway over those nine years will not necessarily be smooth in any sense. However, the uplift of £12 million that we have seen appears to be some way short of the trajectory that we need to be on in order to hit that target of around £300 million over the nine years.

Kenneth Hogg's concern would be that the do-nothing approach would still cost Police Scotland around £100 million in maintaining increasingly redundant and less effective systems. With the funding that you have made available, have you had any assurance that Police Scotland will not, effectively, be throwing good money after bad in maintaining increasingly redundant and inefficient systems?

Humza Yousaf: That is a good question. I know that it is for me to answer questions, but my point back to Liam McArthur is that I do not think that any member would expect the Government to fund a component part of the DDICT strategy without a full, final and robustly tested business case. I hope that that is a reasonable assumption for me to make, especially in light of i6 and other ICT projects. Notwithstanding that, everything that he says is absolutely right. I do not think that the funding profile would be linear.

We are now in the process of robustly testing the DDICT case that has come forward in its entirety. Because of the financial settlement for 2019-20, it may be that the SPA has to reprofile that spend—whether that is over nine years, a longer period or even a shorter period depends on the funding settlements that we are able to provide in the next few years. However, the immediate step has to be—and is—to robustly interrogate and test that outline business case.

14:00

Liam McArthur: Certainly, in relation to the detailed business case, that seems entirely reasonable. I suppose that the logical follow-on from that is that making that business case and profiling the expenditure in whatever way is required is made enormously more difficult—indeed, it becomes almost impossible—without some certainty beyond a 12-month period. Therefore, at various stages, the SPA, Police Scotland and the SPF have all made a plea for some longer-term certainty on expenditure.

Humza Yousaf: Yes, that is a fair point. The member will not be unaware of the fact that the finance secretary—my colleague, Derek Mackay—has been pushing the UK Government for multiyear financial settlements and, in turn, it would be helpful for us to do the same in Scotland. However, in the absence of such settlements, it becomes difficult for us to commit, particularly during these uncertain times and the impact that Brexit may or may not have.

Liam McArthur: We have touched on the issue in relation other aspects of the justice portfolio and I know that Jeane Freeman, for example, has made commitments of three-year funding cycles in the health portfolio. For the reasons that you have

suggested, multiyear funding may not be possible across the board, but is this not an area where—irrespective of the position at the UK level—there is a compelling need for that certainty?

Humza Yousaf: That is not incorrect. Other parts of Government are able to make multiyear funding commitments. I am very aware of the issues that we have just discussed. If the capital requirement for the DDICT project is even close to what is being asked for—and we are not talking about small numbers; we are talking about a significant uplift in Police Scotland's current capital expenditure profile—I am not convinced that I would be able to commit to that on a multiyear basis. If the question is whether the Government should be open minded to committing to that on a multiyear basis, my answer is that, if we are able to commit, it is beyond a shadow of doubt that we would like to do that. However, we are not talking about small numbers by any stretch—we are talking about fairly significant numbers and a significant uplift in the capital expenditure.

The Convener: Cabinet secretary, thank you for your evidence. You have talked about some uncertainty, and people understand that. If there are any significant budgetary or policing implications of that uncertainty, I am sure that you will share those with us; we would be keen to understand them.

I thank you and your officials for your attendance.

Meeting closed at 14:03.

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